CITY OF SAN LEANDRO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2009
CITY OF SAN LEANDRO, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2009

PREPARED BY:  City of San Leandro – Finance Department
               Perry H. Carter, Interim Finance Director
# City of San Leandro
## Comprehensive Annual Financial Report
For the year ended June 30, 2009

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December 24, 2009

Honorable Mayor and Members of the City Council
City of San Leandro
San Leandro, CA 94577

Dear Mayor and Members of the City Council:

It is a pleasure to submit for your consideration the Comprehensive Annual Financial Report (CAFR) of the City of San Leandro for the fiscal year ended June 30, 2009. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City’s management. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various activities of the City of San Leandro (City). All disclosures necessary to enable the reader to gain an understanding of the City’s financial activities have been included.

The City’s Charter requires an annual audit by an independent audit firm selected by the City Council of the books of account and financial records and reports of the City and that the City publish a complete set of audited financial statements after the close of each fiscal year. This report is published to fulfill this requirement for the fiscal year ended June 30, 2009.

This report presents management’s representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the City’s assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City’s financial statements in conformity with generally accepted accounting principles (GAAP). Because the costs of internal controls should not outweigh the benefits, the City’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Vavrinek, Trine, Day and Company, LLP, a public accounting firm fully licensed and qualified to perform audits of local governments within the State of California, has audited the City’s basic financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the City for the fiscal year ended June 30, 2009, are free of
material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City’s basic financial statements for the fiscal year June 30, 2009 are fairly presented in conformity with accounting principles generally accepted in the United States. The independent auditor’s report is presented as the first component of the financial section of this report.

In addition to the annual financial audit, the City provides for a federally mandated Single Audit designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report on the audited government’s internal controls and compliance with legal requirements, with special emphasis on the administration of Federal awards. These reports are available in the City’s separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement in the form of Management’s Discussion and Analysis (MD&A). The MD&A compliments this letter of transmittal and should be read in conjunction with it. The City’s MD&A can be found immediately following the report of the independent auditors in the financial section of the CAFR.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of San Leandro for its comprehensive annual financial report for the fiscal year ended June 30, 2008. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

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

THE REPORTING ENTITY

The City of San Leandro was incorporated in 1872 and is one of the oldest communities in the San Francisco Bay Area. The City occupies fifteen square miles between the cities of Oakland and Hayward and is bordered on the west by the San Francisco Bay. San Leandro offers its approximately 82,000 residents the quiet charm and character of a community that has been established for more than 130 years. Once an agricultural community, the City has been successful in attracting significant industrial, manufacturing and retail development to the area.
The City functions under a Mayor-Council-Manager form of government and is governed by a seven-member council elected by City residents. Municipal services provided include public safety; highways and streets; recreation, library and cultural services; health services; public improvements; planning and zoning and general administrative services.

As of June 30, 2009 there were no discretely reportable component units. The City’s blended component units include: operations of the San Leandro Redevelopment Agency, the San Leandro Parking Authority, the San Leandro Public Financing Authority, and the San Leandro Economic Development Agency.

The CAFR for the year ending June 30, 2009 provides a financial account of those activities, organizational elements, and City functions for which the City Council provides policy direction and general oversight. It presents financial information on the activities of the City of San Leandro itself and the component units of the City upon which the City Council is authorized to impose its will. The operating nature of the City’s component units determines how they are reported in the financial statements. The activities of component units that provide financial benefit or create financial burden for the City are blended within the City’s general financial statements. Component units that have no discernable financial impact upon the City are presented separately. The scope of the City Council’s power and influence includes, but is not limited to the following:

- The authority to establish and modify operating and capital budgets
- The power to appoint voting members to other governing authorities
- The power to appoint the City Manager and City Attorney
- The ability to plan and direct operations
- The authority to veto, modify, and overrule decisions

Another significant example of control is the nature of financial interdependency between the various City funds. Manifestations of financial interdependency include taking responsibility for financing deficits, being entitled to operating surpluses, and giving implied guarantees (“moral responsibility”) for debt obligations.

The City Council is required to adopt a final budget through the passage of a resolution no later than June 30th, the close of the fiscal year, following a public hearing process conducted to obtain taxpayer comments. This annual budget serves as the foundation for the City of San Leandro’s financial planning and control. The budget is prepared by fund, function (e.g., public safety) and department (e.g., police). The legal level of budgetary control is at the fund level. The City Manager is authorized to transfer budgeted amounts between departments and line items within any fund; however, any revisions which alter the total expenditures of any fund must be approved by the City Council. Transfers between funds must be approved by the City Council. At the end of the fiscal year, encumbered appropriations are carried forward and become part of the following year’s budget while appropriations that have not been encumbered lapse, unless otherwise authorized by the City Council and the City Manager.
ECONOMIC CONDITION OF THE CITY

The City of San Leandro has a diverse and strong economy, with its business community comprised of a diverse collection of businesses ranging from neighborhood coffee houses and fine restaurants, large food processing centers, and regional shopping opportunities, to cutting edge technology. While the economic base has dramatically changed from its agricultural early years, San Leandro continues to expand on its sound business base with the continued development of such projects as a new downtown parking structure, a 300 unit multi-family housing development, the siting of a new regional hospital, and the planned revitalization of downtown San Leandro.

In general, the economy at both the national level and for the City of San Leandro is projected to continue under duress for fiscal year 2009-10. The primary reasons for continued poor economic performance are the ongoing recession and significant problems with the State budget. The recession has dealt the City a double blow in terms of local revenue declines and fall out from the State’s budget balancing actions.

In particular, sales tax, a major revenue source, continues to decline. As consumers, and business, cut back on spending, in response to the recession, less revenue is generated for the City. For example, in fiscal year 2004-05 the City’s General Fund collected approximately $21.7 million in sales tax revenue. This amount fell to $19.3 million in 2008-09, a decrease of $2.4 million (over 11%). Similarly, property tax revenue which generally shows positive growth of several percent each year is remaining flat due to continuing downward pressure on property values and the number of sale transactions.

The State is also facing significant budget challenges. Unfortunately, the state legislature has chosen to share those challenges with local government. More specifically, the state legislature enacted provisions under Proposition 1A which allow the diversion of local property taxes to the State treasury. While these “borrowed” funds must be paid back to local government in three years, local government is burdened with the immediate problem of reduced cash flows. In addition, the State has taken substantial property tax increment revenue from California redevelopment agencies to pay for State educational funding obligations. This action by the State is being challenged in court; however, the outcome is far from certain. Regardless, in the short term, important projects of the San Leandro RDA must be curtailed and/or postponed to meet this imposed financial crisis.

While San Leandro’s underlying economy is viewed as robust in the long-term, the economic challenges presented to the City “today”, most notably in the City’s General Fund must be met head on. To that end staff has recommended and the City Council has approved various cost cutting measures applicable to both 2008-09 and 2009-10. Such actions result in unwanted, but unavoidable reductions in service to the community. From a financial perspective, the City has been able to maintain Council designated reserves, including those for emergencies and economic uncertainties of approximately $15 million in the General Fund at June 30, 2009. These reserves, if needed, can be used by Council as a buffer during periods of economic downturn. That is, planned adjustments to service levels can be made versus “knee jerk” reactions to financial ups and downs.
Consequently, the City of San Leandro, along with the State and the nation in general, continues to navigate turbulent economic times. Unfortunately, the weather pattern does not indicate relief in the near term. As a result, the City continues to monitor revenues, examine expenditures and adjust its budget to maintain financial stability.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

In its role of providing policy direction and general oversight, the City Council establishes major goals for City service delivery. These goals are identified and quantified in the City’s annual budget. The City can boast of an impressive list of major initiatives and accomplishments during 2008-09 that helped achieve the City’s mission of serving the public and enhancing the quality of life in San Leandro. Some of these major initiatives and accomplishments include:

Capital Improvements

Senior Center Project During 2007-08 the City’s Redevelopment Agency completed financing for a new Senior Center. Construction began in earnest in 2008-09 and significant progress was made by The new Senior Center includes a computer room, multipurpose room/ large auditorium (large enough for dances, social events and athletic activities), an arts and crafts room, theater style room for showing movies and several classrooms. This impressive new facility will provide needed services to the San Leandro Community for many years to come.

Downtown Parking Garage Key to development plans for the Downtown is a four story parking garage. During 2007-08, the City’s Redevelopment Agency was successful in completing financing for the new structure. Design of the new garage began last year and construction of the new facility began in 2008-09. Also, in 2008-09 construction of a nearby surface lot was completed which will accommodate parking from the old structure during construction. The new facility replaces a smaller, outdated structure which is not adequate to meet current needs.

Major Housing Project A major (1,000 unit) multi-phased new housing development made significant progress in 2008-09. In April of 2009 the City Council and RDA authorized several actions including providing financing for a 100 unit affordable family apartment component of the overall project. The affordable family apartment’s project will be the first development to implement the City’s Transit Oriented Development Strategy adopted in September, 2007.

Transit Oriented Development (TOD) will shape the future of San Leandro’s downtown development and create a more transit-oriented, pedestrian friendly environment. The new Transit Oriented Development Strategy creates a long-term vision on how San Leandro can transform itself to accommodate expected growth while taking advantage of existing assets such as transit, the downtown core, surrounding neighborhoods and the creek to create a vibrant and attractive downtown. The major housing project discussed briefly above is an example of how this important policy will be implemented in San Leandro.
COUNCIL FINANCIAL POLICIES

Over the years, the San Leandro City Council has followed a series of Financial Values which were used primarily to guide the budget process. In addition, the Council adopted, by resolution, specific Budget Administration guidelines which set out guidance for fund balance designations and reserves management.

More specifically, the Budget Administration guidelines noted above recommend sufficient fund balance to provide for: a) Economic uncertainties, local disasters, and other financial hardships or downturns in the local or national economy, b) contingencies for unforeseen operating or capital needs and c) cash flow requirements. Further, the guidelines call for such designated funds balances to be at least 20% of General Fund operating expenditures (budgeted expenditures for the following year). Consequently, based on the General Fund’s budgeted operating expenditures for 2009-10 the guideline requirement is approximately $15.3 million.

I am happy to report that even during these difficult economic times, the designations reported in the accompanying financial statements come very close to meeting the guidelines referenced above. For example, the 2008-09 financial statements reflect Council designations for Major Emergencies, $5.0 million, Economic Uncertainty, $7.7 million, and Equipment and Capital Projects, $1.8 million. Together these designations total approximately $14.5 million. Again, these designations do not fully meet the guideline amount of $15.3 million. However, $14.5 million in designated fund balance does represent substantial progress toward the guidelines, particularly during a period of economic slowdown.

RISK MANAGEMENT

The City maintains a program of commercial insurance combined with self-insurance for substantially all of its governmental operations, except for major construction projects and contractor-supplied services. In such circumstances, insurance to protect the City is provided by each contractor. The City is a member of the Local Agency Workers’ Compensation Excess Joint Powers Authority (LAWCX). The City is also a member of California Joint Powers Risk Management Authority (CJPRMA), which provides annual general liability coverage in an aggregate up to $40 million. Additional information on the City’s risk management activity can be found in the notes to the financial statements.

CERTIFICATE OF ACHIEVEMENT

The City of San Leandro was awarded the Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2008 from the Government Finance Officers Association of the United States and Canada (GFOA). In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.
A Certificate of Achievement is valid for a period of one year only. We believe that this comprehensive annual financial report for fiscal year 2008-09 continues to meet the Certificate of Achievement Program’s requirements. Accordingly, we submit this year’s CAFR to the GFOA for determination of eligibility for another certificate.

ACKNOWLEDGMENTS

This CAFR represents the culmination of numerous hours of hard work expended by the dedicated staff in the Accounting Division of the Finance Department. In particular, I would like to express appreciation to, Carla Rodriguez, Christine Galvin, Clarence Youngs, and Sally Perez whose support and dedication made the timeliness of the report possible. Furthermore, I would like to thank Vavrinek, Trine, Day, and Company for their professional assistance and cooperation. Finally, I want to thank Steve Hollister, City Manager, the City Council Finance Committee, and the City Council for their continued interest and support in planning and conducting the City’s financial operations in a responsible and progressive manner.

Respectfully submitted,

Perry H. Carter, CPA (inactive)
Interim Finance Director
Certificate of Achievement for Excellence in Financial Reporting

Presented to

The City of San Leandro
California

For its Comprehensive Annual Financial Report
for the Fiscal Year Ended
June 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

[Signature]
President

[Signature]
Executive Director
PRINCIPAL OFFICERS

CITY OF SAN LEANDRO
For Fiscal Year Ended June 30, 2009

CITY COUNCIL

Mayor Tony Santos
Vice Mayor Joyce R. Starosciak
Councilmember Michael J. Gregory
Councilmember Jim Prola
Councilmember Ursula Reed
Councilmember Diana M. Souza
Councilmember Bill Stephens

COUNCIL APPOINTEES

City Manager Stephen L. Hollister
City Attorney Jayne W. Williams

APPOINTED OFFICIALS

Interim Assistant City Manager Jacqui Diaz
City Clerk Marian Handa
Police Chief Ian Willis
Community Development Director Luke Sims
Interim Finance Director Perry H. Carter
Library Services Director David Bohne
Recreation and Human Services Director Carolyn Knudtson
Human Resources Director Justinian Caire
Engineering – Transportation Director Uchenna Udemezue
Public Works Services Director Michael Bakaldin
This organizational chart reflects relationships between policy-making responsibility (Mayor, City Council, and Advisory Boards and Commissions) and administrative officers and departments.
INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and
Members of the City Council
City of San Leandro, California

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of San Leandro, California, (City) as of and for the year ended June 30, 2009, which collectively comprise the City’s basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller 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 opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of San Leandro, California, as of June 30, 2009, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 14 to the financial statements, the City adopted the provisions of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, in the fiscal year ending on June 30, 2009.

In accordance with Government Auditing Standards, we have also issued our report dated December 15, 2009 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 grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in conjunction with this report in considering the results of our audit.
The management’s discussion and analysis, schedule of funding progress for retirement and other postemployment benefits, and budgetary comparison information as listed in the table of contents, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. This required supplementary information is the responsibility of the management of the City. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and accordingly, we do not express an opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City’s basic financial statements. The introductory section, statistical section, combining and individual fund financial statements and budgetary schedules as listed in the table of contents are presented for purpose of additional analysis and are not a required part of the basic financial statements of the City. These financial statements and schedules are also the responsibility of the management of the City. The combining and individual nonmajor fund financial statements and budgetary schedules as listed in the table of contents have been subjected to the auditing procedures applied in the audit of the basic financial statements, and in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Pleasanton, California
December 15, 2009
Management of the City of San Leandro (the “City”) provides this Management Discussion and Analysis of the City’s Comprehensive Annual Financial Report (CAFR) for readers of the City’s financial statements. This narrative overview and analysis of the financial activities of the City is for the fiscal year ended June 30, 2009. We encourage readers to consider this information in conjunction with the additional information that is furnished in the letter of transmittal found in the preceding Introductory Section, and with the City’s basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The assets of the City exceeded its liabilities at fiscal year ending June 30, 2009 by $347.7M. Of this amount, $294.1M was invested in capital assets, net of related debt. The balance was restricted for capital projects of $20.8M, debt service $5.9M, special revenue $5.5M, and unrestricted $21.4M. This includes all City and Redevelopment Agency assets and liabilities. The City’s total net assets decreased by almost $21.7M; representing $23.6M decrease in governmental and a $1.9M increase in Business type activities.

- At the close of the current fiscal year, the City’s governmental funds including the general, special revenue, debt service, capital projects and Redevelopment funds, reported combined ending fund balances off $73.3M, an increase of $8M in comparison with prior year. The change primarily reflects a $10.9M increase in funding for capital projects from the new debt issued in July of 2008. Approximately $48.5M is reserved for capital projects, debt, and operations, $15.1M (all in general fund) is designated for various purposes, and $9.7M (of which $5.8M is in special revenue funds and $3.9M in capital projects funds) undesignated. Governmental fund balances in various funds are subject to legal, contractual, or policy restrictions relating to those funds.

- At the end of the fiscal year, unreserved fund balance for the General Fund was $15.1M, or 19.3% of total general fund expenditures. This amount includes $5M emergency designation, $7.7 economic uncertainty, $1M fire equipment acquisition, and a $1.4M other designations.

- The City’s long-term debt increased by $26M due to the new Tax allocation bond issued for the Redevelopment Agency’s Joint Project Area.
OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

Management’s Discussion and Analysis is intended to serve as an introduction to the City’s basic financial statements. The City’s basic financial statements are comprised of three components: government-wide financial statements; fund financial statements; and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements
The government-wide financial statements are designed to provide readers with a broad overview of the City’s finances, in a manner similar to statements of a private-sector business. They are comprised of the Statement of Net Assets and Statement of Activities and Changes in Net Assets.

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

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

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Both of the above financial statements have separate sections for three different types of programs or activities. These three types of activities are:

Governmental Activities - The activities in this section are mostly supported by taxes and charges for services. The governmental activities of the City include General Government, Public Safety, Engineering & Transportation, Recreation and Culture, Library and Community Development.

Business-Type Activities – These functions normally are intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The business-type activities of the City include Water Pollution Control Plant, Environmental Services, Shoreline Enterprise, and Storm Water Utility.

Discretely Presented Component Units - The City of San Leandro has no discretely presented component units to report upon.
The government-wide financial statements can be found on pages 21 through 23 of this report.

**Fund Financial Statements**

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

The fund financial statements provide detailed information about each of the City’s most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are major funds, was established by GASB Statement 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented in a single column. Further detail on the Non-major funds is presented on pages 90 through 120 of this report.

**Governmental Funds** - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financial capacity.

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

The City has 25 governmental funds, of which 3 are considered major funds for presentation purposes. Each major fund is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The City’s 3 major funds are - the General Fund, Redevelopment Agency Capital Projects Fund, and the Redevelopment Agency Low/Moderate Housing Capital Projects Fund. Data from the other 22 governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 27 through 31 of this report.

**Proprietary Funds** - The City maintains two different types of proprietary funds - enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for its Water Pollution Control Plant, Shoreline, Storm Water Utility, and Environmental Services. Internal service funds are used to accumulate and allocate costs internally among the City’s various functions. The City uses internal service funds to account for its fleet of vehicles, facilities, insurance services and its information systems.
Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the governmental-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Like the government-wide financial statements, proprietary fund financial statements use the accrual basis of accounting. There is no reconciliation needed between the government-wide financial statements for business-type activities and the proprietary fund financial statements.

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

**Fiduciary Funds** – Fiduciary funds, which consist solely of trust and agency funds, are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The fiduciary funds statement of net assets can be found on page 39.

**Notes to the Basic Financial Statements**
The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41 through 80 of this report.

**Other Information**
In addition to the basic financial statements and accompanying notes, this report also presents certain required supplemental information. This information includes budgetary comparison schedules, as well as more detailed information about the City’s participation in the California Public Employees Retirement System (CALPERS) defined benefit pension plan. The combining statements referred to in connection with non-major governmental funds and internal service funds are presented immediately following the required supplemental information on pages 83 through 85 of this report.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Net Assets.** As noted earlier, net assets may serve over time as a useful indicator of a government’s financial position. In the case of the City, total assets exceeded liabilities by $347.7M at the close of the fiscal year.

By far the largest portion of the City’s net assets, 84.6% reflect its investment in capital assets (e.g., infrastructure, land, buildings, machinery, and equipment), less any outstanding related debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay must be provided from other sources i.e. future income, since the capital assets themselves cannot be used to liquidate these liabilities.
An additional portion of the City’s net assets, 9.2% represents resources that are subject to external restriction on how they may be used. The remaining balance of 6.2% or $21.4M represents unrestricted net assets.

A summary of the government-wide statement of Net Assets is as follows:

<table>
<thead>
<tr>
<th>City of San Leandro</th>
<th>Net Assets at June 30, 2009 (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Governmental Activities</td>
</tr>
<tr>
<td>Current Assets</td>
<td>98,402</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td>19,317</td>
</tr>
<tr>
<td>Capital Assets</td>
<td>318,237</td>
</tr>
<tr>
<td>Total assets</td>
<td>435,956</td>
</tr>
<tr>
<td>Current and other liabilities</td>
<td>24,066</td>
</tr>
<tr>
<td>Long-term liabilities</td>
<td>97,240</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>121,306</td>
</tr>
</tbody>
</table>

Net assets:
- Invested in capital assets, net of related debt: 281,144, 288,813, 12,992, 11,198, 294,136, 300,011
- Restricted: 32,179, 39,410, -, -, 32,179, 39,410
- Unrestricted: 1,326, 10,030, 20,123, 20,001, 21,449, 30,031


At the end of the fiscal year, the City is able to report positive balances in all three categories of net assets, both for government as a whole as well as for its business-type activities. The net assets decreased by ($21.7M) during the fiscal year. The decrease is the net result of all revenues and expenses including the increase in capital projects due to the new debt incurred, and cannot be attributed to any specific items.
**Governmental Activities** – The two charts that follow show the revenues, program and general, and expenses by function for all City activities, including the Redevelopment Agency.

**Revenues by Sources – Governmental Activities**

**Expenses by Function – Governmental Activities**
City of San Leandro  
Changes in Net Assets  
Year Ended June 30, 2009  
in thousands

<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities 2009</th>
<th>Governmental Activities 2008</th>
<th>Business-Type Activities 2009</th>
<th>Business-Type Activities 2008</th>
<th>Total 2009</th>
<th>Total 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for Services</td>
<td>$15,972</td>
<td>$20,126</td>
<td>$14,275</td>
<td>$14,833</td>
<td>$30,247</td>
<td>$34,959</td>
</tr>
<tr>
<td>Operating grants and contributions</td>
<td>3,491</td>
<td>5,836</td>
<td>-</td>
<td>-</td>
<td>3,491</td>
<td>5,836</td>
</tr>
<tr>
<td>Capital grants and contributions</td>
<td>8,590</td>
<td>9,303</td>
<td>-</td>
<td>-</td>
<td>8,590</td>
<td>9,303</td>
</tr>
<tr>
<td>General revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>27,655</td>
<td>26,200</td>
<td>-</td>
<td>-</td>
<td>27,655</td>
<td>26,200</td>
</tr>
<tr>
<td>Sales tax</td>
<td>19,096</td>
<td>22,252</td>
<td>-</td>
<td>-</td>
<td>19,096</td>
<td>22,252</td>
</tr>
<tr>
<td>Franchise Fee</td>
<td>4,126</td>
<td>4,143</td>
<td>-</td>
<td>-</td>
<td>4,126</td>
<td>4,143</td>
</tr>
<tr>
<td>Utility users Tax</td>
<td>10,103</td>
<td>10,420</td>
<td>-</td>
<td>-</td>
<td>10,103</td>
<td>10,420</td>
</tr>
<tr>
<td>Property Transfer Tax</td>
<td>2,870</td>
<td>2,925</td>
<td>-</td>
<td>-</td>
<td>2,870</td>
<td>2,925</td>
</tr>
<tr>
<td>Motor Vehicle License Fees</td>
<td>279</td>
<td>361</td>
<td>-</td>
<td>-</td>
<td>279</td>
<td>361</td>
</tr>
<tr>
<td>Other taxes</td>
<td>294</td>
<td>320</td>
<td>296</td>
<td>342</td>
<td>590</td>
<td>662</td>
</tr>
<tr>
<td>Investment Earnings</td>
<td>3,025</td>
<td>3,836</td>
<td>929</td>
<td>1,161</td>
<td>3,954</td>
<td>5,452</td>
</tr>
<tr>
<td>Gain on sale of assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>1,597</td>
<td>658</td>
<td>533</td>
<td>432</td>
<td>2,130</td>
<td>1,090</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>97,098</td>
<td>106,380</td>
<td>16,033</td>
<td>17,223</td>
<td>113,131</td>
<td>123,603</td>
</tr>
<tr>
<td><strong>Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Government</td>
<td>16,572</td>
<td>17,380</td>
<td>-</td>
<td>-</td>
<td>16,572</td>
<td>17,380</td>
</tr>
<tr>
<td>Public safety</td>
<td>44,229</td>
<td>44,061</td>
<td>-</td>
<td>-</td>
<td>44,229</td>
<td>44,061</td>
</tr>
<tr>
<td>Engineering &amp; Transportation</td>
<td>15,102</td>
<td>16,293</td>
<td>-</td>
<td>-</td>
<td>15,102</td>
<td>16,293</td>
</tr>
<tr>
<td>Recreation and Culture</td>
<td>11,416</td>
<td>15,064</td>
<td>-</td>
<td>-</td>
<td>11,416</td>
<td>15,064</td>
</tr>
<tr>
<td>Community Development</td>
<td>28,119</td>
<td>15,726</td>
<td>-</td>
<td>-</td>
<td>28,119</td>
<td>15,726</td>
</tr>
<tr>
<td>Interest on Long-Term Debt</td>
<td>5,350</td>
<td>3,237</td>
<td>-</td>
<td>-</td>
<td>5,350</td>
<td>3,237</td>
</tr>
<tr>
<td>Water Pollution Control</td>
<td>-</td>
<td>-</td>
<td>9,249</td>
<td>9,094</td>
<td>9,249</td>
<td>9,094</td>
</tr>
<tr>
<td>Shoreline</td>
<td>-</td>
<td>-</td>
<td>2,244</td>
<td>2,355</td>
<td>2,244</td>
<td>2,355</td>
</tr>
<tr>
<td>Storm Water Utility</td>
<td>-</td>
<td>-</td>
<td>993</td>
<td>897</td>
<td>993</td>
<td>897</td>
</tr>
<tr>
<td>Environmental Services</td>
<td>-</td>
<td>-</td>
<td>1,545</td>
<td>1,460</td>
<td>1,545</td>
<td>1,460</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>120,788</td>
<td>111,761</td>
<td>14,031</td>
<td>13,806</td>
<td>134,819</td>
<td>125,567</td>
</tr>
<tr>
<td><strong>Excess(deficiency) of revenues over expenses before transfer</strong></td>
<td>(23,690)</td>
<td>(5,381)</td>
<td>2,003</td>
<td>3,417</td>
<td>(21,687)</td>
<td>(1,964)</td>
</tr>
<tr>
<td><strong>Transfer</strong></td>
<td>86</td>
<td>(182)</td>
<td>(86)</td>
<td>182</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Increase in net assets</strong></td>
<td>(23,604)</td>
<td>(5,563)</td>
<td>1,917</td>
<td>3,599</td>
<td>(21,687)</td>
<td>(1,964)</td>
</tr>
<tr>
<td><strong>Beginning net assets</strong></td>
<td>338,253</td>
<td>343,816</td>
<td>31,199</td>
<td>27,600</td>
<td>369,452</td>
<td>371,416</td>
</tr>
<tr>
<td><strong>Ending net assets</strong></td>
<td>$314,649</td>
<td>$338,253</td>
<td>$33,116</td>
<td>$31,199</td>
<td>$347,765</td>
<td>$369,452</td>
</tr>
</tbody>
</table>

- Charges for services in Governmental activities are primarily fees for recreation, building, fire, planning, and engineering. The decrease in charges of ($4.2M) reflects the decline in economy due to consumer confidence especially in Community development indicating a (57%) decline in building permits from prior year. The decrease in charges for services in Business-Type activities is primarily due to the annual decrease in sewer charges.
• Operating grants and capital grants and contributions include Federal and State grants and other governments and private contributions including impact fees. Operating grant revenues decreased by ($2.3M) from prior year largely due to the completion of the Islander, a low-mod federal housing project for $1.4M and the ending of the Federal grant After School Education and Safety Program which generated $600K.

• Property taxes include the general, voter-approved, and the redevelopment property taxes. The increase in property tax revenue is due to increases in assessed values. Although the housing market experienced a decline in value, the annual assessment increased by $1.5M for current fiscal year.

• Sales tax is an excise tax imposed on the sale of physical inventory. The City currently receives 1% out of the 9.75% sales tax collected by the State in Alameda County. For the 2008-09 fiscal year, sales tax revenue experienced a historical low, a ($3.2M) or 14.2% decline from prior fiscal year, primarily due to the economic downturn.

• The City imposes a 6% Users Utility Users Tax (UUT) on services that provide gas, electric and cable and a 5.7% on telephone services. The UUT decreased by $317K due to the decrease in natural gas and electric usage.

• General government expenses include City Council, City Clerk, City Manager, City Attorney, Human Resources, Finance, and Information Technology departments.

• Public Safety expenses cover Police and Fire services.

• Engineering and transportation expenses include professional engineering services for traffic and transportation planning and design, administration and implementation of City’s capital improvement program and technical support for various public improvements. Public works include services for streets, streetlights, traffic signals operations and maintenance, and maintenance of City parks.

• Recreation and culture expenses cover the operations and maintenance of community centers, pools as well as providing essential connection to people and their needs in the community and meeting the educational, cultural and informational needs of citizens of the City.

• Community Development expenses include planning, building, housing neighborhood improvements, code enforcement, economic development, and the Redevelopment Agency. Community Development expenses increased by $12.4M compared to prior fiscal year which can be attributed to the increase in expenses in the Redevelopment Agency Capital Projects due to the new 2008 Tax Allocation Bond debt issued in July 2008.
Business-Type Activities. Business-Type activities net assets increased by $2M from the prior fiscal year. In spite of the decline in revenues, expenditures were also reduced resulting in a nominal increase in net assets.

FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

Governmental Funds. The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. It should, however be noted that most of the unreserved amounts have been designated by City Council for specific uses.

As of June 30, 2009, the City’s governmental funds, including the general, special revenue, debt service, capital projects, and Redevelopment Agency funds, reported combined ending fund balances of $73.3M, an increase of $8M in comparison with the prior year. Approximately, $48.5M is reserved to indicate that it is not available for new spending because it has already been committed (1) to pay for existing contracts and purchase orders, (2) to pay for debt services, and (3) capital projects. $15.1M is not reserved (which is in the general fund), but is designated and is subject to restrictions relative to the various funding sources. The remaining $9.7M is unreserved and undesignated to various funds.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year unreserved fund balance in the General Fund was $15.1M, while total fund balance was $29.7M. As a measure of the general fund’s liquidity, it may be useful to compare both unreserved fund balance and total fund balance to the total fund expenditures. Unreserved fund balance represents 19.3% of that same amount. The General Fund balance decreased by ($7.6M) during the fiscal year.
**Redevelopment Agency Capital Improvement Fund** - The Redevelopment Agency is responsible for the planning and implementation of the City’s Redevelopment Plan for the three Project Areas established under the Community Redevelopment Law. The Agency’s operations are funded primarily by the issuance of debt, which is expected to be repaid out of property tax increment revenue generated by increases in property assessed values in the redevelopment project areas. The reserved fund balance at the end of fiscal year was $22.1M, an increase of $10.9M from the prior fiscal year. The increase is attributable to the issuance of the new Tax Allocation Bonds, for $27.7M in bond proceeds offset by a $13.6M increase in expenditures for capital projects.

**Redevelopment Agency Low/Moderate Housing Capital Projects Fund** - The Redevelopment Agency Low/Moderate Housing Capital Projects Fund was established to account for the 20% tax increment revenue set aside and legally designated for low and moderate income housing and neighborhood improvements. At the end of fiscal year 2008-09, the unreserved fund balance was $2.3M, an increase of $876K from the prior fiscal year.

**Proprietary Funds**
The City’s proprietary funds provide the same type of information found in the government-wide financial statements but in more detail.

The total net assets of the enterprise funds slightly increased by $2M which are primarily reflected in the Water Pollution Control Plant and Shoreline’s net income of $2.2M and $136K respectively. Unrestricted net assets of internal service funds at June 30, 2009 amounted to $13.8M, a slight decrease of $440K due to increases in expenditures.

**Water Pollution Control Plant Enterprise Fund** – The Water Pollution Control Plant Enterprise fund was established to account for the City’s sewers, which protect public health and preserve water quality through collection, treatment and disposal of the community’s wastewater and wastewater solids. As of June 30, 2009, the fund’s net assets totaled almost $34.5M, of which $9.0M was restricted and $25.6M was unrestricted.

**Shoreline Enterprise Fund** - The Shoreline Enterprise Fund was established in 2002-03 to combine the Marina Enterprise Fund and the Golf Course Enterprise Fund. This fund accounts for the operation of recreational berthing and food service facilities and the golf course for use by the general public. As of June 30, 2009, the fund’s net assets totaled ($2.9) million. The fund had a deficit fund balance of ($6.9) million in the unrestricted portion of the net assets. The deficit has accumulated over the years and reflects the transfer of golf course assets in 2003 pursuant to the City’s lease with American Golf Company. The deficit will be eliminated through cost containment and revenue enhancement.
GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund condition worsened during the year. The revenues came in at $71.1M, below the original budget by ($4.9M). The economic downturn continues and increasingly affects the labor market as unemployment continues to rise up. The surge in unemployment deteriorated the labor market which is affecting consumer confidence. The decline in consumer confidence is clearly confirmed in the City’s financial reports as property and consumer good sales take a downward turn to approximately ($4.7M) in comparison to the original budget for the current year. Another indication of the decline in consumer confidence is that property and sales tax combined decreased this current year by a ($3.3M) or (6%) drop compared to prior fiscal year.

Overall expenditures came under budget by $3.8M in the fiscal year 2008-09 due mainly to the cost cutting measures adopted at the beginning of the fiscal year by all functions, following the direction given by City Council as a measure to preserve fund balance.

Significant amendments to the fiscal year 2008-09 budget include the transfer of $316K from the Asset Seizure reserve for the purchase of the Police Mobile Command Post vehicle and a $500K transfer to fund the Other Post Employment Benefit this fiscal year.

The following is a summary of the General Fund budget and actual for the current fiscal year.

### CITY OF SAN LEANDRO
Summary Analysis of General Fund Budget, Fiscal Year 2008-09
(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Budget Amounts</th>
<th>Actual (budget basis)</th>
<th>Variance with final budget positive/ negative</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and other taxes</td>
<td>$58,159.1</td>
<td>$58,159.1</td>
<td>$53,445.2 (4,713.9)</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>5,925.4</td>
<td>5,925.3</td>
<td>5,879.1 (46.2)</td>
</tr>
<tr>
<td>Fines and forfeitures</td>
<td>1,210.0</td>
<td>1,210.0</td>
<td>1,296.6 86.6</td>
</tr>
<tr>
<td>Service charges</td>
<td>4,895.6</td>
<td>4,895.6</td>
<td>4,649.8 (245.8)</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>1,241.5</td>
<td>1,241.5</td>
<td>1,306.3 64.8</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>2,251.0</td>
<td>2,251.0</td>
<td>1,835.4 (415.6)</td>
</tr>
<tr>
<td>Interdepartment charges</td>
<td>1,858.5</td>
<td>1,858.5</td>
<td>1,858.5 -</td>
</tr>
<tr>
<td>Other</td>
<td>482.3</td>
<td>611.8</td>
<td>862.2 250.4</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>76,023.4</td>
<td>76,152.8</td>
<td>71,133.1 (5,019.7)</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>10,631.8</td>
<td>10,701.0</td>
<td>10,865.3 (164.3)</td>
</tr>
<tr>
<td>Public safety</td>
<td>45,923.2</td>
<td>46,202.3</td>
<td>45,198.5 1,003.8</td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>8,870.7</td>
<td>9,110.9</td>
<td>7,717.9 1,393.0</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>11,533.3</td>
<td>11,797.7</td>
<td>10,578.9 1,218.8</td>
</tr>
<tr>
<td>Community development</td>
<td>3,367.5</td>
<td>3,626.0</td>
<td>3,234.3 391.7</td>
</tr>
<tr>
<td>Debt Service:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td>446.1</td>
<td>446.1</td>
<td>446.1 0.0</td>
</tr>
<tr>
<td>Interest and Fees</td>
<td>56.0</td>
<td>56.0</td>
<td>56.0 0.0</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>80,828.6</td>
<td>81,940.0</td>
<td>78,097.0 3,843.0</td>
</tr>
<tr>
<td><strong>Total excess (deficiency of revenues) over expenditures</strong></td>
<td>(4,805.2)</td>
<td>(5,787.2)</td>
<td>(6,963.9) (1,176.7)</td>
</tr>
<tr>
<td><strong>Other financing sources (uses)</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>1,000.0</td>
<td>1,500.0</td>
<td>1,500.0 -</td>
</tr>
<tr>
<td>Transfers out</td>
<td>(1,605.0)</td>
<td>(2,149.0)</td>
<td>(2,149.0) -</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>(605.0)</td>
<td>(649.0)</td>
<td>(649.0) -</td>
</tr>
<tr>
<td><strong>Net change in fund balance</strong></td>
<td>($5,410.2)</td>
<td>($6,436.2)</td>
<td>($7,612.9) ($1,176.7)</td>
</tr>
</tbody>
</table>
CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets
The City’s investment in capital assets for its governmental and business type activities as of June 30, 2009, amounts to $334M (net of accumulated depreciation), which is a decrease of $3M. Investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the City such as roads, bridges, streets and sidewalks, drainage systems, lighting systems and similar items.

Major Capital asset activity during the current fiscal year included the following: Acquisition of land at Laura Ave, Citywide Street Rehabilitation specifically at the Davis/Doolittle intersection, West Estudillo and MacArthur Streetscape.

The following is a summary of the City’s capital assets:

<table>
<thead>
<tr>
<th>City of San Leandro</th>
<th>Capital Assets (net of depreciation)</th>
<th>Year Ended June 30, 2009 (in thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Governmental Activities</td>
<td>Business-Type Activities</td>
</tr>
<tr>
<td>Land</td>
<td>$17,526</td>
<td>$16,821</td>
</tr>
<tr>
<td>Construction in progress</td>
<td>28,352</td>
<td>31,133</td>
</tr>
<tr>
<td>Total non-depreciable assets</td>
<td>45,879</td>
<td>47,954</td>
</tr>
<tr>
<td>Depreciable assets (net of depreciation)</td>
<td>272,358</td>
<td>275,269</td>
</tr>
<tr>
<td>Buildings</td>
<td>46,812</td>
<td>46,762</td>
</tr>
<tr>
<td>Improvements other than buildings</td>
<td>280</td>
<td>337</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>4,087</td>
<td>4,736</td>
</tr>
<tr>
<td>Licensed Vehicles</td>
<td>3,818</td>
<td>3,386</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>217,361</td>
<td>220,048</td>
</tr>
<tr>
<td>Total depreciable assets</td>
<td>272,358</td>
<td>275,269</td>
</tr>
<tr>
<td>Total capital assets</td>
<td>$ 318,237</td>
<td>$ 323,223</td>
</tr>
</tbody>
</table>

Additional information on the City’s capital assets can be found in Note 6 of the notes to the financial statements.
Debt Administration. At the end of the current fiscal year, the City’s total long-term debt outstanding is $94.5M, an increase of $26.3M from the prior fiscal year. The net increase primarily reflects the new 2008 Tax Allocation bond issued in July 2008 secured by specified revenue sources such as the Redevelopment Agency tax increments.

The City continues to have no outstanding general obligation debt. Additional information on the City’s long-term debt obligations can be found in Note 7 of the notes to the financial statements.

The following is a summary of the City’s outstanding debt:

<table>
<thead>
<tr>
<th>City of San Leandro</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding Debt</td>
<td></td>
</tr>
<tr>
<td>Year Ended June 30,2009</td>
<td></td>
</tr>
<tr>
<td>(in thousands)</td>
<td></td>
</tr>
<tr>
<td>Governmental Activities</td>
<td>Business-Type Activities</td>
</tr>
<tr>
<td>Revenue bonds and notes</td>
<td>$47,323</td>
</tr>
<tr>
<td>(backed by specific tax and fee revenues)</td>
<td></td>
</tr>
<tr>
<td>Certificates of participation</td>
<td>37,274</td>
</tr>
<tr>
<td>Other loans</td>
<td>7,063</td>
</tr>
<tr>
<td>Total</td>
<td>$91,660</td>
</tr>
</tbody>
</table>

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Recent economic indicators show that the national economy is showing some signs of recovery. At the local level, however, indicators are mixed. Unemployment remains high and many forecasters think that unemployment will continue at present levels for some time. Also, for California, the State budget continues in a state of disarray. Some are forecasting a $15 to $25 billion dollar short fall for 2010-11. Without question, budget deficits of this magnitude will have negative impacts to local economies and city budgets. Unfortunately, when and where remains a guessing game at best and introduces significant uncertainty to budgeting at the local level.

Regardless, the City of San Leandro, along with many other local agencies, must react to falling revenues in the short term. For example, the mortgage “sub prime” meltdown and associated real estate market downturn which began to emerge during the second quarter, March 2007 has caused considerable belt tightening by consumers and businesses alike. Some of the impacts are property tax and real property transfer tax revenues which have been greatly reduced. Other consumer economic activity such as retail sales, including autos, food, gasoline, restaurant and general merchandise have plummeted. Compounding these events have been high energy prices, economic uncertainty, and tighter credit conditions. As a result, lower than expected retail sales are resulting in lower sales tax revenue for cities. Together, all of these factors, along with a less severe but still significant decline in the stock market, has caused local revenues to contract. The
result is that individuals, along with businesses are cautious about the economy and reluctant to make major financial commitments.

Fiscal year 2008-09 clearly reflects the beginning of the economic turmoil which began in 2007. For example, sales tax revenues of nearly $19.1M were $3.2M less than the $22.3M received in fiscal year 2007-08. In the past few years, the City benefited in double digit percentage increases in property taxes prior to the downturn in the economy since fiscal year end 2007-08. However, a modest increase in property tax of about 5.5% increase or $1.5M certainly helps with the weaken sales tax income for the current fiscal year. Other principal revenue sources including the Business License Tax and utility user taxes are holding their own as of June 30, 2009.

The 2009-10 budget continues to focus on City Council priorities which are directed toward essential services, and maintaining a strong commitment to neighborhoods. None the less, the 2009-10 operating budget for the General Fund reflects significant cut backs in staffing and programs. The City Manager recommended and the City Council approved general cutbacks of 5% in Police and Fire budgets and up to 15% in all other budgets. In terms of personnel, over 40 FTE’s are eliminated in the 2009-10 budget. With the bleak economic condition of the national and local economies, the challenge to the City is to keep expenditures within available resources and balanced. Property related revenues are projected to grow but at a much lesser rate than experienced during that last three fiscal years, from 8% to as low as a 2% growth. With respect to expenditures, some belt tightening is being implemented in the middle of the 2009-10 fiscal year to soften the potential loss and to minimize the use of reserves. Consequently, the City continues to actively monitor expenditures and revenues so that adjustments can be made. Projection updates, goal setting, performance reporting and mid-year evaluations are some of the essential tools and tasks that will help the City’s weather the current economic downturn.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City’s finances for all of its citizens, taxpayers, customers, investors and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of San Leandro, Finance Department, 835 East 14th street, San Leandro, CA 94577.
GOVERNMENT-WIDE FINANCIAL STATEMENTS
## City of San Leandro

### Statement of Net Assets

**June 30, 2009**

### ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments (Note 2)</td>
<td>$59,158,166</td>
<td>$27,628,592</td>
<td>$86,786,758</td>
</tr>
<tr>
<td>Cash and investments with fiscal agent</td>
<td>31,271,466</td>
<td>-</td>
<td>31,271,466</td>
</tr>
<tr>
<td>Unrestricted receivables:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>5,108,943</td>
<td>1,339,734</td>
<td>6,448,677</td>
</tr>
<tr>
<td>Interest</td>
<td>641,591</td>
<td>94,555</td>
<td>736,146</td>
</tr>
<tr>
<td>Special assessments</td>
<td>156,051</td>
<td>40,534</td>
<td>196,585</td>
</tr>
<tr>
<td>Restricted receivables</td>
<td>1,560,425</td>
<td>-</td>
<td>1,560,425</td>
</tr>
<tr>
<td>Inventory and prepaid items</td>
<td>136,320</td>
<td>-</td>
<td>136,320</td>
</tr>
<tr>
<td>Other assets</td>
<td>368,692</td>
<td>1,616,500</td>
<td>1,985,192</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>98,401,654</td>
<td>30,719,915</td>
<td>129,121,569</td>
</tr>
<tr>
<td>Noncurrent assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loans receivable (Note 3)</td>
<td>10,961,742</td>
<td>-</td>
<td>10,961,742</td>
</tr>
<tr>
<td>Long-term internal balances</td>
<td>7,648,439</td>
<td>(7,648,439)</td>
<td>-</td>
</tr>
<tr>
<td>Deferred Charges</td>
<td>706,243</td>
<td>-</td>
<td>706,243</td>
</tr>
<tr>
<td>Capital assets (Note 6):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non Depreciable</td>
<td>45,878,711</td>
<td>6,301,411</td>
<td>52,180,122</td>
</tr>
<tr>
<td>Depreciable</td>
<td>440,312,912</td>
<td>18,752,455</td>
<td>459,065,367</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(167,954,201)</td>
<td>(9,257,499)</td>
<td>(177,211,700)</td>
</tr>
<tr>
<td><strong>Capital assets, net</strong></td>
<td>318,237,422</td>
<td>15,796,367</td>
<td>334,033,789</td>
</tr>
<tr>
<td><strong>Total noncurrent assets</strong></td>
<td>337,553,846</td>
<td>8,147,928</td>
<td>345,701,774</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>435,955,500</td>
<td>38,867,843</td>
<td>474,823,343</td>
</tr>
</tbody>
</table>

### LIABILITIES

<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accruals:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td>499,759</td>
<td>655,402</td>
<td>1,155,161</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>9,965,738</td>
<td>-</td>
<td>9,965,738</td>
</tr>
<tr>
<td>Interest payable</td>
<td>1,070,149</td>
<td>-</td>
<td>1,070,149</td>
</tr>
<tr>
<td>Unearned revenue (Note 9):</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td>183,405</td>
<td>1,624,064</td>
<td>1,807,469</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>1,673,733</td>
<td>-</td>
<td>1,673,733</td>
</tr>
<tr>
<td>Other liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Restricted</td>
<td>491,042</td>
<td>-</td>
<td>491,042</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>4,848,497</td>
<td>116,321</td>
<td>4,964,818</td>
</tr>
<tr>
<td>Compensated absences payable - due within one year (Note 8)</td>
<td>407,622</td>
<td>-</td>
<td>407,622</td>
</tr>
<tr>
<td>Claims and judgments payable - due within one year (Note 11)</td>
<td>1,401,087</td>
<td>-</td>
<td>1,401,087</td>
</tr>
<tr>
<td>Long-term debt - due within one year (Note 7)</td>
<td>3,524,820</td>
<td>166,741</td>
<td>3,691,561</td>
</tr>
<tr>
<td><strong>Total current liabilities</strong></td>
<td>24,065,852</td>
<td>2,562,528</td>
<td>26,628,380</td>
</tr>
<tr>
<td>Noncurrent liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deposits</td>
<td>-</td>
<td>59,393</td>
<td>59,393</td>
</tr>
<tr>
<td>Compensated absences payable - due in more than one year (Note 8)</td>
<td>4,034,723</td>
<td>493,366</td>
<td>4,528,089</td>
</tr>
<tr>
<td>Claims and judgments payable - due in more than one year (Note 11)</td>
<td>4,690,596</td>
<td>-</td>
<td>4,690,596</td>
</tr>
<tr>
<td>Net OPEB</td>
<td>379,685</td>
<td>-</td>
<td>379,685</td>
</tr>
<tr>
<td>Long-term debt - due in more than a year (Note 7)</td>
<td>88,135,315</td>
<td>2,637,207</td>
<td>90,772,522</td>
</tr>
<tr>
<td><strong>Total noncurrent liabilities</strong></td>
<td>97,240,319</td>
<td>3,189,966</td>
<td>100,430,285</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>121,306,171</td>
<td>5,752,494</td>
<td>127,058,665</td>
</tr>
</tbody>
</table>

### NET ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested in capital assets, net of related debt</td>
<td>281,144,018</td>
<td>12,992,419</td>
<td>294,136,437</td>
</tr>
<tr>
<td>Restricted for:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital projects</td>
<td>20,834,712</td>
<td>-</td>
<td>20,834,712</td>
</tr>
<tr>
<td>Debt service</td>
<td>5,858,853</td>
<td>-</td>
<td>5,858,853</td>
</tr>
<tr>
<td>Special revenue funds</td>
<td>5,485,298</td>
<td>-</td>
<td>5,485,298</td>
</tr>
<tr>
<td><strong>Total restricted</strong></td>
<td>32,178,863</td>
<td>-</td>
<td>32,178,863</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>1,326,448</td>
<td>20,122,930</td>
<td>21,449,378</td>
</tr>
<tr>
<td><strong>Total net assets (deficit)</strong></td>
<td>$314,464,329</td>
<td>$33,115,349</td>
<td>$347,764,678</td>
</tr>
</tbody>
</table>

See accompanying Notes to Basic Financial Statements.
# City of San Leandro
## Statement of Activities and Changes in Net Assets
### For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Function/Programs</th>
<th>Indirect Expenses (Exchange)</th>
<th>Program Revenues</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Allocation</td>
<td>Charges for Services</td>
</tr>
<tr>
<td><strong>Primary government:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental activities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>$16,572,072</td>
<td>$4,191,764</td>
</tr>
<tr>
<td>Public safety</td>
<td>44,229,183</td>
<td>4,968,119</td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>15,101,806</td>
<td>2,387,270</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>11,416,088</td>
<td>41,194</td>
</tr>
<tr>
<td>Community development</td>
<td>28,119,209</td>
<td>1,755,270</td>
</tr>
<tr>
<td>Interest on long-term debt</td>
<td>5,349,826</td>
<td>610,172</td>
</tr>
<tr>
<td><strong>Total governmental activities</strong></td>
<td>120,788,184</td>
<td>15,971,619</td>
</tr>
<tr>
<td><strong>Business-type activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Pollution Control Plant</td>
<td>9,248,677</td>
<td>10,445,163</td>
</tr>
<tr>
<td>Shoreline</td>
<td>2,244,002</td>
<td>2,062,949</td>
</tr>
<tr>
<td>Storm Water Utility</td>
<td>993,330</td>
<td>1,052,608</td>
</tr>
<tr>
<td>Environmental Services</td>
<td>1,544,564</td>
<td>714,415</td>
</tr>
<tr>
<td><strong>Total business-type activities</strong></td>
<td>14,030,573</td>
<td>14,275,135</td>
</tr>
<tr>
<td><strong>Total primary government</strong></td>
<td>$134,818,757</td>
<td>$30,246,754</td>
</tr>
</tbody>
</table>

**General revenues:**
- **Taxes:**
  - Property taxes
  - Sales taxes
  - Franchise Fees
  - Utility Users Tax
  - Property Transfer Tax
  - Motor vehicle license fees (unrestricted)
  - Other taxes
  - **Total taxes**
- **Investment earnings**
- **Miscellaneous**

**Transfers**
- **Total general revenues and transfers**
- **Change in net assets**
- **Net assets - beginning of year**
- **Net assets - end of year**

See accompanying Notes to Basic Financial Statements.
### Net (Expense) Revenue and Changes in Net Assets

<table>
<thead>
<tr>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$ (11,232,351)</td>
<td>-</td>
<td>$ (11,232,351)</td>
</tr>
<tr>
<td>(39,117,960)</td>
<td>-</td>
<td>(39,117,960)</td>
</tr>
<tr>
<td>(4,001,124)</td>
<td>-</td>
<td>(4,001,124)</td>
</tr>
<tr>
<td>(8,001,985)</td>
<td>-</td>
<td>(8,001,985)</td>
</tr>
<tr>
<td>(25,032,289)</td>
<td>-</td>
<td>(25,032,289)</td>
</tr>
<tr>
<td>(5,349,826)</td>
<td>-</td>
<td>(5,349,826)</td>
</tr>
<tr>
<td>(92,735,535)</td>
<td>-</td>
<td>(92,735,535)</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>1,196,486</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(181,053)</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>59,278</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(830,149)</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>244,562</td>
</tr>
<tr>
<td>(92,735,535)</td>
<td>244,562</td>
<td>(92,490,973)</td>
</tr>
</tbody>
</table>

<p>| | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>27,654,817</td>
<td>-</td>
<td>27,654,817</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19,095,799</td>
<td>-</td>
<td>19,095,799</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4,125,705</td>
<td>-</td>
<td>4,125,705</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10,103,090</td>
<td>-</td>
<td>10,103,090</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2,870,441</td>
<td>-</td>
<td>2,870,441</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>278,615</td>
<td>-</td>
<td>278,615</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>294,496</td>
<td>296,184</td>
<td>590,680</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>64,422,963</td>
<td>296,184</td>
<td>64,719,147</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3,025,658</td>
<td>928,796</td>
<td>3,954,454</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1,597,574</td>
<td>532,897</td>
<td>2,130,471</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>85,874</td>
<td>(85,874)</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>69,132,069</td>
<td>1,672,003</td>
<td>70,804,072</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(23,603,466)</td>
<td>1,916,565</td>
<td>(21,686,901)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>338,252,795</td>
<td>31,198,784</td>
<td>369,451,579</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ 314,649,329</td>
<td>$ 33,115,349</td>
<td>$ 347,764,678</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements
Proprietary Fund Financial Statements
Fiduciary Fund Financial Statements
GOVERNMENTAL FUND FINANCIAL STATEMENTS

The General Fund - Accounts for all general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in other funds.

Redevelopment Agency Capital Projects Fund - Accounts for the planning and implementation of the City’s Redevelopment Plan for the three Project Areas located within the City’s boundaries.

Redevelopment Agency Low/Moderate Housing Capital Projects Fund - Accounts for the 20% tax increment revenue set aside legally designated for low and moderate income housing and neighborhood improvement programs.
City of San Leandro
Balance Sheet
June 30, 2009

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>General</th>
<th>Redevelopment Agency Low/ Non-Major Moderate Housing Capital Projects</th>
<th>Redevelopment Agency Capital Projects</th>
<th>Non-Major Governmental Capital Projects</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$ 20,036,422</td>
<td>$ 7,835,995</td>
<td>$ 2,375,385</td>
<td>$ 14,874,604</td>
<td>$ 45,122,406</td>
</tr>
<tr>
<td>Cash and investments with fiscal agent</td>
<td>-</td>
<td>26,069,675</td>
<td>-</td>
<td>5,201,791</td>
<td>31,271,466</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>4,095,008</td>
<td>122,301</td>
<td>1,735</td>
<td>305,936</td>
<td>4,524,980</td>
</tr>
<tr>
<td>Federal, State, and local grants</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>80,490</td>
<td>22,692</td>
<td>401,746</td>
<td>86,997</td>
<td>591,925</td>
</tr>
<tr>
<td>Special Assessment</td>
<td>102,129</td>
<td>-</td>
<td></td>
<td>53,922</td>
<td>156,051</td>
</tr>
<tr>
<td>Sales tax - Measure B</td>
<td>-</td>
<td></td>
<td></td>
<td>327,767</td>
<td>327,767</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td></td>
<td></td>
<td>8,319,667</td>
<td>8,319,667</td>
</tr>
<tr>
<td>Due from other funds</td>
<td>798,680</td>
<td>-</td>
<td></td>
<td></td>
<td>798,680</td>
</tr>
<tr>
<td>Other assets</td>
<td>342,018</td>
<td>495</td>
<td></td>
<td>26,179</td>
<td>368,692</td>
</tr>
<tr>
<td>Advances to other funds</td>
<td>14,019,946</td>
<td>2,475,000</td>
<td></td>
<td></td>
<td>16,494,946</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$ 39,474,693</strong></td>
<td><strong>$ 38,006,777</strong></td>
<td><strong>$ 10,636,743</strong></td>
<td><strong>$ 25,217,364</strong></td>
<td><strong>$ 113,335,577</strong></td>
</tr>
</tbody>
</table>

| LIABILITIES AND FUND BALANCES |               |                                                                      |                                      |                                        |             |
| Liabilities:                 |               |                                                                      |                                      |                                        |             |
| Accounts payable and accruals| $ 7,678,700   | $ 1,896,336                                                          | $ 65,650                             | $ 390,702                              | $ 10,031,388|
| Deferred Revenue             | 1,673,733     | 1,480,619                                                            | 8,254,017                            | 3,346,747                              | 14,755,116  |
| Due to other funds           | -             | -                                                                    |                                      | 798,680                                | 798,680     |
| Other liabilities            | 25,673        | 4,822,824                                                            |                                      | 490,027                                | 5,338,524   |
| Advances from other funds    | -             |                                                                      |                                      | 1,000,000                              | 8,665,096   |
| Compensated absences payable| 407,622       | -                                                                    |                                      |                                      | 407,622     |
| **Total liabilities**        | **$ 9,785,728** | **$ 15,864,875**                                                      | **$ 8,319,667**                      | **$ 6,026,156**                       | **$ 39,996,426** |

| Fund Balances:               |               |                                                                      |                                      |                                        |             |
| Reserved for:               |               |                                                                      |                                      |                                        |             |
| Encumbrances                | 594,569       | 7,994,195                                                            | 27,386                               | 3,925,050                              | 12,541,200  |
| Advances to other funds     | 14,019,946    |                                                                      |                                      |                                        | 14,019,946  |
| Capital Projects            | -             | 14,147,707                                                           | 2,289,690                            |                                        | 16,437,397  |
| Debt service                | -             | -                                                                    |                                      | 5,532,295                              | 5,532,295   |
| Unreserved:                 |               |                                                                      |                                      |                                        |             |
| Designated:                 |               |                                                                      |                                      |                                        |             |
| Internship program          | 50,000        | -                                                                    |                                      |                                        | 50,000      |
| Major emergencies           | 5,000,000     | -                                                                    |                                      |                                        | 5,000,000   |
| Economic uncertainty        | 7,694,184     | -                                                                    |                                      |                                        | 7,694,184   |
| Fire equipment acquisition  | 1,000,000     | -                                                                    |                                      |                                        | 1,000,000   |
| Computer purchase program   | 225,000       | -                                                                    |                                      |                                        | 225,000     |
| Capital projects            | 590,289       | -                                                                    |                                      |                                        | 590,289     |
| Asset seizure               | 514,977       | -                                                                    |                                      |                                        | 514,977     |
| Unreserved, undesignated, reported in: |           |                                                                      |                                      |                                        |             |
| Special revenue funds       | -             | -                                                                    |                                      | 5,760,645                              | 5,760,645   |
| Capital projects funds      | -             | -                                                                    |                                      | 3,973,218                              | 3,973,218   |
| **Total fund balances**     | **29,688,965** | **22,141,902**                                                        | **2,317,076**                        | **19,191,208**                         | **73,339,151** |
| **Total liabilities and fund balances** | **$ 39,474,693** | **$ 38,006,777**                                                      | **$ 10,636,743**                     | **$ 25,217,364**                     | **$ 113,335,577** |

See accompanying Notes to Basic Financial Statements.
City of San Leandro
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets
June 30, 2009

Total Fund Balances - Total Governmental Funds $ 73,339,151

Amounts reported for governmental activities in the Statement of Net Assets were reported differently because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the Governmental Funds Balance Sheet.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non depreciable assets (Land and construction in progress)</td>
<td>45,878,711</td>
</tr>
<tr>
<td>Depreciable buildings, property, equipment and infrastructure, net</td>
<td>272,358,711</td>
</tr>
<tr>
<td><strong>Total capital assets</strong></td>
<td>318,237,422</td>
</tr>
</tbody>
</table>

Interest payable on long-term debt does not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet. (1,070,149)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Government-Wide Statement of Net Assets. 7,867,396

Recognition of unearned revenue 11,413,714

Payment of costs for the issuance of certificates of participation or bonds is an expenditure in the governmental funds, but is recorded as a prepaid expense and amortized on the statement of net assets over the life of the bonds. 706,243

Long-term liabilities are not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were adjusted as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Long-term debt - current portion (net)</td>
<td>(3,524,820)</td>
</tr>
<tr>
<td>Long-term debt - non-current portion (net)</td>
<td>(88,135,315)</td>
</tr>
<tr>
<td>Compensated absences - non-current portion</td>
<td>(3,804,628)</td>
</tr>
<tr>
<td>OPEB Liability</td>
<td>(379,685)</td>
</tr>
<tr>
<td><strong>Total long-term liabilities</strong></td>
<td>(95,844,448)</td>
</tr>
</tbody>
</table>

**Net Assets of Governmental Activities** $314,649,329

See accompanying Notes to Basic Financial Statements.
### Major Funds

<table>
<thead>
<tr>
<th>General</th>
<th>Redevelopment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Redevelopment Agency Low/ Moderate Housing Capital Projects</td>
</tr>
</tbody>
</table>

#### REVENUES:

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Redevelopment Agency Low/ Moderate Housing Capital Projects</th>
<th>Non-Major Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and other taxes</td>
<td>$53,445,212</td>
<td>$8,186,154</td>
<td>$2,770,986</td>
<td>$369,539</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>5,879,122</td>
<td>-</td>
<td>-</td>
<td>889,082</td>
</tr>
<tr>
<td>Fines and forfeitures</td>
<td>1,296,568</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Service charges</td>
<td>4,649,882</td>
<td>-</td>
<td>-</td>
<td>327,610</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>1,306,313</td>
<td>-</td>
<td>-</td>
<td>5,800,684</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>1,835,368</td>
<td>1,009,180</td>
<td>98,763</td>
<td>2,301,326</td>
</tr>
<tr>
<td>Interdepartmental charges</td>
<td>1,858,477</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>862,204</td>
<td>198,372</td>
<td>749,383</td>
<td>3,732,797</td>
</tr>
</tbody>
</table>

**Total revenues**

|                    | 71,133,146 | 9,393,706 | 3,619,132 | 13,421,038 | 97,567,022 |

#### EXPENDITURES:

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Redevelopment Agency Low/ Moderate Housing Capital Projects</th>
<th>Non-Major Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General government</td>
<td>10,865,272</td>
<td>-</td>
<td>-</td>
<td>816</td>
</tr>
<tr>
<td>Public safety</td>
<td>45,198,529</td>
<td>-</td>
<td>-</td>
<td>211,178</td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>7,717,876</td>
<td>-</td>
<td>-</td>
<td>7,923,150</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>10,578,857</td>
<td>-</td>
<td>-</td>
<td>1,521,660</td>
</tr>
<tr>
<td>Community development</td>
<td>3,234,315</td>
<td>19,231,797</td>
<td>2,624,782</td>
<td>2,035,929</td>
</tr>
</tbody>
</table>

**Debt service:**

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Redevelopment Agency Low/ Moderate Housing Capital Projects</th>
<th>Non-Major Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>446,193</td>
<td>157,848</td>
<td>63,000</td>
<td>2,705,440</td>
</tr>
<tr>
<td>Interest and fees</td>
<td>55,955</td>
<td>388,150</td>
<td>55,016</td>
<td>4,418,031</td>
</tr>
</tbody>
</table>

**Total expenditures**

|                    | 78,096,997 | 19,777,795 | 2,742,798 | 18,816,204 | 119,433,794 |

#### REVENUES OVER (UNDER) EXPENDITURES

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Redevelopment Agency Low/ Moderate Housing Capital Projects</th>
<th>Non-Major Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUES OVER (UNDER) EXPENDITURES</td>
<td>(6,963,851)</td>
<td>(10,384,089)</td>
<td>876,334</td>
<td>(5,395,166)</td>
</tr>
</tbody>
</table>

#### OTHER FINANCING SOURCES (USES):

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Redevelopment Agency Low/ Moderate Housing Capital Projects</th>
<th>Non-Major Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers in</td>
<td>1,500,000</td>
<td>-</td>
<td>-</td>
<td>10,274,023</td>
</tr>
<tr>
<td>Transfers (out)</td>
<td>(2,148,842)</td>
<td>(6,479,521)</td>
<td>-</td>
<td>(987,000)</td>
</tr>
<tr>
<td>Bond Proceeds</td>
<td>-</td>
<td>27,725,655</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

**Total other financing sources (uses)**

|                    | (648,842) | 21,246,134 | -                     | 9,287,023   | 29,884,315 |

#### NET CHANGE IN FUND BALANCES

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Redevelopment Agency Low/ Moderate Housing Capital Projects</th>
<th>Non-Major Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>NET CHANGE IN FUND BALANCES</td>
<td>(7,612,693)</td>
<td>10,862,045</td>
<td>876,334</td>
<td>3,891,857</td>
</tr>
</tbody>
</table>

#### FUND BALANCES:

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Redevelopment Agency Low/ Moderate Housing Capital Projects</th>
<th>Non-Major Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year, as previously reported</td>
<td>37,301,658</td>
<td>11,279,857</td>
<td>1,440,742</td>
<td>15,299,351</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>General</th>
<th>Redevelopment Agency Low/ Moderate Housing Capital Projects</th>
<th>Non-Major Governmental Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>End of year</td>
<td>$29,688,965</td>
<td>$22,141,902</td>
<td>$2,317,076</td>
<td>$19,191,208</td>
</tr>
</tbody>
</table>

See accompanying Notes to Basic Financial Statements.
City of San Leandro

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Assets

For the year ended June 30, 2009

Net Change in Fund Balances - Total Governmental Funds $ 8,017,543

Governmental activities in the Statement of Activities and Changes in Net Assets were reported differently because:

Governmental funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital assets recorded in the current period. 9,182,780

Depreciation expense on capital assets is reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they do not require the use of current financial resources. Therefore, depreciation expense is not reported as expenditures in governmental funds. (13,945,887)

Debt proceeds provide current financial resources in government funds, but issuing debt increase long-term liabilities in the Government-Wide Statement of Net Assets. (29,700,800)

Payment of costs for the issuance of certificates of participation or bonds is an expenditure in the governmental funds, but is recorded as a prepaid expense and amortized on the statement of net assets over the life of the bonds. 706,234

Change in OPEB liability is considered long-term debt and is not reported as an expenditure in the governmental funds. (379,685)

Adjustment of unearned revenue from prior year 107,737

Bond discount on issuance of debt is an adjustment to the expenditures in governmental funds, but the discount reduces long-term liabilities in the Government-Wide Statement of Net Assets. In the Government-Wide Statement of Net Assets the discount is amortized over the period of the outstanding debt. (6,371)

Bond premium on issuance of debt is an expenditure in governmental funds, but the premium increases long-term liabilities in the Government-Wide Statement of Net Assets. In the Government-Wide Statement of Net Assets the premium is amortized over the period of the outstanding debt. (172,163)

Repayment of bond Principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Government-Wide Statement of Net Assets. 3,372,481

Payroll expense on compensated absences is reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they do not require the use of current financial resources. Therefore, compensated absences expense is not reported as expenditures in governmental funds. 104,588

Interest expense on long-term debt is reported in the Government-Wide Statement of Activities and Changes in Net Assets, but does not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represents the change in accrued interest from the prior year. (449,797)

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet management, to individual funds. The net revenue of the internal service funds is reported with governmental activities. (440,126)

Change in Net Assets of Governmental Activities $ (23,603,466)

See accompanying Notes to Basic Financial Statements.
City of San Leandro  
Net Assets by Component  
Last Seven Fiscal Years  
(accrual basis of accounting)  

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Governmental activities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Invested in capital assets</td>
<td>$ 275,539,820</td>
<td>$ 282,335,707</td>
<td>$ 271,398,035</td>
<td>$ 291,400,560</td>
<td>$ 287,403,594</td>
<td>$ 288,812,935</td>
<td>$ 281,144,018</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>16,480,000</td>
<td>2,785,163</td>
<td>9,245,677</td>
<td>9,290,497</td>
<td>20,105,122</td>
<td>10,029,629</td>
<td>1,326,448</td>
</tr>
<tr>
<td><strong>Total governmental activities net assets</strong></td>
<td>$ 326,760,280</td>
<td>$ 329,510,684</td>
<td>$ 322,570,345</td>
<td>$ 332,408,373</td>
<td>$ 343,816,138</td>
<td>$ 338,252,795</td>
<td>$ 314,649,329</td>
</tr>
</tbody>
</table>

| **Business-Type Activities:** | | | | | | | |
| Invested in capital assets | $ 6,595,397 | $ 9,445,171 | $ 14,040,265 | $ 11,028,943 | $ 11,074,087 | $ 11,197,748 | $ 12,992,419 |
| Restricted | - | - | - | - | - | - | - |
| Unrestricted | 7,015,805 | 6,222,818 | 6,406,958 | 13,364,147 | 16,526,068 | 20,001,036 | 20,122,930 |
| **Total business-type activities net assets** | $ 13,611,202 | $ 15,667,989 | $ 20,447,223 | $ 24,393,090 | $ 27,600,155 | $ 31,198,784 | $ 33,115,349 |

| **Primary government:** | | | | | | | |
| Invested in capital assets | | | | | | | |
| Unrestricted | 23,495,805 | 9,007,981 | 15,652,635 | 22,654,644 | 36,631,190 | 30,030,665 | 21,449,378 |
| **Total primary government net assets** | $ 340,371,482 | $ 345,178,673 | $ 343,017,568 | $ 356,801,463 | $ 371,416,293 | $ 369,451,579 | $ 347,764,678 |

Notes: The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.
PROPRIETARY FUND FINANCIAL STATEMENTS

*Water Pollution Control Plant* - This fund accounts for the City’s sewers which protect public health and preserve water quality through the collection, treatment and disposal of the community’s wastewater and wastewater solids.

*Shoreline* - The City operates various recreational facilities which include golf and marina berthing as well as providing food service facilities for the general public in an area connected to the San Francisco Bay.

*Internal Service Funds* - These funds are used to account for special activities and services performed by a designated City department for other departments on a cost reimbursement basis.
City of San Leandro  
Statement of Net Assets  
Proprietary Funds  
June 30, 2009

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Major Enterprise Funds</th>
<th>Non-Major Enterprise Funds</th>
<th>Governmental Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Water</td>
<td>Pollution Plant</td>
<td>Non-Major Shoreline</td>
</tr>
<tr>
<td>Current assets:</td>
<td>$25,290,083</td>
<td>$798,246</td>
<td>$1,540,263</td>
</tr>
<tr>
<td>Receivables:</td>
<td>1,025,760</td>
<td>170,697</td>
<td>143,277</td>
</tr>
<tr>
<td>Interest</td>
<td>85,826</td>
<td>3,412</td>
<td>5,317</td>
</tr>
<tr>
<td>Special assessment</td>
<td>29,373</td>
<td>-</td>
<td>11,161</td>
</tr>
<tr>
<td>Other assets</td>
<td>1,611,500</td>
<td>-</td>
<td>5,000</td>
</tr>
<tr>
<td>Inventory</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total current assets</td>
<td>28,042,542</td>
<td>972,355</td>
<td>1,705,018</td>
</tr>
<tr>
<td>Noncurrent assets:</td>
<td>8,956,588</td>
<td>6,839,779</td>
<td>-</td>
</tr>
<tr>
<td>Capital assets:</td>
<td>2,723,601</td>
<td>3,577,810</td>
<td>-</td>
</tr>
<tr>
<td>Depreciable</td>
<td>12,974,203</td>
<td>5,778,252</td>
<td>-</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(6,741,216)</td>
<td>(2,516,283)</td>
<td>-</td>
</tr>
<tr>
<td>Total capital assets, net</td>
<td>8,956,588</td>
<td>6,839,779</td>
<td>-</td>
</tr>
<tr>
<td>Total assets</td>
<td>36,999,130</td>
<td>7,812,134</td>
<td>1,705,018</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>Major Enterprise Funds</th>
<th>Non-Major Enterprise Funds</th>
<th>Governmental Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current liabilities:</td>
<td>586,650</td>
<td>15,163</td>
<td>53,589</td>
</tr>
<tr>
<td>Unearned revenue</td>
<td>1,611,500</td>
<td>-</td>
<td>12,564</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>-</td>
<td>115,746</td>
<td>575</td>
</tr>
<tr>
<td>Claims and judgments - due in one year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Compensated absences - due in one year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Notes payable - due in one year</td>
<td>-</td>
<td>166,741</td>
<td>-</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>2,198,150</td>
<td>297,650</td>
<td>66,728</td>
</tr>
<tr>
<td>Noncurrent liabilities:</td>
<td>3,006</td>
<td>56,387</td>
<td>-</td>
</tr>
<tr>
<td>Deposits payable</td>
<td>-</td>
<td>7,648,439</td>
<td>-</td>
</tr>
<tr>
<td>Advances from other funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Claims and judgments - due in more than one year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Compensated absences - due in more than one year</td>
<td>257,167</td>
<td>78,065</td>
<td>158,134</td>
</tr>
<tr>
<td>Notes Payable - due in more than one year</td>
<td>-</td>
<td>2,637,207</td>
<td>-</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>260,173</td>
<td>10,420,098</td>
<td>158,134</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>2,458,323</td>
<td>10,717,748</td>
<td>224,862</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET ASSETS</th>
<th>Major Enterprise Funds</th>
<th>Non-Major Enterprise Funds</th>
<th>Governmental Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invested in capital assets, net of related debt</td>
<td>8,956,588</td>
<td>4,035,831</td>
<td>-</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>25,584,219</td>
<td>(6,941,445)</td>
<td>1,480,156</td>
</tr>
<tr>
<td>Total net assets (deficit)</td>
<td>$34,540,807</td>
<td>$(2,905,614)</td>
<td>$1,480,156</td>
</tr>
</tbody>
</table>

See accompanying Notes to Basic Financial Statements.
## City of San Leandro
### Statement of Revenues, Expenses, and Changes in Net Assets
#### Proprietary Funds
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Major Enterprise Funds</th>
<th>Water</th>
<th>Non-Major Enterprise Funds</th>
<th>Governmental Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pollution Control Plant</td>
<td>Shoreline Funds</td>
<td>Total</td>
</tr>
<tr>
<td><strong>OPERATING REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>$ 9,905,080</td>
<td>$ 604,702</td>
<td>$ 1,388,538</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>204,238</td>
<td>16,527</td>
<td>313,064</td>
</tr>
<tr>
<td>Rents and concessions</td>
<td>-</td>
<td>1,271,079</td>
<td>-</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>335,845</td>
<td>170,641</td>
<td>65,421</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>10,445,163</td>
<td>2,062,949</td>
<td>1,767,023</td>
</tr>
</tbody>
</table>

| **OPERATING EXPENSES:** |       |                           |                      |
| Salaries and benefits   | 3,494,618 | 806,893 | 1,436,641 | 5,738,152 | 3,501,084 |
| Contractual and other services | 3,831,980 | 261,024 | 425,496 | 4,518,500 | 3,987,892 |
| Materials and supplies  | 525,538 | 61,054 | 115,340 | 701,932 | 887,491 |
| Depreciation            | 249,071 | 166,028 | - | 415,099 | 1,243,087 |
| Other operating costs   | 1,147,470 | 388,368 | 560,417 | 2,096,255 | 797,766 |
| **Total operating expenses** | 9,248,677 | 1,683,367 | 2,537,894 | 13,469,938 | 10,417,320 |

| **OPERATING INCOME (LOSS)** |       |                           |                      |
|                            | 1,196,486 | 379,582 | (770,871) | 805,197 | 1,225,831 |

| **NONOPERATING REVENUES (EXPENSES):** |       |                           |                      |
| Property and other taxes   | 6,585 | 289,599 | - | 296,184 | - |
| Intergovernmental          | 181,700 | - | 351,197 | 532,897 | - |
| Investment income          | 855,004 | 27,658 | 46,134 | 928,796 | 427,982 |
| Interest expense           | - | (560,635) | - | (560,635) | (21,153) |
| **Total nonoperating revenues (expenses)** | 1,043,289 | (243,378) | 397,331 | 1,197,242 | 406,829 |

| **INCOME (LOSS) BEFORE TRANSFERS** |       |                           |                      |
|                                   | 2,239,775 | 136,204 | (373,540) | 2,002,439 | 1,632,660 |

| **TRANSFERS:** |       |                           |                      |
| Transfers in | - | - | 264,107 | 264,107 | 43,900 |
| Transfers out | (62,782) | (153,816) | (133,383) | (349,981) | (2,116,686) |
| **Total operating transfers** | (62,782) | (153,816) | 130,724 | (85,874) | (2,072,786) |
| Change in net assets | 2,176,993 | (17,612) | (242,816) | 1,916,565 | (440,126) |

| **NET ASSETS (DEFICIT):** |       |                           |                      |
| Beginning of the year | 32,363,814 | (2,888,002) | 1,722,972 | 31,198,784 | 14,211,247 |
| End of the year | $ 34,540,807 | $ (2,905,614) | $ 1,480,156 | $ 33,115,349 | $ 13,771,121 |

See accompanying Notes to Basic Financial Statements.
City of San Leandro  
Statement of Cash Flows  
Proprietary Funds  
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Major Enterprise Funds</th>
<th>Non-Major Enterprise Funds</th>
<th>Governmental Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>1,234,381</td>
<td>1,781,131</td>
</tr>
<tr>
<td>Polluton Control Plant</td>
<td>2,134,381</td>
<td>1,781,131</td>
</tr>
<tr>
<td>Shoreline</td>
<td>1,781,131</td>
<td>1,781,131</td>
</tr>
<tr>
<td>Enterprise Internal</td>
<td>1,781,131</td>
<td>1,781,131</td>
</tr>
<tr>
<td>Internal service funds</td>
<td>1,781,131</td>
<td>1,781,131</td>
</tr>
</tbody>
</table>

CASH FLOWS FROM OPERATING ACTIVITIES:

| Cash received from customers/other funds | $10,852,866 | $2,134,381 | $1,781,131 | $14,768,378 | $11,645,143 |
| Cash payments or receipts to/from other funds | (1,160,240) | (104,106) | (446,172) | (1,710,518) | - |
| Cash payments to suppliers for goods and services | (4,120,836) | (682,119) | (657,982) | (5,460,937) | (6,107,026) |
| Cash payments to employees for services | (3,532,245) | (787,410) | (264,107) | (264,107) | 43,900 |

Net cash provided (used) by operating activities: $2,039,545 | 560,746 | (693,036) | 1,907,255 | 2,004,267 |

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

| Property and other taxes received | - | 289,599 | - | 289,599 | - |
| Intergovernmental revenue received | 181,700 | - | 351,197 | 532,897 | - |
| Repayment or receipt of advances to or from other funds | - | (664,081) | - | (664,081) | (171,142) |
| Transfers in from other funds | - | - | 264,107 | 264,107 | 43,900 |
| Transfers out to other funds | (62,782) | (153,816) | (133,383) | (349,981) | (2,116,686) |

Net cash provided (used) by noncapital financing activities: $118,918 | (528,298) | 481,921 | 72,541 | (2,243,928) |

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

| Retirement of long-term debt | - | (159,561) | - | (159,561) | - |
| Acquisition or disposal of assets | (2,043,633) | - | - | (2,043,633) | (1,020,328) |
| Interest payments on bonds and notes payable | - | (560,635) | - | (560,635) | - |

Net cash provided (used) by capital and related financing activities: (2,043,633) | (720,196) | - | (2,763,829) | (1,020,328) |

CASH FLOWS FROM INVESTING ACTIVITIES:

| Interest income | 855,004 | 27,658 | 46,134 | 928,796 | 427,982 |
| Interest expense | - | - | - | - | (21,153) |

Net cash provided (used) by investing activities: 855,004 | 27,658 | 46,134 | 928,796 | 406,829 |

Net increase (decrease) in cash and cash equivalents: 969,834 | (660,090) | (164,981) | 144,763 | (853,160) |

CASH AND CASH EQUIVALENTS:

| Beginning of year | 24,320,249 | 1,458,336 | 1,705,244 | 27,483,829 | 14,888,920 |
| End of year | $25,290,083 | $798,246 | $1,540,263 | $27,628,592 | $14,035,760 |

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

| Operating income (loss) | $1,196,486 | 379,582 | (770,871) | $805,197 | 1,225,831 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | 249,071 | 166,028 | - | 415,099 | 1,243,087 |
| Depreciation | 249,071 | 166,028 | - | 415,099 | 1,243,087 |
| Changes in assets and liabilities: | - | - | - | - | - |
| Accounts receivable | 333,980 | 63,610 | (2,270) | 395,320 | 10,503 |
| Special assessment receivable | 151 | - | 10,676 | 10,827 | - |
| Inventory | - | - | - | - | (8,495) |
| Other assets | (1,161,000) | (40) | - | (1,160,960) | - |
| Accounts payable | 305,168 | (61,410) | 16,271 | 260,029 | 36,348 |
| Deposits | 1,158,260 | (4,753) | - | 1,153,507 | - |
| Claims & Judgements | (42,571) | (305) | - | - | (426,579) |
| Total adjustments | 843,059 | 181,164 | 77,835 | 1,102,057 | 778,436 |

Net cash provided (used) by operating activities: $2,039,545 | 560,746 | (693,036) | 1,907,255 | 2,004,267 |

See accompanying Notes to Basic Financial Statements.
Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They are used to account for assets held in an agency capacity for others and therefore cannot be used to support the City's programs.
City of San Leandro  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2009

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$1,720,366</td>
</tr>
<tr>
<td>Cash and investments with fiscal agents</td>
<td>449,034</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>2,798</td>
</tr>
<tr>
<td>Special assessments receivable</td>
<td>41,767</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$2,213,965</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$66,292</td>
</tr>
<tr>
<td>Deposits payable</td>
<td>791,638</td>
</tr>
<tr>
<td>Due to bondholders</td>
<td>1,356,035</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>$2,213,965</strong></td>
</tr>
</tbody>
</table>

See accompanying Notes to Basic Financial Statements.
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B. Basis of Presentation, Measurement Focus and Basis of Accounting .......................... 42
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<th>Section</th>
</tr>
</thead>
<tbody>
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<td>72</td>
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<td>73</td>
</tr>
<tr>
<td>A. Government-Wide Financial Statements</td>
<td>73</td>
</tr>
<tr>
<td>B. Fund Financial Statements</td>
<td>73</td>
</tr>
<tr>
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<td>74</td>
</tr>
<tr>
<td>A. Fund Deficits</td>
<td>74</td>
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<td>B. Expenditures in Excess of Appropriations</td>
<td>74</td>
</tr>
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<td>75</td>
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<tr>
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<td>76</td>
</tr>
<tr>
<td>A. Downtown Plaza Shopping Center MOREA</td>
<td>76</td>
</tr>
<tr>
<td>B. Century Theaters Reimbursement and Performance Agreement</td>
<td>76</td>
</tr>
<tr>
<td>C. Alameda at San Leandro Crossing Financing</td>
<td>76</td>
</tr>
<tr>
<td>D. Others</td>
<td>76</td>
</tr>
<tr>
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<td>76</td>
</tr>
<tr>
<td>NOTE 14 – OTHER POST EMPLOYMENT BENEFITS</td>
<td>78</td>
</tr>
<tr>
<td>A. Plan Description</td>
<td>78</td>
</tr>
<tr>
<td>B. Funding Policy</td>
<td>78</td>
</tr>
<tr>
<td>C. Plan Funded Status Information</td>
<td>79</td>
</tr>
<tr>
<td>D. Actuarial Methods and Assumptions</td>
<td>79</td>
</tr>
<tr>
<td>NOTE 15 – SUBSEQUENT EVENTS</td>
<td>80</td>
</tr>
<tr>
<td>NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS</td>
<td>80</td>
</tr>
</tbody>
</table>
NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of San Leandro, California, (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies in the United States. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

A. Financial Reporting Entity

The City of San Leandro, California (City) was incorporated in 1872 and is situated between the cities of Oakland and Hayward in the East Bay of the San Francisco Bay Area. The City operates under the Mayor-Council-Manager form of government created by charter in 1978 and provides the following services: public safety (police, fire, disaster preparedness and hazardous waste disposal), highways and streets, sanitation, health services, public improvements, planning and zoning and general administration services.

The City is governed by a seven-member council elected by City residents. The City is legally separate and fiscally independent, which means it can issue debt, set and modify budgets and fees and sue or be sued. As required by generally accepted accounting principles, the financial statements include the financial activities of the City - the primary government - and its component units.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government’s exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The blended component units discussed below are included in the City of San Leandro’s basic financial statements in which the City Council functions as the governing board:

The Redevelopment Agency of the City of San Leandro (Agency) was established to assist in the clearance and rehabilitation of City areas determined to be in a declining condition. The Agency has all accounting and administrative functions performed by City staff and the Agency receives advances from the City to finance operations. The financial activities of the Agency have been included in the Redevelopment Agency and Low and Moderate Income Housing Capital Projects Funds in the accompanying basic financial statements.

The City of San Leandro Parking Authority (Parking Authority) was established to issue debt for downtown parking structures and lots. There are no financial activities to be accounted for in the Parking Authority Debt Service Fund in this fiscal year.

The San Leandro Public Financing Authority (Financing Authority) was established to issue debt for the Seismic Retrofitting capital project and other community related financing programs. The financial activities are accounted for in the San Leandro Public Financing Authority Debt Service Fund and the Seismic Retrofit Capital Projects Fund in the accompanying basic financial statements.

The above component units are included in the City’s basic financial statements using the blended method since the governing body of these component units are substantially the same as the governing body of the City and these component units provide services entirely to the City. Separate financial statements for each of the above component units may be obtained from the City’s Finance Department.
B. Government–Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its components units. For the most part, the effect of interfund activity has been removed from these statements except in the case of interfund services provided and used, which are not eliminated in the consolidation process. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government–wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. The City considers sales taxes and property taxes as available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales taxes, property taxes, licenses, and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.
NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation, continued

The City reports the following major governmental funds:

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

The Redevelopment Agency Capital Projects Fund accounts for planning and implementation of the City’s Redevelopment Plan for the three project Areas located within the City’s boundaries.

The Redevelopment Agency Low/Moderate Housing Capital Projects Fund accounts for the 20% tax increment revenue for low and moderate income housing and neighborhood improvement program.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The City also reports the following major proprietary funds:

Water Pollution Control Plant Fund accounts for the City’s sewers which protect public health and preserve water quality.

Shoreline Fund accounts for various recreational facilities which include golf and marina berthing as well as providing food service facilities for the general public in an area connected to the San Francisco Bay.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements. The City’s Internal Service Funds account for Information Systems Management, Building Maintenance, Self –Insurance and Equipment Maintenance provides service to other departments of the City on a cost reimbursement basis.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Assets. The Statement of Revenues, Expenses and Changes in Net Assets presents increases (revenues) and decreases (expenses) in total net assets. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The Fiduciary fund financial statements normally include a Statement of Net Assets and a Statement of Changes in Fiduciary Net Assets. The City's fiduciary funds represent agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. As a result, a statement of Changes in Fiduciary Net Assets is not presented in this report. The City’s Fiduciary Funds includes the Deposits Fund which accounts for all deposits held on behalf of other persons and businesses and the Cherrywood Fund accounts for monies accumulated for payments of special assessment bonds.
NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Recognition of Interest Liability

In the government-wide financial statements, interest payable of long-term debt is recognized as the liability is incurred for governmental fund types and proprietary fund types.

In the fund financial statements, proprietary fund types recognize the interest payable when the liability is incurred.

E. Use of Restricted and Unrestricted Net Assets

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

F. Cash, Cash Equivalents and Investments

The City pools cash and investments from all sources, except the fiscal agent cash and investments, for the purpose of increasing income through investment activities. Interest income on investments is allocated on the basis of average month-end cash and investment balances in each fund. Cash and cash equivalents represent cash and investments and restricted cash and investments with an original maturity term of three months or less. Pooled cash and investments allocated to proprietary fund types are considered cash and cash equivalents since specific investments held in the City’s pooled cash and investments are not allocated to each fund.

The City invests in the California Local Agency Investment Fund ("LAIF"), which is part of the Pooled Money Investment Account operated by the California State Treasurer. LAIF funds are invested in high quality money market securities and are managed to insure the safety of the portfolio. A portion of LAIF’s investments are in structured notes and asset-backed securities. As of June 30, 2009 LAIF had invested 1.377% of its funds in such securities.

LAIF determines fair value on its investment portfolio based on market quotations for these securities where market quotations are readily available, and on amortized cost or best estimate for those securities where market value is not readily available.

In accordance with GASB Statement No. 31, highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

G. Inventory

Inventory is held for consumption and is valued at average cost. Internal service fund supplies consist of materials and supplies for the various City vehicles (tires, batteries, etc.) and building maintenance, which are used for replacement parts for vehicle service and to maintain City buildings. Information management service inventory consists of postage for department use and a monthly count is performed to adjust this account to actual at the appropriate month-end.
**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES, Continued**

**H. Capital Assets**

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated capital assets are valued at their estimated fair market value on the date donated. City policy has set the capitalization threshold for reporting capital assets at $5,000. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

- Buildings: 50 years
- Improvements other than buildings: 20 years
- Machinery and equipment: 5-20 years
- Licensed Vehicles: 7 years
- Infrastructure: 20-50 years

In June 1999, the GASB issued Statement No. 34 which requires the inclusion of infrastructure capital assets in local governments’ basic financial statements. In accordance with GASB Statement No. 34, the City included all infrastructures into the 2008-09 Basic Financial Statements.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, sewer, and park lands. Each major infrastructure system can be divided into subsystems. For example the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest accrued during capital assets construction, if any, is capitalized for the business-type and proprietary funds as part of the asset cost.

For all infrastructure systems, the City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. Original costs were developed in one of three ways: (1) historical records; (2) standard unit costs appropriate for the construction/acquisition date; or (3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, un-recovered cost method was computed using industry accepted life expectations for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

**I. Long-Term Debt**

In Government-Wide Financial Statements, long-term debt and other financed obligations are reported as liabilities in the appropriate activities.

Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds Payable are reported net of the applicable premium or discount. Issuance costs are reported as deferred charges.

In Fund Financial Statements long-term debt is not presented but is instead shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets.
J. Compensated Absences

Vested vacation, sick leave, compensatory time, and related benefits are accrued as appropriate. For governmental funds, compensated absence obligations are recorded in the appropriate governmental funds when due. The portion not currently due is recorded in the government-wide financial statements. For enterprise funds, compensated absences are expensed when earned by employees. At year-end, the accrued but unpaid compensated absence obligations are recorded as current and non-current liabilities in the appropriate enterprise funds.

K. Property Taxes

Property taxes are liened on January 1st for the following fiscal year. Taxes are payable in two installments, due on November 1 and February 1, becoming delinquent on December 10 (for November) and April 10 (for February), respectively. The Alameda County Tax Collector bills and collects property taxes and allocates a portion to the City as billed. Property tax revenues are recognized in the fiscal year, for which the taxes have been levied, provided they become available. In January, 1994, the City elected to continue collection of interest and penalties on delinquent taxes and recognizes these revenues when available. Available means when due or past due and collected within the current period, or expected to be collected soon thereafter, and to be used to pay liabilities of the current period.

L. Other Post Employment Benefits (OPEB) Other Than Pensions

The City provides post-retirement medical and dental benefits to all employee groups through the age of 65 as required by current association and management agreements. The City records premium payments on a “pay-as-you-go” basis. During the year ended June 30, 2009, the City paid $911,315 in medical and dental premiums on behalf of participants. In 2008-09 fiscal year, the City established an irrevocable trust administered by Public Agency Retirement Services and deposited $500K towards the OPEB cost reducing the obligation to $380K, as presented in Note 14.

M. Use of Estimates

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

N. Net Assets

In the Government-Wide Financial Statements, net assets are classified in the following categories:

- **Invested in Capital Assets, Net of Related Debt** – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

- **Restricted Net Assets** – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

- **Unrestricted Net Assets** – This amount is all net assets that do not meet the definition of “invested in capital assets, net of related debt” or “restricted net assets.”

In Fund Financial Statements, reservations of fund balances for governmental funds are created to either satisfy legal covenants, including State laws, that require a portion of the fund equity be segregated or identify the portion of the fund equity not available for future expenditures.
NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES, Continued

O. Implementation of New GASB Pronouncements

The City implemented the provisions of GASB Statement No. 45, “Accounting and Financial Reporting by Employers for Post Employment Benefits Other Than Pensions,” in fiscal year 2008-09. The required disclosures are presented in Note 14 which includes the plan description, funding policy, plan funded status information, and Actuarial methods and assumptions.

In November 2009, GASB issued Statement No. 49, “Accounting and Financial Reporting for Pollution remediation Obligations,” which provides guidance on how to calculate and report the costs and obligations associated with pollution cleanup efforts. The City implemented Statement No. 49 in fiscal year 2007-08 with no significant impact to the financial statements.

In June 2007, GASB has issued Statement No. 51, “Accounting Financial Reporting for intangible Assets.” This statement establishes accounting and financial reporting requirements for intangible assets including easements, water rights, timber rights, patents, trademarks, and computer software. The requirements are effective for financial statements for periods beginning after June 15, 2009. The City has incorporated the intangible assets with the capital assets reporting in fiscal year 2007-08 and that current report is in compliance with this statement’s requirements.

In June 2009, GASB has issued Statement No. 53,” Accounting and Financial Reporting for Derivative Instruments.” This statement establishes standards for accounting and financial reporting for all state and local governments that enter into derivative instruments. The requirements are effective for financial statements for periods beginning after June 15, 2009. The City will comply with the requirements of this Statement and does not feel that the financial statements will be significantly impacted.

In March 2009, the GASB issued Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” The objective of this statement is to enhance the usefulness of fund balance information by providing the existing governmental type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this statement are effective for the financial statements for periods beginning after June 15, 2010. Early implementation is encouraged. The City is currently evaluating the impact of adopting Statement No. 54.

In April 2009, the GASB issued Statement No. 55, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments.” The objective of this statement is to incorporate the hierarchy of generally accepted accounting principles (GAAP) for State and local governments into GASB authoritative literature. The “GAAP” hierarchy consists of the sources of accounting principles used in the preparation of financial statements of State and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. GASB Statement No. 55 is effective immediately and did not have any impact on the financial statements.

In April 2009, the GASB issued Statement No. 56, “Codification of Accounting and Financial Reporting guidance Contained in the AICPA Statements on Auditing Standards.” The objective of this statement is to incorporate into the GASB’s authoritative literature certain accounting and financial reporting guidance presented in the American Institute of Certified Public Accountants’ Statements on Auditing Standards. The statement addresses three issues included in the authoritative literature that establishes accounting principles – related party transactions, going concern considerations, and subsequent events. The presentation of principles used in the preparation of financial statements is more appropriately included in accounting and financial reporting standards rather than in the auditing literature. GASB Statement No. 56 is effective immediately and did not have any impact on the financial statements.
NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES, Continued

P. Unearned Revenue

In the Government-Wide Financial Statements, unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues in the Government-Wide Financial Statements are long-term loans receivable and prepaid charges for services.

In the Fund Financial Statements, unearned revenue is recorded when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City records unearned revenue for transactions for which revenues have not been earned, or for which funds are not available to meet current financial obligations. Typical transactions for which unearned revenue is recorded are grants received but not yet earned or available, interest on inter fund advances receivable, long-term assessments and long-term loans receivable.

NOTE 2 - CASH AND INVESTMENTS

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds, which the Finance Director invests to enhance interest earnings. The pooled interest earned is allocated to the funds based on average daily cash and investment balance in these funds.

A. Cash Deposits

The carrying amount of the City’s cash deposits were $9,411,213 at June 30, 2009. Bank balances before reconciling items were $10,829,478 at that date, the total amount of which was insured or collateralized with securities held by the pledging financial institutions in the City’s name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City’s cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City’s total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to $250,000 by the Federal Deposit Insurance Corporation. The City, however, has not waived the collateralization requirements.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.
NOTE 2 - CASH AND INVESTMENTS, Continued

B. Investments

Under the provisions of the City’s investment policy, and in accordance with California Government Code, the City’s Cash and investments as of June 30, 2009, are classified as follows:

Statement of net assets:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fair Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Investments</td>
<td>$ 86,786,758</td>
</tr>
<tr>
<td>Cash and Investments held by trustee</td>
<td>31,271,466</td>
</tr>
<tr>
<td>Fiduciary Funds:</td>
<td></td>
</tr>
<tr>
<td>Cash and Investments</td>
<td>$ 1,720,366</td>
</tr>
<tr>
<td>Cash with fiscal agents</td>
<td>449,034</td>
</tr>
<tr>
<td>Total cash and investments</td>
<td>$ 120,227,624</td>
</tr>
</tbody>
</table>

Cash and investments as of June 30, 2009, are classified as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Fair Market Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposits with financial institutions</td>
<td>$ 9,411,213</td>
</tr>
<tr>
<td>Investments</td>
<td>110,816,411</td>
</tr>
<tr>
<td>Total cash and investments</td>
<td>$ 120,227,624</td>
</tr>
</tbody>
</table>

Interest Rate Risk

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

In accordance with the Policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 5 years or less. The City is in compliance with this provision of the Policy.

Information about the sensitivity of the fair values of the City’s Investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investment by maturity:

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Fair Market Value</th>
<th>12 Months or Less</th>
<th>13 to 24 Months</th>
<th>25-60 Months</th>
<th>More Than 60 Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal agency securities</td>
<td>$ 16,339,832</td>
<td>$ 7,867,282</td>
<td>$ 3,589,220</td>
<td>$ 4,883,330</td>
<td>$</td>
</tr>
<tr>
<td>Money Market</td>
<td>2,246,046</td>
<td>2,246,046</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>U.S. Treasury Notes</td>
<td>8,706,410</td>
<td>1,337,008</td>
<td>4,812,782</td>
<td>2,556,620</td>
<td>-</td>
</tr>
<tr>
<td>U.S. Corporate</td>
<td>992,369</td>
<td>992,369</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mutual Fund</td>
<td>344,319</td>
<td>344,319</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Local Agency Investment Fund (LAIF)</td>
<td>76,536,619</td>
<td>76,536,619</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Held by Bond Trustee: U.S. Treasury Money Market Funds</td>
<td>5,650,816</td>
<td>5,650,816</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$ 110,816,411</td>
<td>$ 94,974,459</td>
<td>$ 8,402,002</td>
<td>$ 7,439,950</td>
<td>$</td>
</tr>
</tbody>
</table>

NOTE 2 - CASH AND INVESTMENTS, Continued
B. Investments, Continued

Investments Authorized by the City’s Investment Policy and California Government Code

The table below identifies the investment types that are authorized for the City by the City’s Investment Policy. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of the related bond documents.

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Maximum Maturity</th>
<th>Maximum Percentage of *Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. Treasury Obligations</td>
<td>5 years</td>
<td>None</td>
</tr>
<tr>
<td>U.S. Agency Securities</td>
<td>5 years</td>
<td>None</td>
</tr>
<tr>
<td>Local Agency bonds</td>
<td>5 years</td>
<td>None</td>
</tr>
<tr>
<td>Bankers Acceptances</td>
<td>180 days</td>
<td>40%</td>
</tr>
<tr>
<td>Commercial Paper</td>
<td>270 days</td>
<td>30%</td>
</tr>
<tr>
<td>Negotiable Certificate of Deposit</td>
<td>5 years</td>
<td>30%</td>
</tr>
<tr>
<td>Repurchase Agreements</td>
<td>1 year</td>
<td>20%</td>
</tr>
<tr>
<td>Reverse Repurchase Agreements</td>
<td>92 days</td>
<td>20% of base value</td>
</tr>
<tr>
<td>Medium Term Notes</td>
<td>5 years</td>
<td>10%</td>
</tr>
<tr>
<td>Mutual Funds</td>
<td>N/A</td>
<td>20%</td>
</tr>
<tr>
<td>Money Market Mutual Funds</td>
<td>N/A</td>
<td>20%</td>
</tr>
<tr>
<td>Mortgage Pass-Through Securities</td>
<td>5 years</td>
<td>20%</td>
</tr>
<tr>
<td>County Pooled Investment Funds</td>
<td>N/a</td>
<td>None</td>
</tr>
<tr>
<td>Local Agency Investment Fund (LAIF)</td>
<td>N/A</td>
<td>$40 million per account</td>
</tr>
<tr>
<td>Other investment pools</td>
<td>N/A</td>
<td>None</td>
</tr>
</tbody>
</table>

*excluding amounts held by bond trustee that are not subject to California Government Code restrictions.

Investments in Local Agency Investment Fund

As of June 30, 2009, the City had $76,536,619 (estimated fair value) invested in LAIF accounts, which had invested 14.71% of the pooled investments in structured notes and asset-backed securities.

The City invests in the Local Agency Investment Fund (LAIF), a State of California external investment pool. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available.

The City valued its investments in LAIF as of June 30, 2009, at the fair value. The fair value is calculated by multiplying the account balance with LAIF times a fair value factor of 1.00134743 which is determined by LAIF. This fair value factor was determined by dividing all LAIF participants’ total aggregate amortized cost by total aggregate fair value.

NOTE 2 - CASH AND INVESTMENTS, Continued
B. Investments, Continued

The City’s investments with Local Agency Investment Funds (LAIF) at June 30, 2009, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments included the following:

- Structured Notes are debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend on one or more indices and/or that have embedded forwards or options.

- Asset-backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMOs) or credit card receivables.

Concentration of Credit Risk

The City’s Policy states that the investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City’s investment risk constraints and the cash flow characteristic of the portfolio. Purchases of mutual funds must not exceed 20% of the value of the portfolio.

Investments in U.S. agencies exceed 5% of total portfolio, however none Federal agency investments exhibited below exceeded 5% percent or more of the total investments in any one issuer:

<table>
<thead>
<tr>
<th>U.S. Agencies</th>
<th>Amount Invested</th>
<th>Percentage of Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal agency securities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Home Loan Banks (FHLB)</td>
<td>$4,828,406</td>
<td>4.36%</td>
</tr>
<tr>
<td>Federal Home Loan Mortgage Corporation (FHMLC)</td>
<td>4,421,063</td>
<td>3.99%</td>
</tr>
<tr>
<td>Federal Farm Credit Banks (FFCB)</td>
<td>4,154,377</td>
<td>3.75%</td>
</tr>
<tr>
<td>Federal National Mortgage Association (FNMA)</td>
<td>2,935,986</td>
<td>2.65%</td>
</tr>
<tr>
<td>Total</td>
<td>$16,339,832</td>
<td>14.74%</td>
</tr>
</tbody>
</table>
NOTE 2 - CASH AND INVESTMENTS, Continued

B. Investments, Continued

Disclosures Relating to Credit Risk

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

The City’s policy requires that the management company of mutual funds must have attained the highest rating provided by not less than two of the three largest nationally recognized rating organizations.

<table>
<thead>
<tr>
<th>Investment Type</th>
<th>Fair Market Value</th>
<th>Minimum Legal From Year End</th>
<th>Exempt Rating</th>
<th>Rating as of Year End</th>
<th>Rating as of Year End</th>
<th>Not Rated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal agency securities</td>
<td>$16,339,832</td>
<td>N/A</td>
<td>-</td>
<td>$16,339,832</td>
<td>$16,339,832</td>
<td>-</td>
</tr>
<tr>
<td>Money Market</td>
<td>2,246,046</td>
<td>N/A</td>
<td>-</td>
<td>2,246,046</td>
<td>2,246,046</td>
<td>-</td>
</tr>
<tr>
<td>U.S. Treasury Notes</td>
<td>8,706,410</td>
<td>N/A</td>
<td>8,706,410</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>U.S. Corporate</td>
<td>992,369</td>
<td>N/A</td>
<td>-</td>
<td>992,369</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Mutual Fund - Dreyfus</td>
<td>344,319</td>
<td>A</td>
<td>344,319</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Local Agency Investment Fund</td>
<td>76,536,619</td>
<td>N/A</td>
<td>-</td>
<td>76,536,619</td>
<td>76,536,619</td>
<td>-</td>
</tr>
<tr>
<td>Held by Bond Trustee:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S. Treasury Money Market Funds</td>
<td>5,650,816</td>
<td>A</td>
<td>5,650,816</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>$110,816,411</td>
<td></td>
<td>$8,706,410</td>
<td>$24,581,013</td>
<td>$992,369</td>
<td>$76,536,619</td>
</tr>
</tbody>
</table>
NOTE 2 - CASH AND INVESTMENTS, Continued

C. Summary of Cash and Investments

The following is a summary of cash, cash equivalents, and investments, including restricted cash and investments with Fiscal Agents at June 30, 2009.

<table>
<thead>
<tr>
<th>Government-Wide Statement of Net Assets</th>
<th>Fund Financials</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fiduciary Funds</td>
</tr>
<tr>
<td></td>
<td>Statement of Net</td>
</tr>
<tr>
<td></td>
<td>Total</td>
</tr>
<tr>
<td></td>
<td>Activities</td>
</tr>
<tr>
<td></td>
<td>Governmental</td>
</tr>
<tr>
<td>Unrestricted Cash and Investments</td>
<td>$59,158,166</td>
</tr>
<tr>
<td>Restricted Cash and Investments</td>
<td>$31,271,466</td>
</tr>
<tr>
<td>Total</td>
<td>$90,429,632</td>
</tr>
</tbody>
</table>

Deposits and investments held by the City at June 30, 2009 consisted of the following:

**City Treasury:**

Demand Deposits:
- Cash deposit: $9,411,213
- Total Demand Deposits: $9,411,213

Investments:
- Securities of U.S. government agencies: $27,292,288
- Mutual Funds: $344,319
- U.S. Corporate: $992,369
- Local Agency Investment Fund: $50,466,935
- Total Investments: $79,095,911
- **Total City Treasury**: $88,507,124

**Restricted Cash and Investments:**

Held by fiscal agents:
- Federal Money Market Funds: $5,650,816
- LAIF- RDA: $26,069,684
- **Total Restricted Cash and Investment**: $31,720,500

**Total Cash and Investments**: $120,227,624
NOTE 3 – LOANS RECEIVABLE

At June 30, 2009, the City had the following loans receivable reported in its Fund Financial Statements:

**Governmental Funds:**

**Special Revenue Funds:**
- Community Development Block Grant (CDBG) $385,510
- Housing In-Lieu $637,000
- HOME Fund $2,085,000

**Non Major Funds:**

**Capital Projects Funds:**
- Redevelopment Agency $1,480,619
- Redevelopment Agency Low/Mod Housing $7,857,877

**Total Governmental Funds** $12,446,006

Less: CDBG $(319,801)
Less: RDA Capital $(456,137)
Less: RDA Low-Moderate $(708,326)

**Total Government-wide Financials** $10,961,742

At June 30, 2009, the City was owed, in its Community Development Block Grant Special Revenue Fund, $385,510 for various housing assistance loans made by the City. The terms of repayment vary. Because the notes do not meet the City’s availability criteria for revenue recognition, the City has deferred the revenue related to these loans. Revenue is recognized in the year of repayment. The loans are secured by trust deeds. In the Government-wide Financial Statement, $319,801 of the receivable was eliminated.

At June 30, 2009, the City was owed, in its Housing In-Lieu Special Revenue Fund, $637,000 for a housing assistance loan made by the City to the Estabrook Senior Housing for low-moderate housing construction. The terms of repayment vary. Because the note does not meet the City’s availability criteria for revenue recognition, the City has deferred the revenue related to this loan. Revenue is recognized in the year of repayment. The loan is secured by trust deeds.

At June 30, 2009, the City was owed, in its HOME Special Revenue Fund, $2,085,000 for a housing assistance loan made by the City to Citizens’ Housing Corporation. The terms of repayment vary. Because the note does not meet the City’s availability criteria for revenue recognition, the City has deferred the revenue related to this loan. Revenue is recognized in the year of repayment. The loan is secured by trust deeds.

At June 30, 2009, the City was owed, in its Redevelopment Agency Capital Projects Fund, $1,480,619 which includes (1) loan made to J.T. Lawrence and Creekside Associates LLC for the development of Creekside Plaza Garage and Restaurant; (2) a loan made to Merced Property for property improvements; (3) loan made to Scribner Family Partnership for commercial property rehabilitation along Washington Avenue; (4) loan made to Alfredo & Helen Esquivel. Because the notes do not meet the City’s availability criteria for revenue recognition, the City has deferred the revenue related to these loans. The loans are secured by trust deeds. In the Government-wide Financial Statement, $456,137 of the receivable was eliminated.
NOTE 3 – LOANS RECEIVABLE, Continued

At June 30, 2009, the City was owed, in its Redevelopment Agency Low and Moderate Housing Capital Projects Fund, $7,857,877 which includes (1) loans made to the City property owners who meet the HUD requirements for financial assistance for property improvements and first time home buyer loans; (2) a loan made to Ruth Rogers and Sara Bagwell; (3) a loan made to Eden Housing, Inc.; (4) a loan made to San Leandro Senior Housing; (5) a loan made to Citizens’ Housing Corporation for property improvements; and (6) a loan made to Mercy Housing for the construction of the Casa Verde. Because the notes do not meet the City’s availability criteria for revenue recognition, the City has deferred the revenue related to these loans. Revenues are recognized in the year of repayment. Loans are secured by trust deeds. In the Government-wide Financial Statement, $708,326 of the receivable was eliminated.

NOTE 4 - NOTES RECEIVABLE

At June 30, 2009, the City received full payment from the Refuse Operations notes from February 2000 that was owed in the General Fund.

NOTE 5 - INTERFUND TRANSACTIONS

Fund Financial Statements

A. Interfund Receivables and Payables

At June 30, 2009, the City had the following short-term receivables and payables:

<table>
<thead>
<tr>
<th>Due to/from other funds:</th>
<th>Receivable Fund</th>
<th>Payable Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>General Fund</td>
<td>Home Fund</td>
<td>$ 5,999</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gas Tax Fund</td>
<td>115,408</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Grant Fund</td>
<td>677,273</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>$ 798,680</td>
</tr>
</tbody>
</table>

The City has recorded due to/due from all funds requiring cash at the end of June 30, 2009 to the funds that had deficit year-end balances which will be repaid back to the General Fund during the 2009-10 fiscal year.
NOTE 5 - INTERFUND TRANSACTIONS, Continued

Fund Financial Statements, Continued

B. Long-Term Advances

Long-term advances to be repaid out of future earnings or charges at June 30, 2009, consisted of:

Advances from/to other funds:

<table>
<thead>
<tr>
<th>Receivable Fund</th>
<th>Payable Fund</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>Redevelopment Agency</td>
<td>$5,190,096</td>
</tr>
<tr>
<td>General</td>
<td>Capital Improvement Project</td>
<td>1,000,000</td>
</tr>
<tr>
<td>General</td>
<td>Internal Service Fund</td>
<td>181,410</td>
</tr>
<tr>
<td>Enterprise Funds:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marina</td>
<td></td>
<td>7,648,440</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$14,019,946</td>
</tr>
</tbody>
</table>

The City Council authorized various loans to the Agency for operating and capital improvement purposes. The terms of the loans are indefinite. Interest accrues annually at the rate of 6%. The balance as of June 30, 2009, was $5,190,096.

The City Council authorized loans to the Shoreline Enterprise Fund for capital improvements at the Marina and Golf Course. The loans are to be paid over 30 years with an annual interest accrual rate of 5%. Principal payments are made annually provided the fund has sufficient resources. The balance as of June 30, 2009, was $3,401,337 and $4,247,103 for the Marina and the Golf Course, respectively, for a total of $7,648,440.

The City Council authorized a loan to the Information Management Services fund for computer equipment replacement. The loan is to be paid over 10 years and accrues interest annually at the rate of 6%. The balance as of June 30, 2009, was $181,410.

The City Council authorized a loan to the Capital Improvement Project fund for the improvement project on Davis Street. The loan accrues interest annually at the pooled cash investment rate. The balance as of June 30, 2009, was $1,000,000.
**NOTE 5 - INTERFUND TRANSACTIONS, Continued**

**Fund Financial Statements, Continued**

**C. Transfers**

Transfers during the fiscal year ended June 30, 2009, comprised the following:

<table>
<thead>
<tr>
<th>Transfer In:</th>
<th>General</th>
<th>Non-Major Governmental Funds</th>
<th>Internal Service Funds</th>
<th>Redevelopment Agency</th>
<th>Non-major Enterprise Funds</th>
<th>Water Pollution Control Plan</th>
<th>Shoreline Fund</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Non-major Governmental Funds</td>
<td>2,037,000</td>
<td>987,000</td>
<td>616,686</td>
<td>6,479,521</td>
<td>-</td>
<td>-</td>
<td>133,383</td>
<td>10,274,023</td>
</tr>
<tr>
<td>Non-major Enterprise Funds</td>
<td>67,942</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>133,383</td>
<td>62,782</td>
<td>-</td>
<td>264,107</td>
</tr>
<tr>
<td>Internal Service Funds</td>
<td>43,900</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>43,900</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 2,148,842</strong></td>
<td><strong>$ 987,000</strong></td>
<td><strong>$ 2,116,686</strong></td>
<td><strong>$ 6,479,521</strong></td>
<td><strong>$ 133,383</strong></td>
<td><strong>$ 62,782</strong></td>
<td><strong>$ 153,816</strong></td>
<td><strong>$ 12,082,030</strong></td>
</tr>
</tbody>
</table>

The City Council authorized transfers from the General Fund to various funds for fiscal year 2008-2009 to the following accounts and projects:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Amount</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Improvement Fund</td>
<td>$1,050,000</td>
<td>For various Capital improvement projects in the 2008-09 Adopted Budgets and Amendments</td>
</tr>
<tr>
<td>Measure B Fund</td>
<td>$987,000</td>
<td>To fund the shortage in the Gas Tax Fund</td>
</tr>
<tr>
<td>Environment Services Fund</td>
<td>$67,942</td>
<td>For the Refuse contract</td>
</tr>
<tr>
<td>Equipment Maintenance Fund</td>
<td>$43,900</td>
<td>For ancillary equipments of the Police SWAT van</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$2,148,842</td>
<td></td>
</tr>
</tbody>
</table>

The City Council authorized transfers from the Redevelopment Agency funds to the Redevelopment Agency Debt fund for Plaza, Joint Project, and West San Leandro Area Debt service payments in the amount of $6,339,021 and an additional $140,500 to the special revenue fund for a total of $6,479,521.

The City Council authorized transfers from the Self-Insurance fund to the General Fund for GASB 45 OPEB funding in the amount of $500,000 and $1M for General fund operations.
## NOTE 6 – CAPITAL ASSETS

### A. Government-Wide Financial Statements

At June 30, 2009, the City’s capital assets consisted of the following:

<table>
<thead>
<tr>
<th>Non-depreciable assets:</th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$17,526,442</td>
<td>$3,577,810</td>
<td>$21,104,252</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>28,352,269</td>
<td>2,723,601</td>
<td>31,075,870</td>
</tr>
<tr>
<td><strong>Total non-depreciable assets</strong></td>
<td><strong>45,878,711</strong></td>
<td><strong>6,301,411</strong></td>
<td><strong>52,180,122</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Depreciable assets:</th>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>61,564,094</td>
<td>10,066,422</td>
<td>71,630,516</td>
</tr>
<tr>
<td>Improvements</td>
<td>4,692,847</td>
<td>113,416</td>
<td>4,806,263</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>8,037,652</td>
<td>6,216,180</td>
<td>14,253,832</td>
</tr>
<tr>
<td>Licensed Vehicles</td>
<td>8,615,200</td>
<td>84,923</td>
<td>8,700,123</td>
</tr>
<tr>
<td>Infrastructure:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Park Irrigation Systems</td>
<td>3,720,181</td>
<td>-</td>
<td>3,720,181</td>
</tr>
<tr>
<td>Medians Irrigation</td>
<td>2,848,650</td>
<td>-</td>
<td>2,848,650</td>
</tr>
<tr>
<td>Park Structures</td>
<td>10,145,502</td>
<td>-</td>
<td>750,611</td>
</tr>
<tr>
<td>Roadway</td>
<td>228,325,393</td>
<td>-</td>
<td>228,325,393</td>
</tr>
<tr>
<td>Sidewalk</td>
<td>74,895,578</td>
<td>-</td>
<td>74,895,578</td>
</tr>
<tr>
<td>Curb and Gutter</td>
<td>37,447,790</td>
<td>-</td>
<td>37,447,790</td>
</tr>
<tr>
<td>Underground Piping and Storm Drain</td>
<td>20,025</td>
<td>2,271,514</td>
<td>2,291,539</td>
</tr>
<tr>
<td><strong>Total depreciable assets</strong></td>
<td><strong>440,312,912</strong></td>
<td><strong>18,752,455</strong></td>
<td><strong>459,065,367</strong></td>
</tr>
</tbody>
</table>

Less accumulated depreciation: (167,954,201) (9,257,499) (177,211,700)

**Total depreciiable assets, net** 272,358,711 9,494,956 281,853,667

**Total capital assets** $318,237,422 $15,796,367 $334,033,789
### A. Government-Wide Financial Statements, Continued

The following is a summary of capital assets for governmental activities:

<table>
<thead>
<tr>
<th>Non-Depreciable Assets:</th>
<th>Balance</th>
<th>Additions</th>
<th>Deletions</th>
<th>Adjustments</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$16,820,835</td>
<td>$705,607</td>
<td>-</td>
<td>-</td>
<td>$17,526,442</td>
</tr>
<tr>
<td>Construction In Progress</td>
<td>31,133,170</td>
<td>7,027,213</td>
<td>(9,808,114)</td>
<td>-</td>
<td>28,352,269</td>
</tr>
<tr>
<td><strong>Total Non-Depreciable Assets</strong></td>
<td><strong>47,954,005</strong></td>
<td><strong>7,732,820</strong></td>
<td><strong>(9,808,114)</strong></td>
<td>-</td>
<td><strong>45,878,711</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Depreciable Assets:</th>
<th>Balance</th>
<th>Additions</th>
<th>Deletions</th>
<th>Adjustments</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>60,323,080</td>
<td>1,241,014</td>
<td>-</td>
<td>-</td>
<td>61,564,094</td>
</tr>
<tr>
<td>Improvements</td>
<td>4,692,847</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,692,847</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>7,906,077</td>
<td>177,372</td>
<td>(45,797)</td>
<td>-</td>
<td>8,037,652</td>
</tr>
<tr>
<td>Licensed Vehicles</td>
<td>7,437,065</td>
<td>1,171,444</td>
<td>(105,225)</td>
<td>111,916</td>
<td>8,615,200</td>
</tr>
<tr>
<td><strong>Infrastructure</strong></td>
<td>347,721,239</td>
<td>9,681,880</td>
<td>-</td>
<td>-</td>
<td>357,403,119</td>
</tr>
<tr>
<td><strong>Total Depreciable Assets</strong></td>
<td><strong>428,080,308</strong></td>
<td><strong>12,271,710</strong></td>
<td><strong>(151,022)</strong></td>
<td><strong>111,916</strong></td>
<td><strong>440,312,912</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Accumulated Depreciation:</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>(13,560,838)</td>
<td>(1,190,967)</td>
<td>-</td>
<td>-</td>
<td>(14,751,805)</td>
</tr>
<tr>
<td>Improvements</td>
<td>(4,355,857)</td>
<td>(57,023)</td>
<td>-</td>
<td>-</td>
<td>(4,412,880)</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>(3,169,921)</td>
<td>(826,126)</td>
<td>45,045</td>
<td>-</td>
<td>(3,991,002)</td>
</tr>
<tr>
<td>Licensed Vehicles</td>
<td>(4,051,370)</td>
<td>(820,257)</td>
<td>74,925</td>
<td>-</td>
<td>(4,796,702)</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>(127,673,038)</td>
<td>(12,368,774)</td>
<td>-</td>
<td>-</td>
<td>(140,041,812)</td>
</tr>
<tr>
<td><strong>Total Accumulated Depreciation</strong></td>
<td><strong>(152,811,024)</strong></td>
<td><strong>(15,263,147)</strong></td>
<td><strong>119,970</strong></td>
<td>-</td>
<td><strong>(167,954,201)</strong></td>
</tr>
</tbody>
</table>

| Depreciable Assets, Net | 275,269,284 | (2,991,437) | (31,052) | 111,916 | 272,358,711 |

| Total Governmental Activities Capital Assets, Net | $323,223,289 | $4,741,383 | $(9,839,166) | $111,916 | $318,237,422 |

Governmental activities depreciation expenses for capital assets for the year ended June 30, 2009, are as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$14,852,568</td>
</tr>
<tr>
<td>Public Safety</td>
<td>254,895</td>
</tr>
<tr>
<td>Transportation</td>
<td>131,263</td>
</tr>
<tr>
<td>Recreation and Human services</td>
<td>19,842</td>
</tr>
<tr>
<td>Community Development</td>
<td>4,579</td>
</tr>
<tr>
<td><strong>Total Depreciation Expense</strong></td>
<td>$15,263,147</td>
</tr>
</tbody>
</table>
### NOTE 6 – CAPITAL ASSETS, Continued

#### A. Government-Wide Financial Statements, Continued

The following is a summary of capital assets for business-type activities:

<table>
<thead>
<tr>
<th></th>
<th>Balance</th>
<th>Additions</th>
<th>Deletions</th>
<th>Adjustments</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Depreciable Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td>$3,577,810</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$3,577,810</td>
</tr>
<tr>
<td>Construction in Progress</td>
<td>849,545</td>
<td>1,992,366</td>
<td>(118,310)</td>
<td>-</td>
<td>2,723,601</td>
</tr>
<tr>
<td><strong>Total Non-Depreciable Assets</strong></td>
<td>4,427,355</td>
<td>1,992,366</td>
<td>(118,310)</td>
<td>-</td>
<td>6,301,411</td>
</tr>
<tr>
<td><strong>Depreciable Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>10,566,323</td>
<td>-</td>
<td>(499,901)</td>
<td>-</td>
<td>10,066,422</td>
</tr>
<tr>
<td>Improvements</td>
<td>113,416</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>113,416</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>6,495,130</td>
<td>73,244</td>
<td>(352,194)</td>
<td>-</td>
<td>6,216,180</td>
</tr>
<tr>
<td>Licensed Vehicles</td>
<td>78,750</td>
<td>6,173</td>
<td>-</td>
<td>-</td>
<td>84,923</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>2,153,213</td>
<td>118,301</td>
<td>-</td>
<td>-</td>
<td>2,271,514</td>
</tr>
<tr>
<td><strong>Total Depreciable Assets</strong></td>
<td>19,406,832</td>
<td>197,718</td>
<td>(852,095)</td>
<td>-</td>
<td>18,752,455</td>
</tr>
<tr>
<td><strong>Accumulated Depreciation:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings</td>
<td>(5,422,991)</td>
<td>(185,563)</td>
<td>-</td>
<td>444,818</td>
<td>(5,163,736)</td>
</tr>
<tr>
<td>Improvements</td>
<td>(113,416)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(113,416)</td>
</tr>
<tr>
<td>Machinery and equipment</td>
<td>(3,501,504)</td>
<td>(123,959)</td>
<td>330,631</td>
<td>-</td>
<td>(3,294,832)</td>
</tr>
<tr>
<td>Licensed Vehicles</td>
<td>(33,992)</td>
<td>(11,073)</td>
<td>-</td>
<td>-</td>
<td>(45,065)</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>(601,027)</td>
<td>(39,423)</td>
<td>-</td>
<td>-</td>
<td>(640,450)</td>
</tr>
<tr>
<td><strong>Total Accumulated Depreciation</strong></td>
<td>(9,672,930)</td>
<td>(360,018)</td>
<td>330,631</td>
<td>444,818</td>
<td>(9,257,499)</td>
</tr>
<tr>
<td><strong>Total Business-Type Activities Capital Assets, Net</strong></td>
<td>$14,161,257</td>
<td>$1,830,066</td>
<td>$(639,774)</td>
<td>$444,818</td>
<td>$15,796,367</td>
</tr>
</tbody>
</table>

**Depreciation Expense for 2008-09:**

- Water Pollution Control $249,073
- Shoreline $110,945

**Total Depreciation Expense** $360,018

#### B. Funds Financial Statements

The Funds Financial Statements do not present General Government Capital Assets but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets.
NOTE 7 - LONG-TERM DEBT

A. Governmental Activities Long-Term Debt

Summary of changes in governmental activities long-term debt for the year ended June 30, 2009, were as follows:

<table>
<thead>
<tr>
<th>Bonded Debt:</th>
<th>Balance</th>
<th>Additions</th>
<th>Retirements</th>
<th>Adjustments</th>
<th>Balance</th>
<th>Due within</th>
<th>Due in more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Assessment Debt</td>
<td>$300,000</td>
<td>-</td>
<td>(145,000)</td>
<td>-</td>
<td>$155,000</td>
<td>$155,000</td>
<td>-</td>
</tr>
<tr>
<td>2001 Certificates of Participation</td>
<td>4,225,000</td>
<td>-</td>
<td>(145,000)</td>
<td>-</td>
<td>4,080,000</td>
<td>150,000</td>
<td>3,930,000</td>
</tr>
<tr>
<td>2002 Tax Allocation Bonds</td>
<td>14,640,000</td>
<td>-</td>
<td>(525,000)</td>
<td>-</td>
<td>14,115,000</td>
<td>550,000</td>
<td>13,565,000</td>
</tr>
<tr>
<td>2003 Certificates of Participation</td>
<td>10,955,000</td>
<td>-</td>
<td>(350,000)</td>
<td>-</td>
<td>10,605,000</td>
<td>360,000</td>
<td>10,245,000</td>
</tr>
<tr>
<td>2004 Tax Allocation Bonds</td>
<td>5,500,000</td>
<td>-</td>
<td>(95,000)</td>
<td>-</td>
<td>5,405,000</td>
<td>100,000</td>
<td>5,305,000</td>
</tr>
<tr>
<td>2007 Certificates of Participation</td>
<td>22,835,000</td>
<td>(660,000)</td>
<td>-</td>
<td>-</td>
<td>22,175,000</td>
<td>690,000</td>
<td>21,485,000</td>
</tr>
<tr>
<td>2008 Tax Allocation Bonds</td>
<td>-</td>
<td>27,530,000</td>
<td>-</td>
<td>-</td>
<td>27,530,000</td>
<td>325,000</td>
<td>27,205,000</td>
</tr>
<tr>
<td><strong>Total Bonded Debt</strong></td>
<td>58,455,000</td>
<td>27,530,000</td>
<td>(1,920,000)</td>
<td>-</td>
<td>84,065,000</td>
<td>2,330,000</td>
<td>81,735,000</td>
</tr>
</tbody>
</table>

| Capital Lease:                       |         |           |             |             |         |           |             |
| Bayfair Mall Debt with Agency Commitment | 1,683,458| -         | (446,193)   | -           | 1,237,265| 462,797    | 774,468     |
| Owner Participation Agreements with Agency Commitment | 1,200,000| -         | (250,000)   | -           | 950,000  | 250,000    | 700,000     |
| San Leandro USD-9th Grade             | 2,170,800| (535,440) | -           | 1,635,360   | 327,072  | 1,308,288  |

| **Total General Long-Term Obligations** | $64,800,165| $29,700,800| ($3,372,481) | - | $91,128,484| $3,501,174| $87,627,310 |

| Plus unamortized:                     |         |           |             |             |         |           |             |
| Discount (2002 TAB)                   | ($82,143)| -         | 4,107       | -           | ($78,036)| (4,107)   | (73,929)    |
| Discount (2007 COP)                   | (47,539)| 2,264     | -           | (45,275)    | (2,264)  | (43,011)  |
| Premium (2003 COP)                    | 482,799 | -         | (23,493)    | -           | 459,306  | 23,495    | 435,811     |
| Premium (2008 TAB)                    | -       | 195,656   | -           | 195,656     | 6,522    | 189,134   |

| **Total General Long-Term Obligations, net** | $65,153,282| $29,896,456| ($3,389,603) | - | $91,660,135| $3,524,820| $88,135,315 |
NOTE 7 - LONG-TERM DEBT, Continued

A. Governmental Activities Long-Term Debt, Continued

Special Assessment Debt With City Commitment

Special assessment districts are established in various parts of the City to provide improvements to properties located in those districts. Properties are assessed for the cost of improvements; these assessments are payable over the term of the debt issued to finance the improvements. The total amount of the assessment is recorded as receivable and deferred revenue at the time the related debt is issued, and reduced as assessments are collected. The City is obligated to be the purchaser of last resort or to advance available City funds to repay this debt in the event of default by any of these districts. These funds are paid from special assessment revenues levied on the property owners in each assessment district. At June 30, 2009, all these districts were in compliance with the repayment and other requirements of their respective debt issues.

Special assessment debt with City commitment is comprised of the following issue:

<table>
<thead>
<tr>
<th>Davis Street</th>
<th>Interest Rate</th>
<th>Maturity Date</th>
<th>Balance July 1, 2008</th>
<th>Retirements June 30, 2009</th>
<th>Balance June 30, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.6-7.2%</td>
<td>10/1/2009</td>
<td>$300,000</td>
<td>$(145,000)</td>
<td>$155,000</td>
</tr>
</tbody>
</table>

At June 30, 2009, future debt service requirements for the Davis Street Special assessment debt with City commitment were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30,</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$155,000</td>
<td>$5,592</td>
<td>$160,592</td>
</tr>
<tr>
<td>Total</td>
<td>$155,000</td>
<td>$5,592</td>
<td>$160,592</td>
</tr>
</tbody>
</table>
NOTE 7 - LONG-TERM DEBT, Continued

A. Governmental Activities Long-Term Debt, Continued

2001 Certificates of Participation

In 2001, the City issued $5,020,000 principal amount of 2001 Certificates of Participation (2001 COPs). The purpose of the 2001 COPs was to assist the Redevelopment Agency of the City finance redevelopment activities within the Joint Project Area of the City. The 2001 COPs bear interest rates ranging from 2.10% to 5.10% and are payable semiannually on each June 1 and December 1. Principal payments are payable annually on December 1. The certificates evidence fractional interest of the owners in lease payments to be made by the City for use and occupancy of the City corporation yard and are additionally secured and payable from the property tax increment revenues from the Joint Project Area within the City.

At June 30, 2009, future debt service requirements for the 2001 Certificates of Participation were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30,</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$150,000</td>
<td>$193,845</td>
<td>$343,845</td>
</tr>
<tr>
<td>2011</td>
<td>155,000</td>
<td>187,858</td>
<td>342,858</td>
</tr>
<tr>
<td>2012</td>
<td>165,000</td>
<td>181,375</td>
<td>346,375</td>
</tr>
<tr>
<td>2013</td>
<td>170,000</td>
<td>174,423</td>
<td>344,423</td>
</tr>
<tr>
<td>2014</td>
<td>180,000</td>
<td>166,937</td>
<td>346,937</td>
</tr>
<tr>
<td>2015-2019</td>
<td>1,020,000</td>
<td>700,371</td>
<td>1,720,371</td>
</tr>
<tr>
<td>2020-2024</td>
<td>1,295,000</td>
<td>412,463</td>
<td>1,707,463</td>
</tr>
<tr>
<td>2025-2027</td>
<td>945,000</td>
<td>73,823</td>
<td>1,018,823</td>
</tr>
<tr>
<td><strong>Total debt service</strong></td>
<td><strong>$4,080,000</strong></td>
<td><strong>$2,091,095</strong></td>
<td><strong>$6,171,095</strong></td>
</tr>
</tbody>
</table>
2002 Tax Allocation Bonds

In fiscal year 2004, the City’s Redevelopment Agency issued $15,935,000 principal amount of Tax Allocation Bonds (2002 TABs) to refund the City’s 1993 Tax Allocation Bonds (1993 TABs) used to finance the redevelopment activities within the Plaza Project Area (which have been completed) and to finance new redevelopment projects as set forth in the Redevelopment Plan. The bonds consist of serial bonds that mature annually through 2018 in amounts ranging from $305,000 to $860,000 and term bonds maturing in 2020 in the amount of $1,200,000, 2025 in the amount of $2,355,000 and 2033 in the amount of $3,520,000. Interest rates vary from 2.90% to a maximum of 6% and are payable semiannually on September 1 and March 1. The debt is secured and payable from the property tax increment revenues from the Joint Project Area within the City.

The refunding of the outstanding 1993 TABs resulted in a present value loss of $70,679 or 1.1% of the principal amount of the refunded bonds. The nominal economic loss was necessary in order to raise the $8,015,000 of new money that was generated through the financing. Because of a prohibitively high additional bonds test on the 1993 TABs (225%) it was necessary to refund the outstanding bonds in order to most efficiently raise the new money. According to the analysis completed by the City’s financial advisor, the Agency raised $321,000 more through using the refunding than they could have raised using a subordinate lien new money only issue.

At June 30, 2009, future debt service requirements for the 2002 Tax Allocation Bonds were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$550,000</td>
<td>$783,500</td>
<td>$1,333,500</td>
</tr>
<tr>
<td>2011</td>
<td>575,000</td>
<td>757,194</td>
<td>1,332,194</td>
</tr>
<tr>
<td>2012</td>
<td>605,000</td>
<td>728,412</td>
<td>1,333,412</td>
</tr>
<tr>
<td>2013</td>
<td>635,000</td>
<td>697,095</td>
<td>1,332,095</td>
</tr>
<tr>
<td>2014</td>
<td>670,000</td>
<td>663,483</td>
<td>1,333,483</td>
</tr>
<tr>
<td>2015-2019</td>
<td>3,935,000</td>
<td>2,714,218</td>
<td>6,649,218</td>
</tr>
<tr>
<td>2020-2024</td>
<td>2,580,000</td>
<td>1,716,998</td>
<td>4,296,998</td>
</tr>
<tr>
<td>2024-2029</td>
<td>2,520,000</td>
<td>997,609</td>
<td>3,517,609</td>
</tr>
<tr>
<td>2030-2033</td>
<td>2,045,000</td>
<td>237,749</td>
<td>2,282,749</td>
</tr>
</tbody>
</table>

**Total debt service**

| $14,115,000 | $9,296,258 | $23,411,258 |
NOTE 7 - LONG-TERM DEBT, Continued

A. Governmental Activities Long-Term Debt, Continued

2003 Certification of Participation

In 2003, the City issued $12,550,000 principal amount of 2003 Certificates of Participation (2003 COPs). The purpose of the 2003 COPs was to refund the City’s 1993 COPs and raise capital funds for a new aquatics center. The 2003 COPs bear interest rates ranging from 2.5% to 5.00% and are payable semiannually on each June 1 and December 1. Principal payments are payable annually on June 1. The COPs evidence fractional interests of the owners in lease payments to be made by the City for use and occupancy of the San Leandro City Hall.

The 2003 COPs resulted in a present value of savings of $1,166,751 or 11.75% of the refunded bonds. Through a five-year extension of debt service on the outstanding COPs, the city was able to generate $2,750,000 of capital improvement funds and a slight reduction in the annual debt service payment.

At June 30, 2009, future debt service requirements for the 2003 Certificates of Participation were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$360,000</td>
<td>$516,400</td>
<td>$876,400</td>
</tr>
<tr>
<td>2011</td>
<td>370,000</td>
<td>504,700</td>
<td>874,700</td>
</tr>
<tr>
<td>2012</td>
<td>385,000</td>
<td>489,900</td>
<td>874,900</td>
</tr>
<tr>
<td>2013</td>
<td>400,000</td>
<td>474,500</td>
<td>874,500</td>
</tr>
<tr>
<td>2014</td>
<td>420,000</td>
<td>454,500</td>
<td>874,500</td>
</tr>
<tr>
<td>2015-2019</td>
<td>2,445,000</td>
<td>1,935,250</td>
<td>4,380,250</td>
</tr>
<tr>
<td>2020-2024</td>
<td>3,120,000</td>
<td>1,259,250</td>
<td>4,379,250</td>
</tr>
<tr>
<td>2025-2028</td>
<td>3,105,000</td>
<td>397,750</td>
<td>3,502,750</td>
</tr>
<tr>
<td>Total debt service</td>
<td>$10,605,000</td>
<td>$6,032,250</td>
<td>$16,637,250</td>
</tr>
</tbody>
</table>
NOTE 7 - LONG-TERM DEBT, Continued

A. Governmental Activities Long-Term Debt, Continued

2004 Tax Allocation Bonds

In 2004, the City issued $5,500,000 principal amount of 2004 Tax Allocation Bonds (2004 TABs). The purpose of the 2004 TABs was to assist the Redevelopment Agency of the City finance redevelopment activities within the West San Leandro/MacArthur Boulevard Redevelopment Project Area of the City. The 2004 TABs bear interest rates ranging from 5.00% to 5.75% and are payable semiannually on each March 1 and September 1. Principal payments are payable annually on September 1. The debt is secured and payable from the tax increment revenues from the West San Leandro/MacArthur Boulevard Redevelopment Project area within the City.

2004 Tax Allocation Bonds, Continued

At June 30, 2009, future debt service requirements for the 2004 Tax Allocation Bonds were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30,</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$100,000</td>
<td>$296,475</td>
<td>$396,475</td>
</tr>
<tr>
<td>2011</td>
<td>105,000</td>
<td>290,606</td>
<td>395,606</td>
</tr>
<tr>
<td>2012</td>
<td>110,000</td>
<td>284,425</td>
<td>394,425</td>
</tr>
<tr>
<td>2013</td>
<td>115,000</td>
<td>277,956</td>
<td>392,956</td>
</tr>
<tr>
<td>2014</td>
<td>125,000</td>
<td>271,056</td>
<td>396,056</td>
</tr>
<tr>
<td>2015-2019</td>
<td>730,000</td>
<td>1,245,350</td>
<td>1,975,350</td>
</tr>
<tr>
<td>2020-2024</td>
<td>935,000</td>
<td>1,029,821</td>
<td>1,964,821</td>
</tr>
<tr>
<td>2025-2029</td>
<td>1,215,000</td>
<td>741,418</td>
<td>1,956,418</td>
</tr>
<tr>
<td>2030-2034</td>
<td>1,595,000</td>
<td>347,156</td>
<td>1,942,156</td>
</tr>
<tr>
<td>2035</td>
<td>375,000</td>
<td>10,780</td>
<td>385,780</td>
</tr>
<tr>
<td>Total debt service</td>
<td>$5,405,000</td>
<td>$4,795,043</td>
<td>$10,200,043</td>
</tr>
</tbody>
</table>
NOTE 7 - LONG-TERM DEBT, Continued

A. Governmental Activities Long-Term Debt, Continued

2007 Certification of Participation

In 2007, the City issued $23,435,000 principal amount of 2007 Certificates of Participation (2007 COPs). The purpose of the 2007 COPs was to provide funds to refund the outstanding 1999 Certificates of Participation (Library and Fire Stations Project) of the City of San Leandro and the San Leandro Public Financing Authority. Interest rates vary from 4.00% to a maximum of 4.375% and are payable semiannually on each May 1 and November 1. Principal payments are payable annually on November 1. The COPs evidence fractional interest of the owners in lease payment to be made by the City for use and occupancy of San Leandro Libraries and San Leandro Fire Stations.

<table>
<thead>
<tr>
<th>For the Year Ending June 30</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$690,000</td>
<td>$911,519</td>
<td>$1,601,519</td>
</tr>
<tr>
<td>2011</td>
<td>715,000</td>
<td>883,419</td>
<td>1,598,419</td>
</tr>
<tr>
<td>2012</td>
<td>745,000</td>
<td>854,219</td>
<td>1,599,219</td>
</tr>
<tr>
<td>2013</td>
<td>775,000</td>
<td>823,819</td>
<td>1,598,819</td>
</tr>
<tr>
<td>2014</td>
<td>805,000</td>
<td>792,219</td>
<td>1,597,219</td>
</tr>
<tr>
<td>2015-2019</td>
<td>4,550,000</td>
<td>3,440,194</td>
<td>7,990,194</td>
</tr>
<tr>
<td>2020-2024</td>
<td>5,535,000</td>
<td>2,426,391</td>
<td>7,961,391</td>
</tr>
<tr>
<td>2025-2029</td>
<td>6,815,000</td>
<td>1,108,359</td>
<td>7,923,359</td>
</tr>
<tr>
<td>2030</td>
<td>1,545,000</td>
<td>33,797</td>
<td>1,578,797</td>
</tr>
<tr>
<td><strong>Total Debt Service</strong></td>
<td>$22,175,000</td>
<td>$11,273,936</td>
<td>$33,448,936</td>
</tr>
</tbody>
</table>

The proceeds from the 1999 COP refunding issue were placed in irrevocable escrow account overseen by independent bank fiscal agents. The proceeds are generally invested in U.S. Treasury Securities, which together with earned interest, will provide amounts sufficient for future payment of interest, principal, and redemption premium on the defeased bond in the amount of $27,257,815. The escrow account is not included as assets of the City. The defeased bonds are excluded from the City’s long-term obligations because the arrangement satisfies requirements of defeasance.
**NOTE 7 - LONG-TERM DEBT, Continued**

**A. Governmental Activities Long-Term Debt, Continued**

**2008 Tax Allocation Bonds**

In 2008, the City issued $27,530,000 principal amount of 2008 Tax Allocation Bond (2008 TABs). The purpose of the 2008 TABs was to provide funds to finance capital projects in the Alameda County-City of San Leandro Redevelopment Project Area. A portion of the 2008 TABs will be used to finance projects that meet the goals and objectives set forth in the Redevelopment Plan. These include, but not limited to, design and construction of a senior center, a proposed parking garage, and infrastructure improvements on East 14th Street. Interest rates vary from 4.70% to a maximum of 5.00% and are payable annually. Principal payments are payable annually on November 1.

At June 30, 2009, future debt service requirements for the 2008 Tax Allocation Bonds were as follows:

<table>
<thead>
<tr>
<th>For year Ending June 30,</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$325,000</td>
<td>$1,409,813</td>
<td>$1,734,813</td>
</tr>
<tr>
<td>2011</td>
<td>475,000</td>
<td>1,389,813</td>
<td>1,864,813</td>
</tr>
<tr>
<td>2012</td>
<td>495,000</td>
<td>1,365,563</td>
<td>1,860,563</td>
</tr>
<tr>
<td>2013</td>
<td>510,000</td>
<td>1,340,438</td>
<td>1,850,438</td>
</tr>
<tr>
<td>2014</td>
<td>530,000</td>
<td>1,314,438</td>
<td>1,844,438</td>
</tr>
<tr>
<td>2015-2019</td>
<td>2,980,000</td>
<td>6,145,438</td>
<td>9,125,438</td>
</tr>
<tr>
<td>2020-2024</td>
<td>3,690,000</td>
<td>5,337,606</td>
<td>9,027,606</td>
</tr>
<tr>
<td>2025-2029</td>
<td>4,660,000</td>
<td>4,318,278</td>
<td>8,978,278</td>
</tr>
<tr>
<td>2030-2034</td>
<td>6,030,000</td>
<td>2,949,787</td>
<td>8,979,787</td>
</tr>
<tr>
<td>2035-2038</td>
<td>7,835,000</td>
<td>2,949,787</td>
<td>8,935,925</td>
</tr>
<tr>
<td><strong>Total debt service</strong></td>
<td><strong>27,530,000</strong></td>
<td><strong>26,672,099</strong></td>
<td><strong>54,202,099</strong></td>
</tr>
</tbody>
</table>
NOTE 7 - LONG-TERM DEBT, Continued

A. Governmental Activities Long-Term Debt, Continued

2005 Master Equipment Lease/Purchase Agreement

In 2005, the City entered into a Lease/Purchase Agreement with Bank of America to Lease/Purchase Equipment in the amount of $3,048,260. The Equipment was for the Police Department’s computer upgrades for servers, mobile laptops, and computer aided dispatch and records management system. The interest rates range from 3.40% to 3.70% payable in seven (7) years.

At June 30, 2009, future debt service requirements for the 2005 Master Equipment Lease Purchase Agreement were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$462,797</td>
<td>$39,351</td>
<td>$502,148</td>
</tr>
<tr>
<td>2011</td>
<td>380,095</td>
<td>23,447</td>
<td>403,542</td>
</tr>
<tr>
<td>2012</td>
<td>394,370</td>
<td>9,172</td>
<td>403,542</td>
</tr>
<tr>
<td>Total debt service</td>
<td>$1,237,262</td>
<td>$71,970</td>
<td>$1,309,232</td>
</tr>
</tbody>
</table>

Bay Fair Mall Debt with Agency Commitment

On June 15, 1998, the City committed $4,000,000 to renovate the Bayfair Mall. This debt with City commitment is at 0% interest and has installments ranging between $200,000 and $400,000 per year over a 15 year period beginning in July 1998. The debt is secured and payable from Community Redevelopment Agency revenues. An adjustment was made in prior years for an accelerated payment of $50,000 which is reflected in the table, leaving a debt service balance of $950,000.

At June 30, 2009, future debt service requirements for the Bay Fair Mall Debt with City Commitment were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30</th>
<th>Principal</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$250,000</td>
<td>$250,000</td>
</tr>
<tr>
<td>2011</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2012</td>
<td>250,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2013</td>
<td>200,000</td>
<td>200,000</td>
</tr>
<tr>
<td>Total debt service</td>
<td>$950,000</td>
<td>$950,000</td>
</tr>
</tbody>
</table>
NOTE 7 - LONG-TERM DEBT, Continued

A. Governmental Activities Long-Term Debt, Continued

Owner Participation Agreements with Agency Commitment

The Agency entered into the following agreements which represent contingency liabilities for the Agency:

<table>
<thead>
<tr>
<th>Owner Participation Agreement</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ford Motor Company</td>
<td>$2,165,859</td>
</tr>
<tr>
<td>Batarse Family Trust Disposition and Development</td>
<td>390,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,555,859</strong></td>
</tr>
</tbody>
</table>

1. **Ford Motor Company Owner Participation Agreement** - The agreement required the Agency to make annual payment equivalent to 50% of the sales tax generated above a base of $277,000 by the sale of vehicles as part of the Ford Store San Leandro development. The amount due is $2,165,859 to be paid over several years depending on the volume of auto sales at no interest.

2. **Batarse Family Trust Disposition and Development Agreement** – The agreement required the Agency to make annual payments equivalent to 50% of the sales tax generated by the sale of vehicles as part of the development of a proposed Saturn dealership. The amount due is $390,000 to be paid over several years depending on the volume of auto sales at no interest.

HUD 108 Guarantee Loan

In 2000, the City received a $1,000,000 20-year federal loan from Housing and Urban Development, at an interest rate of 5.6% to finance the acquisition and construction of affordable housing for seniors within the City of San Leandro. The loan is secured and payable from the Agency’s 20% Housing Set-Aside Fund.

At June 30, 2009, future debt service requirements for the HUD 108 Guarantee loan were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$63,000</td>
<td>$50,475</td>
<td>$113,475</td>
</tr>
<tr>
<td>2011</td>
<td>63,000</td>
<td>45,861</td>
<td>108,861</td>
</tr>
<tr>
<td>2012</td>
<td>63,000</td>
<td>41,153</td>
<td>104,153</td>
</tr>
<tr>
<td>2013</td>
<td>63,000</td>
<td>36,382</td>
<td>99,382</td>
</tr>
<tr>
<td>2014</td>
<td>63,000</td>
<td>31,542</td>
<td>94,542</td>
</tr>
<tr>
<td>2015-2019</td>
<td>315,000</td>
<td>83,996</td>
<td>398,996</td>
</tr>
<tr>
<td>2020</td>
<td>55,000</td>
<td>2,188</td>
<td>57,188</td>
</tr>
<tr>
<td><strong>Total debt service</strong></td>
<td><strong>$685,000</strong></td>
<td><strong>$291,597</strong></td>
<td><strong>$976,597</strong></td>
</tr>
</tbody>
</table>
NOTE 7 - LONG-TERM DEBT, Continued

A. Governmental Activities Long-Term Debt, Continued

2008 San Leandro Unified School District

In February 2009, the City entered into a joint use agreement with the San Leandro Unified School District which provides for the City use of the 9th grade gymnasium during non-school hours and the San Leandro Redevelopment Agency (Agency) agreed to provide for financial contribution to the project from the Agency in the amount of $2,170,800 with no interest payable by June 30, 2014.

<table>
<thead>
<tr>
<th></th>
<th>Year Ending June 30,</th>
<th>Principal</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>2010</td>
<td>$327,072</td>
<td>$327,072</td>
<td>$327,072</td>
</tr>
<tr>
<td>2011</td>
<td>327,072</td>
<td>327,072</td>
<td>327,072</td>
</tr>
<tr>
<td>2012</td>
<td>327,072</td>
<td>327,072</td>
<td>327,072</td>
</tr>
<tr>
<td>2013</td>
<td>327,072</td>
<td>327,072</td>
<td>327,072</td>
</tr>
<tr>
<td>2014</td>
<td>327,072</td>
<td>327,072</td>
<td>327,072</td>
</tr>
<tr>
<td><strong>Total debt service</strong></td>
<td>$1,635,360</td>
<td>$1,635,360</td>
<td></td>
</tr>
</tbody>
</table>

B. Long-Term Debt of Business-Type and Proprietary Funds

Summary of changes in long-term debt of business-type and proprietary funds for the year ended June 30, 2009:

<table>
<thead>
<tr>
<th>Debt Issue</th>
<th>Balance July 1, 2008</th>
<th>Retirements</th>
<th>Balance June 30, 2009</th>
<th>Due within one year</th>
<th>Due in more than one year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marina Cal Boating Notes Payable</td>
<td>$2,963,509</td>
<td>$(159,561)</td>
<td>$2,803,948</td>
<td>$166,741</td>
<td>$2,637,207</td>
</tr>
</tbody>
</table>

Notes Payable

Marina Cal Boating Notes Payable

The City entered into various construction loan agreements with the California Department of Boating and Waterways in the total principal amount of $5,331,032. The loans bear an average interest rate of 4.50%. Principal and interest payments are payable annually on each August 1. The debts are secured from Shoreline Enterprise Fund operating revenues.
Marina Cal Boating Notes Payable, continued

At June 30, 2009, future debt service requirements for the Marina Cal Boating Notes Payable were as follows:

<table>
<thead>
<tr>
<th>For the Year Ending June 30</th>
<th>Principal</th>
<th>Interest</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$166,741</td>
<td>$126,268</td>
<td>$293,009</td>
</tr>
<tr>
<td>2011</td>
<td>174,245</td>
<td>118,764</td>
<td>293,009</td>
</tr>
<tr>
<td>2012</td>
<td>182,086</td>
<td>110,923</td>
<td>293,009</td>
</tr>
<tr>
<td>2013</td>
<td>190,280</td>
<td>102,730</td>
<td>293,010</td>
</tr>
<tr>
<td>2014</td>
<td>198,842</td>
<td>94,167</td>
<td>293,009</td>
</tr>
<tr>
<td>2015-2019</td>
<td>1,136,760</td>
<td>328,287</td>
<td>1,465,047</td>
</tr>
<tr>
<td>2020-2024</td>
<td>688,908</td>
<td>76,752</td>
<td>765,660</td>
</tr>
<tr>
<td>2025-2027</td>
<td>66,086</td>
<td>6,218</td>
<td>72,304</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>2,803,948</strong></td>
<td><strong>964,109</strong></td>
<td><strong>3,768,057</strong></td>
</tr>
</tbody>
</table>

C. Debt Covenants and Restrictions

For June 30, 2009, the City complied with all general and specific covenants regarding debt proceeds usage and debt repayment. In accordance with bond official statements, the City also maintained adequate reserves for all debt issues.

NOTE 8 – COMPENSATED ABSENCES

The City’s compensated absences consist of accrued vacation pay, sick leave, and accrued compensatory time. The total amount of the accrued liability is recorded in the Government-wide Financial Statements and charges for compensated absences expense is charged to the various program activities in the Governmental funds, primarily General fund and Internal Service funds, and all Proprietary funds.

Summary of changes in compensated absences for the year ended June 30, 2009, was as follows:

<table>
<thead>
<tr>
<th></th>
<th>Balance July 1, 2008</th>
<th>Additions</th>
<th>Retirements</th>
<th>Balance June 30, 2009</th>
<th>Due within one year</th>
<th>Due in more one year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities</td>
<td>$4,550,664</td>
<td>$96,950</td>
<td>($205,269)</td>
<td>$4,442,345</td>
<td>$407,622</td>
<td>$4,034,723</td>
</tr>
<tr>
<td>Business-type Activities</td>
<td>465,130</td>
<td>70,807</td>
<td>(42,571)</td>
<td>493,366</td>
<td>-</td>
<td>493,366</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$5,015,794</strong></td>
<td><strong>$167,757</strong></td>
<td>($247,840)</td>
<td><strong>$4,935,711</strong></td>
<td><strong>$407,622</strong></td>
<td><strong>$4,528,089</strong></td>
</tr>
</tbody>
</table>
NOTE 9 – UNEARNED REVENUE

A. Government-Wide Financial Statements

Unearned revenue in the Government-Wide Financial Statements represents amounts for which revenues have not been earned. At June 30, 2009, unearned revenues in the Government-Wide Financial Statements were as follows:

<table>
<thead>
<tr>
<th>Governmental Activities</th>
<th>Business-Type Activities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$ 1,857,138</td>
<td>$ 1,624,064</td>
</tr>
</tbody>
</table>

B. Fund Financial Statements

At June 30, 2009 the following deferred revenues were recorded in the Fund Financial Statements because either the revenues had not been earned or the funds were not available to finance expenditures of the current period:

Governmental Funds:

<table>
<thead>
<tr>
<th></th>
<th>General Fund</th>
<th>Redevelopment Agency Capital Projects</th>
<th>Redevelopment Agency Low/Moderate Housing</th>
<th>Non-Major Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts receivable</td>
<td>$ 1,673,733</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 1,673,733</td>
</tr>
<tr>
<td>Long-term redevelopment loans</td>
<td>-</td>
<td>1,480,619</td>
<td>-</td>
<td>-</td>
<td>1,480,619</td>
</tr>
<tr>
<td>Long-term housing loans</td>
<td>-</td>
<td>-</td>
<td>8,254,017</td>
<td>3,163,342</td>
<td>11,417,359</td>
</tr>
<tr>
<td>Special Assessments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>183,405</td>
<td>183,405</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$ 1,673,733</td>
<td>$ 1,480,619</td>
<td>$ 8,254,017</td>
<td>$ 3,346,747</td>
<td>$ 14,755,116</td>
</tr>
</tbody>
</table>
NOTE 10 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Fund Deficits

At June 30, 2009, the funds below had the following deficit fund balance or net assets:

**Governmental Funds:**
- Special Gas Tax: $139,882
- Measure B Para-transit: $31,816
- HOME: $5,001

**Enterprise Funds:**
- Shoreline: $2,905,614

Total: $3,082,313

The Special Gas Tax, Measure B Para-transit, and HOME fund has a deficit due to the increase in expenditures and will be reviewed and controlled in the next fiscal year. The Enterprise fund deficit has accumulated over the years and will be eliminated through cost containment and revenue enhancement activities associated with the City’s economic development program. Marina deficits will be eliminated in the next three years from the lease of golf course properties and as transient occupancy revenues are shifted to the Shoreline Fund for its hotel operations.

B. Expenditures in Excess of Appropriations

Excess of expenditures over appropriations approved by the City Council occurred in individual funds during the fiscal year 2008-09 as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Expenditures</th>
<th>Appropriations</th>
<th>Excess Expenditure over Appropriations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traffic Congestion Relief Special Revenue Fund</td>
<td>$ 368,957</td>
<td>$ 368,972</td>
<td>$ (15)</td>
</tr>
<tr>
<td>Redevelopment Agency Debt Service Fund</td>
<td>4,462,334</td>
<td>4,472,793</td>
<td>(10,459)</td>
</tr>
</tbody>
</table>
NOTE 11 - INSURANCE

The City provides workers’ compensation benefits under self-insurance programs. Such claims outstanding, including claims incurred but not reported, are estimated and recorded as liabilities in the Self Insurance Internal Service Fund. The City’s self-insured retention limit for workers’ compensation is $250,000 per claim. The City is a member of the Local Agency Workers’ Compensation Excess Joint Powers Authority (LAWCX). This coverage includes a limit of $25 million for excess workers compensation and $2 million for employer’s liability.

The City is a member of California Joint Powers Risk Management Authority (CJPRMA), which provides annual general liability coverage in an aggregate up to $40 million. The City is self-insured for the first $1,000,000 in property and liability losses. The City has had no settlements which exceed insurance coverage in the last five fiscal years, and no changes in insurance coverage from the prior year.

The City’s deposits in the CJPRMA equal the ratio of the City’s payroll to the total payrolls of all entities participating in the same layer of each program in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. Estimated claims liabilities, as shown below, are presented on a basis of actuarial value as determined by the City’s actuary, who determines the expected value of the overall claim based upon certain criteria of the claim.

The following provides a reconciliation of claims and judgments:

<table>
<thead>
<tr>
<th></th>
<th>Claims Liability Balance</th>
<th>Current Year Liabilities and Payments in Fiscal Year</th>
<th>Liability Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1</td>
<td>$ 7,491,613</td>
<td>$ 2,342,800</td>
<td>$ 7,330,743</td>
</tr>
<tr>
<td>2006-07</td>
<td>$ 7,330,743</td>
<td>(2,759,678)</td>
<td>6,518,262</td>
</tr>
<tr>
<td>2007-08</td>
<td>6,518,262</td>
<td>(1,759,852)</td>
<td>6,091,683</td>
</tr>
</tbody>
</table>

Financial statements may be obtained from CJPRMA, 6410 Stoneridge Mall Road, Suite 380, Pleasanton, CA 94596. CJPRMA’s audited condensed financial information for the year ended June 30, 2009, is presented below:

<table>
<thead>
<tr>
<th></th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>94,162,284</td>
</tr>
<tr>
<td>Total Liabilities</td>
<td>(46,882,379)</td>
</tr>
<tr>
<td>Equity</td>
<td>47,279,905</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>21,185,418</td>
</tr>
<tr>
<td>Total Expenses</td>
<td>(9,686,148)</td>
</tr>
<tr>
<td>Refunds to Member</td>
<td>(4,916,204)</td>
</tr>
<tr>
<td><strong>Net Increase (Decrease) in Equity</strong></td>
<td>$ 6,583,066</td>
</tr>
</tbody>
</table>
NOTE 12 - COMMITMENTS AND CONTINGENCIES

A. Downtown Plaza Shopping Center MOREA

An agreement was entered into between San Leandro Plaza Associates, Plaza Partners, and the San Leandro Redevelopment Agency (Agency) for the maintenance and operation of the public parking and common area of the shopping center. The Agency’s share of the costs associated with the MOREA is 22.2%. The Agency’s share for 2008-09 was $62,000.

B. Century Theaters Reimbursement and Performance Agreement

The agreement requires the Agency to guarantee the ground lease by M&J Wilkow (or its successors and assigns) for property adjacent to the Bayfair Mall as part of the development of the Century Theatres complex. The obligation only occurs in the event of a default by the mall ownership. The amount of the obligation is subject to change over time as provided in the lease.

C. Alameda at San Leandro Crossing Financing

The Alameda at San Leandro Crossing is part of the 300 unit Phase I development in San Leandro Crossings which will be constructed by Bridge Housing Corporation and developed by Westlake Development Partners LLC. The Redevelopment Agency (RDA) of the City of San Leandro (Agency) will be assisting in financing $9.1 million from the Housing Set Aside Funds of the Agency through the issuance of Tax Allocations Bonds (TABs). The TABs will be repaid over a 15 year period and as a result of the bonds being taxable, the interest rate, paid by the RDA will be approximately 7.7% to 8%. The Agency will be able to reimburse itself from the proceeds of future tax exempt financing for expenditures made in advance of the issuance of the financing.

D. Others

The City participates in several Federal and State grant programs. These programs have been audited by the City’s independent accountants in accordance with the provisions of the Federal Single Audit Act of 1984 and applicable State requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions when finally adjudicated will not have a material adverse effect on the financial position of the City. As discussed in Note 11 to the Financial Statement, the City maintains in the Self Insurance Fund which has reserves of $5.0M at the end of June 30, 2009. These reserves are available to satisfy any future liability.

NOTE 13 - EMPLOYEE RETIREMENT PLANS

Plan Description - The City contributes to the California Public Employees Retirement System (PERS), an agent multiple-employer public employee defined benefit pension plan. PERS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. PERS acts as a common investment and administrative agent for participating public entities within the State of California.

A cost-sharing multiple-employer plan is a single plan with pooling (cost-sharing) arrangements for the participating employers. All risks, rewards, and costs, including benefit costs, are shared and are not attributed individually to the employers. A single actuarial valuation covers all plan members and the same contribution rate(s) applies for each employers. A menu of benefit provisions and other requirements are established by State statutes within the Public
NOTE 13 - EMPLOYEE RETIREMENT PLANS, Continued

Employee’s Retirement Law. The City of San Leandro selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local resolutions. The City of San Leandro participates in separate Safety and Miscellaneous (Police, Firefighters, Fire Administrators, and Miscellaneous) Employee Plans.

A Benefit provisions and all other requirements are established by state statute and city ordinance. Copies of PERS’ annual financial report may be obtained from their Executive Office located at 400 P Street, Sacramento, CA 95814.

Funding Policy - Active plan members are required by state statute to contribute 8% for miscellaneous and 9% for safety employees of their annual covered salary. The City makes the contributions required of City employees on their behalf and for their account, which amounted to $10,506,515 for the year ended June 30, 2009.

The City as employer is required to contribute an actuarially determined payment that is reflected as a percentage of annual covered payrolls for miscellaneous and safety employees.

Annual Pension Cost - For fiscal year 2008-09 the City’s annual pension costs of $7,680,976 for PERS was equal to the City’s required contribution. The required contribution was determined as a part of the June 30, 2007, actuarial valuation using the entry age method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected salary increases that range from 3.25% to 14.45% depending on age, service, and type of employment, and (c) 2% per year cost-of-living adjustments for retirees. Both (a) and (b) included an inflation component of 3.0%. The actuarial value of PERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over three year period. PERS unfunded actuarial accrued liability (or surplus) is being amortized as a level percentage of projected payrolls on closed bases. The average remaining amortization period at June 30, 2007, was 26 years for miscellaneous and 17 years for safety employees for prior and current service unfunded liabilities.

THREE YEAR TREND INFORMATION FOR PERS

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Annual Pension Cost (APC)</th>
<th>Percentage of APC Contributed</th>
<th>Net Pension Obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/30/2007</td>
<td>$ 6,798,718</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>6/30/2008</td>
<td>7,341,953</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>6/30/2009</td>
<td>7,680,976</td>
<td>100%</td>
<td>-</td>
</tr>
</tbody>
</table>
NOTE 14 –OTHER POST EMPLOYMENT BENEFITS

The City implemented the provisions of GASB 45. *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, in fiscal year 2008-2009. This Statement establishes uniform financial reporting standards for employers providing postemployment benefits other than pension. The provisions of this Statement are applied prospectively and do not affect prior financial statements. Required disclosures are presented below.

A. Plan Description

The City’s defined benefit Other Post Employment Benefit (OPEB) Plan, which was established by City Council in fiscal year 2008-09 in accordance with GASB Statement No. 45, provides reimbursements to retirees for qualified expenses. Retirees who have at least ten years of service and meet certain criterion based upon retirement date, household income in the most recent calendar year and age are entitled to reimbursements for qualified expenses.

Annual maximum reimbursement amounts differ depending on when an employee retired from City service. The majority of retirees may be eligible for a maximum of $4,320 in annual reimbursements. Amendments to benefit provisions are negotiated by various bargaining units at the City and must be approved by Council. In fiscal year 2008-09, the City established an irrevocable exclusive agent multi-employer benefit trust which is administered by Public Agency Retirement Services (PARS). The trust will be used to accumulate and invest assets necessary to reimburse retirees. Separate financial reports are issued by PARS for the OPEB plan. The report can be obtained by writing to PARS at 5141 California Avenue, Suite 150, Irvine, CA. 92617-069, or by calling 800-540-6369.

B. Funding Policy

Annual required contributions (ARC) are based upon actuarial valuations. The contribution requirements of the ARC are established and may be amended by the City Council. Plan members do not make contributions to the plan, the plan is funded entirely by the employer contributions.

The City’s annual OPEB cost (expense) is calculated based upon the ARC, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45 which the City implemented in fiscal year 2008-09 prospectively. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over thirty years.

Based upon the valuation dated June 30, 2007, the most recent valuation available, the actuarially required ARC was $1,791,000, and the City contributed $1,411,315 in current fiscal year.

The City’s annual OPEB cost, equal to the ARC, the percentage of OPEB cost contributed to the plan and the net OPEB obligation for 2009 and two preceding years were as follows:

<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>Annual OPEB Cost</th>
<th>Percentage of Annual OPEB Cost Contributed</th>
<th>Net OPEB Obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2008</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>2009</td>
<td>$1,791,000</td>
<td>79%</td>
<td>$379,685</td>
</tr>
</tbody>
</table>
NOTE 14 –OTHER POST EMPLOYMENT BENEFITS, Continued

C. Plan Funded Status Information

As of June 30, 2007, the latest valuation date, the funded status of the plan, was as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actuarial accrued liability (AAL)</td>
<td>$20,977,000</td>
</tr>
<tr>
<td>Actuarial value of plan assets</td>
<td>-</td>
</tr>
<tr>
<td>Unfunded actuarial accrued liability (UAAL)</td>
<td>20,977,000</td>
</tr>
<tr>
<td>Funded ratio (actuarial value of plan assets/AAL)</td>
<td>0.0%</td>
</tr>
<tr>
<td>Covered payroll (active plan members)</td>
<td>32,564,000</td>
</tr>
<tr>
<td>UAAL as percentage of covered payroll</td>
<td>64.4%</td>
</tr>
</tbody>
</table>

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual requires contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

D. Actuarial Methods and Assumptions

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

In the June 30, 2007 actuarial valuation, the entry age normal actuarial cost method was used with a thirty (30) year closed amortization period and level percentage of pay. There were no assets in the plan as of the valuation date. The actuarial assumptions are as follows:

- Healthcare costs trends utilized actual rated for 2007 and an 11% increase for HMO and 12% increase for PPO plans. Future years were reduced to an ultimate rate 4.5% for both HMO and PPO plans by 2018.
- The CPI was assumed to be a constant at 3% per year.
- Assets in the plan will be invested in a moderately conservative money market portfolio that will provide current income with capital appreciation as a secondary objective.
- 4.25% Investment rate of return (net of administrative expenses).
NOTE 15 –SUBSEQUENT EVENTS

Emergency suspension of Proposition 1A was passed by State legislature and signed by the Governor on July 28, 2009. Under the provision, the State will borrow 8% of the amount of property tax revenue apportioned to cities, counties, and special districts and the State will be required to repay the obligation plus interest by June 2013. Proposition 1A Securitization Program authorized under ABX4 14 and ABX4 15, enables local agencies to sell the respective Proposition 1A receivables to California Communities. On October 19, 2009, the City Council approved the sale of the Proposition 1A receivable in connection with the Proposition 1A securitization. The benefits to the city includes the immediate cash relief, all financing will be borne by the State, and no bond obligations. The total amount of Proposition 1A securitization is $1,734,000 payable on two equal installments on January 15, 2010 and May 3, 2010.

Included in the State Budget for 2009-10 is the two-year take from the redevelopment agencies to fund the Supplemental Education Revenue Augmentation Fund (SERAF). For the San Leandro Redevelopment Agency, this requirement equates to approximately $5M, of which $4.2M will be in 2009-10 and the remainder in 2010-11 fiscal year. Although the SERAF requirement is subject to a lawsuit filed by the California Redevelopment Association, the City of San Leandro Redevelopment Agency in the Joint Project Area will be borrowing from the Water Pollution Control Plant Fund $2M payable in 5 years with a 2% interest rate. The agency will also restructure the current General Fund Loan, requesting a lower interest rate to at least 2% and extending the life of the loan through 2033-34 fiscal year.

NOTE 16 –JOINTLY GOVERNED ORGANIZATIONS

The City of San Leandro participates in the East Bay Dischargers Authority established on February 15, 1974. The Agency Members of the Joint Powers are the City of Hayward, City of San Leandro, Oro Loma Sanitary District, Castro Valley Sanitary District, and Union Sanity District. The authority has the powers to plan for, acquire, construct, manage, maintain, operate, and control facilities for the collection, transmission, treatment, reclamation, sale and disposal of waste water. No debt, liability, or obligation of the Authority shall constitute a debt, liability or obligation of any Agency. The Authority shall have the additional power and authority to issue Grant Anticipation Notes and to issue revenue bonds in accordance with the following laws:

a) Article 2, Chapter 5m Title 1, Division 7 of the California Government Code, commencing with Section 6540.

b) Chapter 6, Title 5, Division 2 of the California Government Code commencing with Section 54300.

The boundary of the Authority shall be the consolidated boundaries of the Agencies. In the event of withdrawal by an Agency with the agreement, the boundary shall be revised to exclude the area under jurisdiction of said Agency. The Authority shall be governed by the East Bay Dischargers Commission (Commission). The Commission shall consist of five members, one from each Agency. The ownership of the Joint Facilities is as follows: 18.6 %, City of San Leandro; 29.7% Oro Loma/Castro Valley; 33.0% City of Hayward; and 18.7% Union Sanitary District. The City’s shares of the expenses are recorded as expenses of the Water Pollution Control Fund.
REQUIRED SUPPLEMENTARY INFORMATION
# 1. BUDGETS AND BUDGETARY ACCOUNTING

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Major Fund General Fund

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th></th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
<td>Actual</td>
</tr>
<tr>
<td></td>
<td>$58,159,124</td>
<td>$58,159,124</td>
<td>$53,445,212</td>
</tr>
<tr>
<td>Property and other taxes</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>5,925,349</td>
<td>5,925,349</td>
<td>5,879,122</td>
</tr>
<tr>
<td>Fines and forfeitures</td>
<td>1,210,000</td>
<td>1,210,000</td>
<td>1,296,568</td>
</tr>
<tr>
<td>Service charges</td>
<td>4,895,603</td>
<td>4,895,603</td>
<td>4,649,882</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>1,241,500</td>
<td>1,241,500</td>
<td>1,306,313</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>2,251,039</td>
<td>2,251,039</td>
<td>1,835,368</td>
</tr>
<tr>
<td>Interdepartment charges</td>
<td>1,858,479</td>
<td>1,858,479</td>
<td>1,858,477</td>
</tr>
<tr>
<td>Other</td>
<td>482,300</td>
<td>611,804</td>
<td>862,204</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td><strong>76,023,394</strong></td>
<td><strong>76,152,898</strong></td>
<td><strong>71,133,146</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>10,631,778</td>
<td>10,700,912</td>
<td>10,865,272</td>
</tr>
<tr>
<td>Public safety</td>
<td>45,923,208</td>
<td>46,202,284</td>
<td>45,198,529</td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>8,870,685</td>
<td>9,110,924</td>
<td>7,717,876</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>11,533,313</td>
<td>11,797,664</td>
<td>10,578,857</td>
</tr>
<tr>
<td>Community development</td>
<td>3,367,534</td>
<td>3,626,036</td>
<td>3,234,315</td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td>446,193</td>
<td>446,193</td>
<td>446,193</td>
</tr>
<tr>
<td>Interest and fees</td>
<td>55,955</td>
<td>55,955</td>
<td>55,955</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td><strong>80,828,666</strong></td>
<td><strong>81,939,968</strong></td>
<td><strong>78,096,997</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td><strong>(4,805,272)</strong></td>
<td><strong>(5,787,070)</strong></td>
<td><strong>(6,963,851)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer in</td>
<td>1,000,000</td>
<td>1,500,000</td>
<td>1,500,000</td>
</tr>
<tr>
<td>Transfers out</td>
<td>(1,604,962)</td>
<td>(2,148,842)</td>
<td>(2,148,842)</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td><strong>(604,962)</strong></td>
<td><strong>(648,842)</strong></td>
<td><strong>(648,842)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</strong></td>
<td><strong>(5,410,234)</strong></td>
<td><strong>(6,435,912)</strong></td>
<td><strong>(7,612,693)</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>FUND BALANCES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>37,301,658</td>
<td>37,301,658</td>
<td>37,301,658</td>
</tr>
<tr>
<td>End of year</td>
<td>$31,891,424</td>
<td>$30,865,746</td>
<td>$29,688,965</td>
</tr>
</tbody>
</table>

See Accompanying Notes to Required Supplementary Information
City of San Leandro  
Required Supplemental Information  
For the year ended June 30, 2009

2. PENSION PLANS SCHEDULE OF FUNDING PROGRESS – PERS

<table>
<thead>
<tr>
<th>Valuation Date</th>
<th>Entry Age</th>
<th>Normal Accrued Liability</th>
<th>Actuarial Value of Assets</th>
<th>Actuarial Accrued Liability (AAL)</th>
<th>(Excess)</th>
<th>Funded Status</th>
<th>Annual Covered Payroll</th>
<th>UAAL as a % of Covered Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>as a %</td>
<td></td>
<td>Payroll</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>of</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/30/2006</td>
<td>$ 166,960,830</td>
<td>$ 153,337,179</td>
<td>$ 13,623,651</td>
<td>91.8%</td>
<td>$ 21,487,142</td>
<td>63.4%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/30/2007</td>
<td>179,016,400</td>
<td>164,617,605</td>
<td>14,398,795</td>
<td>92.0%</td>
<td>22,688,537</td>
<td>63.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/30/2008</td>
<td>187,424,677</td>
<td>173,324,193</td>
<td>14,100,484</td>
<td>92.5%</td>
<td>23,605,301</td>
<td>59.7%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Safety:

<table>
<thead>
<tr>
<th>Valuation Date</th>
<th>Entry Age</th>
<th>Normal Accrued Liability</th>
<th>Actuarial Value of Assets</th>
<th>Actuarial Accrued Liability (AAL)</th>
<th>(Excess)</th>
<th>Funded Status</th>
<th>Annual Covered Payroll</th>
<th>UAAL as a % of Covered Payroll</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>as a %</td>
<td></td>
<td>Payroll</td>
<td></td>
</tr>
<tr>
<td>6/30/2006</td>
<td>$ 7,278,049,834</td>
<td>$ 6,102,615,567</td>
<td>$ 1,175,434,267</td>
<td>83.8%</td>
<td>$ 754,730,438</td>
<td>155.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/30/2007</td>
<td>7,986,055,176</td>
<td>6,826,599,459</td>
<td>1,159,455,717</td>
<td>85.5%</td>
<td>731,607,658</td>
<td>158.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6/30/2008</td>
<td>8,700,467,733</td>
<td>7,464,927,716</td>
<td>1,235,540,017</td>
<td>85.8%</td>
<td>914,840,596</td>
<td>135.1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Effective with the 6/30/03 valuation, CalPERS established risk pools for plans containing less than 100 active members. The City’s plan is included of the cost-sharing multiple-employer defined benefit variety.

3. SCHEDULE OF FUNDING PROGRESS – OTHER POST RETIREMENT BENEFIT PLAN

<table>
<thead>
<tr>
<th>Actuarial Valuation Date</th>
<th>Actuarial Value of Assets (a)</th>
<th>Actuarial Accrued Liability (AAL) Entry Age (b)</th>
<th>Unfunded AAL (UAAL) (b-a)</th>
<th>Funded Ratio (a/b)</th>
<th>Annual Covered Payroll</th>
<th>UAAL as a Percentage of Covered Payroll ([b-a]/c)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/30/2007</td>
<td>$ -</td>
<td>$ 20,977,000</td>
<td>$ 20,977,000</td>
<td>0%</td>
<td>$ 32,564,000</td>
<td>64.4%</td>
</tr>
</tbody>
</table>

See Accompanying Notes to Required Supplementary Information
1. BUDGETS AND BUDGETARY ACCOUNTING

The City adopts a budget annually for all governmental fund types. This budget is effective July 1 for the ensuing fiscal year. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The City Council may amend the budget by resolution during the fiscal year. The City Manager is authorized to transfer budgeted amounts between departments and line items within any fund; however, any revisions which alter the total expenditures of any fund must be approved by the City Council. Transfers between funds must be approved by the City Council. All appropriations lapse at year-end, unless otherwise authorized by the City Council and the City Manager, except for capital improvement funds for which appropriations endure until the project is completed.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except for capital projects funds, which are adopted on a project length basis, which means budgets, are used until the project’s completion for the entire project amount.

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end are carried over to the next fiscal year as part of that year’s budget resolution.

GAAP serves as the budgetary basis of accounting.

2. PENSION PLANS SCHEDULE OF FUNDING PROGRESS - PERS

Public Employees Retirement System Pension plan consist of annual actuarial valuation of assets for both safety and miscellaneous employees of the City. Note 13 describes the Employee Retirement Plans including plan description, funding policy and annual pension cost. Since the City has less than 100 active members in the Safety plans since 06/30/2003, the City is required to participate in a risk pool. An actuarial valuation was performed with other participants within the same risk pool. Therefore, standalone information of the schedule of the funding progress for the City was not disclosed.

3. SCHEDULE OF FUNDING PROGRESS – OTHER POST EMPLOYMENT BENEFIT PLAN

This schedule presents information that shows whether the actuarial value plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The requirements of GASB No. 45 were implemented in this fiscal year and accordingly, there are no factors that significantly affect the identification of trends in the amounts reported. Three year funding progress will be shown when data becomes available.
SUPPLEMENTARY INFORMATION
NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Street/Traffic Improvements - This fund accounts for development fee assessments levied to provide for partial funding of street and traffic improvements associated with commercial and residential growth.

Park Development Fee - This fund accounts for park development fee assessments levied to provide for partial funding for park development needs associated with residential growth.

Parking - This fund accounts for parking meter and parking lot collections for maintenance of downtown parking facilities and other public parking locations.

Special Gas Tax - This fund accounts for revenues and expenditures received from the State of California under Street and Highways Code. The allocations must be spent for street maintenance and construction and a limited amount for engineering.

Cherrywood Maintenance District - This fund is used to account for the special assessment funding for the on-going maintenance of public facilities at the Cherrywood development.

Traffic Congestion Relief - This fund is a special state allocation, which was the budget trailer bill for the State transportation finance package distributing funds over a six-year period. Funds are to be used for street and highway maintenance, rehabilitation, preservation, and reconstruction.

Measure B Paratransit - This fund accounts for the City’s share of proceeds of a one-half cent sales tax increase originally approved by the voters in November 1986. The program is administered by the Alameda County Transportation Authority. The tax provides funds for AC transit and paratransit operations.

Heron Bay - This fund accounts for maintenance assessments to fund ongoing maintenance of wetlands impacted by residential growth.

Proposition IB Local Streets & Roads - This fund accounts for Proposition IB funds for safety improvements and repairs to local streets and roads.

Special Grants - This fund accounts for various grants from the State of California and the Federal Government to be expended for a specific purpose, activity or facility.

Measure B - This fund accounts for the City's share of proceeds on a one-half cent sales tax increase originally approved by the voters in November 1986. The program is administered by the Alameda County Transportation Authority. The tax provides funds for eight specific projects within Alameda County including major freeway improvements and a major rail extention.

C.D.B.G. - This fund accounts for Federally funded grants through the Community Development Block Grant Program from the U.S. Department of Housing and Urban Development.

HOME - This fund accounts for Federally funded grants from the U.S. Department of Housing and Urban Development to provide for community housing renovation programs.

Housing In-Lieu - This fund accounts for Housing In-Lieu assessments levied to provide for partial funding of low/moderate housing projects.

Business Improvement District - This fund accounts for service fees charged to business owners to provide a shuttle service from BART to the downtown business district.

DEBT SERVICE FUNDS
NON-MAJOR GOVERNMENTAL FUNDS

**Special Assessment District** - This fund accumulates monies for payments of special assessment bonds which are financed by assessments placed on the Alameda County tax roll.

**San Leandro Public Financing Authority Debt Service Fund** - Accounts for certificates of participation issued in 1993 for the Seismic Retrofit project. The debt will be repaid through receipt of tax increment in future years and includes a sale and leaseback agreement between the City of San Leandro and the Redevelopment Agency. This fund also accounts for the Certificates of Participation issued for the library and fire stations seismic retrofit. The debt will be paid back pursuant to lease agreements between the City of San Leandro and the San Leandro Public Finance Authority.


**CAPITAL PROJECTS FUNDS**

**Capital Improvement Projects Capital Projects Fund** - This fund accounts monies for major capital improvement projects not provided for in one the other capital improvement projects fund.

**San Leandro Hillside Geological Hazardous Abatement District** - This fund is used to account for the finances of the collaborative between the City of San Leandro and the Geological Hazardous Abatement District (GHAD).
### Non-Major Governmental Funds

**June 30, 2009**

#### ASSETS

<table>
<thead>
<tr>
<th>Description</th>
<th>Special Revenue</th>
<th>Park Development</th>
<th>Street/Traffic Improvements</th>
<th>Cherrywood Special Maintenance</th>
<th>Traffic Congestion Relief</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>$1,984,292</td>
<td>$1,101,754</td>
<td>$46,217</td>
<td>$-</td>
<td>$171,898</td>
</tr>
<tr>
<td>Cash and investments with fiscal agent</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>-</td>
<td>-</td>
<td>1,269</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Federal, State, and local grants</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>166,197</td>
</tr>
<tr>
<td>Interest</td>
<td>6,630</td>
<td>3,483</td>
<td>187</td>
<td>-</td>
<td>550</td>
</tr>
<tr>
<td>Special assessments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>39,006</td>
<td>-</td>
</tr>
<tr>
<td>Sales Tax - Measure B</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other assets</td>
<td>-</td>
<td>-</td>
<td>600</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,990,922</td>
<td>$1,105,237</td>
<td>$47,673</td>
<td>$600</td>
<td>$211,454</td>
</tr>
</tbody>
</table>

#### LIABILITIES AND FUND BALANCES

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Special Revenue</th>
<th>Park Development</th>
<th>Street/Traffic Improvements</th>
<th>Cherrywood Special Maintenance</th>
<th>Traffic Congestion Relief</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts payable</td>
<td>$830</td>
<td>-</td>
<td>$2,441</td>
<td>$25,074</td>
<td>$-</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Due to other funds</td>
<td>-</td>
<td>-</td>
<td>115,408</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans from other funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>830</td>
<td>-</td>
<td>2,441</td>
<td>140,482</td>
<td>-</td>
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</tbody>
</table>

**Fund Balances:**

Reserved:

- Encumbrances: 5,684
- Debt service: -

Unreserved designated for:

- Capital projects: -

Unreserved, undesignated:

- Special Revenue Funds: 1,984,408

**Total fund balances:** 1,990,092

**Total liabilities and fund balances:** $1,990,922
<table>
<thead>
<tr>
<th>Proposition IB</th>
<th>Measure B Local Streets</th>
<th>Special &amp; Roads</th>
<th>Grants</th>
<th>Measure B</th>
<th>C.D.B.G</th>
<th>HOME</th>
<th>In-Lieu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paratransit</td>
<td>Heron Bay</td>
<td></td>
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<td>$</td>
<td>$588,921</td>
<td>$253,245</td>
<td>$-</td>
<td>$2,558,445</td>
<td>$77,364</td>
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<td>$60,966</td>
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<tr>
<td>$</td>
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<td></td>
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</tr>
<tr>
<td>$</td>
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<td></td>
<td>$300,486</td>
<td>$4,095</td>
<td>$-</td>
<td>$-</td>
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</tr>
<tr>
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<td></td>
<td></td>
<td>$1,001,172</td>
<td>$64,289</td>
<td>$1,000</td>
<td>$-</td>
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</tr>
<tr>
<td>$</td>
<td></td>
<td></td>
<td>$1,818</td>
<td>$2,999</td>
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<td>$55,832</td>
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<td>$14,916</td>
<td>$-</td>
<td>$64,289</td>
<td>$1,000</td>
<td>$-</td>
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<td></td>
<td></td>
<td>$327,767</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>$</td>
<td></td>
<td></td>
<td>$25,579</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
</tr>
<tr>
<td>$</td>
<td></td>
<td></td>
<td>$385,510</td>
<td>$-</td>
<td>$2,085,000</td>
<td>$637,000</td>
<td>$-</td>
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<tr>
<td>$</td>
<td>$631,234</td>
<td>$256,244</td>
<td>$1,301,658</td>
<td>$2,897,532</td>
<td>$582,995</td>
<td>$2,086,000</td>
<td>$698,164</td>
</tr>
</tbody>
</table>

| $             |                        |                 |        |          |         |      |         |
| $             |                        |                 |        |          |         |      |         |
| $             |                        |                 |        |          |         |      |         |
| $             |                        |                 | $69,639 | $144,221 | $39,900 | $2   | $-      |
| $             |                        |                 | $441,342 | $2,085,000 | $637,000 |      |         |
| $31,816       |                        |                 | $645,457 | $-  | $5,999 | $-   |         |
| $             |                        |                 | $1,552 | $-  | $- | $- | $- |
| $31,816       | $1,292                | $40,150        | $716,648 | $144,221 | $481,242 | $2,091,001 | $637,000 |

| $             |                        |                 |        |          |         |      |         |
| $             |                        |                 |        |          |         |      |         |
| $             |                        |                 |        |          |         |      |         |
| $             |                        |                 | $585,010 | $1,311,742 | $101,753 | $-   | $-      |
| $             |                        |                 | $1,441,569 | $- | $5,001 | $61,164 |         |

| $             | $631,234                | $256,244        | $1,301,658 | $2,897,532 | $582,995 | $2,086,000 | $698,164 |

(Continued)
## City of San Leandro
### Combining Balance Sheet
#### Non-Major Governmental Funds, (Continued)
#### June 30, 2009

<table>
<thead>
<tr>
<th>ASSETS</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash and investments</strong></td>
<td>$4,793</td>
<td>$311,803</td>
<td>$12,229</td>
<td>$535,803</td>
</tr>
<tr>
<td><strong>Cash and investments with fiscal agent</strong></td>
<td>-</td>
<td>84,510</td>
<td>885,618</td>
<td>3,887,033</td>
</tr>
<tr>
<td><strong>Receivables:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>86</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Federal, State, and local grants</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest</td>
<td>76</td>
<td>1,185</td>
<td>2,085</td>
<td>3,244</td>
</tr>
<tr>
<td>Special assessments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sales tax - Measure B</td>
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<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$4,955</td>
<td>$397,498</td>
<td>$899,932</td>
<td>$4,426,080</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES AND FUND BALANCES</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$-</td>
<td>$-</td>
<td>$2,310</td>
<td>$5,500</td>
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<tr>
<td>Deferred revenue</td>
<td>-</td>
<td>183,405</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Due to other funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Loans from other funds</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>-</td>
<td>183,405</td>
<td>2,310</td>
<td>5,500</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Fund Balances:</strong></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserved:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Encumbrances</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Debt service</td>
<td>-</td>
<td>214,093</td>
<td>897,622</td>
<td>4,420,580</td>
</tr>
<tr>
<td>Unreserved designated for:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital projects</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unreserved, undesignated</td>
<td></td>
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</tr>
<tr>
<td>Special Revenue Funds</td>
<td>4,955</td>
<td>-</td>
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<td>-</td>
</tr>
<tr>
<td><strong>Total fund balances</strong></td>
<td>4,955</td>
<td>214,093</td>
<td>897,622</td>
<td>4,420,580</td>
</tr>
</tbody>
</table>

| **Total liabilities and fund balances** | $4,955 | $397,498 | $899,932 | $4,426,080 |

(Continued)
<table>
<thead>
<tr>
<th>Capital Projects</th>
<th>GHAD</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Improvement Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects</td>
<td>GHAD</td>
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<td>$6,602,855</td>
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<td>53,922</td>
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<td>327,767</td>
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<td>26,179</td>
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<td>-</td>
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<tr>
<td>$6,947,485</td>
<td>$25,638</td>
<td>$25,217,364</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Projects</th>
<th>GHAD</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Improvement Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects</td>
<td>GHAD</td>
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<td>$59,343</td>
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<td>1,000,000</td>
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<td>1,547,818</td>
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<td>6,026,156</td>
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</table>

<table>
<thead>
<tr>
<th>Capital Projects</th>
<th>GHAD</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Improvement Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects</td>
<td>GHAD</td>
<td></td>
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<tr>
<td>1,752,087</td>
<td>-</td>
<td>3,925,050</td>
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<tr>
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<td>-</td>
<td>5,532,295</td>
</tr>
<tr>
<td>3,647,580</td>
<td>25,638</td>
<td>3,973,218</td>
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<td>-</td>
<td>5,760,645</td>
</tr>
<tr>
<td>5,399,667</td>
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<td>19,191,208</td>
</tr>
<tr>
<td>$6,947,485</td>
<td>$25,638</td>
<td>$25,217,364</td>
</tr>
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(Concluded)
## City of San Leandro
### Combining Statement of Revenues, Expenditures and Changes in Fund Balances
#### Non-Major Governmental Funds
##### For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Special Revenue</th>
<th></th>
<th>Cherrywood Special Maintenance</th>
<th></th>
<th>Traffic Congestion Relief</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Street/Traffic Improvements</td>
<td>Park Development Fee</td>
<td>Parking</td>
<td>Gas Tax</td>
<td>District</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and other taxes</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 56,624</td>
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<td>292,114</td>
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<td>-</td>
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<tr>
<td>Service charges</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,333,616</td>
<td>-</td>
</tr>
<tr>
<td>Use of money and property</td>
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<td>29,876</td>
<td>1,689</td>
<td>-</td>
<td>4,748</td>
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<tr>
<td>Other</td>
<td>1,000</td>
<td>343,349</td>
<td>750</td>
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<td>294,553</td>
<td>1,333,616</td>
<td>61,372</td>
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<tr>
<td>Current:</td>
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<tr>
<td>General government</td>
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<td>-</td>
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</tr>
<tr>
<td>Public safety</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>408,046</td>
<td>-</td>
<td>292,769</td>
<td>1,997,779</td>
<td>716</td>
</tr>
<tr>
<td>Recreation and culture</td>
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<td>1,586</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Community development</td>
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</tr>
<tr>
<td>Debt service:</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest and fees</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>408,046</td>
<td>1,586</td>
<td>292,769</td>
<td>1,997,779</td>
<td>716</td>
</tr>
<tr>
<td><strong>REVENUES OVER UNDER EXPENDITURES</strong></td>
<td>100,939</td>
<td>371,639</td>
<td>1,784</td>
<td>(664,163)</td>
<td>60,656</td>
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<tr>
<td><strong>OTHER FINANCING SOURCES USES:</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>987,000</td>
<td>-</td>
</tr>
<tr>
<td>Transfers out</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total other financing sources uses</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>987,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>REVENUES AND OTHER FINANCING SOURCES OVER UNDER EXPENDITURES AND OTHER FINANCING USES</strong></td>
<td>100,939</td>
<td>371,639</td>
<td>1,784</td>
<td>322,837</td>
<td>60,656</td>
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<td><strong>FUND BALANCES:</strong></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>$1,889,153</td>
<td>$733,598</td>
<td>$43,448</td>
<td>(462,719)</td>
<td>$150,798</td>
</tr>
<tr>
<td>End of year</td>
<td>$1,990,092</td>
<td>$1,105,237</td>
<td>$45,232</td>
<td>(139,882)</td>
<td>$211,454</td>
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</tbody>
</table>

(Continued)
## Special Revenue

<table>
<thead>
<tr>
<th>Proposition IB</th>
<th>Measure B</th>
<th>Local Streets &amp; Roads</th>
<th>Special Grants</th>
<th>Measure B</th>
<th>C.D.B.G</th>
<th>HOME</th>
<th>In Lieu</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>- $ 312,849</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
<td>- $</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>- $</td>
</tr>
<tr>
<td>236,797</td>
<td>16,142</td>
<td>29,216</td>
<td>167,422</td>
<td>62,665</td>
<td>-</td>
<td>-</td>
<td>1,229</td>
</tr>
<tr>
<td>-</td>
<td>64,122</td>
<td>-</td>
<td>57,016</td>
<td>112,895</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>236,797</td>
<td>393,113</td>
<td>29,216</td>
<td>981,926</td>
<td>1,600,826</td>
<td>1,186,034</td>
<td>16,992</td>
</tr>
</tbody>
</table>

|                 | -         | -                   | 612,534      | 1,142,986 | 1,102,974 | -    | -       |
|                 | -         | -                   | 612,534      | 1,142,986 | 1,102,974 | -    | -       |
|                 | -         | -                   | 612,534      | 1,142,986 | 1,102,974 | -    | -       |
| 319,647         | -         | -                   | 612,534      | 1,142,986 | 1,102,974 | -    | -       |
|                 | -         | -                   | 612,534      | 1,142,986 | 1,102,974 | -    | -       |
|                 | -         | -                   | 612,534      | 1,142,986 | 1,102,974 | -    | -       |

|                 | (82,850)  | 89,095               | (1,113,770)  | (286,734) | 497,852  | -    | (1,462) | 13,659 |

|                 | -         | -                   | 153,816      | 987,000   | -        | -    | -       |
|                 | -         | -                   | (987,000)    | -         | -        | -    | -       |
|                 | -         | -                   | 153,816      | -         | -        | -    | -       |
| (82,850)        | 89,095    | (1,113,770)          | (132,918)    | 497,852   | -        | (1,462)| 13,659 |

|                 | 51,034    | 540,847              | 1,329,864    | 717,928   | 2,255,459 | 101,753| (3,539) | 47,505 |
|                 | (31,816)  | $ 629,942            | $ 216,094    | $ 585,010 | $ 2,753,311 | $ 101,753 | $ (5,001) | $ 61,164 |

(Continued)
**City of San Leandro**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**

**Non-Major Governmental Funds, (Continued)**

**For the year ended June 30, 2009**

<table>
<thead>
<tr>
<th></th>
<th>Special Revenue</th>
<th>Debt Service</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Business Improvement District</td>
<td>Special Assessment District</td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and other taxes</td>
<td>$ -</td>
<td>$ 66</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>132,808</td>
<td>-</td>
</tr>
<tr>
<td>Service charges</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>164</td>
<td>9,841</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>132,972</td>
<td>9,907</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Public safety</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Community development</td>
<td>283,838</td>
<td>-</td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td>-</td>
<td>145,000</td>
</tr>
<tr>
<td>Interest and fees</td>
<td>-</td>
<td>26,464</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>283,838</td>
<td>171,464</td>
</tr>
<tr>
<td><strong>REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>(150,866)</td>
<td>(161,557)</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>140,500</td>
<td>-</td>
</tr>
<tr>
<td>Transfers out</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>140,500</td>
<td>-</td>
</tr>
<tr>
<td><strong>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</strong></td>
<td>(10,366)</td>
<td>(161,557)</td>
</tr>
<tr>
<td><strong>FUND BALANCES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>15,321</td>
<td>375,650</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 4,955</td>
<td>$ 214,093</td>
</tr>
</tbody>
</table>

(Continued)
<table>
<thead>
<tr>
<th>Capital Projects</th>
<th>GHAD</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Improvement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Major</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$</td>
<td>-</td>
<td>$369,539</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>889,082</td>
</tr>
<tr>
<td>327,610</td>
<td>-</td>
<td>327,610</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>5,800,684</td>
</tr>
<tr>
<td>29,470</td>
<td>-</td>
<td>2,301,326</td>
</tr>
<tr>
<td>3,153,665</td>
<td>-</td>
<td>3,732,797</td>
</tr>
<tr>
<td>3,510,745</td>
<td>-</td>
<td>13,421,038</td>
</tr>
</tbody>
</table>

| 816              | -    | 816    |
| 45,783           | -    | 211,178 |
| 1,802,854        | 11,573 | 7,923,150 |
| 557,893          | -    | 1,521,660 |
| 577,335          | -    | 2,035,929 |
| -                | -    | 2,705,440 |
| -                | -    | 4,418,031 |
| 2,984,681        | 11,573 | 18,816,204 |
| 526,064          | (11,573) | (5,395,166) |
| 1,666,686        | -    | 10,274,023 |
| -                | -    | (987,000) |
| 1,666,686        | -    | 9,287,023 |
| 2,192,750        | (11,573) | 3,891,857 |
| 3,206,917        | 37,211 | 15,299,351 |
| $5,399,667       | $25,638 | $19,191,208 |

(Concluded)
City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund
Street/Traffic Improvements Special Revenue Fund
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Adopted</th>
<th>Final</th>
<th>Actual</th>
<th>Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>$ 206,400</td>
<td>$ 206,400</td>
<td>$ 451,730</td>
<td>$ 245,330</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>78,468</td>
<td>78,468</td>
<td>56,255</td>
<td>(22,213)</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>284,868</td>
<td>284,868</td>
<td>508,985</td>
<td>224,117</td>
</tr>
</tbody>
</table>

|                      |         |         |         |              |
| **EXPENDITURES:**    |         |         |         |              |
| Current:             |         |         |         |              |
| Engineering and transportation | 447,120 | 1,313,361 | 408,046 | 905,315 |
| **Total expenditures** | 447,120 | 1,313,361 | 408,046 | 905,315 |

|                      |         |         |         |              |
| **REVENUES OVER (UNDER) EXPENDITURES** | (162,252) | (1,028,493) | 100,939 | (681,198) |

|                      |         |         |         |              |
| **FUND BALANCES:**   |         |         |         |              |
| Beginning of year    | 1,889,153 | 1,889,153 | 1,889,153 | -           |
| End of year          | $ 1,726,901 | $ 860,660 | $ 1,990,092 | $ 1,129,432 |
City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund
Park Development Fee Special Revenue Fund
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th></th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
<td>Actual</td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>$ 37,526</td>
<td>$ 37,526</td>
<td>$ 29,876</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>180,000</td>
<td>180,000</td>
<td>343,349</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$ 217,526</td>
<td>$ 217,526</td>
<td>373,225</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>1,586</td>
<td>1,586</td>
<td>1,586</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>1,586</td>
<td>1,586</td>
<td>1,586</td>
</tr>
<tr>
<td><strong>REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>215,940</td>
<td>215,940</td>
<td>371,639</td>
</tr>
<tr>
<td><strong>FUND BALANCES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>733,598</td>
<td>733,598</td>
<td>733,598</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 949,538</td>
<td>$ 949,538</td>
<td>$ 1,105,237</td>
</tr>
</tbody>
</table>
## City of San Leandro
### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund

#### Parking Special Revenue Fund
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
</tr>
</tbody>
</table>

#### REVENUES:

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
<td>Actual</td>
<td></td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>$284,222</td>
<td>$284,222</td>
<td>$292,114</td>
<td>$7,892</td>
</tr>
<tr>
<td>Service charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>1,356</td>
<td>1,356</td>
<td>1,689</td>
<td>333</td>
</tr>
<tr>
<td>Other</td>
<td>625</td>
<td>625</td>
<td>750</td>
<td>125</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>286,203</td>
<td>286,203</td>
<td>294,553</td>
<td>8,350</td>
</tr>
</tbody>
</table>

#### EXPENDITURES:

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>333,519</td>
<td>335,735</td>
<td>292,769</td>
<td>42,966</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>333,519</td>
<td>335,735</td>
<td>292,769</td>
<td>42,966</td>
</tr>
</tbody>
</table>

#### REVENUES OVER (UNDER) EXPENDITURES

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues over (under) expenditures</strong></td>
<td>(47,316)</td>
<td>(49,532)</td>
<td>1,784</td>
<td>51,316</td>
</tr>
</tbody>
</table>

#### OTHER FINANCING SOURCES (USES):

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

#### REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(Revenues over (under) expenditures + other financing sources (uses))</td>
<td>(47,316)</td>
<td>(49,532)</td>
<td>1,784</td>
<td>51,316</td>
</tr>
</tbody>
</table>

#### FUND BALANCES:

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>43,448</td>
<td>43,448</td>
<td>43,448</td>
<td>-</td>
</tr>
<tr>
<td><strong>End of year</strong></td>
<td>$3,868</td>
<td>$(6,084)</td>
<td>$45,232</td>
<td>$51,316</td>
</tr>
</tbody>
</table>
## City of San Leandro

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund**

**Special Gas Tax Special Revenue Fund**

For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>REVENUES:</th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
<tr>
<td><strong>Intergovernmental</strong></td>
<td>$1,655,322</td>
<td>$1,655,322</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>1,655,322</td>
<td>1,655,322</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURES:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>2,104,190</td>
<td>2,165,686</td>
<td>1,997,779</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>2,104,190</td>
<td>2,165,686</td>
<td>1,997,779</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REVENUES OVER (UNDER) EXPENDITURES</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$(448,868)</td>
<td>$(510,364)</td>
<td>$(664,163)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>OTHER FINANCING SOURCES (USES):</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfers In</td>
<td>987,000</td>
<td>987,000</td>
<td>987,000</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>987,000</td>
<td>987,000</td>
<td>987,000</td>
</tr>
</tbody>
</table>

| REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES | 538,132 | 476,636 | 322,837 | $(153,799) |

<table>
<thead>
<tr>
<th>FUND BALANCES:</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>$(462,719)</td>
<td>$(462,719)</td>
<td>$(462,719)</td>
</tr>
<tr>
<td>End of year</td>
<td>$75,413</td>
<td>$13,917</td>
<td>$(139,882)</td>
</tr>
</tbody>
</table>

101
City of San Leandro  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -  
Non Major Fund  
Cherrywood Maintenance District Special Revenue Fund  
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
</tbody>
</table>

**REVENUES:**

Property and other taxes  
Use of money and property  
**Total revenues**

**EXPENDITURES:**

Current:

Engineering and transportation  
**Total expenditures**

**REVENUES OVER (UNDER) EXPENDITURES**

**FUND BALANCES:**

Beginning of year  
End of year

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
<td>Actual</td>
<td>$</td>
</tr>
</tbody>
</table>

- $ 20,329  
- 4,439  
- 24,768  
- 387  
- 387  
- $ 20,329  
- 4,439  
- 24,768  
- 1,227  
- 1,227  
- $ 23,541  
- 716  
- 716  
- $ 60,656  
- 511  
- 511  
- $ 37,115  
- $ 150,798  
- $ 150,798  
- $ 150,798  
- $ -  
- $ 175,179  
- $ 174,339  
- $ 211,454  
- $ 37,115  
### City of San Leandro

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund**

**Traffic Congestion Relief Special Revenue Fund**

**For the year ended June 30, 2009**

<table>
<thead>
<tr>
<th>Budgeted Amounts</th>
<th>Adopted</th>
<th>Final</th>
<th>Actual</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 693,811</td>
<td>$ 693,811</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>-</td>
<td>-</td>
<td>12,267</td>
<td>12,267</td>
</tr>
<tr>
<td>Total revenues</td>
<td>-</td>
<td>-</td>
<td>706,078</td>
<td>706,078</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>40,803</td>
<td>368,957</td>
<td>368,972</td>
<td>(15)</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>40,803</td>
<td>368,957</td>
<td>368,972</td>
<td>(15)</td>
</tr>
<tr>
<td><strong>REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>(40,803)</td>
<td>(368,957)</td>
<td>337,106</td>
<td>706,063</td>
</tr>
<tr>
<td><strong>FUND BALANCES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>368,957</td>
<td>368,957</td>
<td>368,957</td>
<td>-</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 328,154</td>
<td>$ -</td>
<td>$ 706,063</td>
<td>$ 706,063</td>
</tr>
</tbody>
</table>
## City of San Leandro

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund

### Measure B - Paratransit Special Revenue Fund

For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
</tbody>
</table>

### REVENUES:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Intergovernmental</td>
<td>$ 267,157</td>
<td>$ 267,157</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$ 267,157</td>
<td>$ 267,157</td>
</tr>
</tbody>
</table>

### EXPENDITURES:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recreation and Culture</td>
<td>352,954</td>
<td>421,336</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>352,954</td>
<td>421,336</td>
</tr>
</tbody>
</table>

### REVENUES OVER (UNDER) EXPENDITURES

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(85,797)</td>
<td>(154,179)</td>
</tr>
</tbody>
</table>

### FUND BALANCES:

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>51,034</td>
<td>51,034</td>
</tr>
<tr>
<td><strong>End of year</strong></td>
<td>$ (34,763)</td>
<td>$ (103,145)</td>
</tr>
</tbody>
</table>
City of San Leandro  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund  
Heron Bay Special Revenue Fund  
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th></th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
<td>Actual</td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and other taxes</td>
<td>$ 309,552</td>
<td>$ 309,552</td>
<td>$ 312,849</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>15,110</td>
<td>15,110</td>
<td>16,142</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>64,122</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>324,662</td>
<td>324,662</td>
<td>393,113</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>385,564</td>
<td>529,303</td>
<td>304,018</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>385,564</td>
<td>529,303</td>
<td>304,018</td>
</tr>
<tr>
<td><strong>REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>(60,902)</td>
<td>(204,641)</td>
<td>89,095</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</strong></td>
<td>(60,902)</td>
<td>(204,641)</td>
<td>89,095</td>
</tr>
<tr>
<td><strong>FUND BALANCES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>540,847</td>
<td>540,847</td>
<td>540,847</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 479,945</td>
<td>$ 336,206</td>
<td>$ 629,942</td>
</tr>
</tbody>
</table>
City of San Leandro  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund  
Proposition IB - Local Streets & Roads Fund  
For the year ended June 30, 2009  

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
<tr>
<td>REVENUES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>-</td>
<td>29,216</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total revenues</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

| EXPENDITURES:        |                  |                        |                         |
|                      |                  |                        |                         |
| Current:             |                  |                        |                         |
| Engineering and transportation | -               | 1,300,000             | 1,142,986              |
| Total expenditures   | -                | 1,300,000             | 1,142,986              |

| REVENUES OVER (UNDER) EXPENDITURES |                  |                        |                         |
|                                  | -                | (1,300,000)           | (1,113,770)             |
|                                  |                  |                        | 186,230                |

| FUND BALANCES:          |                  |                        |                         |
| Beginning of year       | -                | 1,329,864              | 1,329,864              |
| End of year             | $                | -                      | $ 29,864               |
|                        |                  |                        | $ 216,094              |
|                        |                  | $                      | $ 186,230              |
City of San Leandro  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund  
Special Grants Special Revenue Fund  
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>$ 2,436,780</td>
<td>$ 4,627,381</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>25,000</td>
</tr>
<tr>
<td>Total revenues</td>
<td>2,436,780</td>
<td>4,652,381</td>
</tr>
<tr>
<td>Expenditures:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public safety</td>
<td>-</td>
<td>282,743</td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>1,662,939</td>
<td>7,934,018</td>
</tr>
<tr>
<td>Community Development</td>
<td>300,000</td>
<td>315,000</td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>473,904</td>
<td>914,199</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>2,436,843</td>
<td>9,445,960</td>
</tr>
<tr>
<td>Revenues over (under) expenditures</td>
<td>(63)</td>
<td>(4,793,579)</td>
</tr>
<tr>
<td>Other financing sources (uses):</td>
<td>-</td>
<td>153,816</td>
</tr>
<tr>
<td>Total other financing sources (uses)</td>
<td>-</td>
<td>153,816</td>
</tr>
<tr>
<td>Revenues and other financing sources over (under) expenditures and other financing uses</td>
<td>(63)</td>
<td>(4,639,763)</td>
</tr>
<tr>
<td>Fund balances:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>717,928</td>
<td>717,928</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 717,865</td>
<td>$ (3,921,835)</td>
</tr>
</tbody>
</table>

107
City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund
Measure B
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
<tr>
<td>REVENUES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>$ 1,423,435</td>
<td>$ 1,423,435</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>82,037</td>
<td>82,037</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total revenues</td>
<td>1,505,472</td>
<td>1,505,472</td>
</tr>
<tr>
<td>EXPENDITURES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>1,497,862</td>
<td>9,648,025</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>1,497,862</td>
<td>9,648,025</td>
</tr>
<tr>
<td>REVENUES OVER (UNDER) EXPENDITURES</td>
<td>7,610</td>
<td>(8,142,553)</td>
</tr>
<tr>
<td>OTHER FINANCING SOURCES (USES):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>1,000,000</td>
<td>987,000</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>(1,000,000)</td>
<td>(987,000)</td>
</tr>
<tr>
<td>Total other financing sources (uses)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</td>
<td>7,610</td>
<td>(8,142,553)</td>
</tr>
<tr>
<td>FUND BALANCES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>2,255,459</td>
<td>2,255,459</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 2,263,069</td>
<td>$ (5,887,094)</td>
</tr>
</tbody>
</table>
City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - 
Non Major Fund
C.D.B.G Special Revenue Fund
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
<tr>
<td>REVENUES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>$ 3,273,036</td>
<td>$ 3,273,036</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total revenues</td>
<td>3,273,036</td>
<td>3,273,036</td>
</tr>
<tr>
<td>EXPENDITURES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recreation and culture</td>
<td>2,857,610</td>
<td>3,394,519</td>
</tr>
<tr>
<td>Community development</td>
<td>415,426</td>
<td>423,210</td>
</tr>
<tr>
<td>Total expenditures</td>
<td>3,273,036</td>
<td>3,817,729</td>
</tr>
<tr>
<td>REVENUES OVER (UNDER) EXPENDITURES</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>OTHER FINANCING SOURCES (USES):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total other financing sources (uses)</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</td>
<td>-</td>
<td>(544,693)</td>
</tr>
<tr>
<td>FUND BALANCES:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>101,753</td>
<td>101,753</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 101,753</td>
<td>$ (442,940)</td>
</tr>
</tbody>
</table>
City of San Leandro  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -  
Non Major Fund  
HOME Special Revenue Fund  
For the year ended June 30, 2009  

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Actual</td>
</tr>
</tbody>
</table>

**REVENUES:**

Intergovernmental  
$303,504  
$303,504  
$16,992  
$ (286,512)  

**Total revenues**  
$303,504  
$303,504  
$16,992  
$ (286,512)  

**EXPENDITURES:**

Current:

Community development  
303,959  
447,313  
18,454  
428,859  

**Total expenditures**  
303,959  
447,313  
18,454  
428,859  

**REVENUES OVER (UNDER) EXPENDITURES**  
$ (455)  
$ (143,809)  
$ (1,462)  
$ 142,347  

**OTHER FINANCING SOURCES (USES):**

Transfers In  
-  
-  
-  
-  

**Total other financing sources (uses)**  
-  
-  
-  
-  

**REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES**  
(455)  
(143,809)  
(1,462)  
142,347  

**FUND BALANCES:**

Beginning of year  
(3,539)  
(3,539)  
(3,539)  
-  

End of year  
$ (3,994)  
$ (147,348)  
$ (5,001)  
$ 142,347
**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund**  
**Housing In-Lieu Fund**  
**For the year ended June 30, 2009**

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REVENUES:</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Licenses and permits</td>
<td>-</td>
<td>-</td>
<td>$12,430</td>
<td>$12,430</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>13,182</td>
<td>13,182</td>
<td>1,229</td>
<td>(11,953)</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>13,182</td>
<td>13,182</td>
<td>13,659</td>
<td>477</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENDITURES:</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community development</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>REVENUES OVER (UNDER) EXPENDITURES</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>13,182</td>
<td>13,182</td>
<td>13,659</td>
<td>477</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FUND BALANCES:</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>47,505</td>
<td>47,505</td>
<td>47,505</td>
<td>-</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 60,687</td>
<td>$ 60,687</td>
<td>$ 61,164</td>
<td>$ 477</td>
</tr>
</tbody>
</table>
# Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund

## Business Improvement District Fund

For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Budgeted Amounts</th>
<th>Over/(Under) Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Adopted</td>
<td>Final</td>
</tr>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>$141,100</td>
<td>$141,100</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>80,000</td>
<td>80,000</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>3,400</td>
<td>3,400</td>
</tr>
<tr>
<td>Other</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>259,500</td>
<td>259,500</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community development</td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>400,000</td>
<td>400,000</td>
</tr>
<tr>
<td><strong>REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>(140,500)</td>
<td>(140,500)</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES):</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>140,500</td>
<td>140,500</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>140,500</td>
<td>140,500</td>
</tr>
<tr>
<td><strong>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>FUND BALANCES:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>15,321</td>
<td>15,321</td>
</tr>
<tr>
<td>End of year</td>
<td>$15,321</td>
<td>$15,321</td>
</tr>
</tbody>
</table>
### City of San Leandro

#### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund

**Special Assessment District Debt Service Fund**

For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Adopted</th>
<th>Final</th>
<th>Actual</th>
<th>Variance with Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and other taxes</td>
<td>$166,449</td>
<td>$166,449</td>
<td>$66</td>
<td>$ (166,383)</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>14,000</td>
<td>14,000</td>
<td>9,841</td>
<td>(4,159)</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>180,449</td>
<td>180,449</td>
<td>9,907</td>
<td>(170,542)</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td>145,000</td>
<td>145,000</td>
<td>145,000</td>
<td>-</td>
</tr>
<tr>
<td>Interest and fees</td>
<td>29,787</td>
<td>29,787</td>
<td>26,464</td>
<td>3,323</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>174,787</td>
<td>174,787</td>
<td>171,464</td>
<td>3,323</td>
</tr>
<tr>
<td><strong>REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>5,662</td>
<td>5,662</td>
<td>(161,557)</td>
<td>(167,219)</td>
</tr>
<tr>
<td><strong>FUND BALANCES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>375,650</td>
<td>375,650</td>
<td>375,650</td>
<td>-</td>
</tr>
<tr>
<td>End of year</td>
<td>$381,312</td>
<td>$381,312</td>
<td>$214,093</td>
<td>$(167,219)</td>
</tr>
</tbody>
</table>
## City of San Leandro

### Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Non Major Fund

San Leandro Public Financing Authority

For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Revenue/Expenditure</th>
<th>Adopted</th>
<th>Final</th>
<th>Actual</th>
<th>Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>$2,380,380</td>
<td>$2,380,380</td>
<td>$1,951,906</td>
<td>$428,474</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>2,380,380</td>
<td>2,380,380</td>
<td>1,951,906</td>
<td>428,474</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>Adopted</th>
<th>Final</th>
<th>Actual</th>
<th>Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Debt service:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td>1,010,000</td>
<td>1,010,000</td>
<td>1,010,000</td>
<td>-</td>
</tr>
<tr>
<td>Interest and fees</td>
<td>1,350,773</td>
<td>1,350,773</td>
<td>1,469,214</td>
<td>(118,441)</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>2,360,773</td>
<td>2,360,773</td>
<td>2,479,214</td>
<td>(118,441)</td>
</tr>
</tbody>
</table>

**REVENUES OVER (UNDER) EXPENDITURES**

19,607 19,607 (527,308) 546,915

**FUND BALANCES:**

<table>
<thead>
<tr>
<th>Balance</th>
<th>Adopted</th>
<th>Final</th>
<th>Actual</th>
<th>Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>1,424,930</td>
<td>1,424,930</td>
<td>1,424,930</td>
<td>-</td>
</tr>
<tr>
<td><strong>End of year</strong></td>
<td>$1,444,537</td>
<td>$1,444,537</td>
<td>$897,622</td>
<td>$ (546,915)</td>
</tr>
</tbody>
</table>
City of San Leandro  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -  
Non Major Fund  
Redevelopment Agency Debt Service Fund  
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Adopted</th>
<th>Final</th>
<th>Actual</th>
<th>Final Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Use of money and property</td>
<td>$20,819</td>
<td>$20,819</td>
<td>$79,116</td>
<td>$58,297</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>$20,819</td>
<td>$20,819</td>
<td>$79,116</td>
<td>$58,297</td>
</tr>
<tr>
<td><strong>EXPENDITURES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt service:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal</td>
<td>1,015,000</td>
<td>1,550,440</td>
<td>1,550,440</td>
<td>-</td>
</tr>
<tr>
<td>Interest and fees</td>
<td>1,326,237</td>
<td>2,911,894</td>
<td>2,922,353</td>
<td>(10,459)</td>
</tr>
<tr>
<td><strong>Total expenditures</strong></td>
<td>2,341,237</td>
<td>4,462,334</td>
<td>4,472,793</td>
<td>(10,459)</td>
</tr>
<tr>
<td><strong>REVENUES OVER (UNDER) EXPENDITURES</strong></td>
<td>(2,320,418)</td>
<td>(4,441,515)</td>
<td>(4,393,677)</td>
<td>47,838</td>
</tr>
<tr>
<td><strong>OTHER FINANCING SOURCES (USES):</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers in</td>
<td>2,130,834</td>
<td>6,339,021</td>
<td>6,339,021</td>
<td>-</td>
</tr>
<tr>
<td>Transfers (out)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total other financing sources (uses)</strong></td>
<td>2,130,834</td>
<td>6,339,021</td>
<td>6,339,021</td>
<td>-</td>
</tr>
<tr>
<td><strong>REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</strong></td>
<td>(189,584)</td>
<td>1,897,506</td>
<td>1,945,344</td>
<td>47,838</td>
</tr>
<tr>
<td><strong>FUND BALANCES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>2,475,236</td>
<td>2,475,236</td>
<td>2,475,236</td>
<td>-</td>
</tr>
<tr>
<td>End of year</td>
<td>$2,285,652</td>
<td>4,372,742</td>
<td>$4,420,580</td>
<td>$47,838</td>
</tr>
</tbody>
</table>
NON-MAJOR ENTERPRISE FUNDS

**Storm Water Utility** - Provides for the City’s storm water program in conjunction with the National Pollutant Discharge and Emissions Services Act.

**Environmental Services** - Accounts for the regulation of hazardous materials, wastewater discharge, storm water runoff, solid waste and recycling, and the landfill at the Marina.
# City of San Leandro

## Combining Statement of Net Assets

### Non-Major Enterprise Funds

**June 30, 2009**

<table>
<thead>
<tr>
<th></th>
<th>Storm Water Utility</th>
<th>Environmental Services</th>
<th>Total Non-Major Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current assets:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$ 67,101</td>
<td>$ 1,473,162</td>
<td>$ 1,540,263</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>-</td>
<td>143,277</td>
<td>143,277</td>
</tr>
<tr>
<td>Special assessment</td>
<td>11,161</td>
<td>-</td>
<td>11,161</td>
</tr>
<tr>
<td>Interest</td>
<td>-</td>
<td>5,317</td>
<td>5,317</td>
</tr>
<tr>
<td>Other assets</td>
<td>-</td>
<td>5,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Total current assets</td>
<td>78,262</td>
<td>1,626,756</td>
<td>1,705,018</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>78,262</td>
<td>1,626,756</td>
<td>1,705,018</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>17,402</td>
<td>36,187</td>
<td>53,589</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>-</td>
<td>12,564</td>
<td>12,564</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>575</td>
<td>575</td>
</tr>
<tr>
<td>Compensated absences - due in one year</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>17,402</td>
<td>49,326</td>
<td>66,728</td>
</tr>
<tr>
<td>Noncurrent liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensated absences - due in more than one year</td>
<td>48,950</td>
<td>109,184</td>
<td>158,134</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>48,950</td>
<td>109,184</td>
<td>158,134</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>66,352</td>
<td>158,510</td>
<td>224,862</td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>11,910</td>
<td>1,468,246</td>
<td>1,480,156</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td>$ 11,910</td>
<td>$ 1,468,246</td>
<td>$ 1,480,156</td>
</tr>
</tbody>
</table>
City of San Leandro  
Combining Statement of Revenues, Expenses, and Changes in Net Assets  
Non-Major Enterprise Funds  
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th></th>
<th>Storm Water Utility</th>
<th>Environmental Services</th>
<th>Total Non-Major Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATING REVENUES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services</td>
<td>$ 1,051,743</td>
<td>$ 336,795</td>
<td>$ 1,388,538</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>-</td>
<td>313,064</td>
<td>313,064</td>
</tr>
<tr>
<td>Other operating revenue</td>
<td>865</td>
<td>64,556</td>
<td>65,421</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td>1,052,608</td>
<td>714,415</td>
<td>1,767,023</td>
</tr>
<tr>
<td><strong>OPERATING EXPENSES:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and benefits</td>
<td>515,654</td>
<td>920,987</td>
<td>1,436,641</td>
</tr>
<tr>
<td>Contractual and other services</td>
<td>241,240</td>
<td>184,256</td>
<td>425,496</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>4,739</td>
<td>110,601</td>
<td>115,340</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>231,697</td>
<td>328,720</td>
<td>560,417</td>
</tr>
<tr>
<td><strong>Total operating expenses</strong></td>
<td>993,330</td>
<td>1,544,564</td>
<td>2,537,894</td>
</tr>
<tr>
<td><strong>OPERATING INCOME (LOSS)</strong></td>
<td>59,278</td>
<td>(830,149)</td>
<td>(770,871)</td>
</tr>
<tr>
<td><strong>NONOPERATING REVENUES (EXPENSES):</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income</td>
<td>507</td>
<td>45,627</td>
<td>46,134</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>-</td>
<td>351,197</td>
<td>351,197</td>
</tr>
<tr>
<td><strong>Total nonoperating revenues (expenses)</strong></td>
<td>507</td>
<td>396,824</td>
<td>397,331</td>
</tr>
<tr>
<td><strong>INCOME (LOSS) BEFORE TRANSFERS</strong></td>
<td>59,785</td>
<td>(433,325)</td>
<td>(373,540)</td>
</tr>
<tr>
<td>Transfers in</td>
<td>-</td>
<td>264,107</td>
<td>264,107</td>
</tr>
<tr>
<td>Transfers out</td>
<td>(133,383)</td>
<td>-</td>
<td>(133,383)</td>
</tr>
<tr>
<td><strong>Total transfers</strong></td>
<td>(133,383)</td>
<td>264,107</td>
<td>130,724</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>(73,598)</td>
<td>(169,218)</td>
<td>(242,816)</td>
</tr>
<tr>
<td><strong>NET ASSETS:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>85,508</td>
<td>1,637,464</td>
<td>1,722,972</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 11,910</td>
<td>$ 1,468,246</td>
<td>$ 1,480,156</td>
</tr>
</tbody>
</table>
# City of San Leandro

Combining Statement of Cash Flows

Non-Major Enterprise Funds

For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Storm Water Utility</th>
<th>Environmental Services</th>
<th>Total Non-Major Enterprise Funds</th>
</tr>
</thead>
</table>

## CASH FLOWS FROM OPERATING ACTIVITIES:

<table>
<thead>
<tr>
<th>Description</th>
<th>Storm Water Utility</th>
<th>Environmental Services</th>
<th>Total Non-Major Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash received from customers/other funds</td>
<td>$1,064,117</td>
<td>$717,014</td>
<td>$1,781,131</td>
</tr>
<tr>
<td>Cash payment to other funds</td>
<td>(231,697)</td>
<td>(214,475)</td>
<td>(446,172)</td>
</tr>
<tr>
<td>Cash payments to suppliers for goods and services</td>
<td>(230,564)</td>
<td>(427,418)</td>
<td>(657,982)</td>
</tr>
<tr>
<td>Cash payments to employees for services</td>
<td>(474,607)</td>
<td>(895,406)</td>
<td>(1,370,013)</td>
</tr>
<tr>
<td><strong>Net cash provided (used) by operating activities</strong></td>
<td><strong>127,249</strong></td>
<td><strong>(820,285)</strong></td>
<td><strong>(693,036)</strong></td>
</tr>
</tbody>
</table>

## CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

<table>
<thead>
<tr>
<th>Description</th>
<th>Storm Water Utility</th>
<th>Environmental Services</th>
<th>Total Non-Major Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intergovernmental revenue received</td>
<td>-</td>
<td>351,197</td>
<td>351,197</td>
</tr>
<tr>
<td>Transfers in from other funds</td>
<td>-</td>
<td>264,107</td>
<td>264,107</td>
</tr>
<tr>
<td>Transfers out to other funds</td>
<td>(133,383)</td>
<td>-</td>
<td>(133,383)</td>
</tr>
<tr>
<td><strong>Net cash provided (used) by noncapital financing activities</strong></td>
<td><strong>(133,383)</strong></td>
<td><strong>615,304</strong></td>
<td><strong>481,921</strong></td>
</tr>
</tbody>
</table>

## CASH FLOWS FROM INVESTING ACTIVITIES:

<table>
<thead>
<tr>
<th>Description</th>
<th>Storm Water Utility</th>
<th>Environmental Services</th>
<th>Total Non-Major Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest received</td>
<td>507</td>
<td>45,627</td>
<td>46,134</td>
</tr>
<tr>
<td><strong>Net cash provided (used) by investing activities</strong></td>
<td><strong>507</strong></td>
<td><strong>45,627</strong></td>
<td><strong>46,134</strong></td>
</tr>
</tbody>
</table>

**Net increase (decrease) in cash and cash equivalents**

<table>
<thead>
<tr>
<th>Description</th>
<th>Storm Water Utility</th>
<th>Environmental Services</th>
<th>Total Non-Major Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning of year</td>
<td>72,728</td>
<td>1,632,516</td>
<td>1,705,244</td>
</tr>
<tr>
<td>End of year</td>
<td>$67,101</td>
<td>$1,473,162</td>
<td>$1,540,263</td>
</tr>
</tbody>
</table>

## CASH AND CASH EQUIVALENTS:

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Storm Water Utility</th>
<th>Environmental Services</th>
<th>Total Non-Major Enterprise Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating income (loss)</td>
<td>$59,278</td>
<td>$(830,149)</td>
<td>$(770,871)</td>
</tr>
</tbody>
</table>
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:
| Changes in assets and liabilities:              |                     |                         |                                  |
| Accounts receivable                              | 833                 | (3,103)                 | (2,270)                          |
| Special assessments receivable                   | 10,676              | -                       | 10,676                           |
| Accounts payable                                 | 15,415              | 856                     | 16,271                           |
| Compensated absences                             | 41,047              | 12,111                  | 53,158                           |
| **Total adjustments**                            | **67,971**          | **9,864**               | **77,835**                       |
| **Net cash provided (used) by operating activities** | **$127,249**        | **$(820,285)**          | **$(693,036)**                    |
INTERNAL SERVICE FUNDS

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

**Building Maintenance**  - This fund accounts for the City’s custodial maintenance and minor building modifications performed on various City complexes. The source of revenue is reimbursement of costs for services performed to the departments.

**Information Management Services**  - This fund accounts for centralized data processing and the maintenance, acquisition and replacement of computerized systems. Source of revenue for this fund is reimbursement of costs for services and equipment purchased by other departments.

**Self-Insurance**  - This fund accounts for the administration of the City’s self-insurance programs, payment of workers' compensation and liability claims payments.

**Equipment Maintenance**  - This fund accounts for the maintenance and replacement of vehicles and equipment used by all City departments. Source of revenue for this fund is reimbursement of costs for services and supplies purchased by other departments.
# City of San Leandro
## Combining Statement of Net Assets
### All Internal Service Funds
#### June 30, 2009

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Building Maintenance</th>
<th>Information Management Services</th>
<th>Self-Insurance</th>
<th>Equipment Maintenance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and investments</td>
<td>1,454,207</td>
<td>$1,199,319</td>
<td>$10,461,134</td>
<td>$921,100</td>
<td>$14,035,760</td>
</tr>
<tr>
<td>Receivables:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts</td>
<td>-</td>
<td>917</td>
<td>583,046</td>
<td>-</td>
<td>583,963</td>
</tr>
<tr>
<td>Interest</td>
<td>5,809</td>
<td>3,137</td>
<td>37,608</td>
<td>3,112</td>
<td>49,666</td>
</tr>
<tr>
<td>Inventory</td>
<td>14,177</td>
<td>10,186</td>
<td>-</td>
<td>111,957</td>
<td>136,320</td>
</tr>
<tr>
<td>Capital assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciable</td>
<td>14,764</td>
<td>5,705,672</td>
<td>-</td>
<td>6,746,759</td>
<td>12,467,195</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(2,714)</td>
<td>(2,575,998)</td>
<td>-</td>
<td>(3,984,758)</td>
<td>(6,563,470)</td>
</tr>
<tr>
<td>Net capital assets</td>
<td>12,050</td>
<td>3,129,674</td>
<td>-</td>
<td>2,762,001</td>
<td>5,903,725</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,486,243</td>
<td>4,343,233</td>
<td>11,081,788</td>
<td>3,798,170</td>
<td>20,709,434</td>
</tr>
<tr>
<td>LIABILITIES</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>155,551</td>
<td>83,998</td>
<td>9,026</td>
<td>185,534</td>
<td>434,109</td>
</tr>
<tr>
<td>Other Liabilities</td>
<td>547</td>
<td>468</td>
<td>-</td>
<td>-</td>
<td>1,015</td>
</tr>
<tr>
<td>Claims and judgments - due in one year</td>
<td>-</td>
<td>-</td>
<td>1,401,087</td>
<td>-</td>
<td>1,401,087</td>
</tr>
<tr>
<td>Total current liabilities</td>
<td>156,098</td>
<td>84,466</td>
<td>1,410,113</td>
<td>185,534</td>
<td>1,836,211</td>
</tr>
<tr>
<td>Noncurrent liabilities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advances from other funds</td>
<td>-</td>
<td>181,411</td>
<td>-</td>
<td>-</td>
<td>181,411</td>
</tr>
<tr>
<td>Claims and judgements - due in more than one year</td>
<td>-</td>
<td>-</td>
<td>4,690,596</td>
<td>-</td>
<td>4,690,596</td>
</tr>
<tr>
<td>Compensated absences - due in more than one year</td>
<td>58,678</td>
<td>108,613</td>
<td>2,988</td>
<td>59,816</td>
<td>230,095</td>
</tr>
<tr>
<td>Total noncurrent liabilities</td>
<td>58,678</td>
<td>290,024</td>
<td>4,693,584</td>
<td>59,816</td>
<td>5,102,102</td>
</tr>
<tr>
<td>Total liabilities</td>
<td>214,776</td>
<td>374,490</td>
<td>6,103,697</td>
<td>245,350</td>
<td>6,938,313</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted</td>
<td>1,271,467</td>
<td>3,968,743</td>
<td>4,978,091</td>
<td>3,552,820</td>
<td>13,771,121</td>
</tr>
<tr>
<td>Total net assets</td>
<td>$1,271,467</td>
<td>$3,968,743</td>
<td>$4,978,091</td>
<td>$3,552,820</td>
<td>$13,771,121</td>
</tr>
</tbody>
</table>
## City of San Leandro
### Combining Statement of Revenues, Expenses and Changes in Net Assets
#### All Internal Service Funds
##### For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Information</th>
<th>Building Management</th>
<th>Self-Insurance</th>
<th>Equipment Maintenance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Maintenance</td>
<td>Services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPERATING REVENUES:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service charges</td>
<td>$3,198,703</td>
<td>$4,155,581</td>
<td>$1,694,243</td>
<td>$2,538,377</td>
</tr>
<tr>
<td>Other operating revenues</td>
<td>961</td>
<td>4,943</td>
<td>36,833</td>
<td>13,510</td>
</tr>
<tr>
<td><strong>Total operating revenues</strong></td>
<td><strong>3,199,664</strong></td>
<td><strong>4,160,524</strong></td>
<td><strong>1,731,076</strong></td>
<td><strong>2,551,887</strong></td>
</tr>
</tbody>
</table>

| OPERATING EXPENSES: |                      |                |                       |       |
| Salaries and benefits | 923,189 | 1,721,367 | 95,355 | 761,173 | 3,501,084 |
| Contractual and other services | 1,387,795 | 1,135,402 | 1,193,946 | 270,749 | 3,987,892 |
| Materials and supplies | 209,506 | 73,933 | 47 | 604,005 | 887,491 |
| Depreciation | 673 | 712,115 | - | 530,299 | 1,243,087 |
| Other operating costs | 255,068 | 498,773 | 43,925 | - | 797,766 |
| **Total operating expenses** | **2,776,231** | **4,141,590** | **1,333,273** | **2,166,226** | **10,417,320** |

| OPERATING INCOME (LOSS) |                      |                |                       |       |
| **423,433** | 18,934 | 397,803 | 385,661 | 1,225,831 |

| NONOPERATING REVENUES (EXPENSES): |                      |                |                       |       |
| Interest income | 50,874 | 26,780 | 324,036 | 26,292 | 427,982 |
| Interest expense | - | (21,153) | - | - | (21,153) |
| **Total nonoperating revenues (expenses)** | **50,874** | **5,627** | **324,036** | **26,292** | **406,829** |

| INCOME (LOSS) BEFORE TRANSFERS |                      |                |                       |       |
| **474,307** | 24,561 | 721,839 | 411,953 | 1,632,660 |

| TRANSFERS: |                      |                |                       |       |
| Transfers in | - | - | - | 43,900 | 43,900 |
| Transfers out | (616,686) | - | (1,500,000) | - | (2,116,686) |
| **Total transfers** | **(616,686)** | **-** | **(1,500,000)** | **43,900** | **(2,072,786)** |

| Net income (loss) |                      |                |                       |       |
| **(142,379)** | 24,561 | (778,161) | 455,853 | (440,126) |

| NET ASSETS: |                      |                |                       |       |
| Beginning of the year | 1,413,846 | 3,944,182 | 5,756,252 | 3,096,967 | 14,211,247 |
| End of the year | **$1,271,467** | **$3,968,743** | **$4,978,091** | **$3,552,820** | **$13,771,121** |
City of San Leandro
Combining Statement of Cash Flows
All Internal Service Funds
For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Information</th>
<th>Building Management Services</th>
<th>Self-Insurance</th>
<th>Equipment Maintenance</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash received from customers/other funds</td>
<td>$3,200,371</td>
<td>$3,873,195</td>
<td>$2,026,457</td>
<td>$2,545,120</td>
</tr>
<tr>
<td>Cash payments to suppliers for goods and services</td>
<td>(1,897,207)</td>
<td>(1,456,039)</td>
<td>(1,952,430)</td>
<td>(801,350)</td>
</tr>
<tr>
<td>Cash payments to employees for services</td>
<td>(972,150)</td>
<td>(1,708,291)</td>
<td>(92,366)</td>
<td>(761,043)</td>
</tr>
<tr>
<td>Net cash provided (used) by operating activities</td>
<td>331,014</td>
<td>708,865</td>
<td>(18,339)</td>
<td>982,727</td>
</tr>
</tbody>
</table>

| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: |
| Repayment of advances to other funds | - | (171,142) | - | - | (171,142) |
| Transfers in from other funds | - | - | - | 43,900 | 43,900 |
| Transfers out to other funds | (616,686) | - | (1,500,000) | - | (2,116,686) |
| Net cash provided (used) by noncapital financing activities | (616,686) | (171,142) | (1,500,000) | 43,900 | (2,243,928) |

| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: |
| Acquisition of fixed assets | - | (101,226) | - | (919,102) | (1,020,328) |
| Net cash provided (used) by capital and related financing activities | - | (101,226) | - | (919,102) | (1,020,328) |

| CASH FLOWS FROM INVESTING ACTIVITIES: |
| Interest Income | 50,874 | 26,780 | 324,036 | 26,292 | 427,982 |
| Interest expense | - | (21,153) | - | - | (21,153) |
| Net cash provided (used) by investing activities | 50,874 | 5,627 | 324,036 | 26,292 | 406,829 |

| CASH AND CASH EQUIVALENTS: |
| Beginning of year | $1,689,005 | 757,195 | 11,655,437 | 787,283 | 14,888,920 |
| End of year | $1,454,207 | 1,199,319 | $10,461,134 | $921,100 | $14,035,760 |

| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: |
| Operating income (loss) | $423,433 | 18,934 | $397,803 | $385,661 | $1,225,831 |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: |
| Depreciation | 673 | 712,115 | - | 530,299 | 1,243,087 |
| Changes in assets and liabilities: |
| Accounts receivable | 2,195 | 1,056 | 2,502 | 4,750 | 10,503 |
| Inventory | (2,219) | 3,951 | - | (10,227) | (8,495) |
| Accounts payable | (73,142) | (40,267) | 4,947 | 72,114 | (36,348) |
| Claims and judgments | - | - | (426,579) | - | (426,579) |
| Compensated absences | (19,926) | 13,076 | 2,988 | 130 | (3,732) |
| Total cash provided (used) by operating activities | $331,014 | 708,865 | $18,339 | $982,727 | $2,004,267 |
FIDUCIARY FUND FINANCIAL STATEMENTS

*Deposits Fund* - Accounts for all deposits held on behalf of other persons and businesses under the control of City departments.

*Cherrywood* - Accounts for monies accumulated for payments of special assessment bonds which are financed by assessments placed on the Alameda County tax roll for the Cherrywood housing development.
City of San Leandro  
Combining Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2009  

<table>
<thead>
<tr>
<th></th>
<th>Deposits</th>
<th>Cherrywood</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$ 855,830</td>
<td>$ 864,536</td>
<td>$ 1,720,366</td>
</tr>
<tr>
<td>Cash and investments with fiscal agents</td>
<td>-</td>
<td>449,034</td>
<td>449,034</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>2,100</td>
<td>698</td>
<td>2,798</td>
</tr>
<tr>
<td>Special assessments receivable</td>
<td>-</td>
<td>41,767</td>
<td>41,767</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$ 857,930</td>
<td>$ 1,356,035</td>
<td>$ 2,213,965</td>
</tr>
</tbody>
</table>

| **LIABILITIES**        |          |            |           |
| Accounts payable       | $ 66,292 | $ -        | $ 66,292  |
| Deposits payable       | 791,638  | -          | 791,638   |
| Due to bondholders     | -        | 1,356,035  | 1,356,035 |
| **Total liabilities**  | $ 857,930| $ 1,356,035| $ 2,213,965|
# City of San Leandro

## Combining Statement of Changes in Assets and Liabilities

### Fiduciary Funds

For the year ended June 30, 2009

<table>
<thead>
<tr>
<th>Deposits</th>
<th>Balance July 1, 2008</th>
<th>Additions</th>
<th>Deductions</th>
<th>Balance June 30, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$1,335,036</td>
<td>$24,364,899</td>
<td>$(24,844,105)</td>
<td>$855,830</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>168,811</td>
<td>3,049</td>
<td>$(169,760)</td>
<td>2,100</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,503,847</td>
<td>$24,367,948</td>
<td>$(25,013,865)</td>
<td>$857,930</td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$121,625</td>
<td>$12,000,367</td>
<td>$(12,055,700)</td>
<td>$66,292</td>
</tr>
<tr>
<td>Deposits payable</td>
<td>1,382,222</td>
<td>13,266,588</td>
<td>$(13,857,172)</td>
<td>791,638</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>$1,503,847</td>
<td>$25,266,955</td>
<td>$(25,912,872)</td>
<td>$857,930</td>
</tr>
</tbody>
</table>

### Cherrywood

<table>
<thead>
<tr>
<th>Deposits</th>
<th>Balance July 1, 2008</th>
<th>Additions</th>
<th>Deductions</th>
<th>Balance June 30, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$825,152</td>
<td>$1,911,447</td>
<td>$(1,872,063)</td>
<td>$864,536</td>
</tr>
<tr>
<td>Cash and investments with fiscal agent</td>
<td>451,408</td>
<td>2,252</td>
<td>$(4,626)</td>
<td>449,034</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>854</td>
<td>-</td>
<td>$(156)</td>
<td>698</td>
</tr>
<tr>
<td>Special assessments receivable</td>
<td>53,810</td>
<td>476,471</td>
<td>$(488,514)</td>
<td>41,767</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,331,224</td>
<td>$2,390,170</td>
<td>$(2,365,359)</td>
<td>$1,356,035</td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>$446.00</td>
<td>$9,858</td>
<td>$(10,304)</td>
<td>-</td>
</tr>
<tr>
<td>Due to bondholders</td>
<td>1,330,778</td>
<td>485,854</td>
<td>$(460,597)</td>
<td>1,356,035</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>$1,331,224</td>
<td>$495,712</td>
<td>$(470,901)</td>
<td>$1,356,035</td>
</tr>
</tbody>
</table>

### All Agency Funds

<table>
<thead>
<tr>
<th>Deposits</th>
<th>Balance July 1, 2008</th>
<th>Additions</th>
<th>Deductions</th>
<th>Balance June 30, 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and investments</td>
<td>$2,160,188</td>
<td>$26,276,346</td>
<td>$(26,716,168)</td>
<td>$1,720,366</td>
</tr>
<tr>
<td>Cash and investments with fiscal agent</td>
<td>451,408</td>
<td>2,252</td>
<td>$(4,626)</td>
<td>449,034</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>169,665</td>
<td>3,049</td>
<td>$(169,916)</td>
<td>2,798</td>
</tr>
<tr>
<td>Special assessments receivable</td>
<td>53,810</td>
<td>476,471</td>
<td>$(488,514)</td>
<td>41,767</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$2,835,071</td>
<td>$26,758,118</td>
<td>$(27,379,224)</td>
<td>$2,213,965</td>
</tr>
<tr>
<td><strong>Liabilities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>$122,071</td>
<td>$12,010,225</td>
<td>$(12,066,004)</td>
<td>$66,292</td>
</tr>
<tr>
<td>Deposits payable</td>
<td>1,382,222</td>
<td>13,266,588</td>
<td>$(13,857,172)</td>
<td>791,638</td>
</tr>
<tr>
<td>Due to bondholders</td>
<td>1,330,778</td>
<td>485,854</td>
<td>$(460,597)</td>
<td>1,356,035</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>$2,835,071</td>
<td>$25,762,667</td>
<td>$(26,383,773)</td>
<td>$2,213,965</td>
</tr>
</tbody>
</table>
This section of the City of San Leandro's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<table>
<thead>
<tr>
<th>Contents</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Trends</td>
<td>131</td>
</tr>
<tr>
<td>These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.</td>
<td></td>
</tr>
<tr>
<td>Revenue Capacity</td>
<td>136</td>
</tr>
<tr>
<td>These schedules contain information to help the reader assess the city's most significant local revenue sources, sales tax and property tax.</td>
<td></td>
</tr>
<tr>
<td>Debt Capacity</td>
<td>143</td>
</tr>
<tr>
<td>These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.</td>
<td></td>
</tr>
<tr>
<td>Demographic and Economic Information</td>
<td>147</td>
</tr>
<tr>
<td>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.</td>
<td></td>
</tr>
<tr>
<td>Operating Information</td>
<td>150</td>
</tr>
<tr>
<td>the information in the city's financial report relates to the services the city provides and the activities it performs.</td>
<td></td>
</tr>
</tbody>
</table>
# City of San Leandro
## Program Revenues by Function/Program
### Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Program/Function</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Governmental activities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>$3,446,599</td>
<td>$4,417,189</td>
<td>$4,458,257</td>
<td>$4,328,363</td>
<td>$6,597,981</td>
<td>$5,208,888</td>
<td>$4,871,544</td>
</tr>
<tr>
<td>Public safety</td>
<td>5,194,687</td>
<td>2,979,181</td>
<td>4,045,135</td>
<td>5,480,658</td>
<td>6,588,624</td>
<td>6,038,357</td>
<td>5,111,223</td>
</tr>
<tr>
<td>Engineering and transportation</td>
<td>9,542,893</td>
<td>10,929,637</td>
<td>8,583,331</td>
<td>13,157,731</td>
<td>11,789,460</td>
<td>10,797,882</td>
<td>11,376,411</td>
</tr>
<tr>
<td>Community development</td>
<td>4,975,147</td>
<td>10,118,875</td>
<td>1,750,940</td>
<td>3,741,298</td>
<td>3,470,491</td>
<td>8,867,688</td>
<td>3,279,368</td>
</tr>
<tr>
<td><strong>Subtotal governmental activities</strong></td>
<td>24,962,612</td>
<td>31,811,596</td>
<td>22,314,282</td>
<td>30,178,821</td>
<td>33,022,661</td>
<td>35,265,880</td>
<td>28,052,650</td>
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<tr>
<td><strong>Business-type activities:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Pollution Control Plant</td>
<td>9,115,046</td>
<td>8,530,652</td>
<td>9,306,736</td>
<td>10,267,776</td>
<td>10,647,063</td>
<td>11,016,298</td>
<td>10,445,163</td>
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<tr>
<td>Shoreline</td>
<td>1,971,297</td>
<td>1,721,631</td>
<td>2,379,343</td>
<td>2,234,105</td>
<td>2,303,029</td>
<td>2,134,271</td>
<td>2,062,949</td>
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<tr>
<td>San Leandro Housing Finance Corp</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>913,662</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<tr>
<td>Storm Water Utility</td>
<td>1,098,687</td>
<td>1,074,565</td>
<td>1,048,228</td>
<td>1,055,105</td>
<td>1,054,947</td>
<td>1,059,667</td>
<td>1,052,608</td>
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<tr>
<td>Environmental Services</td>
<td>703,052</td>
<td>644,644</td>
<td>626,282</td>
<td>630,344</td>
<td>621,502</td>
<td>622,052</td>
<td>714,415</td>
</tr>
<tr>
<td><strong>Subtotal business-type activities</strong></td>
<td>12,888,082</td>
<td>11,971,492</td>
<td>13,360,589</td>
<td>15,100,992</td>
<td>14,626,541</td>
<td>14,832,288</td>
<td>14,275,135</td>
</tr>
<tr>
<td><strong>Total primary government</strong></td>
<td>$37,850,694</td>
<td>$43,783,088</td>
<td>$35,674,871</td>
<td>$45,279,813</td>
<td>$47,649,202</td>
<td>$50,098,168</td>
<td>$42,327,785</td>
</tr>
</tbody>
</table>

Source: City of San Leandro
# City of San Leandro

## Changes in Net Assets

### Last Seven Fiscal Years

(accural basis of accounting)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General government</td>
<td>22,918,852 $</td>
<td>25,530,287 $</td>
<td>22,013,602 $</td>
<td>22,864,200 $</td>
<td>11,546,534 $</td>
<td>17,379,663 $</td>
<td>16,572,072 $</td>
</tr>
<tr>
<td>Public safety</td>
<td>35,703,556</td>
<td>33,414,314</td>
<td>35,819,441</td>
<td>37,415,908</td>
<td>41,972,128</td>
<td>44,061,645</td>
<td>44,229,183</td>
</tr>
<tr>
<td>Engineering &amp; Transportation</td>
<td>11,477,536</td>
<td>7,592,091</td>
<td>9,108,518</td>
<td>2,260,498</td>
<td>11,989,696</td>
<td>16,292,698</td>
<td>15,101,806</td>
</tr>
<tr>
<td>Recreation &amp; Culture</td>
<td>14,311,154</td>
<td>10,720,541</td>
<td>11,688,705</td>
<td>11,213,106</td>
<td>15,937,218</td>
<td>15,064,531</td>
<td>11,416,088</td>
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<tr>
<td>Community Development</td>
<td>11,203,292</td>
<td>9,212,795</td>
<td>7,509,785</td>
<td>11,238,106</td>
<td>9,351,983</td>
<td>15,725,787</td>
<td>28,119,209</td>
</tr>
<tr>
<td>Interest on long-term debt</td>
<td>4,530,711 $</td>
<td>4,217,408 $</td>
<td>3,766,213 $</td>
<td>3,924,447 $</td>
<td>4,275,336 $</td>
<td>3,237,381 $</td>
<td>5,349,826 $</td>
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<tr>
<td>Total governmental activities expenses</td>
<td>100,145,101 $</td>
<td>90,687,436 $</td>
<td>89,906,264 $</td>
<td>90,417,175 $</td>
<td>95,072,895 $</td>
<td>111,761,705 $</td>
<td>120,788,184 $</td>
</tr>
<tr>
<td>Business-type activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water Pollution Control</td>
<td>8,620,442</td>
<td>7,759,200</td>
<td>7,467,822</td>
<td>6,797,509</td>
<td>9,247,290</td>
<td>9,093,554</td>
<td>9,248,677</td>
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<td>Shoreline</td>
<td>2,267,019</td>
<td>1,910,506</td>
<td>3,025,760</td>
<td>2,470,221</td>
<td>2,139,089</td>
<td>2,355,311</td>
<td>2,244,002</td>
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<tr>
<td>San Leandro Housing Finance Corp</td>
<td>590,425</td>
<td>600,094</td>
<td>669,147</td>
<td>946,776</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Storm Water Utility</td>
<td>992,544</td>
<td>1,030,222</td>
<td>1,056,165</td>
<td>921,120</td>
<td>928,752</td>
<td>896,951</td>
<td>993,330</td>
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<tr>
<td>Environmental Services</td>
<td>1,307,149</td>
<td>1,235,675</td>
<td>1,171,903</td>
<td>1,453,306</td>
<td>1,189,664</td>
<td>1,460,466</td>
<td>1,544,564</td>
</tr>
<tr>
<td>Total business-type activities expenses</td>
<td>13,777,579 $</td>
<td>12,535,777 $</td>
<td>13,390,797 $</td>
<td>12,770,932 $</td>
<td>13,504,795 $</td>
<td>13,806,282 $</td>
<td>14,030,573 $</td>
</tr>
<tr>
<td>Program revenues:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charges for services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>14,257,571</td>
<td>15,456,837</td>
<td>18,883,832</td>
<td>21,167,178</td>
<td>24,742,722</td>
<td>26,200,900</td>
<td>27,654,817</td>
</tr>
<tr>
<td>Sales taxes</td>
<td>20,680,473</td>
<td>20,089,952</td>
<td>20,704,782</td>
<td>22,144,559</td>
<td>23,407,407</td>
<td>22,251,900</td>
<td>19,095,799</td>
</tr>
<tr>
<td>Franchise Fees</td>
<td>3,329,375</td>
<td>3,605,261</td>
<td>3,597,465</td>
<td>3,362,681</td>
<td>4,496,415</td>
<td>4,142,284</td>
<td>4,125,705</td>
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<tr>
<td>Utility Users Tax</td>
<td>9,298,100</td>
<td>9,531,377</td>
<td>10,018,039</td>
<td>10,383,676</td>
<td>10,175,460</td>
<td>10,420,171</td>
<td>10,103,090</td>
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<tr>
<td>Property Transfer Tax</td>
<td>3,851,858</td>
<td>5,106,985</td>
<td>5,891,509</td>
<td>6,417,679</td>
<td>4,539,402</td>
<td>2,924,651</td>
<td>2,870,441</td>
</tr>
<tr>
<td>Other taxes</td>
<td>174,031</td>
<td>311,522</td>
<td>323,466</td>
<td>315,382</td>
<td>322,160</td>
<td>361,261</td>
<td>278,615</td>
</tr>
<tr>
<td>Total governmental activities program revenues</td>
<td>85,908,130 $</td>
<td>94,325,001 $</td>
<td>86,543,735 $</td>
<td>98,875,422 $</td>
<td>106,480,660 $</td>
<td>106,198,362 $</td>
<td>97,184,718 $</td>
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<tr>
<td>Business-type activities:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Charges for services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property taxes</td>
<td>12,888,082</td>
<td>11,971,492</td>
<td>13,360,589</td>
<td>15,100,992</td>
<td>14,626,541</td>
<td>14,832,288</td>
<td>14,275,135</td>
</tr>
<tr>
<td>Sales taxes</td>
<td>293,754</td>
<td>282,372</td>
<td>213,520</td>
<td>299,126</td>
<td>298,633</td>
<td>342,189</td>
<td>296,184</td>
</tr>
<tr>
<td>Total Business activities program revenues</td>
<td>14,581,152 $</td>
<td>13,572,976 $</td>
<td>14,592,221 $</td>
<td>16,716,799 $</td>
<td>16,711,859 $</td>
<td>17,404,911 $</td>
<td>15,947,138 $</td>
</tr>
<tr>
<td>Net revenues (expenses):</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Governmental Activities</td>
<td>(14,236,971) $</td>
<td>3,637,565 $</td>
<td>(3,362,529) $</td>
<td>8,458,247 $</td>
<td>11,407,765 $</td>
<td>(5,563,343) $</td>
<td>(23,603,466) $</td>
</tr>
<tr>
<td>Business-type activities</td>
<td>803,573</td>
<td>1,037,199</td>
<td>1,201,424</td>
<td>3,945,867</td>
<td>3,207,064</td>
<td>3,598,629</td>
<td>1,916,565</td>
</tr>
<tr>
<td>Total net revenues (expenses)</td>
<td>$13,433,398</td>
<td>$4,674,764</td>
<td>$2,161,105</td>
<td>$12,404,114</td>
<td>$14,614,829</td>
<td>$11,964,714</td>
<td>$21,686,901</td>
</tr>
</tbody>
</table>
## City of San Leandro
### Fund Balance of Governmental Funds
#### Last Seven Fiscal Years
**(modified accrual basis of accounting)**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>General Fund:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserved</td>
<td>$20,224,965</td>
<td>$19,132,113</td>
<td>$18,843,168</td>
<td>$19,835,830</td>
<td>$17,904,586</td>
<td>$18,149,255</td>
<td>$14,614,515</td>
</tr>
<tr>
<td>Unreserved</td>
<td>18,179,490</td>
<td>15,528,675</td>
<td>13,936,704</td>
<td>16,962,489</td>
<td>25,319,167</td>
<td>19,152,403</td>
<td>15,074,450</td>
</tr>
<tr>
<td><strong>Total General Fund</strong></td>
<td>38,404,455</td>
<td>34,660,788</td>
<td>32,779,872</td>
<td>36,798,319</td>
<td>43,223,753</td>
<td>37,301,658</td>
<td>29,688,965</td>
</tr>
<tr>
<td><strong>All other governmental funds:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reserved</td>
<td>11,183,159</td>
<td>32,703,722</td>
<td>15,974,817</td>
<td>20,344,382</td>
<td>21,797,518</td>
<td>20,775,067</td>
<td>33,916,323</td>
</tr>
<tr>
<td>Unreserved, designated</td>
<td>593,697</td>
<td>300,000</td>
<td>4,842,210</td>
<td>491,396</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Unreserved, undesignated, reported in:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special revenue funds</td>
<td>5,396,061</td>
<td>6,333,411</td>
<td>4,028,438</td>
<td>4,684,942</td>
<td>7,013,915</td>
<td>6,907,672</td>
<td>5,760,645</td>
</tr>
<tr>
<td>Capital projects funds</td>
<td>16,516,912</td>
<td>-</td>
<td>14,935,095</td>
<td>-</td>
<td>333,153</td>
<td>337,211</td>
<td>3,973,218</td>
</tr>
<tr>
<td><strong>Total all other governmental funds</strong></td>
<td>$33,689,829</td>
<td>$39,337,133</td>
<td>$39,780,560</td>
<td>$25,520,720</td>
<td>$29,144,586</td>
<td>$28,019,950</td>
<td>$43,650,186</td>
</tr>
</tbody>
</table>
# City of San Leandro

## Changes in Fund Balance of Governmental Funds

### Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property and other taxes</td>
<td>$52,564,439</td>
<td>$55,045,102</td>
<td>$60,174,541</td>
<td>$64,418,048</td>
<td>$68,452,345</td>
<td>$66,945,559</td>
<td>$64,771,891</td>
</tr>
<tr>
<td>Licenses and permits</td>
<td>4,255,912</td>
<td>3,863,441</td>
<td>4,333,781</td>
<td>4,612,703</td>
<td>7,884,927</td>
<td>6,461,407</td>
<td>6,768,204</td>
</tr>
<tr>
<td>Fines and forfeitures</td>
<td>568,776</td>
<td>704,309</td>
<td>685,984</td>
<td>837,602</td>
<td>1,431,689</td>
<td>1,418,732</td>
<td>1,296,568</td>
</tr>
<tr>
<td>Service charges</td>
<td>2,717,804</td>
<td>2,883,577</td>
<td>4,163,570</td>
<td>5,885,823</td>
<td>5,732,825</td>
<td>4,965,783</td>
<td>4,977,492</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>13,159,024</td>
<td>14,285,821</td>
<td>8,929,406</td>
<td>13,635,816</td>
<td>9,798,718</td>
<td>10,224,260</td>
<td>7,106,997</td>
</tr>
<tr>
<td>Use of money and property</td>
<td>6,268,966</td>
<td>4,789,470</td>
<td>5,528,100</td>
<td>6,351,559</td>
<td>8,102,189</td>
<td>6,841,974</td>
<td>5,244,637</td>
</tr>
<tr>
<td>Other</td>
<td>5,366,291</td>
<td>4,149,621</td>
<td>2,595,829</td>
<td>2,117,855</td>
<td>2,17,855</td>
<td>3,734,825</td>
<td>3,824,523</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>89,928,711</td>
<td>87,471,849</td>
<td>88,086,353</td>
<td>99,643,196</td>
<td>106,883,903</td>
<td>102,481,346</td>
<td>97,567,022</td>
</tr>
</tbody>
</table>

| **Expenditures:** |      |      |      |      |      |      |      |
| **Current:** |      |      |      |      |      |      |      |
| General government | 10,358,506 | 11,504,089 | 10,480,346 | 10,242,278 | 10,027,035 | 10,996,927 | 10,866,088 |
| Public safety | 38,039,189 | 33,942,876 | 37,694,476 | 39,807,817 | 41,571,598 | 44,084,646 | 45,409,707 |
| Engineering and transportation | 13,440,168 | 11,791,157 | 13,805,174 | 15,798,762 | 12,329,183 | 16,521,818 | 15,641,026 |
| Recreation and culture | 14,272,330 | 14,095,666 | 13,316,923 | 19,367,598 | 15,968,022 | 15,408,155 | 12,100,517 |
| Community development | 11,790,168 | 9,434,428 | 7,460,908 | 12,120,215 | 9,528,638 | 16,002,716 | 27,126,823 |
| Capital Outlay | 2,701,044 | 3,945,005 | 3,274,784 | 6,952,452 | 1,781,883 | 232,636 | 3,732,481 |
| **Debt service:** |      |      |      |      |      |      |      |
| Principal | 1,887,323 | 2,535,740 | 2,485,071 | 2,959,219 | 2,150,594 | 2,610,861 | 3,372,481 |
| Interest and fees | 3,744,219 | 3,896,137 | 3,837,316 | 3,947,868 | 4,403,856 | 3,448,347 | 4,917,152 |

| **Excess (deficiency of revenues over (under) expenditures** | (6,304,236.00) | (3,783,249) | (4,268,645) | (11,553,013) | 9,123,094 | (6,824,760) | (21,866,772) |

| **Other financing Sources (uses):** |      |      |      |      |      |      |      |
| Issuance of capital lease | - | - | - | - | - | - | - |
| Proceeds from refunding of bonds | 28,485,000 | 5,500,000 | - | - | 23,425,000 | - | - |
| Payment to refunded bonds escrows agents | (16,880,000) | - | - | - | (24,731,033) | - | - |
| Transfers in | 22,164,743 | 15,033,258 | 6,738,067 | 3,240,998 | 4,693,117 | 5,895,216 | 11,774,023 |
| Transfers out | (22,523,688) | (15,146,268) | (6,955,181) | (3,309,159) | (4,405,832) | (6,117,186) | (9,615,363) |
| Bonds Proceeds | - | - | - | - | - | - | - |
| **Total other financing sources (uses)** | 11,246,055 | 5,386,990 | 2,831,146 | (68,161) | (1,018,748) | (221,970) | 29,884,315 |

| **Prior period restatement** | (1,000,000) | - | - | 1,379,781 | 1,944,954 | - | - |

| **Net change in fund balances** | $3,941,819 | $1,603,741 | $1,437,499 | $(10,241,393) | $10,049,300 | $7,046,730 | $8,017,543 |

| **Debt Services as a percentage of noncapital expenditures** | 6.4% | 8.0% | 7.6% | 7.1% | 7.3% | 5.9% | 7.5% |

---

**Notes:** The City of San Leandro has elected to show seven years data for this schedule.
City of San Leandro
General Governmental Revenues By Source
All Government Fund Types
Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Property &amp; Other Taxes</th>
<th>Licenses &amp; Permits</th>
<th>Fines &amp; Forfeitures</th>
<th>Service Charges</th>
<th>Intergovernmental</th>
<th>Use of Money &amp; Property</th>
<th>Other Revenue</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$52,564,439</td>
<td>$4,255,912</td>
<td>$568,776</td>
<td>$2,717,804</td>
<td>$13,159,024</td>
<td>$6,268,966</td>
<td>$10,393,790</td>
<td>$89,928,711</td>
</tr>
<tr>
<td>2005</td>
<td>60,174,541</td>
<td>4,333,781</td>
<td>685,984</td>
<td>4,163,570</td>
<td>8,929,406</td>
<td>5,528,100</td>
<td>4,270,971</td>
<td>88,086,353</td>
</tr>
<tr>
<td>2006</td>
<td>64,180,048</td>
<td>4,612,703</td>
<td>837,602</td>
<td>5,885,823</td>
<td>13,635,816</td>
<td>6,351,559</td>
<td>3,901,645</td>
<td>99,643,196</td>
</tr>
<tr>
<td>2007</td>
<td>68,452,345</td>
<td>7,884,927</td>
<td>1,431,689</td>
<td>5,732,825</td>
<td>9,798,718</td>
<td>8,102,189</td>
<td>5,481,210</td>
<td>106,883,903</td>
</tr>
<tr>
<td>2008</td>
<td>66,945,559</td>
<td>6,461,407</td>
<td>1,418,732</td>
<td>4,965,783</td>
<td>10,224,260</td>
<td>6,841,974</td>
<td>5,623,631</td>
<td>102,481,346</td>
</tr>
<tr>
<td>2009</td>
<td>64,771,891</td>
<td>6,768,204</td>
<td>1,296,568</td>
<td>4,977,492</td>
<td>7,106,997</td>
<td>5,244,637</td>
<td>46,900,911</td>
<td>137,066,700</td>
</tr>
</tbody>
</table>

Source: City of San Leandro Comprehensive Annual Financial Report
# City of San Leandro
## Assessed Value and Estimated Actual Value of Taxable Property
### Last Seven Fiscal Years

(In Thousands)

<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Less Exemptions</th>
<th>Taxable Assessed Value</th>
<th>Secured</th>
<th>Unsecured</th>
<th>Less Exemptions</th>
<th>Taxable Assessed Value</th>
<th>Total Direct Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$6,181,159</td>
<td>$544,303</td>
<td>$(165,818)</td>
<td>$6,559,644</td>
<td>$2,370,358</td>
<td>$386,932</td>
<td>$(33,177)</td>
<td>$2,724,113</td>
<td>1.00%</td>
</tr>
<tr>
<td>2004</td>
<td>$6,676,341</td>
<td>$536,497</td>
<td>$(166,799)</td>
<td>$7,046,038</td>
<td>$2,534,206</td>
<td>$358,306</td>
<td>$(42,206)</td>
<td>$2,850,306</td>
<td>1.00%</td>
</tr>
<tr>
<td>2005</td>
<td>$7,221,647</td>
<td>$526,799</td>
<td>$(182,526)</td>
<td>$7,565,920</td>
<td>$2,738,684</td>
<td>$346,422</td>
<td>$(63,818)</td>
<td>$3,021,288</td>
<td>1.00%</td>
</tr>
<tr>
<td>2006</td>
<td>$7,752,095</td>
<td>$538,060</td>
<td>$(201,155)</td>
<td>$8,089,000</td>
<td>$2,902,768</td>
<td>$357,620</td>
<td>$(73,877)</td>
<td>$3,186,511</td>
<td>1.00%</td>
</tr>
<tr>
<td>2007</td>
<td>$8,490,385</td>
<td>$577,326</td>
<td>$(193,142)</td>
<td>$8,874,569</td>
<td>$3,174,542</td>
<td>$396,648</td>
<td>$(65,057)</td>
<td>$3,506,133</td>
<td>1.00%</td>
</tr>
<tr>
<td>2008</td>
<td>$9,065,717</td>
<td>$568,195</td>
<td>$(180,546)</td>
<td>$9,453,366</td>
<td>$3,337,069</td>
<td>$396,034</td>
<td>$(66,847)</td>
<td>$3,666,256</td>
<td>1.00%</td>
</tr>
<tr>
<td>2009</td>
<td>$9,525,308</td>
<td>$556,811</td>
<td>$(207,657)</td>
<td>$9,874,462</td>
<td>$3,593,007</td>
<td>$393,869</td>
<td>$(87,613)</td>
<td>$3,899,263</td>
<td>1.00%</td>
</tr>
</tbody>
</table>

**Notes:**
In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of the property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to limitations described above.

The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.

**Source:** Alameda County Tax Assessor's Office
City Of San Leandro
Direct and Overlapping Property Tax Rates
(Rate per $1,000 of assessed value)
Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>City Direct Rates</th>
<th>Overlapping Rates</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Basic County Wide Levy</td>
<td>Bay Area Rapid Transit District</td>
<td>East Bay Regional Park District</td>
</tr>
<tr>
<td>2003</td>
<td>1.0000</td>
<td>0.0000</td>
<td>0.0065</td>
</tr>
<tr>
<td>2004</td>
<td>1.0000</td>
<td>0.0000</td>
<td>0.0057</td>
</tr>
<tr>
<td>2005</td>
<td>1.0000</td>
<td>0.0000</td>
<td>0.0057</td>
</tr>
<tr>
<td>2006</td>
<td>1.0000</td>
<td>0.0048</td>
<td>0.0057</td>
</tr>
<tr>
<td>2007</td>
<td>1.0000</td>
<td>0.0076</td>
<td>0.0080</td>
</tr>
<tr>
<td>2008</td>
<td>1.0000</td>
<td>0.0076</td>
<td>0.0080</td>
</tr>
<tr>
<td>2009</td>
<td>1.0000</td>
<td>0.0090</td>
<td>0.0100</td>
</tr>
</tbody>
</table>

Notes:
In 1978 California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the property tax resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of San Leandro Unified School District and Chabot/Las Positas Community College bonds.

The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.

Source: Alameda County Auditor-Controller's Office
### City of San Leandro
### Principal Property Tax Payers
### June 30, 2009
### Current Year and Ten Years Ago

<table>
<thead>
<tr>
<th>Taxpayer</th>
<th>2009 Taxable Assessed Value</th>
<th>2009 Rank</th>
<th>2009 Percent of Total City Taxable Assessed Valuation</th>
<th>1999 Taxable Assessed Value</th>
<th>1999 Rank</th>
<th>1999 Percent of Total City Taxable Assessed Valuation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ghiradelli Chocolate Company</td>
<td>$99,741,907</td>
<td>1</td>
<td>0.72%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Kaiser Foundation Hospitals</td>
<td>98,105,867</td>
<td>2</td>
<td>0.71%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Madison Bay Fair LLC</td>
<td>73,050,940</td>
<td>3</td>
<td>0.53%</td>
<td>110,395,011</td>
<td>1</td>
<td>2.51%</td>
</tr>
<tr>
<td>BCI Coca Cola Bottling Co</td>
<td>58,181,164</td>
<td>4</td>
<td>0.42%</td>
<td>53,610,511</td>
<td>3</td>
<td>1.22</td>
</tr>
<tr>
<td>General Foods Corp</td>
<td>57,477,865</td>
<td>5</td>
<td>0.42%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>AMB Property LP</td>
<td>51,548,832</td>
<td>6</td>
<td>0.37%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>SKB Westgate Investments LLC</td>
<td>46,121,103</td>
<td>7</td>
<td>0.33%</td>
<td>-</td>
<td>-</td>
<td>0.00%</td>
</tr>
<tr>
<td>Batarse Anthony</td>
<td>38,332,791</td>
<td>8</td>
<td>0.28%</td>
<td>29,713,432</td>
<td>7</td>
<td>0.68%</td>
</tr>
<tr>
<td>Emereald Properties</td>
<td>28,708,338</td>
<td>9</td>
<td>0.21%</td>
<td>29,713,432</td>
<td>7</td>
<td>0.68%</td>
</tr>
<tr>
<td>Lakeside Village Associates</td>
<td>25,787,600</td>
<td>10</td>
<td>0.19%</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Lucky Stores, Incorporated</td>
<td>-</td>
<td></td>
<td>0.00%</td>
<td>72,169,568</td>
<td>2</td>
<td>1.64%</td>
</tr>
<tr>
<td>Kraft Foods, Inc</td>
<td>-</td>
<td></td>
<td>0.00%</td>
<td>45,939,200</td>
<td>4</td>
<td>1.05%</td>
</tr>
<tr>
<td>SLCO , Inc</td>
<td>-</td>
<td></td>
<td>0.00%</td>
<td>38,706,514</td>
<td>5</td>
<td>0.88%</td>
</tr>
<tr>
<td>Safeway Stores Inc.</td>
<td>-</td>
<td></td>
<td>0.00%</td>
<td>33,229,251</td>
<td>6</td>
<td>0.76%</td>
</tr>
<tr>
<td>Gateway Buena Park, Inc.</td>
<td>-</td>
<td></td>
<td>0.00%</td>
<td>28,664,337</td>
<td>8</td>
<td>0.65%</td>
</tr>
<tr>
<td>AMB Property LP</td>
<td>-</td>
<td></td>
<td>0.00%</td>
<td>28,327,568</td>
<td>9</td>
<td>0.64%</td>
</tr>
<tr>
<td>Oakland Scavenger Company</td>
<td>-</td>
<td></td>
<td>0.00%</td>
<td>26,804,452</td>
<td>10</td>
<td>0.61</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>$577,056,407</strong></td>
<td></td>
<td><strong>4.19%</strong></td>
<td><strong>$467,559,844</strong></td>
<td></td>
<td><strong>10.64%</strong></td>
</tr>
</tbody>
</table>

Source: Alameda County Tax Assessor's Office

Notes: The amounts shown above include assessed value data for both the City and the Redevelopment Agency. Top ten taxpayers are based on secured property taxes.
## City of San Leandro
### Property Tax Levies and Collections
#### Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year Ended June 30</th>
<th>Taxes Levied for the Fiscal Year</th>
<th>Collected within the Fiscal Year of Levy</th>
<th>Collections in Subsequent Years</th>
<th>Total Collections to Date</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Percent of Levy</td>
<td>Amount</td>
<td>Percent of Levy</td>
</tr>
<tr>
<td>2003</td>
<td>$7,212,155</td>
<td>97.09%</td>
<td>$7,002,239</td>
<td>97.09%</td>
</tr>
<tr>
<td>2004</td>
<td>7,629,957</td>
<td>95.10%</td>
<td>7,255,988</td>
<td>95.10%</td>
</tr>
<tr>
<td>2005</td>
<td>8,151,531</td>
<td>93.37%</td>
<td>7,776,110</td>
<td>95.39%</td>
</tr>
<tr>
<td>2006</td>
<td>8,720,537</td>
<td>92.95%</td>
<td>8,316,310</td>
<td>95.36%</td>
</tr>
<tr>
<td>2007</td>
<td>9,483,392</td>
<td>93.94%</td>
<td>9,302,142</td>
<td>98.09%</td>
</tr>
<tr>
<td>2008</td>
<td>10,093,368</td>
<td>92.84%</td>
<td>9,795,074</td>
<td>97.04%</td>
</tr>
<tr>
<td>2009</td>
<td>10,425,968</td>
<td>92.91%</td>
<td>10,009,413</td>
<td>96.00%</td>
</tr>
</tbody>
</table>

Note: The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.

Source: Alameda County Auditor-Controller's Office
City of San Leandro
Sales Tax Remittance By Category
Last Seven Calendar Years
(in thousands)

<table>
<thead>
<tr>
<th>Tax Remitter</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department Stores</td>
<td>$3,685</td>
<td>$3,759</td>
<td>$3,541</td>
<td>$3,253</td>
<td>$3,158</td>
<td>$2,847</td>
<td>$600</td>
</tr>
<tr>
<td>Auto Sales - New</td>
<td>2,395</td>
<td>2,443</td>
<td>2,557</td>
<td>2,440</td>
<td>2,171</td>
<td>1,957</td>
<td>413</td>
</tr>
<tr>
<td>Building Materials - Wholesale</td>
<td>2,211</td>
<td>2,255</td>
<td>2,557</td>
<td>2,643</td>
<td>2,171</td>
<td>1,779</td>
<td>375</td>
</tr>
<tr>
<td>Light Industry</td>
<td>1,290</td>
<td>1,503</td>
<td>1,377</td>
<td>1,830</td>
<td>1,777</td>
<td>1,246</td>
<td>263</td>
</tr>
<tr>
<td>Building Materials - Retail</td>
<td>1,106</td>
<td>1,128</td>
<td>1,180</td>
<td>1,220</td>
<td>987</td>
<td>890</td>
<td>188</td>
</tr>
<tr>
<td>Heavy Industry</td>
<td>921</td>
<td>940</td>
<td>983</td>
<td>1,220</td>
<td>1,184</td>
<td>1,246</td>
<td>263</td>
</tr>
<tr>
<td>Restaurants</td>
<td>921</td>
<td>940</td>
<td>983</td>
<td>1,016</td>
<td>1,184</td>
<td>1,068</td>
<td>225</td>
</tr>
<tr>
<td>Miscellaneous Retail</td>
<td>737</td>
<td>564</td>
<td>590</td>
<td>813</td>
<td>790</td>
<td>712</td>
<td>150</td>
</tr>
<tr>
<td>Apparel Stores</td>
<td>737</td>
<td>564</td>
<td>983</td>
<td>1,016</td>
<td>987</td>
<td>1,068</td>
<td>225</td>
</tr>
<tr>
<td>Service Stations</td>
<td>737</td>
<td>940</td>
<td>787</td>
<td>1,016</td>
<td>987</td>
<td>1,068</td>
<td>225</td>
</tr>
<tr>
<td>Food Markets</td>
<td>553</td>
<td>564</td>
<td>-</td>
<td>407</td>
<td>-</td>
<td>534</td>
<td>113</td>
</tr>
<tr>
<td>Leasing</td>
<td>-</td>
<td>-</td>
<td>590</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Auto Parts/Repair</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>592</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>All Others</td>
<td>3,132</td>
<td>3,195</td>
<td>3,541</td>
<td>3,456</td>
<td>3,751</td>
<td>3,381</td>
<td>713</td>
</tr>
</tbody>
</table>

$18,425 $18,794 $19,670 $20,330 $19,740 $17,794 $3,750

Source: Muni Financial Services

Notes: For Fiscal Calendar year 2009 information is only available for the first quarter.
# City of San Leandro
## Sewer Rates
### Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Single Family</th>
<th>Multi-Family</th>
<th>Commercial</th>
<th>Institutional</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>17.90</td>
<td>12.70</td>
<td>2.23 - 4.56</td>
<td>1.75 - 2.17</td>
</tr>
<tr>
<td>2004</td>
<td>19.99</td>
<td>14.18</td>
<td>2.45 - 5.02</td>
<td>1.93 - 2.39</td>
</tr>
<tr>
<td>2005</td>
<td>22.32</td>
<td>15.84</td>
<td>2.70 - 5.52</td>
<td>2.42 - 2.63</td>
</tr>
<tr>
<td>2006</td>
<td>24.93</td>
<td>17.69</td>
<td>2.97 - 6.07</td>
<td>2.33 - 2.89</td>
</tr>
<tr>
<td>2007</td>
<td>26.29</td>
<td>18.65</td>
<td>3.13 - 6.40</td>
<td>2.45 - 3.05</td>
</tr>
<tr>
<td>2008</td>
<td>26.29</td>
<td>18.65</td>
<td>3.13 - 6.40</td>
<td>2.45 - 3.05</td>
</tr>
<tr>
<td>2009</td>
<td>26.29</td>
<td>18.65</td>
<td>3.13 - 6.40</td>
<td>2.45 - 3.05</td>
</tr>
</tbody>
</table>

Notes: Commercial and Institutional charge is based upon the volume of water used.

Source: City of San Leandro Public Works Department
### City of San Leandro
#### Ratio of General Bonded Debt by Type
#### Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year Ended</th>
<th>Certificates of Participation</th>
<th>Redevelopment Bonds</th>
<th>Redevelopment Owners Participation</th>
<th>Guaranteed Notes</th>
<th>Special Assessments</th>
<th>CAD RMS Lease</th>
<th>Bayfair Tax Increment</th>
<th>Redevelopment Agreements</th>
<th>Total Government Activities</th>
<th>Mortgage Bonds Payable</th>
<th>Notes Payable</th>
<th>Total Business-type Primary Payable</th>
<th>Total Business-type Government</th>
<th>Percentage of Personal Income</th>
<th>Debt Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$38,110,000</td>
<td>$20,825,000</td>
<td>$7,762,061</td>
<td>$1,000,000</td>
<td>$1,265,000</td>
<td>$-</td>
<td>$1,035,070</td>
<td></td>
<td>$69,997,131</td>
<td></td>
<td></td>
<td>$6,305,000</td>
<td>$3,670,172</td>
<td>$9,975,172</td>
<td>$79,972,303</td>
</tr>
<tr>
<td>2004</td>
<td>$37,360,000</td>
<td>$26,200,000</td>
<td>$6,666,345</td>
<td>$1,000,000</td>
<td>$1,045,000</td>
<td>$-</td>
<td>$690,046</td>
<td></td>
<td>$72,963,391</td>
<td></td>
<td></td>
<td>$6,175,000</td>
<td>$5,355,979</td>
<td>$9,710,979</td>
<td>$82,672,370</td>
</tr>
<tr>
<td>2005</td>
<td>$36,565,000</td>
<td>$25,765,000</td>
<td>$5,849,287</td>
<td>$937,000</td>
<td>$815,000</td>
<td>$3,048,260</td>
<td>$345,023</td>
<td></td>
<td>$73,324,570</td>
<td></td>
<td></td>
<td>$3,402,177</td>
<td>$3,402,177</td>
<td>$76,726,747</td>
<td>$947</td>
</tr>
<tr>
<td>2006</td>
<td>$35,745,000</td>
<td>$25,315,000</td>
<td>$5,256,610</td>
<td>$874,000</td>
<td>$565,000</td>
<td>$2,609,740</td>
<td>$-</td>
<td></td>
<td>$70,365,350</td>
<td></td>
<td></td>
<td>$3,262,354</td>
<td>$3,262,354</td>
<td>$73,627,704</td>
<td>$910</td>
</tr>
<tr>
<td>2007</td>
<td>$34,720,000</td>
<td>$24,850,000</td>
<td>$4,900,020</td>
<td>$811,000</td>
<td>$435,000</td>
<td>$2,155,005</td>
<td>$-</td>
<td></td>
<td>$67,461,025</td>
<td></td>
<td></td>
<td>$3,116,239</td>
<td>$3,116,239</td>
<td>$70,577,264</td>
<td>-</td>
</tr>
<tr>
<td>2008</td>
<td>$33,790,000</td>
<td>$24,365,000</td>
<td>$3,913,706</td>
<td>$748,000</td>
<td>$300,000</td>
<td>$1,683,459</td>
<td>$-</td>
<td></td>
<td>$64,800,165</td>
<td></td>
<td></td>
<td>$2,963,509</td>
<td>$2,963,509</td>
<td>$67,763,674</td>
<td>-</td>
</tr>
<tr>
<td>2009</td>
<td>$32,780,000</td>
<td>$51,130,000</td>
<td>$3,505,859</td>
<td>$685,000</td>
<td>$155,000</td>
<td>$1,237,265</td>
<td>$1,635,360</td>
<td></td>
<td>$91,128,484</td>
<td></td>
<td></td>
<td>$2,803,948</td>
<td>$2,803,948</td>
<td>$93,932,432</td>
<td>-</td>
</tr>
</tbody>
</table>


Source: City of San Leandro Finance Department
City of San Leandro
Direct and Overlapping Debt
June 30, 2009

2008-09 Assessed Valuation
Redevelopment Incremental Valuation
Adjusted Assessed Valuation

<table>
<thead>
<tr>
<th></th>
<th>Total Debt</th>
<th>%</th>
<th>City’s Share of Debt 6/30/09</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OVERLAPPING TAX AND ASSESSMENT DEBT:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bay Area Rapid Transit District</td>
<td>$441,360,000</td>
<td>1.940%</td>
<td>$8,562,384</td>
</tr>
<tr>
<td>Chabot-Las Positas Community College District</td>
<td>470,174,226</td>
<td>10.416%</td>
<td>48,973,347</td>
</tr>
<tr>
<td>San Leandro Unified School District</td>
<td>105,225,000</td>
<td>87.361%</td>
<td>91,925,612</td>
</tr>
<tr>
<td>San Lorenzo Unified School District</td>
<td>73,430,000</td>
<td>28.146%</td>
<td>20,667,608</td>
</tr>
<tr>
<td>East Bay Regional Park District</td>
<td>125,850,000</td>
<td>2.860%</td>
<td>3,599,310</td>
</tr>
<tr>
<td>City of San Leandro Cherrywood Community Facilities District</td>
<td>4,530,000</td>
<td>100%</td>
<td>4,530,000</td>
</tr>
<tr>
<td>City of San Leandro 1915 Act Bonds</td>
<td>155,000</td>
<td>100%</td>
<td>155,000</td>
</tr>
<tr>
<td><strong>TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT</strong></td>
<td>$178,413,261</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**DIRECT AND OVERLAPPING GENERAL FUND DEBT:**

<table>
<thead>
<tr>
<th></th>
<th>%</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Alameda County General Fund Obligations</td>
<td>4.890%</td>
<td>$21,780,158</td>
</tr>
<tr>
<td>Alameda County Pension Obligations</td>
<td>4.89%</td>
<td>9,927,713</td>
</tr>
<tr>
<td>Alameda County Superintendent of Schools Certificates of Participation</td>
<td>5.9%</td>
<td>2,523,135</td>
</tr>
<tr>
<td>Alameda-Contra Costa Transit District Certificates of Participation</td>
<td>10.416%</td>
<td>503,093</td>
</tr>
<tr>
<td>Chabot-Las Positas Community College District General Fund Obligations</td>
<td>87.361%</td>
<td>1,227,422</td>
</tr>
<tr>
<td>San Leandro Unified School District Certificates of Participation</td>
<td>28.146%</td>
<td>6,462,322</td>
</tr>
<tr>
<td>City of San Leandro Certificates of Participation</td>
<td>100%</td>
<td>36,860,000</td>
</tr>
<tr>
<td><strong>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</strong></td>
<td>$79,283,843</td>
<td></td>
</tr>
</tbody>
</table>

**GROSS COMBINED TOTAL DEBT (2)**

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET COMBINED TOTAL DEBT</strong></td>
<td>$254,553,196</td>
</tr>
</tbody>
</table>

1. Percentage of overlapping agency’s assessed valuation located within boundaries of the city.
2. Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

**Ratios to 2008-09 Assessed Valuation:**

<table>
<thead>
<tr>
<th>Ratio Description</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Overlapping Tax and Assessment Debt</td>
<td>1.79%</td>
</tr>
</tbody>
</table>

**Ratios to Adjusted Assessed Valuation:**

<table>
<thead>
<tr>
<th>Ratio Description</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined Direct Debt ($36,860,000)</td>
<td>0.43%</td>
</tr>
<tr>
<td>Gross Combined Total Debt</td>
<td>3.01%</td>
</tr>
<tr>
<td>Net Combined Total Debt</td>
<td>2.98%</td>
</tr>
</tbody>
</table>

State School Building Aid Repayable as 6/30/09: $0
## City of San Leandro
### Pledged-Revenue Coverage
#### Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Special Assessment Collections</th>
<th>Debt Service</th>
<th>Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$319,723</td>
<td>$205,000</td>
<td>$83,804</td>
</tr>
<tr>
<td>2004</td>
<td>429,881</td>
<td>466,915</td>
<td>216,647</td>
</tr>
<tr>
<td>2005</td>
<td>239,560</td>
<td>230,000</td>
<td>61,698</td>
</tr>
<tr>
<td>2006</td>
<td>92,235</td>
<td>250,000</td>
<td>49,338</td>
</tr>
<tr>
<td>2007</td>
<td>175,866</td>
<td>130,000</td>
<td>35,775</td>
</tr>
<tr>
<td>2008</td>
<td>80,036</td>
<td>135,000</td>
<td>26,441</td>
</tr>
<tr>
<td>2009</td>
<td>66</td>
<td>145,000</td>
<td>16,416</td>
</tr>
</tbody>
</table>

Notes: The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available. During Fiscal Year 2008-09 no assessments were necessary due to the availability of funds to pay the debt.

Source: City of San Leandro
**City of San Leandro**  
**Computation of Legal Debt Margin**  
**Last Seven Fiscal Years**

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assessed Valuation:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured property assessed value</td>
<td>$6,016,771,705</td>
<td>$7,043,305,510</td>
<td>$7,554,407,513</td>
<td>$8,300,642,672</td>
<td>$8,886,531,894</td>
<td>$9,318,787,490</td>
<td>$8,890,723,914</td>
</tr>
<tr>
<td>Addback: exempt real property</td>
<td>164,387,247</td>
<td>178,341,424</td>
<td>197,687,046</td>
<td>190,742,425</td>
<td>179,186,095</td>
<td>206,520,301</td>
<td>211,520,769</td>
</tr>
<tr>
<td><strong>Total Assessed Valuation</strong></td>
<td>$6,181,158,952</td>
<td>$7,221,646,934</td>
<td>$7,752,094,559</td>
<td>$8,491,385,097</td>
<td>$9,065,717,989</td>
<td>$9,525,307,791</td>
<td>$9,102,244,683</td>
</tr>
<tr>
<td>Bonded debt (15% of Assessed Value)</td>
<td>$927,173,843</td>
<td>$1,083,247,040</td>
<td>$1,162,814,184</td>
<td>$1,273,707,765</td>
<td>$1,359,857,698</td>
<td>$1,428,796,169</td>
<td>$1,365,336,702</td>
</tr>
<tr>
<td>Total Bonded Debt</td>
<td>59,105,000</td>
<td>64,605,000</td>
<td>66,183,260</td>
<td>64,234,740</td>
<td>62,180,004</td>
<td>60,138,458</td>
<td>85,302,265</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special assessment bonds</td>
<td>(1,045,000)</td>
<td>(1,045,000)</td>
<td>(815,000)</td>
<td>(565,000)</td>
<td>(435,000)</td>
<td>(300,000)</td>
<td>(155,000)</td>
</tr>
<tr>
<td>Certificates of Participation</td>
<td>(42,125,000)</td>
<td>(42,125,000)</td>
<td>(41,200,000)</td>
<td>(40,245,000)</td>
<td>(39,085,000)</td>
<td>(38,015,000)</td>
<td>(37,015,000)</td>
</tr>
<tr>
<td>Lease CAD/RMS</td>
<td>-</td>
<td>-</td>
<td>(3,048,260)</td>
<td>(2,609,740)</td>
<td>(2,175,004)</td>
<td>(1,683,458)</td>
<td>(1,237,265)</td>
</tr>
<tr>
<td><strong>Amount of Debt subject to Limit</strong></td>
<td>$15,935,000</td>
<td>$21,435,000</td>
<td>$21,120,000</td>
<td>$20,815,000</td>
<td>$20,485,000</td>
<td>$20,140,000</td>
<td>$46,895,000</td>
</tr>
<tr>
<td><strong>Legal Debt Margin</strong></td>
<td>$911,238,843</td>
<td>$1,061,812,040</td>
<td>$1,141,694,184</td>
<td>$1,252,892,765</td>
<td>$1,339,372,698</td>
<td>$1,408,656,169</td>
<td>$1,318,441,702</td>
</tr>
</tbody>
</table>

Notes: The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.

Source: County of Alameda office of Auditor-Controller
## City of San Leandro
### Demographic and Economic Statistics
#### Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Population</th>
<th>Personal Income</th>
<th>Per Capita Personnel Income</th>
<th>Median Age</th>
<th>School Enrollment</th>
<th>Median Home Price</th>
<th>Consumer Price Index</th>
<th>Unemployment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>81,101</td>
<td>$ 3,139,581,912</td>
<td>38,712</td>
<td>37.7</td>
<td>8,749</td>
<td>$ 427,500</td>
<td>196.30</td>
<td>7.2%</td>
</tr>
<tr>
<td>2004</td>
<td>81,352</td>
<td>3,328,517,080</td>
<td>40,915</td>
<td>38.4</td>
<td>8,654</td>
<td>450,000</td>
<td>199.00</td>
<td>6.0%</td>
</tr>
<tr>
<td>2005</td>
<td>81,013</td>
<td>3,481,452,662</td>
<td>42,974</td>
<td>40.0</td>
<td>8,727</td>
<td>527,500</td>
<td>201.20</td>
<td>5.1%</td>
</tr>
<tr>
<td>2006</td>
<td>80,928</td>
<td>3,697,519,392</td>
<td>45,689</td>
<td>37.7</td>
<td>8,724</td>
<td>552,500</td>
<td>209.10</td>
<td>4.6%</td>
</tr>
<tr>
<td>2007</td>
<td>81,273</td>
<td>3,956,288,367</td>
<td>48,679</td>
<td>36.7</td>
<td>8,729</td>
<td>477,500</td>
<td>216.12</td>
<td>5.0%</td>
</tr>
<tr>
<td>2008</td>
<td>81,851</td>
<td>-</td>
<td>-</td>
<td>37.7</td>
<td>8,722</td>
<td>363,000</td>
<td>225.18</td>
<td>6.9%</td>
</tr>
<tr>
<td>2009</td>
<td>82,472</td>
<td>-</td>
<td>-</td>
<td>38</td>
<td>8,855</td>
<td>305,000</td>
<td>225.692</td>
<td>10.30%</td>
</tr>
</tbody>
</table>

**Notes:** Personal and Per Capita income for 2007 and 2008 not available. Median Age for 2008 not available. The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.

**Sources:** Population provided by the State Department of Finance. Personal income provided by the Bureau of Economic Analysis. Median Age provided by the US Census Bureau. Median Home Price provided by Trulia Real Estate Search and the Unemployment Rate provided by the Bureau of Labor Statistics.
## City of San Leandro
### Principal Employers
#### Current Year and Ten Years Ago

<table>
<thead>
<tr>
<th>Employer</th>
<th>2009</th>
<th></th>
<th>2000</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of</td>
<td>Percent of</td>
<td>Number of</td>
<td>Percent of</td>
</tr>
<tr>
<td></td>
<td>Employees</td>
<td>Total Employment</td>
<td>Employees</td>
<td>Total Employment</td>
</tr>
<tr>
<td>San Leandro Unified School District</td>
<td>1,193</td>
<td>3.71%</td>
<td>1,150</td>
<td>4.30%</td>
</tr>
<tr>
<td>Ghirardelli Chocolate Co</td>
<td>650</td>
<td>2.02%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>San Leandro Hospital</td>
<td>520</td>
<td>1.62%</td>
<td>657</td>
<td>2.46%</td>
</tr>
<tr>
<td>City of San Leandro</td>
<td>501</td>
<td>1.56%</td>
<td>449</td>
<td>1.68%</td>
</tr>
<tr>
<td>American Medical Response West</td>
<td>378</td>
<td>1.18%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>North Face, Inc</td>
<td>376</td>
<td>1.17%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Wal - Mart Store 2648</td>
<td>346</td>
<td>1.08%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Costco Wholesale</td>
<td>324</td>
<td>1.01%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Wal - Mart Store 5434</td>
<td>321</td>
<td>1.00%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Coca Cola Bottling Co</td>
<td>315</td>
<td>0.98%</td>
<td>315</td>
<td>1.18%</td>
</tr>
<tr>
<td>Media Copy</td>
<td>-</td>
<td>-</td>
<td>541</td>
<td>2.02%</td>
</tr>
<tr>
<td>Macy's Department Store</td>
<td>-</td>
<td>-</td>
<td>322</td>
<td>1.20%</td>
</tr>
<tr>
<td>Otis Spunkmeyer</td>
<td>-</td>
<td>-</td>
<td>351</td>
<td>1.31%</td>
</tr>
<tr>
<td>Winterland</td>
<td>-</td>
<td>-</td>
<td>500</td>
<td>1.87%</td>
</tr>
<tr>
<td>Select Personnel Services</td>
<td>-</td>
<td>-</td>
<td>415</td>
<td>1.55%</td>
</tr>
</tbody>
</table>

Source: City of San Leandro
City of San Leandro  
Full-Time and Part-Time City Employees by Function  
Last Seven Fiscal Years

<table>
<thead>
<tr>
<th>Function</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>64</td>
<td>62</td>
<td>58</td>
<td>59</td>
<td>57</td>
<td>59</td>
<td>62</td>
</tr>
<tr>
<td>Police</td>
<td>151</td>
<td>150</td>
<td>151</td>
<td>142</td>
<td>141</td>
<td>147</td>
<td>150</td>
</tr>
<tr>
<td>Engineering &amp; Transportation</td>
<td>28</td>
<td>29</td>
<td>32</td>
<td>31</td>
<td>30</td>
<td>29</td>
<td>30</td>
</tr>
<tr>
<td>Development Services</td>
<td>34</td>
<td>34</td>
<td>24</td>
<td>24</td>
<td>24</td>
<td>24</td>
<td>23</td>
</tr>
<tr>
<td>Public Works Services</td>
<td>115</td>
<td>119</td>
<td>121</td>
<td>123</td>
<td>118</td>
<td>120</td>
<td>122</td>
</tr>
<tr>
<td>Other Agencies</td>
<td>8</td>
<td>6</td>
<td>6</td>
<td>6</td>
<td>8</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Library</td>
<td>40</td>
<td>40</td>
<td>37</td>
<td>37</td>
<td>45</td>
<td>46</td>
<td>49</td>
</tr>
<tr>
<td>Recreation &amp; Human Services</td>
<td>54</td>
<td>54</td>
<td>54</td>
<td>54</td>
<td>57</td>
<td>73</td>
<td>57</td>
</tr>
<tr>
<td>Total</td>
<td>494</td>
<td>494</td>
<td>483</td>
<td>476</td>
<td>480</td>
<td>507</td>
<td>501</td>
</tr>
</tbody>
</table>

Notes:  
Numbers represent Full-Time equivalents. Fire Services contracted with the Alameda County Fire Department.  
The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.  
Source: City of San Leandro
## City of San Leandro
### Operating Indicators by Function
#### Last Seven Fiscal years

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Police Department:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Arrests</td>
<td>4,678</td>
<td>4,853</td>
<td>4,775</td>
<td>4,769</td>
<td>3,769</td>
<td>3,939</td>
<td>4,026</td>
</tr>
<tr>
<td><strong>Building Department:</strong></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Permits Issued</td>
<td>4,029</td>
<td>3,976</td>
<td>3,957</td>
<td>4,014</td>
<td>2,791</td>
<td>3,569</td>
<td>2,541</td>
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<tr>
<td><strong>Public Works Department:</strong></td>
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<td></td>
<td></td>
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</tr>
<tr>
<td>Street resurfacing (miles)</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>3</td>
<td>-</td>
<td>2</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Parks and Recreation:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of registrants</td>
<td>20,393</td>
<td>20,372</td>
<td>17,848</td>
<td>13,203</td>
<td>18,033</td>
<td>21,850</td>
<td>18,413</td>
</tr>
<tr>
<td>Number of facility rentals</td>
<td>683</td>
<td>645</td>
<td>634</td>
<td>542</td>
<td>602</td>
<td>746</td>
<td>752</td>
</tr>
<tr>
<td><strong>Golf Course:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Golf rounds played</td>
<td>132,000</td>
<td>112,000</td>
<td>109,000</td>
<td>106,000</td>
<td>110,104</td>
<td>102,182</td>
<td>101,760</td>
</tr>
</tbody>
</table>

**Notes:**
- Fire Services are contracted with the Alameda County Fire Department.
- The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.

**Source:** City of San Leandro Recreation Department, Police Department, and Building Regulations.
# City of San Leandro

## Capital Asset Statistics by Function

### Last Seven Fiscal Years

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Police:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stations</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Fire:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire Stations</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td><strong>Park and Recreation:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parks</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
<td>16</td>
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<tr>
<td>Community Center</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
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<tr>
<td><strong>Public works:</strong></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Streets (miles)</td>
<td>175</td>
<td>175</td>
<td>180</td>
<td>180</td>
<td>180</td>
<td>180</td>
<td>180</td>
</tr>
<tr>
<td>Streetlights</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,000</td>
<td>5,005</td>
<td>5,005</td>
</tr>
<tr>
<td>Traffic signals</td>
<td>8,500</td>
<td>8,500</td>
<td>8,500</td>
<td>8,500</td>
<td>8,500</td>
<td>8,600</td>
<td>8,600</td>
</tr>
<tr>
<td><strong>Wastewater:</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanitary Sewer Lines (miles)</td>
<td>130</td>
<td>130</td>
<td>130</td>
<td>130</td>
<td>130</td>
<td>130</td>
<td>130</td>
</tr>
<tr>
<td>Storm Drainage Lines In the City (miles)</td>
<td>175</td>
<td>175</td>
<td>175</td>
<td>175</td>
<td>175</td>
<td>175</td>
<td>175</td>
</tr>
<tr>
<td><strong>Golf Course:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Courses</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

Note: The City implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation is not available.

Sources: City of San Leandro: Public Works Department, Engineering & Transportation Department, Recreation Department.
### General Bonded Debt Outstanding

<table>
<thead>
<tr>
<th>Fiscal Year Ended</th>
<th>Certificates of Participation</th>
<th>Redevelopment Bonds</th>
<th>Redevelopment Owners Participation</th>
<th>Total</th>
<th>Percentage of Actual Taxable Value of Property</th>
<th>Per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$28,485,000</td>
<td>$30,450,000</td>
<td>$4,862,061</td>
<td>$63,797,061</td>
<td>0.69%</td>
<td>$59.95</td>
</tr>
<tr>
<td>2004</td>
<td>37,360,000</td>
<td>26,200,000</td>
<td>4,016,345</td>
<td>67,576,345</td>
<td>0.68%</td>
<td>49.37</td>
</tr>
<tr>
<td>2005</td>
<td>36,565,000</td>
<td>25,765,000</td>
<td>3,699,287</td>
<td>66,029,287</td>
<td>0.62%</td>
<td>45.66</td>
</tr>
<tr>
<td>2006</td>
<td>35,745,000</td>
<td>25,315,000</td>
<td>5,256,610</td>
<td>66,316,610</td>
<td>0.59%</td>
<td>64.95</td>
</tr>
<tr>
<td>2007</td>
<td>34,720,000</td>
<td>24,850,000</td>
<td>4,490,020</td>
<td>64,060,020</td>
<td>0.52%</td>
<td>55.25</td>
</tr>
<tr>
<td>2008</td>
<td>33,790,000</td>
<td>24,365,000</td>
<td>3,964,006</td>
<td>62,119,006</td>
<td>0.47%</td>
<td>48.43</td>
</tr>
<tr>
<td>2009</td>
<td>32,780,000</td>
<td>51,130,000</td>
<td>3,505,859</td>
<td>87,415,859</td>
<td>0.63%</td>
<td>42.83</td>
</tr>
</tbody>
</table>

Sources: Taxable value of property provided by the Alameda County Tax Collector. All other information provided by the City of San Leandro.