



**CITY OF UNION CITY** Union City, California

# Comprehensive Annual Financial Report

*For the Fiscal Year Ended June 30, 2007*





# City of Union City

Union City, California

*Comprehensive Annual Financial Report*

*For the year ended June 30, 2007*

Prepared by:

Administrative Services Department

Richard Digre

Director of Administrative Services



# INTRODUCTORY SECTION



# City of Union City

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For more information about the City or to view the CAFR on-line, visit  
<http://www.ci.union-city.ca.us/admin/cafr.htm>



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(510) 471-3232

December 13, 2007

Honorable Mayor, Members of the City Council and Citizens of Union City,

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Union City for the fiscal year ended June 30, 2007. This report was prepared by the City's Administrative Services Department and the responsibility for the accuracy of the data presented in this report and the completeness and fairness of the presentation, including all disclosures, rest with the City's management. We believe that the data presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the City as measured by the financial activities of its governmental funds, business-type funds, each major fund, and the aggregate remaining non-major governmental funds. In addition, the report contains all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs.

In order to ensure that there is a reasonable basis for assuming responsibility for the information contained in the financial report, management has established an internal control framework which provides assurance that the accounting system and its underlying data are reliable. This framework provides these essential elements: a favorable control environment; the continuing assessment of risk; the design, implementation, and maintenance of effective control-related policies and procedures; the effective communication of information; and an ongoing monitoring of the effectiveness of control policies and procedures, as well as the resolution of potential problems identified by these internal controls. Inherent limitations, however, exist even in the best crafted internal controls. One of these is cost consideration, that is, internal control costs should not exceed the benefits of the control. Another is that these internal controls are potentially subject to management override. The third limitation is the risk of collusion.

This year, the firm of Caporicci & Larson, certified public accountants, audited the City's basic financial statements. Part of this annual audit is a review of internal controls. The goal of an independent audit is to provide users of the financial report with reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2007 are free of material misstatements.

The independent audit involved a review of internal controls; 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 presentation. The independent auditors concluded that there was reasonable basis for rendering an unqualified opinion on the City's financial statements for the fiscal year ended June 30, 2007. The audit of the financial statements of the City included a federally mandated *Single Audit Report*, which is designed to meet the requirements of federal grantor agencies. The standards governing *Single Audit* engagements require that the independent auditors report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, especially those involving the administration of federal grants. The *Single Audit Report* is issued separately by the City.

### **Profile of the City**

The City was incorporated in 1959, unifying the Alvarado and Decoto Districts. At that time, there were approximately 6,000 people living in the area. Today, there are over 72,300 residents occupying an 18-square-mile area located between the cities of Oakland to the north and San Jose to the south, along the eastern shore of the San Francisco Bay. The City is a well-balanced community of residences and businesses. It is a family-oriented city where the focus is on the enriched quality of life for its citizens. The City has a Council-Manager form of government, with the Mayor and City Council forming the legislative body that represents the community. The City Council consists of a Mayor and four City Council members. The Mayor and City Council members are elected at large for up to three consecutive four-year terms. The City Council is responsible for developing policies, passing ordinances, adopting the budget, hiring both the City Manager and City Attorney, and approving appointments of department heads and nominees to advisory commissions and committees. In addition, the City Council serves as the Redevelopment Agency Board. The City Manager is appointed by the City Council and serves as the chief executive officer of the organization. The City Manager is responsible for the administration of city services, the day-to-day operations and implementation of Council policies.

The City provides the full range of services normally associated with a municipality. These include public safety (police, fire, emergency medical services and code enforcement); construction and maintenance of streets, parks and other infrastructures; social and recreation services; planning, economic and housing programs; and general administrative services. In addition, the City operates a transit and paratransit bus system that is coordinated with the services of other transit providers including the Bay Area Rapid Transit (BART) rail system, A-C Transit and Dumbarton Express bus services. The City manages franchises for solid waste disposal, cable television and energy.

Other common municipal services delivered within the City boundaries, such as water, wastewater, education, libraries, regional parks and flood control, are provided by other governmental agencies.

Union City is a general law city which operates under the provisions of state law. Like other general law cities, the City has limited ability to set tax rates. The State Constitution establishes a maximum rate for property tax and limits the growth of assessed value. The property tax collected is allocated among the jurisdictions in the City's tax rate areas based on criteria established by the California legislature. The rates and tax base of the City's two other major general taxes – sales tax and motor vehicle in-lieu fees – are also set by the state legislature.

Increases in existing local taxes and any new taxes require voter approval. Taxes used for general purposes are subject to approval by a simple majority of voters; taxes levied for specific purposes require a two-thirds majority of voters, as do property tax levies that are used to pay for debt issued to build capital assets. Special property assessments must be approved by a two-thirds vote, with the voting rights apportioned based on the benefit of the assessments. Fees for facilities and services are subject to requirements that they not be set at levels that exceed the reasonable costs of providing the services. The balance generated by the difference between fee revenue and the related expenses are retained and designated for services and facilities that benefit the fee payers.

The financial statements included in this CAFR present the City (the primary government), the Community Redevelopment Agency of the City (the Agency), the Union City Public Facilities Authority (the Authority), and the Community Facilities District (the District) as its component units. The Agency was created by the City Council in 1985. It is broadly empowered to engage in the general economic revitalization and redevelopment of certain areas of the City. The Authority was formed for the purpose of financing the purchase of infrastructure improvements in the Lincoln-Alvarado Industrial Park Assessment District, Local Improvement District No. 25. The Agency and the Authority, although legally separate entities, are in substance part of the City operations. Members of the City Council serve as board members for these entities and the City Manager as Executive Director. These component units are combined and included in the operations of the City in the accompanying financial statements. The District was formed and established by the City pursuant to the Mello-Roos Community Facilities Act of 1981, as amended. This followed a public hearing and a landowner election at which over a two-thirds majority vote authorized the District to incur bonded indebtedness and the levy of special taxes.

Subject to an appropriation limit established pursuant to state law, management prepares a biennial operating budget together with a five-year capital improvement plan for public hearing and Council approval.

After due deliberation, Council adopts the resolution appropriating the City's resources. A fixed biennial budget is required for the General Fund and all Special Revenue Funds. Capital projects are appropriated in the capital improvement plan on a project-length basis. Budgets for proprietary funds are also adopted by Council to serve as financial plans. The legal level of budgetary control is at fund level. The City Manager is authorized to reallocate resources within a fund. Department heads are permitted to reallocate non-payroll resources among the programs in their department. The City's budget is integrated in the accounting system which provides management with timely access to financial information.

### **Economic Condition and Outlook**

*Local Economy:* As in most cities in the San Francisco Bay Area (Bay Area), the City's economy is largely driven by the housing market and consumer spending. The City's proximity to major highways, airports and cultural and recreational areas, in both the Bay Area and the state, make Union City a desirable place to live. Unlike many surrounding communities which have seen a decline in home prices, the sale prices of homes in Union City have increased. Part of this increase can be attributed to the construction of luxury single-family homes, some of which sold for over \$1 million. On the other end of the spectrum, the City held several housing lotteries which placed 27 families in affordable housing units. The City's inventory of housing units will increase within the next several years as new housing units are completed. In the next year, 470 new units are expected to be developed. During the year, the City has entered into an exclusive negotiation agreement with a developer that will provide up to 1,200 market rate residential units.

The number of taxable transactions has shown modest increases each quarter from the first quarter of calendar year 2005 through the third quarter of calendar year 2006. Data from this period, the latest information available, indicates a 20% increase in taxable transactions.

To support its economic base, the City launched the Women and Minority Business Owner program to facilitate networking between small businesses and created a small business growth center on the City's web site. The Bay Area is home to biotechnology research companies. To attract such companies to Union City, the City sponsored its first annual bioscience symposium. In addition, the City partners with the Chamber of Commerce to hold business workshops, roundtables and forums. These efforts facilitate the retention and expansion of existing businesses and create a climate conducive to attracting new businesses.

*Long-term financial planning:* The City Council adopted a multi-faceted Fiscal Policy that requires, among other things, the integration of a 5-year capital improvement plan in the City's annual budget.

Management also prepares annually for Council deliberation a multi-year forecast of the City's operating expenditures and revenues to demonstrate the likely impact on the General Fund reserves. In adopting the Fiscal Policy, the City Council adopted a policy to maintain a reserved balance in the General Fund of at least 7 ½% of the annual operating expenditures. This policy also authorizes the use of one-time revenue for capital projects or one-time costs and seeks to minimize the borrowing costs and preserve access to credit.

*Relevant fiscal policies:* In accordance with City Council policy, each year \$250,000 of the General Fund balance is considered reserved for future capital projects. Also in conformity with City Council policy is the creation of the Other Post Employment Benefits (OPEB) Fund. This fund was established in fiscal year 2005 and was initially funded by a transfer of \$902,000 from the General Fund. This amount was determined by an actuarial study. For the fiscal year just ended, City Council resolution authorized a transfer of an additional \$893,000 from the General Fund to the OPEB Fund.

*Major initiatives:* During this year, the City entered into a lease agreement for a voice-over internet protocol phone system. The six-year lease, in the amount of \$519,339, is expected to save the City between \$123,000 and \$136,000 per year over the cost of a traditional phone service once the lease is retired.

The City completed and opened a state-of-the-art sports complex in the spring of this year. Constructed at a cost of \$13.9 million, the Sports Center is expected to generate \$720,000 a year in revenues from gym memberships, class fees and facility rentals.

The development in and around the Intermodal Station District (Station District) is the City's premier redevelopment project. The scope of this project has been to transform over 90 acres of brownfields and underutilized land into a productive destination and transportation hub. Several phases of this project have been completed: the acquisition and remediation of the property; new street and bridge construction; the adoption of a conceptual design for the public plaza; and the adoption of parking principles and strategies. The City has entered into an exclusive negotiation agreement with a developer that will provide for the construction of up to 1,200 market rate residential units and 65,000 square feet of retail and commercial space in mixed-use buildings. Phases underway include the construction of a culvert to address flooding and drainage issues in the Station District and construction of a street connector to the Bay Area Rapid Transit (BART) station. In March 2007, an \$8 million contract was awarded for the BART Station Site Improvement phase of the project. When completed, the Station District will connect passenger rail service to the existing BART and bus service connections, with rail service lines on the Capital Corridor, from areas through Sacramento to San Jose; from the Altamont Commuter Express from Stockton to San Jose; and from the planned

Dumbarton Rail, which will connect the East Bay to the Peninsula. This will make Union City the most transit-connected city in the region.

### **Awards**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2006. This award is valid for one year only. The City has received this prestigious award for 17 consecutive years. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized CAFR, the contents of which conform to the highest standards for the preparation of governmental financial reports. The CAFR must also satisfy both generally accepted accounting principles and applicable legal requirements.

We believe our current CAFR continues to meet the Certificate of Achievement program requirements and are submitting it to the GFOA for consideration.

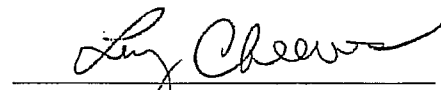
### **Acknowledgements**

We would like to express our appreciation for the dedicated efforts of the staff of the Administrative Services Department, which was essential in the preparation of this report. We also wish to thank the members of various City departments who assisted and contributed in the preparation of this report; and to the audit team of Caporicci & Larson for their assistance and expertise.

Finally, we express our sincere appreciation to the Mayor and the City Council for their support and their establishment of the standards of excellence that are embodied in both this report and in the community they serve.

Respectfully Submitted,

  
Richard Digre  
Administrative Services Director

  
Larry Cheeves  
City Manager

# UNION CITY



# CITY OF UNION CITY, CALIFORNIA

## Commissions, Committees, and Boards

June 30, 2007

<u>Commission, Committee, or Board</u>	<u>Chairperson</u>	<u>Number of Members</u>
<i>Commission:</i>		
• Planning Commission	Cathi Sweeney	5
• Park and Recreation Commission	David Acosta	7
• Senior Citizens Commission	Estrellita Munsayac	6
• Human Relations Commission	Dianne Gates-Anderson	5
• Youth Commission	Johnny Lin	15
<i>Committees and Boards:</i>		
• Public Arts Review Board		
• Sports Advisory Committee		
• Transit Accessibility Advisory Committee		

# City of Union City (CA)

Directory of City Officials

June 30, 2007

Mark Green  
*Mayor*

Carol Dutra-Vernaci  
*Councilmember*

Jim Navarro  
*Councilmember*

Manuel Fernandez  
*Councilmember*

Richard Valle  
*Councilmember*

Michael Riback  
*City Attorney*

Larry Cheeves  
*City Manager*

Renee Elliott  
*City Clerk*

Rich Digre  
*Administrative  
Services  
Director*

Mark Leonard  
*Econ. &  
Comm.  
Development  
Director*

Carlos Rodriguez  
*Fire Chief*

Tony Acosta  
*Deputy City  
Manager &  
Leisure Services  
Director*

Randy Ulibarri  
*Police Chief*

Mintze Cheng  
*Public Works  
Director*

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Union City  
California

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2006

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.



*Oliver S. Cox*

President

*Jeffrey R. Emery*

Executive Director

# FINANCIAL SECTION





## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of City Council  
of the City of Union City  
Union City, 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 Union City, California (City), as of and for the year ended June 30, 2007, 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 an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with generally accepted accounting principles in the United States.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2007, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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 assessing the results of our audit.

The accompanying Required Supplementary Information, such as Management's Discussion and Analysis, budgetary comparison information and other information, is not a required part of the basic financial statements but is supplementary information required by generally accepted accounting principles of the United States. 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 express no opinion on it.

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**Oakland**

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**Orange County**

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Irvine, California 92606

**Sacramento**

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Sacramento, California 95825

**San Diego**

4858 Mercury, Suite 106  
San Diego, California 92111

To the Honorable Mayor and Members of City Council  
of the City of Union City  
Union City, California  
Page 2

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Supplementary Information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Supplementary Information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is 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.

*Capricci & Carlson*

Oakland, California  
December 13, 2007

## MANAGEMENT' S DISCUSSION AND ANALYSIS

This section offers the reader a narrative introduction and a readily understandable analytical overview of the City of Union City's (the City) financial activities and performance for the fiscal year ended June 30, 2007. Summary reports showing comparisons of current financial information with that of the previous year are included to enhance the clarity and usefulness of the reports. To gain a broad perspective of the City and its financial activities, we encourage the reader to consider the information presented here in conjunction with the information that we have provided in the letter of transmittal presented in the beginning of this report.

### Financial Highlights

- The net assets of the City exceeded its liabilities by \$194,183,411 at the close of the fiscal year. Approximately 83 percent of this amount is invested in capital assets, net of related debt, and therefore is not available to meet the City's ongoing obligations to its creditors and citizens.
- At the end of the fiscal year, the City's total net assets increased by nearly 8 percent over the previous fiscal year. Major factors contributing to this change include an increase in property taxes caused by new construction and a higher rate of return on investments.
- Total ending fund balance of all the City's governmental funds is \$112,196,910 which is \$1,204,164 less than the previous fiscal year. Much of this change can be attributed to the recording as expenditures, the full cost of equipment acquired through lease financing.
- The City entered into two new lease agreements. The first of these is for the voice-over internet protocol phone system. The value of this lease is \$519,339. The second lease, for \$1,671,440, is for the acquisition of three fire apparatus vehicles.

### Overview of the Financial Statements

The City's annual financial report consists of three components: (a) *management's discussion and analysis*; (b) *the basic financial statements*; and (c) *required supplementary information*.

(a) The *management's discussion and analysis*, the first component, is this particular section of the report.

(b) The *basic financial statements* are divided into three parts. The first of these is the *government-wide financial statements* consisting of a *Statement of Net Assets* and a *Statement of Activities*. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to that of a private-sector business.

The second part of the *fund financial statements* that focus on individual parts of the City's operation in more detail than the government-wide statements.

The third part, the *notes to basic financial statements*, explains some of the information in the financial statements and provides more detailed data.

(c) The final component, *required supplementary information*, further explains and supports the data presented in the financial statements.

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

These statements provide information about the City as a whole. The *Statement of Net Assets* presents information on all 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* presents information showing how the City'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 related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will result in cash flows in future fiscal periods. Examples are uncollected revenues and earned employee compensation.

The *government-wide financial statements* distinguish functions of the City which are principally supported by taxes and intergovernmental revenues (*governmental activities*) from those functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Union City include general government, public safety, highways and streets, economic development and recreation and culture. The business-type activities include Transit and Paratransit bus operations.

The government-wide financial statements include not only the City itself (the primary government), but also the legally separately component units: the Community Redevelopment Agency, Public Facilities Authority and the Community Facilities District.

## FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the City's most significant *funds*. 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 local governments, uses fund accounting to ensure and demonstrate compliance with finance-related regulations and legal requirements. All of the *funds* of the City can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

- *Governmental funds* are used to account for most of the City's basic services reported as governmental activities in the government-wide financial statements. The difference is that *governmental funds* focus on a detailed short-term view of the inflows and outflows of spendable resources and the balances left at the end of the fiscal year. Such information may be useful in determining what financial resources are available in the near future to finance the City's programs. Because the focus of *governmental funds* is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented in the *Statement of 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*.

The City maintains several individual governmental funds organized according to their type (general special revenue, debt services, and capital projects). Information is presented separately in the governmental funds balance sheets and in the governmental funds statements of revenue, expenditures and changes in fund balance for the *General Fund*, the *Redevelopment Agency Special Revenue*, *Debt Service* and *Capital Projects Funds* and the *Capital Improvements Fund*. All these funds are considered major funds. Data for the remaining non-major *Other Governmental Funds* are combined into a single, aggregated presentation. Individual information for each of these *Other Governmental Funds* is provided towards the end of the financial section.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

- *Proprietary funds* are generally used to account for services for which the City charges customers – either outside customers or internal departmental units within the City. There are two types of proprietary funds maintained by the City:
  - *Enterprise funds* report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the activities of its Transit and Paratransit operations.
  - *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 general liability insurance, workers’ compensation insurance and City Garage operations. Because these services predominately benefit governmental rather than business-type functions, they have been included within the governmental activities in the government-side financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual information for each of the internal service funds is provided in the form of combining statements presented elsewhere in this report.
- *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. The only fiduciary funds the City has are *agency funds*. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Since the resources of these funds are not available to support the City’s own programs, they are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds.

## **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.

### **Required Supplementary Information**

In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information. This information includes budgetary comparison schedules for the General Fund and the Redevelopment Agency Special Revenue Fund, and the funded status of the City’s pension plans.

The combining and individual fund statements and schedules referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table provides a two-year comparison of the results of governmental and business-type activities of the City:

**Statement of Net Assets**  
**June 30**  
*(in thousands of dollars)*

	<b>Governmental</b>		<b>Business-type</b>		<b>Total</b>	
	<b>Activities</b>		<b>Activities</b>			
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
<b>Assets:</b>						
Current and other assets	\$ 164,531	\$ 163,295	\$ 420	\$ 249	\$ 164,951	\$ 163,544
Capital assets	<u>183,831</u>	<u>166,437</u>	<u>3,560</u>	<u>3,771</u>	<u>187,391</u>	<u>170,208</u>
Total assets	<u>348,362</u>	<u>329,732</u>	<u>3,980</u>	<u>4,020</u>	<u>352,342</u>	<u>333,752</u>
<b>Liabilities:</b>						
Current and other liabilities	16,308	13,804	535	384	16,843	14,188
Long-term liabilities	<u>141,282</u>	<u>142,332</u>	<u>34</u>	<u>14</u>	<u>141,316</u>	<u>142,346</u>
Total liabilities	<u>157,590</u>	<u>156,136</u>	<u>569</u>	<u>398</u>	<u>158,159</u>	<u>156,534</u>
<b>Net assets:</b>						
Invested in capital assets, net of related debt	113,795	102,126	3,560	3,771	117,355	105,897
Restricted	63,908	37,262	-	-	63,908	37,262
Unrestricted	<u>13,069</u>	<u>34,208</u>	<u>(149)</u>	<u>(149)</u>	<u>12,920</u>	<u>34,059</u>
Total net assets	<u>\$ 190,772</u>	<u>\$ 173,596</u>	<u>\$ 3,411</u>	<u>\$ 3,622</u>	<u>\$ 194,183</u>	<u>\$ 177,218</u>

As noted previously, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City, net assets exceeded liabilities by \$191 million at the close of the fiscal year. Net assets increased by 10 percent or \$17 million over the prior fiscal year.

Current assets increased slightly, \$1.4 million or less than one percent, due to an increase in various receivables at year end. The increase of ten percent in capital assets is the result of an increase in work in progress and infrastructure as well as equipment acquisitions.

The increase of 18 percent or \$2.7 million in current and other liabilities is caused by increases in various payables and in unearned revenues. Unearned revenues increased by \$1.3 million because of grant funds awarded to the City that were not available at year end. Despite incurring additional long-term debt in the form of capital leases, long-term liabilities decreased as the principal payments on existing debt increase over time.

The largest portion of the City's net assets is categorized as invested in capital assets, net of related debt. Capital assets include land, buildings and improvements, equipment, infrastructure and construction in progress. These assets are used to provide services to the citizens of the City and are therefore not available for future spending. Capital assets are reported net of their related debt but the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities. The increase in this category is largely attributed to development taking place in and around the BART Station Intermodal Project area, much of which is funded by tax allocation bonds. The City entered into new lease agreements to acquire a new phone system and fire apparatus. Other capital assets are discussed in the *Capital Assets and Debt Administration* section of this management's discussion and analysis.

Restricted net assets, which comprise 34 percent of total net assets, represent resources that are subject to external restrictions on how they may be used. These restrictions are imposed by creditors, grantors and the laws or regulations of other governments. During the year, a property owner prepaid the outstanding balance of a special assessment district bond. This prepayment, in excess of \$4.4 million and a \$2.7 million increase in encumbrances contributed to the increase in restricted assets.

The final category of net assets is classified as unrestricted. Unrestricted net assets are the "residual" component of total net assets; that is, net assets that do not meet the definition of "invested in capital assets net of related debt" or "restricted" assets.

Business-type activities have reported negative balances each year in the unrestricted asset category. This is because the business-type activities, composed of the City's Transit and Paratransit bus systems, are heavily subsidized by operating grants. Excess operating grant funds must be returned to the grantor at the end of each fiscal year; therefore, the business-type activities do not accumulate net assets/equity.

The following comparative report summarizes major changes in both revenues and expenditures for the current and prior fiscal years.

**Statement of Activities**  
**For the Year Ended June 30**  
*(in thousands of dollars)*

	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 18,786	\$ 17,173	\$ 412	\$ 351	\$ 19,198	\$ 17,524
Operating grants and contributions	7,536	10,700	-	-	7,536	10,700
Capital grants and contributions	4,578	6,635	155	-	4,733	6,635
General revenues:						
Taxes:						
Property taxes	45,109	34,248	-	-	45,109	34,248
Transient occupancy taxes	681	567	-	-	681	567
Sales taxes	5,886	5,908	-	-	5,886	5,908
Franchise taxes	3,213	3,727	-	-	3,213	3,727
Business license tax	866	814	-	-	866	814
Real property transfer tax	321	443	-	-	321	443
Other taxes	6	2	-	-	6	2
Capital contributions	-	5,960	-	24	-	5,984
Unrestricted/Intergovernmental	473	465	2,837	2,803	3,310	3,268
Gain (loss) on sale of assets	-	8	-	1	-	9
Investment earnings	1,648	2,325	2	20	1,650	2,345
Miscellaneous	22	2,222	-	-	22	2,222
<b>Total revenues</b>	<u>89,125</u>	<u>91,197</u>	<u>3,406</u>	<u>3,199</u>	<u>61,064</u>	<u>59,537</u>
<b>Expenses:</b>						
General government	21,780	17,574	-	-	21,780	17,574
Public safety	29,255	27,453	-	-	29,255	27,453
Housing and community development	5,495	2,720	-	-	5,495	2,720
Recreation and culture	3,686	3,323	-	-	3,686	3,323
Planning and public works	5,718	6,754	-	-	5,718	6,754
Interest, fiscal charges and issue cost of long-term debt	8,188	7,242	-	-	8,188	7,242
Transit operations	-	-	2,997	2,936	2,997	2,936
Paratransit operations	-	-	619	624	619	624
<b>Total expenses</b>	<u>74,122</u>	<u>65,066</u>	<u>3,616</u>	<u>3,560</u>	<u>77,738</u>	<u>68,626</u>
<b>Change in Net Assets</b>	15,003	26,131	(210)	(361)	14,793	25,770
<b>Net assets - beginning, as restated</b>	<u>175,769</u>	<u>147,466</u>	<u>3,621</u>	<u>3,982</u>	<u>179,390</u>	<u>151,448</u>
<b>Net assets - ending</b>	<u>\$ 190,772</u>	<u>\$ 173,597</u>	<u>\$ 3,411</u>	<u>\$ 3,621</u>	<u>\$ 194,183</u>	<u>\$ 177,218</u>

## **Governmental activities**

For the fiscal year just ended, changes were made in the categorization of current year revenues. Total revenues from governmental activities decreased by two percent from the previous fiscal year. However, in fiscal year 2005-06, the City received one-time payments of revenues that were categorized as operating grants and contributions and capital contributions in amounts of \$5.282 million, \$5.960, respectively. If these exceptional items are taken into account, governmental revenues would report an increase over the prior year. Property taxes, the City's largest revenue source increased by 32 percent over the previous fiscal year. This increase is attributed to the annual allowable increase in assessed valuations, reassessments of properties caused by transfers of ownership or improvements to property and new developments. The transient occupancy tax increase is a combination of a higher tax rate and higher occupancy rates. In fiscal year 2005-06, a settlement payment related to solid waste franchise fees was made; this one-time payment accounts for the decrease in franchise taxes. The real property transfer tax is paid when properties are sold. The decrease in current year revenue is indicative of the slowdown in the housing market. The City sold an unused parcel of land, which accounts for the growth in charges for services. Two new governmental funds were established during the year. The CFD 2005-1 fund accounts for assessments levied in the Summerhill/Melodia development. Property taxes of \$56,000 were collected in this fund. This fund will provide public safety and park maintenance in this designated area. The second fund, the Park Facilities fund, collected fees from new non-subdivided residential construction. In its first year, \$2,000 was collected. This amount is expected to increase as additional development occurs. The monies collected are to be used for park facilities and parkland acquisitions. Thus far, no material amounts have been expended from these new funds.

Expenses increased by 14 percent from fiscal year 2005-06 activities. Labor increases, based on the memoranda of understanding with the different bargaining units, account for some of the increases in all expense categories, excepting that related to long-term debt. A new fund contributes to the increase in general government activities. A reclassification of a previously held agency fund to a governmental fund was made at the end of the last fiscal year. This fund, Solid Waste Assessment, accounts for activities related to the City's solid waste collection. From this fund, a settlement payment in the amount of \$735,000 was paid to the City's former waste hauler and is a factor in the increase in general government expenses. The increase in housing and community development expenses is due to a first-time homebuyer's assistance program. The Community Redevelopment Agency, through an agreement with a developer, assisted qualified moderate-income households purchase affordable housing units by paying the developer the write-down cost amount. The total spent for this project was \$1.986 million. The increase in interest and fiscal charges is caused by the increases in interest payable related to new long-term obligations and the amortization of net pension assets.

The beginning balance of net assets was restated to account for grant revenues earned by the Community Redevelopment Agency Capital Projects fund, but not reported, in a prior period. This restatement increased the beginning fund balance by \$2,172,201, or from \$43,785,783 to \$45,957,984.

## **Business-type activities**

The City's business-type activities (Transit and Paratransit services) saw a decrease in their change in net assets. As noted earlier, the City's business-type activities are subsidized by grants. Each year, the City submits a proposed budget to the local transportation commission that estimates revenues from ridership and a special County-wide transportation tax and requests grant funds to cover the balance of the estimated operating costs. Charges for services, in the form of farebox revenues, and the funds received from the special transportation tax are spent before operating grant funds. The increase in charges for services is the result of a fare increase. At the close of each fiscal year, unspent operating grant funds are returned to the transportation authority. In essence, the operations of the City's business-type activities break even each year. Acquisitions of capital assets are reimbursed by capital grant funds from the local transportation commission. The decrease in the change in net assets represents the difference between current year capital grant funds received and annual depreciation expense.

## FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As noted earlier, a prior period adjustment was made in the Community Redevelopment Agency Capital Projects Fund. This adjustment restated the governmental funds fund balance from \$111,228,873 as reported in the FY 2005-06 annual audit report to \$113,401,074. At the end of the current fiscal year, Union City's governmental funds reported combined ending fund balances of \$112,196,910, a decrease of \$1,204,164 when compared to the previous fiscal year.

Approximately 70% of the total fund balance amount, \$78,896,435, is reserved and therefore not available for future spending. Reservations of fund balances represent 1) funds committed to pay debt service or purchase orders; 2) funds whose expenditures are restricted for a specific purpose; 3) items that do not have available, spendable resources even though they are a component of assets, such as property held for resale and loans receivable; and 4) other miscellaneous items with a restricted purpose.

Designations of fund balance reflect the City's future spending plans or concerns regarding the availability of future resources. Unreserved but designated fund balance is \$12,286,227 or 11% of total fund balance. Of this amount, \$8,711,069 represents designations of capital projects funds for planned projects. \$2,908,993 has been designated for economic uncertainty in the General Fund

Detailed information regarding reserved and designated fund balances may be found in Note 10 in the Notes to the Basic Financial Statements.

The remaining fund balance is considered unreserved, undesignated. This amount, \$21,014,428, represents 19% of total fund balance. Unreserved, undesignated fund balance represents amounts that are available for discretionary spending.

The General Fund is the chief operating fund of the City. At current fiscal year end, General Fund reports \$4,058,385 as unreserved, undesignated fund balance and a total fund balance amount of \$9,864,616. 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 fund's expenditures. Unreserved, undesignated fund balance represents 10 percent of total General Fund expenditures, while total fund balance represents 25 percent of that same amount.

The fund balance of the City's General Fund increased by \$742,947 during the current fiscal year. Notable activities in the General Fund include:

- A decrease of 47 percent in charges for services. In fiscal year 2005-06, the City received over \$2,000,000 in subdivision fees – fees which must be paid before any new development can take place. In the current fiscal year, only \$10,000 was collected for this purpose. This was offset by increases in other fees collected; notably the opening of the new Sports Center generated \$83,000 in its first 3 months of operations, primarily for membership fees. Fees related to plan checks and other pre-building activities also increased during the year.

- Investment income greatly increased due to higher rates of return on investments. This source of revenue doubled over last year's earnings, increasing from \$615,114 in fiscal year 2005-06 to \$1,310,984 in fiscal year 2006-07.
- Other revenue increased by 41 percent, or \$913,000. Of this, \$500,000 was to record a payment from the City's Community Redevelopment Agency as their contribution to the cost of equipment acquisition. A reclassification from a deposit account to revenues accounts for the balance of the increase.
- Expenditures increased by \$5,207,966. Notably, the City entered into a new lease agreement for equipment acquisition. The value of the equipment, \$1,671,440 was recorded as expenditure, offset by a corresponding amount recorded as another financing source. In addition, the City made its first debt service payment of \$520,000 on this lease. The opening of the Sports Center caused an increase in Recreation and culture expenditures due to additional staffing and maintenance costs.
- The sale of an unused parcel of City-owned land.

For the City's other major funds, the following items are of note:

Community Redevelopment Agency (the Agency) Special Revenue Fund fund balance decreased by 22 percent to \$8,093,640 due to the PSSC Affordable Housing Assistance Program. This new activity helps first time homeowners purchase homes by paying the developer's write down costs. The cost of this program was \$1,985,663.

Community Redevelopment Agency Debt Service fund also saw a decrease in its fund balance. The fund balance decreased from \$4,464,886 to \$3,095,356. Tax increment revenues increased by 12 percent and expenditures decreased by about the same percentage. In previous years, the Agency was required to remit funds to the State Educational Relief Augmentation Fund (ERAF); this program ended at the close of the previous fiscal year. However, according to the bond indenture, any revenues received that are not required for the payment of debt may be used for any other purpose of the Agency. Accordingly, these excess funds are transferred from the Agency's Debt Service Fund to the Agency's Capital Projects Fund.

Community Redevelopment Agency Capital Projects Fund, as noted earlier, had its beginning fund balance adjusted by a prior period adjustment. Including the adjustment, the ending fund balance is \$46,990,900, slight increase over the previous year. Due to a grant award, intergovernmental revenues increased over the previous year. Expenditures increased as development in and around the BART Intermodal Station Area accelerated. However, the net effect of the decrease in revenues and increase in expenditures was offset by an increase in the amount of funds transferred in from the Agency's Debt Service Fund.

Capital Projects Fund began the year with a deficit fund balance. A lease agreement for a new phone system was entered into. Although the fund made debt service payments on this lease, total expenditures in the current year were less than the previous fiscal year because the fund's contributions towards City projects had been satisfied. Transfers in to record the General Fund contribution towards the new phone system and financial system upgrade also helped to reduce the fund's deficit. As a result, this fund which began the year in a deficit of \$1,343,802 ended the year with a deficit fund balance of \$1,215,459.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget to Actual comparison for the General Fund can be found in the Required Supplementary Information section of this report.

The City prepares a biennial budget document with each year's appropriation independent of the other. Fiscal year 2006-07 was the second year of the two-year budget cycle. During the course of the fiscal year, budget amendments were submitted to City Council for approval. The following represent material increases, in thousands of dollars, to the original fiscal year 2006-07 General Fund budget:

- \$997 for all General Fund departments for salary adjustments per the memoranda of understanding with the different bargaining units;
- \$522 for Police Department for red light enforcement;
- \$170 for Fire Department for the lease payment on new fire apparatus;
- \$197 for Fire Department for mutual aid;
- \$341 for Recreation and Culture for operating costs associated with the newly opened Sports Center;
- \$106 for General Government for litigation expenses;
- \$104 for Planning and Public Works for outside plan check services.

The budget increases for mutual aid, Sports Center and outside plan check services are offset in whole or in part by revenue collections.

The City is a recipient of various small dollar award grants, mainly for Police services. Budget amendments are made at the time the grant awards are presented to the City Council for acceptance.

There is a favorable variance of \$3.2 million between estimated revenues and actual receipts. Of this amount, \$1.3 million is attributable to property tax payments. Recently completed housing developments and reassessed valuations of sold properties have contributed to this increase in property tax. As noted earlier, the reclassification of investment income for the government-wide financial statements indicate a decrease although the actual investment income reported in the fund financial statements report an increase. This increase is attributed to investments earning a higher rate of return and an increase in the fair market value. The increase in other revenues is the result of one-time revenue collections that were not anticipated.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital assets**

At the end of the fiscal year, the City had an investment in capital assets totaling \$187.3 million. This represents a net increase (additions minus retirements and depreciation) of 10 percent or \$17.1 million over the previous fiscal year. A third of this increase, \$5.6 million, is the net change in construction in progress. Major projects underway, but not completed during the fiscal year include (in thousands of dollars):

- \$4,466 for the 11<sup>th</sup> Street Enhancement project;
- \$3,899 for the BART Station Area Intermodal project;
- \$1,363 for overlay projects; and
- \$1,264 for the Union City Boulevard reinvestment project.

The City has a number of smaller projects in process. These are projects to make improvements to City facilities, parks and streets.

Major projects completed during the current year include, at their cumulative costs in thousands of dollars:

- \$14,791 Union City Sports Center
- \$495 11<sup>th</sup> Street/PSSC area improvements;
- \$363 Green Street Overcrossing; and
- \$226 Mission Boulevard/Daggett Street signalization.

Other assets acquired include various vehicles to replace vehicles taken out of service due to age or condition, the voice-over internet protocol phone system and information technology equipment.

For the government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date through the end of the fiscal year. Individual fund financial statements record capital asset acquisitions as expenditures.

Additional information about the City's capital assets can be found in *Note 5*, in Notes to Basic Financial Statements.

Comparative reports of the City's capital assets for governmental and business-type activities are presented below and summarize the changes during the year.

**Capital Assets**

**June 30, 2007**

*(net of depreciation, in thousands of dollars)*

	<b>Governmental</b>		<b>Business-type</b>		<b>Total</b>	
	<b>Activities</b>		<b>Activities</b>			
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
Infrastructure	\$ 122,744	\$ 111,648	\$ -	\$ -	\$ 122,744	\$ 111,648
Land	9,986	9,986	-	-	9,986	9,986
Buildings and improvements	11,118	12,031	2,454	2,587	13,572	14,618
Machinery and equipment	5,384	5,528	1,106	1,184	6,490	6,712
Construction in progress	34,600	27,244	-	-	34,600	27,244
Total	<u>\$ 183,832</u>	<u>\$ 166,437</u>	<u>\$ 3,560</u>	<u>\$ 3,771</u>	<u>\$ 187,392</u>	<u>\$ 170,208</u>

**Debt administration**

During fiscal year 2006-07, the City entered into two new lease agreements for equipment acquisition that totaled \$2.2 million. Payments on new and existing debt amounted to \$3.2 million, leaving a long-term outstanding debt balance of \$140.6 million.

Additional information regarding the City's long-term obligations can be found in *Note 6* of this report.

## **Economic factors and next year's budget**

Although the General Fund saw a modest increase in its fund balance, the close of the fiscal year saw a decrease in General Fund's unreserved, undesignated fund balance. Council policy has established reservations and designations of fund balance in the General Fund. Each year, \$250,000 is to be set aside in the capital projects reserve to allow Council to identify and fund capital projects that will be of benefit to the City. A reserve was established to support capital improvements in the 911 Emergency Communications Systems Fund. This reserve was established at \$537,000; at year end the balance was \$454,316. In addition, Council policy establishes that a designation for economic uncertainty be maintained for unforeseen emergencies, unanticipated revenue shortfalls, unexpected expenditure increases or catastrophic impacts to the City. The level of this designated amount to be maintained is 7.5 percent of the current year General Fund expenditures.

For the upcoming fiscal year, conservative revenue increases were projected. Property tax revenues, the City's largest revenue source, will be greatly impacted by any downturn in the real estate market. Although Union City did not experience the slow down in property sales experienced by other nearby communities during the past year, it is cognizant that it is not immune to the changes in the market place. Therefore, only a 5 percent growth in property taxes is projected for next year. The Intermodal Station District has been, and will continue to be, the area of the greatest development in the City. As such, projections for building-related permits are expected to increase 33 percent as development plans are approved. The increase in business-to-business activity has resulted in an expected 5 percent growth in sales tax revenues. An increase in charges for services for recreational activities is anticipated as the Union City Sports Center enters its first full year of operations. For most of the other revenue sources, increases were based on increase in the San Francisco Bay Area Consumer Price Index.

General Fund expenditures are expected to exceed revenues. Key elements in this area are increased labor costs per renegotiated memoranda of understanding with the various bargaining units; promotions and creations of new staff positions and the update of the General Plan Housing Element. The General Fund will transfer \$893,000 to the Post Employment Medical Benefits Fund; this amount is in excess of the annual required contribution amount.

In 2007-08, the City's Community Redevelopment Agency issued \$32.9 million in refunding tax allocation bonds. The debt service on these bonds will be paid from tax increment dollars. It is estimated that the present value savings will be \$2-\$3 million.

## **Request for information**

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Administrative Services Director, City of Union City, 34009 Alvarado-Niles Road, Union City, CA 94587.

## **BASIC FINANCIAL STATEMENTS**

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**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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**City of Union City**  
**Statement of Net Assets**  
**June 30, 2007**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and investments	\$ 80,646,060	\$ 5,024	\$ 80,651,084
Restricted cash and investments	7,613,130	-	7,613,130
Receivables:			
Tax	1,398,170	-	1,398,170
Accounts, net	920,006	-	920,006
Interest	809,265	649,026	1,458,291
Intergovernmental	5,162,695	-	5,162,695
Prepaid items and deposits	327,378	1,183	328,561
Due from/(to) other funds	234,731	(234,731)	-
Deferred charges	1,839,643	-	1,839,643
Loans receivable	8,568,388	-	8,568,388
Land held for resales, net of allowance for decline in value	34,687,099	-	34,687,099
<b>Total current assets</b>	<b>142,206,565</b>	<b>420,502</b>	<b>142,627,067</b>
Noncurrent assets:			
Net Pension Asset	22,324,579	-	22,324,579
Capital assets:			
Non-depreciable	44,585,417	-	44,585,417
Depreciable, net	139,245,779	3,560,252	142,806,031
<b>Total capital assets</b>	<b>183,831,196</b>	<b>3,560,252</b>	<b>187,391,448</b>
<b>Total noncurrent assets</b>	<b>206,155,775</b>	<b>3,560,252</b>	<b>209,716,027</b>
<b>Total assets</b>	<b>348,362,340</b>	<b>3,980,754</b>	<b>352,343,094</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	2,361,034	118,879	2,479,913
Accrued payroll	1,598,127	18,288	1,616,415
Interest payable	2,290,618	-	2,290,618
Deposits payable	1,072,003	23,261	1,095,264
Other accrued liabilities	1,344,807	37,004	1,381,811
Due to other agencies	1,485,970	323,504	1,809,474
Unearned revenue	1,081,322	-	1,081,322
Accrued general liabilities claims - due within one year	61,812	-	61,812
Accrued workers' compensation claims - due within one year	728,040	-	728,040
Compensated absences - due within one year	1,618,811	14,396	1,633,207
Long-term debt - due within one year	2,665,216	-	2,665,216
<b>Total current liabilities</b>	<b>16,307,760</b>	<b>535,332</b>	<b>16,843,092</b>
Noncurrent liabilities:			
Accrued general liabilities claims - due in more than one year	234,178	-	234,178
Accrued workers' compensation claims - due in more than one year	2,294,353	-	2,294,353
Compensated absences - due in more than one year	776,080	34,478	810,558
Long-term debt - due in more than one year	137,977,502	-	137,977,502
<b>Total liabilities</b>	<b>157,589,873</b>	<b>569,810</b>	<b>158,159,683</b>
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt	113,794,817	3,560,252	117,355,069
Restricted for:			
Capital projects	26,745,930	-	26,745,930
Debt service	18,994,417	-	18,994,417
Community development	8,192,948	-	8,192,948
Specific projects and programs	9,975,096	-	9,975,096
<b>Total restricted</b>	<b>63,908,391</b>	<b>-</b>	<b>63,908,391</b>
Unrestricted	13,069,259	(149,308)	12,919,951
<b>Total net assets</b>	<b>\$ 190,772,467</b>	<b>\$ 3,410,944</b>	<b>\$ 194,183,411</b>

See accompanying Notes to Basic Financial Statements.

**City of Union City**  
**Statement of Activities and Changes in Net Assets**  
**For the year ended June 30, 2007**

Functions / Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Primary Government:</b>					
<b>Governmental activities:</b>					
General government	\$ 21,780,499	\$ 4,661,579	\$ 636,729	\$ 929,335	\$ 6,227,643
Public safety	29,255,007	4,899,676	1,695,772	305,265	6,900,713
Housing and community development	5,494,565	4,870,353	2,120,505	-	6,990,858
Recreation and culture	3,685,637	1,599,271	208,939	1,438,755	3,246,965
Planning and public works	5,717,553	2,754,631	2,873,608	1,904,375	7,532,614
Interest on long-term debt (unallocated)	8,187,940	-	-	-	-
Total governmental activities	74,121,200	18,785,510	7,535,553	4,577,730	30,898,793
<b>Business-type activities:</b>					
Transit	2,996,756	376,595	-	153,640	530,235
Paratransit	619,295	35,081	-	1,174	36,255
Total business-type activities	3,616,051	411,676	-	154,814	566,490
<b>Total primary government</b>	<b>\$ 77,737,251</b>	<b>\$ 19,197,186</b>	<b>\$ 7,535,553</b>	<b>\$ 4,732,544</b>	<b>\$ 31,465,283</b>

**General Revenues and Transfers:**

Taxes:

- Property taxes
- Transient occupancy tax
- Sales taxes
- Franchise taxes
- Business license tax
- Real property transfer tax
- Other taxes

Total taxes

Unrestricted/Intergovernmental

Investment earnings (loss)

Miscellaneous

**Total general revenues and transfers**

**Change in net assets**

**Net assets - beginning of year, as restated (Note 20)**

**Net assets - end of year**

Net (Expense) Revenue  
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (15,552,856)	\$ -	\$ (15,552,856)
(22,354,294)	-	(22,354,294)
1,496,293	-	1,496,293
(438,672)	-	(438,672)
1,815,061	-	1,815,061
(8,187,940)	-	(8,187,940)
<u>(43,222,407)</u>	<u>-</u>	<u>(43,222,407)</u>
-	(2,466,521)	(2,466,521)
-	(583,040)	(583,040)
-	(3,049,561)	(3,049,561)
<u>(43,222,407)</u>	<u>(3,049,561)</u>	<u>(46,271,968)</u>
45,109,573	-	45,109,573
681,093	-	681,093
5,886,152	-	5,886,152
3,212,910	-	3,212,910
866,250	-	866,250
321,005	-	321,005
6,084	-	6,084
56,083,067	-	56,083,067
473,091	2,836,714	3,309,805
1,648,069	2,481	1,650,550
22,017	-	22,017
<u>58,226,244</u>	<u>2,839,195</u>	<u>61,065,439</u>
15,003,837	(210,366)	14,793,471
175,768,630	3,621,310	179,389,940
<u>\$ 190,772,467</u>	<u>\$ 3,410,944</u>	<u>\$ 194,183,411</u>

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## **FUND FINANCIAL STATEMENTS**

*Governmental Fund Financial Statements*  
*Proprietary Fund Financial Statements*  
*Fiduciary Fund Financial Statements*

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## GOVERNMENTAL FUND FINANCIAL STATEMENTS

### **General Fund**

General Fund is the general operating fund of the City. This fund accounts for all financial resources and activities not required to be accounted for in other funds.

### **Community Redevelopment Agency Special Revenue Fund**

To account for monies received and expended by the Community Redevelopment Agency for the financing of development and rehabilitation in the City. The California Health and Safety Code required that the Agency set aside 20% of its tax allocation for the purpose of increasing or improving housing for low-and-moderate income households throughout the City.

### **Community Redevelopment Agency Debt Service Fund**

To account for principal and interest requirements on the tax allocation bonds issued by the Agency to finance various Agency projects.

### **Community Redevelopment Agency Capital Projects Fund**

To account for the acquisition or construction of major capital facilities in the Redevelopment Project Area. The primary source of this funds is property tax and bond proceeds.

### **Capital Improvement Capital Projects Fund**

To account for the acquisition, construction or remodeling of major City facilities. The acquisition of capital equipment is also accounted for in this fund.

**City of Union City**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2007**

	General Fund	Community Redevelopment Agency		
		Special Revenue Fund	Debt Service Fund	Capital Projects Fund
<b>ASSETS</b>				
Cash and investments	\$ 10,691,482	\$ 6,974,021	\$ 2,059,709	\$ 14,822,058
Restricted cash and investment	-	-	614,281	-
Receivables:				
Taxes	562,556	139,804	559,214	-
Accounts	403,926	-	-	2,418
Interest	766,355	34,174	-	8,736
Intergovernmental	615,345	-	-	2,606,151
Due from other funds	-	-	-	-
Loans receivable	34,315	5,965,016	-	-
Advances to other funds	-	-	-	-
Prepaid items and condemnation deposits	183,740	10	-	4,667
Property held for resale, net of allowance for decline in value	-	1,871,715	-	31,133,536
<b>Total assets</b>	<b>\$ 13,257,719</b>	<b>\$ 14,984,740</b>	<b>\$ 3,233,204</b>	<b>\$ 48,577,566</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 550,190	\$ 3,143	\$ 105,937	\$ 793,372
Accrued payroll	1,106,684	3,282	-	95,977
Other accrued liabilities	8,031	134,675	31,911	544,899
Due to other funds	1,509	-	-	2,418
Due to other agencies	18,779	1,300,000	-	150,000
Deposit payable	1,031,424	-	-	-
Deferred revenue	676,486	5,450,000	-	-
Advances from other funds	-	-	-	-
<b>Total liabilities</b>	<b>3,393,103</b>	<b>6,891,100</b>	<b>137,848</b>	<b>1,586,666</b>
<b>Fund Balances:</b>				
<b>Reserved:</b>				
Advances to other funds	-	-	-	-
Debt service	-	-	3,095,356	-
DIPSA development	-	-	-	-
Encumbrances	1,073,674	-	-	7,403,059
Low and moderate income housing	-	5,706,899	-	-
Capital Project	500,000	-	-	-
Loans receivable	34,315	515,016	-	-
Prepaid items and condemnation deposits	183,740	10	-	4,667
511 plan area	-	-	-	-
Property held for resale	-	1,871,715	-	31,133,536
Contributions to 911 Emergency	454,316	-	-	-
Recycling program	-	-	-	-
<b>Total reserved</b>	<b>2,246,045</b>	<b>8,093,640</b>	<b>3,095,356</b>	<b>38,541,262</b>
<b>Unreserved:</b>				
<b>Designated, Reported in:</b>				
General fund	3,560,186	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	8,449,638
<b>Undesignated, Reported in:</b>				
General fund	4,058,385	-	-	-
Special revenue funds	-	-	-	-
Capital projects funds	-	-	-	-
<b>Total fund balances</b>	<b>9,864,616</b>	<b>8,093,640</b>	<b>3,095,356</b>	<b>46,990,900</b>
<b>Total liabilities and fund balances</b>	<b>\$ 13,257,719</b>	<b>\$ 14,984,740</b>	<b>\$ 3,233,204</b>	<b>\$ 48,577,566</b>

See accompanying Notes to Basic Financial Statements.

Capital Improvement Capital Project Fund	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ 37,765,934	\$ 72,313,204
-	6,998,849	7,613,130
-	136,596	1,398,170
-	366,926	773,270
-	-	809,265
1,553,514	377,317	5,152,327
-	1,750	1,750
-	2,569,057	8,568,388
-	177,925	177,925
-	136,748	325,165
-	1,681,848	34,687,099
<u>\$ 1,553,514</u>	<u>\$ 50,212,950</u>	<u>\$ 131,819,693</u>
\$ -	\$ 720,865	\$ 2,173,507
-	378,184	1,584,127
88,727	536,402	1,344,645
1,293,869	1,750	1,299,546
-	17,191	1,485,970
-	40,579	1,072,003
1,386,377	2,972,197	10,485,060
-	177,925	177,925
<u>2,768,973</u>	<u>4,845,093</u>	<u>19,622,783</u>
-	121,010	121,010
-	15,778,051	18,873,407
-	5,469,675	5,469,675
69,451	2,475,156	11,021,340
-	-	5,706,899
-	-	500,000
-	-	549,331
-	136,748	325,165
-	2,301	2,301
-	1,681,848	34,687,099
-	-	454,316
-	1,185,892	1,185,892
<u>69,451</u>	<u>26,850,681</u>	<u>78,896,435</u>
-	-	3,560,186
-	14,972	14,972
261,431	-	8,711,069
-	-	4,058,385
-	17,294,603	17,294,603
(1,546,341)	1,207,601	(338,740)
<u>(1,215,459)</u>	<u>45,367,857</u>	<u>112,196,910</u>
<u>\$ 1,553,514</u>	<u>\$ 50,212,950</u>	<u>\$ 131,819,693</u>

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**City of Union City**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Assets**  
**June 30, 2007**

**Total Fund Balances - Total Governmental Funds** \$ 112,196,910

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

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. Except for the internal service funds reported below, the capital assets were adjusted as follows:

	Government- Wide Statement of Net Assets	Internal Service Funds	
- Non-depreciable	\$ 44,585,417	\$ -	44,585,417
- Depreciable, net	139,245,779	963,397	138,282,382
Total capital assets	<u>\$ 183,831,196</u>	<u>\$ 963,397</u>	<u>182,867,799</u>

Net pension asset was not current financial resources. Therefore, it was not reported in the Governmental Funds Balance Sheet. This amount is to be amortized over the life of the 2004 Series Pension Obligation Bond.

22,324,579

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet.

(2,290,618)

Deferred charges on issuance of long-term debt were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. This amount is to be amortized over the life of the long-term debt.

1,839,643

Deferred revenue recorded in the Fund Financial statements resulting from activities in which revenues were earned but funds were not available are reclassified as revenues in the Government-Wide Financial Statements.

9,403,738

Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the Internal service funds were included in governmental activities in the Government-Wide Statement of Net Assets.

7,447,998

Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet.

	Government- Wide Statement of Net Assets	Internal Service Funds	
- Compensated absences - due within one year	\$ (1,618,811)	\$ (5,899)	(1,612,912)
- Compensated absences - due in more than one year	(776,080)	(14,128)	(761,952)
- Long-term debt - due within one year	(2,665,216)	-	(2,665,216)
- Long-term debt - due in more than one year	(137,977,502)	-	(137,977,502)
Total long-term liabilities	<u>\$ (143,037,609)</u>	<u>\$ (20,027)</u>	<u>(143,017,582)</u>

**Net Assets of Governmental Activities** \$ 190,772,467

See accompanying Notes to Basic Financial Statements.

**City of Union City**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2007**

	Community Redevelopment Agency			
	General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund
<b>REVENUES:</b>				
Taxes and special assessments	\$ 27,991,594	\$ 3,840,642	\$ 15,561,810	\$ -
Licenses, permits and fees	2,268,896	-	-	-
Fines and forfeitures	818,384	-	-	-
Intergovernmental	1,805,312	-	-	555,089
Charges for services	2,024,588	-	-	-
Investment income	1,310,984	389,495	205,035	484,717
Others	1,559,113	226	-	62,784
<b>Total revenues</b>	<b>37,778,871</b>	<b>4,230,363</b>	<b>15,766,845</b>	<b>1,102,590</b>
<b>EXPENDITURES:</b>				
Current:				
General government	5,544,967	-	-	-
Public safety	23,500,877	-	-	-
Housing and community development	-	2,405,372	-	2,234,337
Recreation and culture	2,036,277	-	-	-
Planning and public works	5,558,917	-	-	-
Agency pass through payments	-	-	1,042,536	-
Capital outlay	1,738,396	-	-	11,543,337
Debt service:				
Principal repayment	520,000	-	1,265,000	-
Interest and fiscal charges	-	-	5,200,018	-
<b>Total expenditures</b>	<b>38,899,434</b>	<b>2,405,372</b>	<b>7,507,554</b>	<b>13,777,674</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,120,563)</b>	<b>1,824,991</b>	<b>8,259,291</b>	<b>(12,675,084)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Issuance of capital leases	1,671,440	-	-	-
Proceeds from sale of assets	624,762	-	-	2,418
Transfers in	915,384	-	1,319,179	13,708,000
Transfers out	(1,348,076)	(4,079,179)	(10,948,000)	(2,418)
<b>Total other financing sources (uses)</b>	<b>1,863,510</b>	<b>(4,079,179)</b>	<b>(9,628,821)</b>	<b>13,708,000</b>
<b>Net change in fund balances</b>	<b>742,947</b>	<b>(2,254,188)</b>	<b>(1,369,530)</b>	<b>1,032,916</b>
<b>FUND BALANCES:</b>				
Beginning of year, as restated (Note 20)	9,121,669	10,347,828	4,464,886	45,957,984
End of year	\$ 9,864,616	\$ 8,093,640	\$ 3,095,356	\$ 46,990,900

See accompanying Notes to Basic Financial Statements.

Capital Improvement Capital Project Fund	Non-Major Governmental Funds	Total Governmental Funds
	\$ 11,001,042	\$ 58,395,088
-	-	2,268,896
-	-	818,384
-	1,494,279	3,854,680
-	8,537,173	10,561,761
-	1,479,424	3,869,655
-	6,683,082	8,305,205
-	29,195,000	88,073,669
	6,357,732	11,902,699
-	5,697,524	29,198,401
-	812,954	5,452,663
-	1,434,775	3,471,052
-	-	5,558,917
-	-	1,042,536
408,979	10,974,202	24,664,914
82,900	1,334,448	3,202,348
4,007	2,394,310	7,598,335
495,886	29,005,945	92,091,865
(495,886)	189,055	(4,018,196)
519,339	-	2,190,779
-	-	627,180
104,890	1,281,677	17,329,130
-	(955,384)	(17,333,057)
624,229	326,293	2,814,032
128,343	515,348	(1,204,164)
(1,343,802)	44,852,509	113,401,074
\$ (1,215,459)	\$ 45,367,857	\$ 112,196,910

# City of Union City

## 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, 2007

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<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (1,204,164)</b>
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Amounts reported for governmental activities in the Statement of Activities and Changes in Net Assets were different because:

Governmental funds reported additions of capital assets as capital outlay and program expenditures. However, in the Government-Wide Statement of Activities and Changes in Net Assets, the cost of those assets was allocated over their estimated useful lives as depreciation expense. This was the amount of capital assets recorded in the current period.	24,693,295
--	------------

Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in Governmental Funds.	(7,259,528)
--	-------------

Amortization of net pension asset did not require the use of current financial resources and therefore is not reported as an expenditure in governmental funds.	(97,624)
---	----------

Revenues that have not met the revenue recognition criteria in the Fund Financial statements are recognized as revenue in the Government-Wide Financial Statements.	(3,850,979)
---	-------------

Cost of issuance was an expenditure in governmental funds, but in the Government-Wide Statement of Net Assets, an asset, deferred charges was recorded and is being amortized over the life of the bond. This amount is the current year amortization expense.	(62,401)
--	----------

Acquisition of capital leases provided current financial resources to Governmental Funds, but capital leases increased long-term liabilities in the Government-Wide Statement of Net Assets.	(2,190,779)
--	-------------

Accrued vacation and sick leave payable was an expenditure in governmental funds, but the accrued payable increased vacation and sick leave liabilities in the Government-Wide Statement of Net Assets.	(272,707)
---	-----------

Repayment of bond principal was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Assets.	3,202,348
---	-----------

Interest expense on long-term debt was reported in the Government-Wide Statement of Activities and Changes in Net Assets, but they did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represented the change in accrued interest from prior year.	(429,580)
---	-----------

Internal service funds were used by management to charge the costs of certain activities to individual funds. The net revenue of the internal service funds was reported with governmental activities.	2,475,956
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<b>Change in Net Assets of Governmental Activities</b>	<b>\$ 15,003,837</b>
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See accompanying Notes to Basic Financial Statements.

## PROPRIETARY FUND FINANCIAL STATEMENTS

### **Transit Fund**

To account for the operation and management of the City's bus system. This system is operated and maintained by an independent transit management company under contract with the City.

### **Paratransit Fund**

To account for the operation and management of the City's paratransit system. The system is also operated and maintained by an independent transit management company under contract with the City.

**City of Union City**  
**Statement of Net Assets**  
**Proprietary Funds**  
**June 30, 2007**

	Major Funds		Totals	Governmental
	Transit	Paratransit		Activities
				Internal
				Service Funds
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ -	\$ 5,024	\$ 5,024	\$ 8,332,856
Receivables:				
Accounts	-	-	-	146,736
Intergovernmental	568,676	80,350	649,026	10,368
Due from other funds	-	-	-	1,532,527
Prepaid items	604	579	1,183	2,213
Total current assets	569,280	85,953	655,233	10,024,700
Noncurrent assets:				
Capital assets:				
Depreciable, net	3,547,385	12,867	3,560,252	963,397
Total capital assets	3,547,385	12,867	3,560,252	963,397
Total noncurrent assets	3,547,385	12,867	3,560,252	963,397
<b>Total assets</b>	<b>4,116,665</b>	<b>98,820</b>	<b>4,215,485</b>	<b>10,988,097</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	95,047	23,832	118,879	187,527
Accrued payroll	13,018	5,270	18,288	14,000
Other accrued liabilities	35,249	1,755	37,004	162
Due to other agencies	285,716	37,788	323,504	-
Due to other fund	234,731	-	234,731	-
Deposit payable	23,261	-	23,261	-
Compensated absences - due within one year	9,298	5,098	14,396	5,899
General liability claims - due within one year	-	-	-	61,812
Workers' compensation claims - due within one year	-	-	-	728,040
Total current liabilities	696,320	73,743	770,063	997,440
Noncurrent liabilities:				
Compensated absences - due in more than one year	22,268	12,210	34,478	14,128
General liability claims - due in more than one year	-	-	-	234,178
Workers' compensation claims - due in more than one year	-	-	-	2,294,353
Total noncurrent liabilities	22,268	12,210	34,478	2,542,659
<b>Total liabilities</b>	<b>718,588</b>	<b>85,953</b>	<b>804,541</b>	<b>3,540,099</b>
<b>NET ASSETS</b>				
Invested in capital assets	3,547,385	12,867	3,560,252	963,397
Unrestricted	(149,308)	-	(149,308)	6,484,601
<b>Total net assets</b>	<b>\$ 3,398,077</b>	<b>\$ 12,867</b>	<b>\$ 3,410,944</b>	<b>\$ 7,447,998</b>

See accompanying Notes to Basic Financial Statements.

**City of Union City**  
**Statement of Revenues, Expenses and Changes in Fund Net Assets**  
**Proprietary Funds**  
**For the year ended June 30, 2007**

	Major Funds		Totals	Governmental
	Transit	Paratransit		Activities Internal Service Funds
<b>OPERATING REVENUES:</b>				
Charges for services	\$ 376,595	\$ 35,081	\$ 411,676	\$ 5,734,312
<b>Total operating revenues</b>	<b>376,595</b>	<b>35,081</b>	<b>411,676</b>	<b>5,734,312</b>
<b>OPERATING EXPENSES:</b>				
Garage operations	-	-	-	1,660,352
Payroll and related costs	354,877	152,434	507,311	-
Purchased transportation	1,605,842	-	1,605,842	-
Paratransit contract	-	351,689	351,689	-
Workers' compensation claims and premiums	-	-	-	1,010,552
Other insurance	-	-	-	721,764
Administrative	282,653	41,267	323,920	48,823
Depreciation	340,008	25,172	365,180	244,980
Services and supplies	413,376	48,733	462,109	-
<b>Total operating expenses</b>	<b>2,996,756</b>	<b>619,295</b>	<b>3,616,051</b>	<b>3,686,471</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(2,620,161)</b>	<b>(584,214)</b>	<b>(3,204,375)</b>	<b>2,047,841</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Intergovernmental	2,278,138 *	558,576 *	2,836,714	61,755
Investment income	2,016	465	2,481	337,085
Gain on disposal of capital assets	-	-	-	25,348
<b>Total nonoperating revenues (expenses)</b>	<b>2,280,154</b>	<b>559,041</b>	<b>2,839,195</b>	<b>424,188</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(340,007)</b>	<b>(25,173)</b>	<b>(365,180)</b>	<b>2,472,029</b>
Capital contribution	153,640	1,174	154,814	-
Transfers in	-	-	-	3,927
<b>Change in net assets</b>	<b>(186,367)</b>	<b>(23,999)</b>	<b>(210,366)</b>	<b>2,475,956</b>
<b>NET ASSETS:</b>				
Beginning of year	3,584,444	36,866	3,621,310	4,972,042
End of year	\$ 3,398,077	\$ 12,867	\$ 3,410,944	\$ 7,447,998

\* \$367,615 intergovernmental revenues in the Transit Fund was the Measure B Sales Tax revenue from the ACTIA  
\$283,501 intergovernmental revenues in the Paratransit Fund was the Measure B Sales Tax revenue from the ACTIA

See accompanying Notes to Basic Financial Statements.

**City of Union City**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2007**

	Major Funds		Totals	Governmental
	Transit	Paratransit		Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers	\$ 612,052	\$ 37,201	\$ 649,253	\$ 4,151,253
Payments to suppliers	(2,161,334)	(437,832)	(2,599,166)	(1,640,122)
Payments to employees	(618,611)	(180,556)	(799,167)	(94,696)
Claims paid	-	-	-	(1,553,393)
<b>Net cash provided (used) by operating activities</b>	<b>(2,167,893)</b>	<b>(581,187)</b>	<b>(2,749,080)</b>	<b>863,042</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Operating grants received	2,215,984	560,054	2,776,038	61,755
Refund of excess operating grant funds and interest	-	(4,893)	(4,893)	-
Transfers in	-	-	-	3,927
<b>Net cash provided (used) by noncapital financing activities</b>	<b>2,215,984</b>	<b>555,161</b>	<b>2,771,145</b>	<b>65,682</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition of capital assets	-	-	-	(205,462)
Proceeds from the sale of capital assets	(153,640)	(1,174)	(154,814)	25,348
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(153,640)</b>	<b>(1,174)</b>	<b>(154,814)</b>	<b>(180,114)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest income	2,016	465	2,481	337,085
<b>Net cash provided (used) by investing activities</b>	<b>2,016</b>	<b>465</b>	<b>2,481</b>	<b>337,085</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(103,533)</b>	<b>(26,735)</b>	<b>(130,268)</b>	<b>1,085,695</b>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of year	103,533	31,759	135,292	7,247,161
End of year	\$ -	\$ 5,024	\$ 5,024	\$ 8,332,856
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ (2,620,161)	\$ (584,214)	\$ (3,204,375)	\$ 2,047,841
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	340,008	25,173	365,181	244,980
Changes in current assets and liabilities:	-	-	-	-
Accounts receivable	726	2,120	2,846	(50,532)
Prepaid items	8	(38)	(30)	61,425
Accounts payable	18,919	13,145	32,064	114,159
Accrued payroll	-	-	-	(3,961)
Accrued compensated absences	-	-	-	(41,912)
Accrued general liability claims	-	-	-	64,053
Accrued worker's compensation claims	-	-	-	(40,646)
Other accrued liabilities	(142,124)	(37,373)	(179,497)	162
Due from other fund	234,731	-	234,731	(1,532,527)
Total adjustments	452,268	3,027	455,295	(1,184,799)
<b>Net cash provided (used) by operating activities</b>	<b>\$ (2,167,893)</b>	<b>\$ (581,187)</b>	<b>\$ (2,749,080)</b>	<b>\$ 863,042</b>

See accompanying Notes to Basic Financial Statements.

## FIDUCIARY FUND FINANCIAL STATEMENTS

### **Agency Funds**

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

**City of Union City**  
**Statement of Fiduciary Net Assets**  
**Fiduciary Funds**  
**June 30, 2007**

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	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash and investments	\$ 470,703
<b>Total assets</b>	<u>\$ 470,703</u>
<b>LIABILITIES</b>	
Other accrued liabilities	\$ 470,703
<b>Total liabilities</b>	<u>\$ 470,703</u>

See accompanying Notes to Basic Financial Statements.

**City of Union City**  
**Index to Notes to Basic Financial Statements**  
**For the year ended June 30, 2007**

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**City of Union City**  
**Notes to Basic Financial Statements**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The City was incorporated on January 26, 1959, and operates under a Council-Manager form of government. The City Council consists of five elected members. The following services are provided by the City to its citizens: public safety (fire and police), highways and streets, culture and recreation, public improvements, planning and zoning, transit, and general administrative services.

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. Each blended component unit has a June 30 fiscal year-end. The City had no discretely presented component units. The following entities are reported as blended component units:

Community Redevelopment Agency of the City of Union City (Agency) - The Agency is a separate government entity created in 1985 under the provisions of the Redevelopment Law (California Health and Safety Code) to assist in revitalizing of areas within the City which are determined to be in a declining condition. The Agency is controlled by the City and has the same governing board as the City, which also performs all accounting and administrative functions for the Agency. The financial activities of the Agency have been included in these financial statements in the Community Redevelopment Agency Special Revenue Fund, Community Redevelopment Agency Debt Service Fund, and Community Redevelopment Agency Capital Projects Fund.

City of Union City Public Facilities Corporation (Corporation) - The Corporation is a separate government entity whose purpose is to assist with the financing certain public capital facilities for the City and the Agency through the issuance of bonds or other forms of debt. The Corporation is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The Corporation does not report any balances or operations since the lease transactions between the City and the Corporation are offset.

Union City Public Facilities Authority (Authority) -- The Authority is a separate government entity. The Authority was formed in 1996 for the purpose of financing the purchase of the Lincoln-Alvarado Industrial Park Assessment District Local Improvement District No. 25 refunding bonds. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority have been included in these financial statements in the Public Facilities Authority Fund.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus***

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

*Government-Wide Financial Statements*

The City's Government-Wide Financial Statements include a Statement of Net Assets and a Statement of Activities and Changes in Net Assets. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These Government-Wide Financial Statements are presented on an "*economic resources*" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Assets. The Statement of Activities presents changes in 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.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Assets have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities and Changes in Net Assets, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out
- Interfund charges

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

*Government-Wide Financial Statements, Continued*

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect) as well as the following pronouncements issued on or before November 30, 1989 to the business-type activities, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) of the committee on Accounting Procedure. The City has elected not to apply applicable FASB Statement and Interpretations issued after November 30, 1989.

*Governmental Fund Financial Statements*

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net assets as presented in these statements to the net assets presented in the Government-Wide Financial Statements. The City has presented all major funds that met the applicable criteria.

The City reports the following major governmental funds:

The *General Fund* – is used to accounts for all financial resources and activities not required to be accounted for in other funds.

The *Community Redevelopment Agency Special Revenue Fund* – is used to account for monies received and expended by the Agency for the financing development and rehabilitation in the City. The California Health and Safety Code requires that the Agency to set aside 20% of its tax allocations for the purpose of increasing or improving housing for low-and-moderate income households throughout the City.

The *Community Redevelopment Agency Debt Service Fund* - is used to account for principal and interest requirements on the tax allocation bonds issued by the Agency to finance various Agency Projects.

The *Community Redevelopment Agency Capital Projects Fund* – is used to account for the acquisition or construction of major capital facilities in the Redevelopment Project Area. The primary sources of funds are property tax and bond proceeds.

The *Capital Improvement Fund* – is used to account for the acquisition, construction or remodeling of major facilities financed and general projects, such as technology upgrades and improvements. The primary sources of funds are grants and contributions from other funds.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

*Governmental Fund Financial Statements, Continued*

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recorded when received in cash, except revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Deferred revenues arise when potential revenues do not meet both the “measurable” and “available” criteria for recognition in the current period. Deferred revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred revenue is removed from the Combined Balance Sheet and recognized as revenue.

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.

*Proprietary Fund Financial Statements*

Proprietary Fund Financial Statements include a Statement of Net Assets, a Statement of Revenues, Expenses and Changes in Fund Net Assets, and a Statement of Cash Flows for each major proprietary fund.

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.

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 Fund 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.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

***B. Basis of Accounting and Measurement Focus, Continued***

*Proprietary Fund Financial Statements, Continued*

The City reports the following major enterprise funds:

The *Transit Fund* – accounts for the operation and management of the City’s bus system. This system is operated and maintained by an independent transit management company under contract with the City.

The *Paratransit Fund* – accounts for the operation and management of the City’s paratransit system. The system is also operated and maintained by an independent transit management company under contract with the City.

Internal service fund balances and activities have been combined with governmental activities in the government-wide financial statements, and are comprised of the following funds:

The *Internal Service Funds* – account for employees’ benefits, worker’s compensation, general liability and City garage operations; all of which are provided to other departments on a cost-reimbursement basis.

Operating revenues in the proprietary fund 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.

*Fiduciary Fund Financial Statements*

Fiduciary fund financial statements consist of a Statement of Changes in Net Assets. The City’s fiduciary funds represent agency funds and do not involve measurement of results of operations. The fiduciary funds are accounted for using the accrual basis of accounting.

The City reports the following fiduciary fund:

The *Agency Funds* – accounts for assets held by the City as an agent for individuals, private organizations and other governments. The City’s agency fund accounts for the post-retirement healthcare benefits for eligible members of the Police Officers Association. The financial activities of these funds are excluded from the Government-wide financial statement, but are presented in separate Fiduciary Fund financial statements.

***C. Cash, Cash Equivalents and Investments***

The City pools its available cash for investment purposes. The City’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*C. Cash, Cash Equivalents and Investments, Continued*

In accordance with GASB Statement No. 40, Deposit and Investment Disclosures (Amendment of GASB No. 3), certain disclosure requirements for Deposits and Investment Risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid 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.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Asset-backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-backed Securities are subject to market risk as to change in interest rates.

*D. Restricted Cash and Investments*

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects. Cash and investments are also restricted for deposits held for others within the enterprise funds.

*E. Receivables*

During the course of normal operations, the City carries various receivable balances for taxes, interest, services, utilities and special assessments. Accounts receivables are shown net of an allowance for doubtful accounts.

*F. Notes Receivable*

For the purposes of the governmental fund financial statements, expenditures related to long-term notes, arising from subsidy programs are charges to operations upon funding and the notes are recorded with an offset to a deferred revenue account. For the purposes of the Government-Wide Financial Statements, long-term loans are not offset by deferred revenue accounts.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*G. Interfund Transactions*

Interfund transactions are reflected as loans, services provided reimbursements or transfers. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Advances between funds, reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances."

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

*H. Capital Assets*

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Assets acquired with grant funds may be capitalized even though their individual cost is less than \$5,000.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. The City has assigned the useful lives listed below to capital assets:

Buildings and Improvements	25 years
Machinery and Equipment	3-25 years
Infrastructure	25-40 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of asset constructed, net of interest earned on the invested proceeds over the same period.

The Governmental Accounting Standards Board (GASB) issued Statement No. 34 requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with Statement No. 34, the City has included the value of all infrastructures into its Basic Financial Statements.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*H. Capital Assets, Continued*

The City defines infrastructure as the basic physical assets that allow the City to function, which consists of two major networks:

- Roadway
- Recreation such as major park facilities and landscaped areas, park trails and bike paths used by the City in the conduct of its business.

The City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City conducted a valuation of its infrastructure assets as of June 30, 2004. This valuation determined the estimated acquisition cost using one of the following methods:

1. Use of historical records where available.
2. Standard unit costs appropriate for the construction/acquisition date.
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 method using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost. The City updates its infrastructure each year.

*I. Compensated Absences*

Compensated absences comprise unpaid vacation which can be accumulated to the greater of 24 times the employees' monthly accrual rate or 240 hours. The City's liability for compensated absences is recorded at the Entity-wide level in the Statement of Net Assets for Governmental Activities and in Proprietary funds as appropriate.

Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

*J. Long-Term Debt*

Government-Wide Financial Statements - Long-term debt and other long-term 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 bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*J. Long-Term Debt, Continued*

Fund Financial Statements - The governmental fund financial statements do not present long-term debt but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets.

Bond premiums and discounts, as well as issuance costs, are recognized during the current period as other financing sources or uses. Bond proceeds are reported as other financing sources.

*K. Special Assessments Receivables*

The special assessments receivable represent unpaid assessments levied on real property to provide for the principal payment of outstanding special assessment bonds. Special assessments not considered available are recorded as receivable and offset by deferred revenue in the governmental funds financial statements.

*L. Property Taxes*

Alameda County assesses properties and bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year. Property tax revenues are recognized by the City in the fiscal year they are assessed, provided they become available as defined above. Secured Property tax is due in two installments, on November 1 and March 1, and becomes a lien on those dates. It becomes delinquent after December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31. The term 'unsecured' refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed.

Property taxes levied are recorded as revenue and receivables in the fiscal year of levy, provided they are collected within the fiscal year or within sixty days of the year end.

*M. Net Assets / Fund Balance*

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, 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."

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

*N. Fund Balances - Reserves and Designations*

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

*O. Use of Estimates*

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

**2. CASH AND INVESTMENTS**

The City maintains a cash and investment pool for all funds. Certain restricted funds which are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investment held by trustees.

*A. Deposits*

The carrying amount of the City's cash deposit was \$3,596,436 at June 30, 2007. Bank balances before reconciling items were \$4,244,004, the total amount of which was insured and/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 and has waived collateral requirements for cash deposits, which are fully insured up to \$100,000 by the Federal Deposit Insurance Corporation.

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.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**2. CASH AND INVESTMENTS, Continued**

**B. Investments**

Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio
U.S Agency and U.S Government	5 years	N/A	No Limit
State of California Obligations	5 years	N/A	No Limit
CA Local Agency Obligations	5 years	N/A	No Limit
Prefunded Municipal Obligations	N/A	AAA	No Limit
Banker Acceptances	365 days	AAA	No Limit
Commercial Paper	270 days	AAAm	No Limit
Negotiable Certificates of Deposit	365 days	AAA	No Limit
Repurchase Agreements	1 year	AAA	No Limit
Money Market Mutual Funds	N/A	AAAm	No Limit
Collateralized Bank Deposits	5 years	None	No Limit
Mortgage Pass-Through Securites	5 years	AA	20%
Time Deposits	365 days	AAA	No Limit
Guaranteed Investment Contracts	N/A	AA	No Limit
California Local Agency Investment Fund	N/A	N/A	No Limit

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, investments were stated at fair value using the aggregate method in all funds and component units, resulting in the following investment income in all funds and component units:

<b>Interest income</b>	\$ 2,705,893
Unrealized gain in changes in fair value of investments	<u>438,722</u>
<b>Total investment income</b>	<u><u>\$ 3,144,615</u></u>

The City portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen. In accordance with GASB Statement No. 31, the portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold. The City's policy is to buy and hold investments until maturity dates.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**2. CASH AND INVESTMENTS, Continued**

*B. Investments, Continued*

The City's investments are carried at fair value as required by generally accepted accounting principles.

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The balance is available for withdrawal on demand. The City's investments with LAIF at June 30, 2007, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes - are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon 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 Collateralized Mortgage Obligations) or credit card receivables.

As of June 30 2007, the City had \$10,041,015 invested in LAIF, which had invested 3.466% of the pool investment funds in Structured Notes and Asset-Backed Securities. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The fair value of LAIF was calculated by applying a factor of 0.999545022 to total investments held by LAIF.

*C. Summary of Cash and Investments*

The following is a summary of cash and investments at June 30, 2007:

	Government-Wide Statement of Net Assets		Fiduciary Funds Statement of Net Assets	Total
	Governmental Activities	Business-Type Activities		
Cash and investments	\$ 80,646,060	\$ 5,024	\$ 470,703	\$ 81,121,787
Restricted cash and investments	7,613,130	-	-	7,613,130
<b>Total</b>	<b>\$ 88,259,190</b>	<b>\$ 5,024</b>	<b>\$ 470,703</b>	<b>\$ 88,734,917</b>

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**2. CASH AND INVESTMENTS, Continued**

**D. Risk Disclosures**

*Interest Risk:* Interest rate risk is the market value fluctuation due to overall changes in the interest rates. It is mitigated by limiting the average maturity of the City's portfolio not to exceed five years. At June 30, 2007, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (in years)		
		1 year or less	1-2 years	2-3 years
<b>Securities of U.S. Government:</b>				
Federal Home Loan Mortgage Corporation	\$ 15,945,983	\$ 4,952,776	\$ 6,970,615	\$ 4,022,592
Federal National Mortgage Association	16,754,246	10,829,662	-	5,924,584
Federal Home Loan Bank	18,979,052	16,989,064	1,989,988	-
Federal Farm Credit Bureau	3,944,898	-	-	3,944,898
Treasury notes	6,867,343	-	2,950,781	3,916,562
<b>Medium Term Notes:</b>				
Commercial Credit	3,011,136	3,011,136	-	-
HSBC Finance Corp.	1,981,678	1,981,678	-	-
Local Agency Investments Funds	10,041,015	10,041,015	-	-
<b>Total</b>	<b>\$ 77,525,351</b>	<b>\$ 47,805,331</b>	<b>\$ 11,911,384</b>	<b>\$ 17,808,636</b>

*Credit Risk.* Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. It is the City's policy to limit its investments in these investment types to the top rating issued by nationally recognized statistical rating organizations (NRSROs), including raters Standard & Poor's and Moody's Investor's Service. At June 30, 2007, the City's credit risks, expressed on a percentage basis, were as follows:

	Moody's	Standard & Poor's
<b>U.S. Agencies</b>		
Federal Home Loan Bank	Aaa	AAA
Federal Home Loan Mortgage Corporation	Aaa	AAA
Federal National Mortgage Association	Aaa	AAA
Federal Farm Credit Bureau	Aaa	AAA
Treasury Notes	Aaa	AAA
<b>Medium Term Notes</b>		
Commercial Credit	Aa1	AA
HSBC Finance Corp.	Aa3	AA-
<b>External Pool</b>		
State of California - Local Agency Investment Fund	Not Rated	Not Rated

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

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**3. LOANS RECEIVABLE**

The following table summarizes the notes receivable outstanding as of June 30, 2007:

	<u>Amount</u>
Mobile Home Program	\$ 515,016
Elder Care Alliance	1,300,000
CDBG Rehab Loans	767,942
Eden Senior Housing Project	3,423,063
Small Business Loans	34,315
Filipino Community of Alvarado and Vicinity	124,235
Empire Hanover	652,218
MP Mission Associates	4,150,000
Less: Allowance for conditional grants	<u>(2,398,401)</u>
<b>Total</b>	<u><u>\$ 8,568,388</u></u>

Mobile Home Program – The Agency has seven loans for a program for low and moderate income individuals to purchase mobile homes. The loans bear interest at 5% and principal and interest is paid monthly. The loan maturities range between 10 and 30 years from the date of loans and are secured by the properties. As of June 30, 2007 the City has outstanding mobile home program loans in the amount of \$515,016.

Elder Care Alliance – The Agency made a loan of \$1,300,000 to Elder Care Alliance for the development of a 79-unit/95-bed mixed income senior assisted living facility. As of June 30, 2007 the loan has the outstanding balance of \$1,300,000.

Community Development Block Grant (CDBG) Rehab Loans – The City administers a housing rehabilitation loan program funded with Community Development Block Grant funds. Under this program, individuals with incomes below certain level are eligible to receive low interest loans for rehabilitation work on their homes. These loans are secured by deeds of trust and may be amortized over the life of the loans, deferred or a combination of both. As of June 30, 2007 the City has outstanding CDBG rehab loans in the amount of \$767,942.

Eden Senior Housing – In May 2000, the City entered into a Disposition Development Agreement (DDA) with Eden Housing for Union City Senior Village Independent Living Development (Independent Living Development). Through Home Investment Partnership Act program (HOME funds), the City has agreed to provide a loan of \$2,200,000, which Eden can be drawdown as needed. The loan is due in 40 years at 3% interest which will be repaid from residual receipts generated by the project. As of June 30, 2007, Eden Housing has drawn down \$1,801,115 in HOME funds. The City’s Redevelopment Agency has made available up to \$1,800,000 through a development loan for this project. Through June 30, 2007, Eden Housing has drawn down \$1,621,948 from this amount. Repayment of this loan may be forgiven if certain conditions are met; the Agency has recorded an allowance for doubtful accounts in the amount of \$1,621,948.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**3. LOANS RECEIVABLE, Continued**

Small Business Loans – The City has a loan program for individuals with a small business to receive low interest loans for working capital, inventory and improvements to their business. The loans bear interest at 6% and vary in terms from 3-7 years. The loans are secured by the property. At June 2007, the City has two small business loans outstanding in the amount of \$34,315.

Filipino Community of Alvarado and Vicinity – The Agency loaned \$124,235 for the rehabilitation of Holly House and to retain its use as affordable housing and a meeting center of the Filipino Community of Alvarado and the vicinity. The loan is deferred and matures in 2028. The loan bears interest at 7%, which is also deferred. The Agency does not expect to collect the loan and has therefore recorded an allowance for conditional grants for \$124,235.

Empire Hanover – The Agency loaned \$652,218 for improvements for buildings within the Union Landing area. The loan is being repaid in installments commencing in 2003 and maturing 2012. The loan bears interest at 7.5% commencing December 31, 2001. The Agency does not expect to collect the loan and therefore recorded an allowance for doubtful accounts for \$652,218.

MP Mission Associates – On August, 2004, the Agency agreed to provide Mid-Peninsula Mission Associates a loan of \$4,150,000 to build 120 family rental units on Mission Boulevard. The loan is to be repaid in 55 years at 3% interest from residual receipts generated by the project. As of June 30, 2007, the balance of the loan is \$4,150,000.

**4. UNEARNED /DEFERRED REVENUE**

**A. Government-Wide Financial Statements**

Deferred revenues in Government-Wide Financial Statements represent amounts for which revenues have not been earned. At June 30, 2007, deferred revenues in the Government-Wide Financial Statements were as follows:

	Governmental Activities
Unearned Business License Fees	\$ 500,872
Prepaid Recreation Classes and Fees	580,450
<b>Total</b>	<b>\$ 1,081,322</b>

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**4. UNEARNED /DEFERRED REVENUE, Continued**

**B. Fund Financial Statements**

At June 30, 2007, 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:**

	General Fund	CDA Special Revenue	Capital Improvement Capital Project	Non-Major Funds	Total
CDBG Deferred Loans	\$ -	\$ -	\$ -	\$ 766,246	\$ 766,246
Elder Care Alliance Loan	-	1,300,000	-	-	1,300,000
MP Mission Associates Loan	-	4,150,000	-	-	4,150,000
Home Rehabilitation Loan	-	-	-	1,801,115	1,801,115
Unearned Business License Fees	500,872	-	-	-	500,872
Prepaid Recreation Classes and Fees	175,614	-	-	404,836	580,450
Grant Receivables	-	-	1,386,377	-	1,386,377
<b>Total</b>	<b>\$ 676,486</b>	<b>\$ 5,450,000</b>	<b>\$ 1,386,377</b>	<b>\$ 2,972,197</b>	<b>\$ 10,485,060</b>

**5. INTERFUND TRANSACTIONS**

**A. Interfund Receivables / Payables**

The composition of interfund balances as of June 30, 2007, is as follows:

Due to/from Other Funds

The General Fund provides cash flow assistance to various grant funds. As of June 30, 2007, balances of due to/from other funds were as follows:

<b>Due to other funds</b>	<b>Due from other funds</b>		Total
	Non-Major Governmental Funds	Internal Service Funds	
<b>Governmental Funds:</b>			
General Fund	\$ -	\$ 1,509	\$ 1,509
Community Redevelopment Agency Capital Project Fund	-	2,418	2,418
Capital Improvement Capital Projects Fund	-	1,293,869	1,293,869
Non-Major Governmental Funds	1,750	-	1,750
<b>Proprietary Fund:</b>			
Transit Fund	-	234,731	234,731
<b>Total</b>	<b>\$ 1,750</b>	<b>\$ 1,532,527</b>	<b>\$ 1,534,277</b>

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**5. INTERFUND TRANSACTIONS, Continued**

*A. Interfund Receivables/Payables, Continued*

Due to/from Other Funds, Continued

The amounts due to and due from non-major funds represent temporary loans to offset negative cash balances for reporting purposes. The amounts due from the General Fund and The Community Redevelopment Agency Capital Project Fund to Internal Service Funds represent the amounts received from the sale of vehicles that, per Council resolution, are to be deposited in the City's Garage Operations Fund. The amount due from the Capital Improvement Capital Project Fund to the Internal Service Funds represents a temporary loan to offset negative cash balances for reporting purposes. Likewise, the amount due from the Transit Fund to the internal service fund is a temporary loan to offset negative cash for reporting purposes.

Advances To/From

Transfers in/out for the year ended June 30, 2007, were as follows:

Advances from other funds	Advances to other funds
Non-major Governmental Funds	Non-major Governmental Funds
	\$ 177,925
<b>Total</b>	<b>\$ 177,925</b>

Advance from LID 25R to the Special Assessment Debt Service Fund represents the cost of issuance of the 2002 Authority Refund Bonds. Repayment is made from debt service savings recorded in the Public Facilities Authority Debt Service fund.

Transfers In/Out

Transfers in/out for the year ended June 30, 2007, were as follows:

		Transfers In						
		Major Fund				Non-major		
		General Fund	RDA Debt Service Fund	RDA Capital Project Fund	Capital Improvement Capital Project Fund	Governmental Funds	Internal Service Funds	Total
Transfers Out	Governmental Funds:							
	General Fund	\$ -	\$ -	\$ -	\$ 104,890	\$ 1,241,677	\$ 1,509	\$ 1,348,076
	RDA Special Revenue	-	1,319,179	2,760,000	-	-	-	4,079,179
	RDA Debt Service	-	-	10,948,000	-	-	-	10,948,000
	RDA Capital Project Fund	-	-	-	-	-	2,418	2,418
	Non-major funds	915,384	-	-	-	40,000	-	955,384
<b>Total</b>	<b>\$ 915,384</b>	<b>\$ 1,319,179</b>	<b>\$ 13,708,000</b>	<b>\$ 104,890</b>	<b>\$ 1,281,677</b>	<b>\$ 3,927</b>	<b>\$ 17,333,057</b>	

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**5. INTERFUND TRANSACTIONS, Continued**

*A. Interfund Receivables/Payables, Continued*

Transfers In/Out, Continued

Transfer from General Fund to Capital Improvement Fund is in accordance with the adopted budget.

Transfer from RDA Special Revenue Fund to RDA Debt Service Fund was used to pay for low-moderate income housing fund's share of tax allocation bond debt service payment.

Transfer from RDA Debt Service Fund to RDA Capital Projects Fund represents the excess tax increment revenue. Tax increment not required for debt service may be used for any other lawful purpose of the Agency.

Transfers from General Fund and RDA Capital Projects Fund to Garage Operations Fund represents the proceeds from the sale of vehicles to be returned to the City Garage Operations Fund per resolution.

Transfers from Clean Water Fund to General Fund, from Union Landing BPID to General Fund and Pension Obligation Bond Fund to General Fund are in accordance with the adopted budget.

Transfer from RDA Special Revenue Fund to RDA Capital Projects Fund represents repayment of an advance.

Transfers from General Fund to Public Safety Parcel Tax and 911 Emergency Communications Funds were in accordance with the adopted budget.

Transfer from General Fund to Post-employment Medical Benefits Fund represents the equity transfer to establish new fund.

Transfer from Leisure Revolving Fund to General Fund represents funding for a new staff position.

Transfer from State Gas Tax Fund to the Street Lights and Landscaping Fund is to provide funding for the Appian Way Median Landscaping Project.

**6. NET PENSION ASSET**

As discussed in Note 7, in fiscal year 2004, the City issued Pension Obligation Bonds in the amount of \$22,997,973. The proceeds of the bonds were used to prepay the City's unfunded PERS accrued actuarial liability in the amount of \$22,451,490. This prepayment has been recorded on the Statement of Net Assets as a Net Pension Asset. The effect of this prepayment will be reflected in future actuarial reports as that information becomes available from PERS. The Net Pension asset will be amortized as the debt is repaid. During fiscal year 2007, \$97,624 was amortized and recorded as pension expenses.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**6. NET PENSION ASSET, Continued**

As of June 30, 2007, changes in the Net Pension Asset were as follows:

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007
Governmental Activities	\$ 22,422,203	\$ -	\$ (97,624)	\$ 22,324,579

**7. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2007, was as follows:

	Balance July 1, 2006	Additions	Retirements	Transfers	Balance June 30, 2007
<b>Governmental activities:</b>					
Nondepreciable assets:					
Land	\$ 9,985,883	\$ -	\$ -	\$ -	\$ 9,985,883
Construction in progress	27,244,169	23,683,521	-	(16,328,156)	34,599,534
Total nondepreciable assets	<u>37,230,052</u>	<u>23,683,521</u>	<u>-</u>	<u>(16,328,156)</u>	<u>44,585,417</u>
Depreciable assets:					
Infrastructure	197,326,338	-	-	16,328,156	213,654,494
Buildings and improvements	24,306,597	19,960	-	-	24,326,557
Machinery and equipment	15,912,321	1,195,276	(362,402)	-	16,745,195
Total depreciable assets	<u>237,545,256</u>	<u>1,215,236</u>	<u>(362,402)</u>	<u>16,328,156</u>	<u>254,726,246</u>
Less accumulated depreciation:					
Infrastructure	(85,678,252)	(5,232,398)	-	-	(90,910,650)
Buildings and improvements	(12,276,149)	(932,413)	-	-	(13,208,562)
Machinery and equipment	(10,383,961)	(1,339,696)	362,402	-	(11,361,255)
Total accumulated depreciation	<u>(108,338,362)</u>	<u>(7,504,507)</u>	<u>362,402</u>	<u>-</u>	<u>(115,480,467)</u>
Net depreciable assets	<u>129,206,894</u>	<u>(6,289,271)</u>	<u>-</u>	<u>16,328,156</u>	<u>139,245,779</u>
<b>Governmental activities capital assets, net</b>	<u>\$ 166,436,946</u>	<u>\$ 17,394,250</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 183,831,196</u>
<b>Business-type activities:</b>					
Depreciable assets:					
Buildings and improvements	\$ 3,317,419	\$ 16,867	\$ -	\$ -	\$ 3,334,286
Equipment and machinery	4,601,375	137,945	-	-	4,739,320
Total depreciable assets	<u>7,918,794</u>	<u>154,812</u>	<u>-</u>	<u>-</u>	<u>8,073,606</u>
Less accumulated depreciation:					
Buildings and improvements	(730,177)	(149,697)	-	-	(879,874)
Equipment and machinery	(3,417,997)	(215,483)	-	-	(3,633,480)
Total accumulated depreciation	<u>(4,148,174)</u>	<u>(365,180)</u>	<u>-</u>	<u>-</u>	<u>(4,513,354)</u>
Net depreciable assets	<u>3,770,620</u>	<u>(210,368)</u>	<u>-</u>	<u>-</u>	<u>3,560,252</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 3,770,620</u>	<u>\$ (210,368)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,560,252</u>

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**7. CAPITAL ASSETS, Continued**

*A. Depreciation*

Depreciation expense was charged to various governmental functions as follows:

General government	\$	5,597,043
Public safety		824,439
Housing and Community Development		93,815
Recreation and Culture		268,305
Planning and Public Works		720,905
<b>Total depreciation expense - governmental functions</b>	<b>\$</b>	<b>7,504,507</b>

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

Transit	\$	340,008
Paratransit		25,172
<b>Total depreciation expense - business functions</b>	<b>\$</b>	<b>365,180</b>

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**8. LONG-TERM LIABILITIES**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2007:

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007	Amounts Due Within One Year	Amounts Due in More than One Year
<b>Governmental Activities:</b>						
1998 Series A Refunding Bonds 4.000% - 4.800% due serially 2013	\$ 805,000	\$ -	\$ (85,000)	\$ 720,000	\$ 90,000	\$ 630,000
1998 Special Tax Bonds 4.1% - 5.4% due serially 2028	7,165,000	-	(160,000)	7,005,000	170,000	6,835,000
2002 Authority Refunding Revenue Bond 3.000% - 5.900% due serially 2017	5,080,000	-	(320,000)	4,760,000	330,000	4,430,000
2004 Series Pension Obligation Bonds 5.36% - 5.92% due serially 2026	22,967,973	-	(100,000)	22,867,973	170,000	22,697,973
Capital Lease Obligation Equipment lease, 5.99%, due 2010	614,314	-	(140,448)	473,866	148,861	325,005
Capital Lease Obligation Equipment lease, 4.69%, due 2011	-	519,339	(82,900)	436,439	77,720	358,719
Capital Lease Obligation Equipment lease, 4.62%, due 2015	-	1,671,440	(765,000)	906,440	73,635	832,805
1996 Local Limited Obligation Refunding Bonds Improvement District 25R 4.730% - 7.480% due serially 2017	5,037,000	-	(284,000)	4,753,000	300,000	4,453,000
Subtotal	<u>\$ 41,669,287</u>	<u>\$ 2,190,779</u>	<u>\$ (1,937,348)</u>	<u>\$ 41,922,718</u>	<u>\$ 1,360,216</u>	<u>\$ 40,562,502</u>
<b>Community Redevelopment Agency:</b>						
1999 Tax Allocation Bonds 3.875% - 5.750% due 10/1/33	\$ 33,720,000	\$ -	\$ (350,000)	\$ 33,370,000	\$ 365,000	\$ 33,005,000
2001A Tax Allocation Bonds 4.50% - 5.375% due 10/1/34	14,000,000	-	(230,000)	13,770,000	240,000	13,530,000
2001B Tax Allocation Bonds 6.10% - 7.50% due 10/1/34	5,870,000	-	(75,000)	5,795,000	80,000	5,715,000
2003A Refunding Tax Allocation Bonds 2.000% - 4.750% due 10/1/23	14,670,000	-	(610,000)	14,060,000	620,000	13,440,000
2005 Tax Allocation Bonds 4.50% - 4.75% due 10/1/38	31,725,000	-	-	31,725,000	-	31,725,000
Subtotal	<u>99,985,000</u>	<u>-</u>	<u>(1,265,000)</u>	<u>98,720,000</u>	<u>1,305,000</u>	<u>97,415,000</u>
<b>Total Governmental Activity Debt</b>	<u><u>\$ 141,654,287</u></u>	<u><u>\$ 2,190,779</u></u>	<u><u>\$ (3,202,348)</u></u>	<u><u>\$ 140,642,718</u></u>	<u><u>\$ 2,665,216</u></u>	<u><u>\$ 137,977,502</u></u>

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**8. LONG-TERM LIABILITIES, Continued**

Series A Refunding Bonds Tri-City Waste Facilities Financing Authority

On August 18, 1998, Tri-City Waste Facilities Financing Authority, a joint power authority of the Cities of Fremont, Union City and Newark which pursuant to a settlement agreement between the Cities and Waste Management of Alameda County for current and future landfill closing costs, issued \$7,920,000 in refunding bonds. Each of the above Cities in turn issued Bonds to Tri-City with the same interest rates and due dates; these Bonds are unconditional obligations of the Cities. Interest payments are due February 1 and August 1, while principal payments are due August 1, annually until August 2013 which are to be serviced out of disposal rate increases in each City.

1998 Special Tax Bonds Community Facilities District 97-1 (Dyer Street Triangle)

On April 7, 1998, the Community Facilities District (CFD) issued bonds in the amount of \$8,000,000 by vote of the property owners within Dyer Street Triangle to finance the design, acquisition and construction of certain public facilities. Principal payments are payable annually on September 1 and interest payments semi-annually on March 1 and September 1 from special taxes levied on property owners within the Dyer Street Triangle. The bonds in the amount of \$1,825,000 mature through September 1, 2018, and bear interest at the rate of 5.7% term bond. The bonds in the amount of \$4,230,000 mature through September 1, 2028, and bear interest at the rate of 5.8% term bond.

The CFD has agreed with certain property owners to pay or reimburse the special taxes (See Note 16).

2002 Authority Refunding Revenue Bonds Union City Public Facilities Authority (2002 Authority Revenue Bonds)

On January 10, 2002, the Authority issued bonds in the amount of \$6,095,000 to refund the outstanding 1996 Authority Revenue Bonds Union City Public Facilities Authority. The 1996 Authority Revenue Bonds were used to acquire local obligations of Local Improvement District 25R. Principal Payments are payable annually on September 2 and interest payments semi-annually on March 2 and September 2 from property tax revenues from LID 25R. The bonds in the amount of \$2,060,000 mature through September 2, 2017, and bear interest at the rate of 5.9% term bond.

2004 Pension Obligations Bonds

On June 17, 2004, the City issued bonds in the amount of \$22,997,973 to fund a portion of the City's unfunded accrued actuarial liability to the California Public Employees' Retirement System (PERS). Interest payments are payable semi-annually on January 1 and July 1. The bonds comprise of \$21,475,000 of current interest bonds and \$1,522,973 of capital appreciation bonds. The bonds in the amount of \$3,920,000 mature through July 1, 2014, and bear interest at the rate of 5.36% term bond. The bonds in the amount of \$6,335,000 mature through July 1, 2019, and bear interest at the rate of 5.71% term bond. The bonds in the amount of \$11,220,000 mature through July 1, 2026, and bear interest at the rate of 5.92% term bond. The accreted values of the appreciation bonds are \$3,015,000 and \$3,140,000 which is due July 1, 2025 and 2026. The bonds are funded by the City's general revenue. The bonds are insured by MBIA Insurance Corporation.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**8. LONG-TERM LIABILITIES, Continued**

Capital Lease Obligations

The City entered into capital lease obligations for the acquisition of fire equipment defined in the leasing agreement. Equipment is leased to the City for lease payments, which will be sufficient to meet the debt service obligations of the leasing arrangement. At the termination of the leasing arrangement, title to the equipment will pass to the City. Because they are similar to debt, the present value of total payments to be made by the City is recorded as long-term debt.

On August 29, 2006, the City entered into another capital lease obligation to finance the acquisition of fire apparatus, as defined in the leasing agreement. Equipment is leased to the City for lease payments, which will be sufficient to meet the debt service obligations of the leasing arrangement. In ten years, at the end of the leasing period, title to the equipment will pass to the City. Because they are similar to debt, the present value of total payments to be made by the City is recorded as long-term debt.

On May 11, 2006, the City entered into a lease agreement for the acquisition of a voice-over internet protocol phone system. The term of the lease is six years. The equipment is leased to the City for lease payments, which will be sufficient to meet the debt service obligations of the leasing arrangement. At the end of the leasing period, title to the equipment will pass to the City. Because they are similar to debt, the present value of total payments to be made by the City is recorded as long-term debt.

Special Assessment Debt with City Commitment – 1996 Limited Obligation Refunding Bonds Local Improvement District 25R

Special assessment districts exist in the City to provide improvements to properties located within 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 a receivable and a deferred revenue at the time the related debt is issued, and is reduced as assessments are collected.

The City is committed to be the purchaser of last resort to advance available City funds to repay this debt in the event of default by any property owners of these districts. However, as of June 30, 2007, the property owners had remitted funds to pay off this debt at the next scheduled payment date. The City accounts for resources available to pay special assessment debt in its Special Assessment Bond Debt Service Fund.

On April 25, 1996, Union City Local Improvement District 25R issued bonds amounted to \$6,950,000. Subsequently, the Union City Public Financing Authority purchased the Bonds by issuing the 1996 Authority Revenue Bonds. In 2002, the 1996 Authority Revenue Bonds was refunded by the 2002 Authority Refunding Revenue Bonds as discussed above. Principal payments of the 1996 Limited Obligation Refund Bonds are payable annually on September 2<sup>nd</sup> and interest payments semi-annually on March 2<sup>nd</sup> and September 2<sup>nd</sup> from property tax revenues within the district.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**8. LONG-TERM LIABILITIES, Continued**

1999 Community Redevelopment Agency Tax Allocation Bonds

On August 1, 1999, the Agency issued bonds in the amount of \$35,205,000 to fund various agency projects. Principal and payments are payable annually on October 1 and interest payments semi-annually on April 1 and October 1 from the Agency's tax increment revenues. The bonds in the amount of \$21,100,000 mature through October 1, 2032, and bear interest at the rate of 5.75% term bond. The bonds in the amount of \$5,250,000 mature through October 1, 2033, and bear interest at the rate of 5.75% term bond. In lieu of a reserve fund, the Bonds are secured by a Surety Bond issued by AMBAC Assurance Corporation.

2001 Series A Community Redevelopment Agency Tax Allocation Bonds

On May 1, 2001, the Agency issued bonds in the amount of \$14,635,000 to fund various Agency Projects. Principal payments are payable annually on October 1 and interest payments semi-annually on April 1 and October 1 from Agency's tax increment revenues. The bonds in the amount of \$765,000 mature through October 1, 2022, and bear interest at the rate of 5.25% term bond. The bonds in the amount of \$1,560,000 mature through October 1, 2027, and bear interest at the rate of 5% term bond. The bonds in the amount of \$2,470,000 mature through October 1, 2033, and bear interest at the rate of 5.25% term bond. The bonds in the amount of \$7,000,000 mature through October 1, 2034, and bear interest at the rate of 5.375% term bond. In lieu of a reserve fund, the Bonds are secured by Surety Bond issued by AMBAC Assurance Corporation.

2001 Series B Taxable Community Redevelopment Agency Tax Allocation Bonds

On May 1, 2001, the Agency issued bonds in the amount of \$10,430,000 to fund various Agency Projects. Principal payments are payable annually on October 1 and interest payments semi-annually on April 1 and October 1 from Agency's tax increment revenues. The bonds in the amount of \$725,000 mature through October 1, 2021, and bear interest at the rate of 7% term bond. The bonds in the amount of \$1,230,000 mature through October 1, 2026, and bear interest at the rate of 7.10% term bond. The bonds in the amount of \$2,610,000 mature through October 1, 2033, and bear interest at the rate of 7.25% term bond. The bonds in the amount of \$4,300,000 mature through October 1, 2034, and bear interest at the rate of 7.25% term bond. In lieu of a reserve fund, the Bonds are secured by a surety Bond issued by AMBAC Assurance Corporation.

2003A Community Redevelopment Agency Refunding Tax Allocation Bonds

On January 9, 2003, the Agency issued bonds in the amount of \$16,630,000 to refund the 1993 Community Redevelopment Project Tax Allocation Bonds and fund various Agency Projects. Principal payments are payable annually on October 1 and interest payments semi-annually on April 1 and October 1 from Agency's tax increment revenues. In lieu of a reserve fund, the Bonds are secured by a Surety Bond issued by AMBAC Assurance Corporation. As of June 30, 2007, the 1993 Bonds are considered defeased and have an outstanding balance of \$13,045,000.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**8. LONG-TERM LIABILITIES, Continued**

2005 Community Redevelopment Agency Tax Allocation Bonds

On January 14, 2005, the Agency issued bonds in the amount of \$31,725,000 to fund various Agency Projects. Interest payments are payable semi-annually on April 1 and October 1. The bonds in the amount of \$19,595,000 mature through October 1, 2036, and bear interest at the rate of 4.50% term bond. The bonds in the amount of \$12,130,000 mature through October 1, 2038, and bear interest at the rate of 4.75% term bond. The bonds are funded by the Agency's tax increment revenues. In lieu of a reserve fund, the Bonds are secured by a Surety Bond issued by AMBAC Assurance Corporation.

The following schedule illustrates the debt service requirements to maturity for governmental activities as of June 30, 2007:

Year Ending June 30, 2007	Special Tax Bonds		Authority Refunding Bonds		Pension Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2008	\$ 170,000	\$ 394,616	\$ 720,000	\$ 624,937	\$ 170,000	\$ 1,229,097
2009	180,000	385,776	767,000	585,075	240,000	1,219,985
2010	190,000	376,246	808,000	541,082	320,000	1,207,121
2011	200,000	366,006	858,000	493,576	410,000	1,189,969
2012	210,000	355,035	904,000	417,895	500,000	1,167,993
2013-2017	1,230,000	1,579,530	5,016,000	1,227,726	4,210,000	5,317,487
2018-2022	1,620,000	1,173,898	1,160,000	38,960	8,065,000	3,723,057
2023-2027	2,155,000	630,895	-	-	8,952,973	5,541,931
2028-2029	1,050,000	61,770	-	-		
<b>Total</b>	<b>\$ 7,005,000</b>	<b>\$ 5,323,772</b>	<b>\$ 10,233,000</b>	<b>\$ 3,929,251</b>	<b>\$ 22,867,973</b>	<b>\$ 20,596,640</b>

Year Ending June 30, 2007	Capital Lease Obligation		Tax Allocation Bonds	
	Principal	Interest	Principal	Interest
2008	\$ 300,216	\$ 102,589	\$ 1,305,000	\$ 5,026,189
2009	329,537	75,455	1,355,000	4,978,172
2010	347,068	57,924	1,400,000	4,924,506
2011	188,300	39,447	1,460,000	4,866,776
2012	197,158	30,589	1,525,000	4,803,315
2013-2017	454,466	54,507	8,760,000	22,904,048
2018-2022	-	-	11,135,000	20,531,297
2023-2027	-	-	14,395,000	17,269,377
2028-2032	-	-	19,360,000	12,645,910
2033-2037	-	-	25,895,000	6,607,483
2038-2040	-	-	12,130,000	870,913
<b>Total</b>	<b>\$ 1,816,745</b>	<b>\$ 360,511</b>	<b>\$ 98,720,000</b>	<b>\$ 105,427,986</b>

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**8. LONG-TERM LIABILITIES, Continued**

*Summary of Long Term Debt without City commitment*

**Greenhaven Apartments Project – Multifamily Mortgage Revenue Bonds**

The City assisted Lincoln Fair Ranch Associates Limited of the Greenhaven Apartments Project in the issuance of multifamily housing revenue bonds to provide 250 dwelling units in the City, the City requires that twenty percent of the unites be reserved for low-income households. These bonds are secured by a First Deed of Trust on the project and by Fannie Mae, and are payable solely out of revenues from the project. Neither the faith and credit nor the taxing power of the City, the State, or any political subdivision thereof are pledged for the payment of the principal of interest on the bonds, The outstanding balance due on these bonds of June 30, 2007 was \$10,975,000.

**Sierra Green Apartments Projects – Multifamily Mortgage Revenue Bonds**

The City assisted Lincoln-FS Seven Hills Limited Partnership of the Sierra Green Apartments Project in the issuance of multifamily housing revenue bonds. To provide 152 dwelling units in the City. The City requires that twenty percent of the units be reserved for low-income households. These bonds are secured by a First Deed of Trust on the project and by Fannie Mae, and are payable solely out of revenues from the project. Neither the faith and credit nor the taxing power of the city, the State, of any political subdivision thereof are pledged for the payment of the principal or interest on the bonds. The outstanding balance due on these bonds at June 30, 2007 was \$9,500,000.

**Skylark Apartments Project – Multifamily Mortgage Revenue Bonds**

The City assisted Lincoln Skylark Limited Partnership of the Sierra Green Apartments project in the issuance of multifamily housing revenue bonds. The project to provide 174 dwelling units in the City. The City requires that twenty percent of the dwelling units be reserved for low-income households. These bonds are secured by a First Deed of Trust on the project and by Fannie Mae, and are payable solely out of revenues from the project. Neither the faith and credit nor the taxing power of the City, the State, or any political subdivision thereof are pledged for the payment of the principal or interest on the bonds. The outstanding balance due on these bonds at June 30, 2007 was \$11,790,000.

**9. COMPENSATED ABSENCES**

The City records a liability to recognize the financial effect of unused vacation and other compensated absences. The total of vacation and other compensated absences is \$2,443,765.

	Balance July 1, 2006	Additions	Deletions	Balance June 30, 2007	Due Within One Year
<b>Governmental Activites</b>	\$ 2,184,124	\$ 2,142,761	\$ (1,931,994)	\$ 2,394,891	\$ 1,618,811
<b>Business-Type Activites</b>	\$ 35,099	\$ 35,821	\$ (22,046)	\$ 48,874	\$ 14,396

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**10. FUND BALANCES**

*A. Reservations of Governmental Fund Balances*

Governmental fund balances represent the net current asset of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities. Portions of a fund's balance may be reserved or designated for future expenditures.

Reserves are restrictions placed by outside entities, such as other governments, which restrict the expenditures of the reserved funds to the purpose intended by the entity, which provided the funds. The City cannot modify or remove these restrictions or reserves.

Reserved for advances to other funds - The portion of fund balance that is not available for current expenditure because of the long-term nature of these advances.

Reserved for debt service - The portion of fund balance legally restricted for the payment of principal and interest on long-term liabilities.

Reserved for DIPSA development - The portion of fund balance for public safety facilities and equipment and infrastructure improvements.

Reserved for encumbrances - The portion of fund balance set aside for open purchase orders.

Reserved for low-and-moderate-income-housing - The portion of fund balance to be used for providing low and moderate income housing.

Reserved for Capital Project - The portion of fund balance established to allow the City Council to identify and fund capital projects what will benefit the City.

Reserved for loans receivable, prepaid items and condemnation deposits, property held for resale - The portion of fund balance set aside to indicate these items do not represent available, spendable resources even though they are a component of assets.

Reserved for 511 plan area - The portion of fund balance restricted for public works and public safety equipment and infrastructure improvements in the 511 Plan Area.

Reserved for contributions to 911 Emergency Communication System Fund - The portion of fund balance restricted, by resolution, to provide for General Fund's support of capital improvements in the activities of the 911 Emergency Communications System Fund.

Reserved for recycling program - The portion of fund balance for waste impact mitigation program (reducing landfill disposal) required by the Alameda County Waste Management Authority.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**10. FUND BALANCES, Continued**

**B. Designations of Governmental Fund Balances**

Designations are imposed by City Council to reflect future spending plans or concerns about the availability of future resources. Designations may be modified, amended or removed by Council action.

Designated for economic uncertainty - Amounts are set aside as protection against fluctuating economic conditions.

Designated for compensated absences - Amounts set aside for payment of vacation and other eligible compensatory time off.

Designated for litigation contingency - Amounts set aside for expenditures related to specific legal matters approved by City Council.

Designated for underground utility - Amounts are set aside for undergrounding utilities projects.

	General	Redevelopment Special Revenue	Redevelopment Debt Service	Redevelopment Capital Project	Capital Improvement Capital Project Fund	Non-Major Governmental Funds	Total Governmental Funds
<b>Fund Balances:</b>							
Reserved:							
Advances to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 121,010	\$ 121,010
Debt service	-	-	3,095,356	-	-	15,778,051	18,873,407
DIPSA development	-	-	-	-	-	5,469,675	5,469,675
Encumbrances	1,073,674	-	-	7,403,059	69,451	2,475,156	11,021,340
Low and moderate income housing	-	5,706,899	-	-	-	-	5,706,899
Capital Project	500,000	-	-	-	-	-	500,000
Loans receivable	34,315	515,016	-	-	-	-	549,331
Prepaid items and condemnation deposits	183,740	10	-	4,667	-	136,748	325,165
511 area	-	-	-	-	-	2,301	2,301
Property held for resale	-	1,871,715	-	31,133,536	-	1,681,848	34,687,099
Contribution to 911 Emergency Comm. System	454,316	-	-	-	-	-	454,316
Recycling program	-	-	-	-	-	1,185,892	1,185,892
<b>Total reserved</b>	<b>2,246,045</b>	<b>8,093,640</b>	<b>3,095,356</b>	<b>38,541,262</b>	<b>69,451</b>	<b>26,850,681</b>	<b>78,896,435</b>
Unreserved:							
Designated,							
Designated for economic uncertainty	2,908,993	-	-	-	-	-	2,908,993
Designated for compensated absences	387,905	-	-	-	-	14,972	402,877
Designated for litigation contingency	263,288	-	-	-	-	-	263,288
Designated for capital projects	-	-	-	8,449,638	-	-	8,449,638
Designated for underground utility	-	-	-	-	261,431	-	261,431
Undesignated, reported in:							
General fund	4,058,385	-	-	-	-	-	4,058,385
Special revenue funds	-	-	-	-	-	17,294,603	17,294,603
Capital projects funds	-	-	-	-	(1,546,341)	1,207,601	(338,740)
<b>Total fund balances</b>	<b>\$ 9,864,616</b>	<b>\$ 8,093,640</b>	<b>\$ 3,095,356</b>	<b>\$ 46,990,900</b>	<b>\$ (1,215,459)</b>	<b>\$ 45,367,857</b>	<b>\$ 112,196,910</b>

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**11. RISK MANAGEMENT**

The City is a member for the Bay Cities Joint Powers Insurance Authority (BCJPIA). The Authority provides coverage against the following types for loss risks under the terms of a joint-powers agreement with the City and several other cities and governmental agencies:

The City has insurance for employment practices liability with coverage of \$1,000,000, including the City's self-insured retention of \$75,000, property with coverage at the replacement value of the property with a limit of \$100,000 including the City's deductible of \$10,000, and auto and physical damage with coverage of \$25,000 including the City's deductible of \$1,000 and general liability with coverage of \$19,000,000 including City's self-insured retention of \$100,000.

The City has workers' compensation insurance with coverage up to \$200,000,000. The City has a self-insured retention up to \$150,000 per claim.

The BCJPIA is governed by a Board consisting of representatives from member agencies. The Board controls the operations of the BCJPIA, including selection of management and approval of operating budgets, independent of any influence by member agencies beyond their representation on the Board.

The City's deposits with the Authority are in accordance with formulas established by the Authority. 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.

Financial statements for the risk pools may be obtained from BCJPIA 1831 K Street, Sacramento, CA 95814.

For years ended June 30, 2007, 2006 and 2005, the amount of settlements did not exceed insurance coverage.

***Insurance Internal Service Funds***

The City's liability for uninsured general liability claims, including claims incurred but not reported is reported in the General Liability Self-Insurance Internal Service Fund. Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed, above, the City has coverage for such claims, but it has retained the risk for the deductible, or uninsured portion of these claims. The liability is based on an independent actuarial study prepared biennially and was computed as follows for the year ended June 30, 2007:

Balance as of June 30,	Beginning of Year Liability	Claims and Changes in Estimates	Claim Payments	End of Year Liability
2007	\$ 231,937	\$ 308,442	\$ (244,389)	\$ 295,990
2006	386,771	336,093	(490,927)	231,937
2005	500,000	259,063	(372,292)	386,771

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**11. RISK MANAGEMENT, Continued**

*Insurance Internal Service Funds, Continued*

The change in the Workers' Compensation Self-Insurance Internal Service Fund's claims liability, including claims incurred but not reported is based on historical trend information and was computed as follows at June 30, 2007:

Balance as of June 30,	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments for Current and Prior Years	End of Year Liability
2007	\$ 3,063,039	\$ 397,311	\$ (437,957)	\$ 3,022,393
2006	2,656,643	1,961,009	(1,554,613)	3,063,039
2005	2,500,599	236,268	(80,224)	2,656,643

**12. DEFINED BENEFIT PENSION PLAN**

*A. California Public Employees' Retirement Plan (PERS)*

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 retirement 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. 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 Q Street, Sacramento, California 95814.

Funding Policy - Active members are required by State statute to contribute 8% of their annual salary if a miscellaneous member, and 9% if a safety member. The City employer makes the contributions required of City employees on their behalf and for their account, which amounted to \$2,248,703 for the year ended June 30, 2007. The City's employer required contributions rate for Safety employees was 15.536%, and for Miscellaneous employees was 14.550% for the fiscal year.

Annual Pension Cost - For 2006-2007, the City's annual pension cost of \$6,124,381 for PERS was equal to the City's required and actual contributions. The required contribution was determined as part of the June 30, 2004, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions included (a) 7.75% investment rate of return (net of administrative expenses), (b) projected salary increases range from 3.25% to 14.45% for miscellaneous employees and 3.25% to 13.15% for safety employees depending on age, service, and type of employment, and (c) 3.25% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 3.00%. 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 a three year period. PERS unfunded actuarial liability (or surplus) is being amortized as a level percentage of projected payroll on a closed basis. The average remaining amortization period as of June 30, 2004 was 15 years for safety employees and 18 years for miscellaneous employees for prior and current service unfunded liability.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**12. DEFINED BENEFIT PENSION PLAN, Continued**

*A. California Public Employees' Retirement Plan (PERS), Continued*

**THREE-YEAR TREND INFORMATION FOR PERS**

Fiscal Year	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2005	\$ 4,962,368	100%	\$ -
6/30/2006	5,706,947	100%	-
6/30/2007	6,124,381	100%	-

**13. POST EMPLOYMENT HEALTH CARE BENEFITS**

Effective July 1, 1999, each member of the Police Officers Association contributes \$20 per pay period to the Police Officers Association Agency Fund to be used for retiree health care benefits. The City contributes a matching contribution of \$20 per employee per pay period to the fund. The benefit provisions and obligations to contribute are established in the Police Officer's Association Memorandum of Understanding. As of June 30, 31 retired employees received these healthcare benefits. The contributions made in current year totaled \$192,706.

Beginning July 1, 2001, future retired members of IAFF Local 1946 will receive a benefit of \$16 per month each month towards their retiree medical cost. This amount was increased to \$320 per month effective January 1, 2004. As of June 30, 2007, there are no retired firefighters receiving this benefit.

In addition, miscellaneous retirees in PERS received a retiree medical benefit of \$5.01 per month effective January 1, 2004 which increased to \$7.43 per month on January 1, 2005; to \$10.66 per month effective January 1, 2006 and to \$12.30 per month on January 1, 2007. Union City uses the Unequal Retiree Contribution rates for calculating retiree medical benefit for non-public safety employees.

**14. CONTRACTUAL AND STATUTORY PASS THROUGH PAYMENTS**

As part of the Redevelopment Agency Plan adoption, the Agency entered into agreements with various taxing entities which require the Agency to pass through portions of Project Area incremental property taxes to each taxing entity. In addition, the Agency is required to make certain statutory pass-through payments. Total pass-through payments amounted to \$608,296 for the year ended June 30, 2007.

**15. COMMITMENTS AND CONTINGENT LIABILITIES**

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is one pending litigation which could have a material adverse effect on the financial position of the City should the City fail to prevail in court. Verizon, et. al. have challenged the City's right to impose a 911 emergency communication fee. The fee generates \$2.6 million in revenues each year.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**15. COMMITMENTS AND CONTINGENT LIABILITIES, Continued**

The City participates in Federal, State and local grant programs. These programs has been audited through fiscal year ended June 30, 2007 by the City's independent accountants in accordance with the provisions of the Federal Single Audit Act of 1984 including 1996 amendments 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 which could be disallowed by the granting agencies cannot be determined at this time.

**16. DEVELOPMENT AND PARTICIPATION AGREEMENTS**

**A. MP Mission Associates**

On May 24, 2004, the Agency signed the First Amended and Restated Disposition, Development and Loan Agreement (DDLA) with MP Mission Associates, a California Limited Partnership (MPMA). The DDLA provides for the development of 120 rental units of affordable housing and approximately three thousands square feet of ground floor retail space. The Agency agreed to sell 4.7 acres to MPMA for \$1. In addition, the Agency agreed to provide MPMA a \$4,150,000 loan to be repaid from residual receipts. The unpaid balance of the loan may be forgiven on the 55<sup>th</sup> anniversary of the completion of the project if certain terms are met. This project was completed in April 2006.

**B. Union Landing (Dyer Street Triangle)**

The Agency's 5-year Implementation Plan provides for street and infrastructure improvements, additional parking, business recruitment and retention, acquisition of property to be developed as a transit center and public plaza in the Union Landing area. The transit center was completed in fiscal year 2004. Construction of Union Landing Boulevard widening was completed during fiscal year 2005.

In 1998, the City formed a Community Facilities District, which is within the Agency Project area, in the Dyer Street Triangle and issued \$8,000,000 of CFD No.97-1, 1998 Special Tax Bonds (1998 Bonds). The 1998 Bonds are for the design, acquisition and construction of public facilities within the District. The 1998 Bonds are repaid from the special taxes levied on property within the District.

The Agency agreed with the following property owners in the District, through Owner Participation Agreements (OPA), to pay or reimburse them for any special taxes assessed given certain conditions. During fiscal year 2007 the Agency paid \$434,241 pursuant to these OPAs. The OPAs are as follows:

*Pappas OPA*

In December 1997, the Agency approved an OPA with Pappas Union City LP, and Louie J. Papas and Voula L. Pappas, whereby Pappas would redevelop certain parcels within the Agency project area. Pappas also provided property to the Agency for road improvements to Dyer Street and Union Landing Drive.

The Pappas OPA provides that the Agency will pay for the special taxes levied on Pappas by the 1998 Bonds or for any fees associated with road improvements. The Agency pledged tax increment revenue to pay for the special taxes levied on Pappas. The pledge is subordinate to Agency's bonds or other obligations secured by tax increment.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**16. DEVELOPMENT AND PARTICIPATION AGREEMENTS, Continued**

***B. Union Landing (Dyer Street Triangle), Continued***

*Syufy OPA*

In October 1997, the Agency approved and amended an OPA with Sycal Properties Inc. and Syufy Enterprises, whereby Syufy would demolish the drive-in theater and redevelop the subject property. Syufy also provided property to the Agency for road improvements to Dyer Street and Union Landing Drive.

The Syufy OPA provides that the Agency will pay for the special taxes levied on them by the 1998 Bonds or for any fees associated with road improvements. The Agency pledged tax increment revenue to pay for the special taxes levied on Syufy. The pledge is subordinate to Agency's bonds or other obligations secured by tax increment.

***C. Pacific States Steel Corporation (PSSC)***

In July 1998, the Agency entered into a PSSC Plant Site Remediation Agreement with a developer, whereby the Agency agreed to fund the completion of hazardous materials remediation of the PSSC property and the developer would complete the redevelopment of the property. The Agency's financial obligations under the Agreement were conditioned on the developer's acquisition of a 61-acre portion of the PSSC property. The estimated cost of remediation of areas contaminated by toxic and hazardous substance was \$15,250,000.

On January 1, 2003, the Agency authorized an OPA with PSSC that relieved the Agency of all remediation obligations under the previous Agreement. The OPA was incorporated in to the 2003 Amended organization Plan which was approved by the courts on June 13, 2003. As part of the PSSC's obligation to the Agency, PSSC agreed to pay the Agency \$1.2 million towards its ongoing expenses under the Plan. As of June 30, 2007, the Agency has received the full amount due under this agreement.

The OPA obligated the Agency to attempt to acquire the adjoining 30-acre PG&E site, which would provide access to the PSSC site. PG&E executed the Purchase Agreement for the PG&E site on June 18, 2003, for the purchase price of \$18,076,000. Before sale was completed, the site had to receive an environmental clearance letter from the Department of Toxic Substances Control, approval of the federal bankruptcy court, and the California Public Utilities Commission. All obligations of the Agreement had been fulfilled by December 7, 2003 and the Agency took possession of the property in January 2004. The entire PSSC site has been remediated. The developer has completed and sold 119 luxury single-family homes on this site and has begun construction of 218 townhomes.

***D. Union City Senior Village***

In conjunction with the Ralph and Mary Ruggieri Senior Center and the Rosewood Terrace affordable senior housing development, the Agency has continued to contribute towards the completion of the "Senior Village" site on Alvarado-Niles Road. The first two recently completed facilities are as follows:

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**16. DEVELOPMENT AND PARTICIPATION AGREEMENTS, Continued**

*D. Union City Senior Village, Continued*

*Elder Care Alliance*

On February 24, 2004 the Agency entered into an Amended and Restated Disposition Development and Loan Agreement (DDLA) with Elder Care for Union City Senior Village Assisted Living Development. The DDLA, provides that the Agency sell to the Developer 1.5 acres, for \$1 to construct an Assisted Living Development. The Assisted Living Development is for 71 assisted-living senior households and 24 senior households with dementia special care needs. The Agency granted Elder Care \$1,350,000 for construction costs for the Assisted Living Development. The Agency also assisted by issuing conduit Cal-Mortgage Bonds for \$14,470,000, which is repayable by Elder Care.

The Agency borrowed from California Housing Finance Agency (CHFA) under Housing Enabled by Local Partnership program (HELP) in the amount of \$1,300,000, which it then loaned to the Elder Care for construction of the Assisted Living Development. The term of the loans is 10 years. The Agency is contingently obligated to repay the loan at 3% simple interest if Elder Care does not have sufficient income to repay the loan.

The project was completed in October 2005.

*E. Empire Hanover*

In September 2001, the Agency approved an OPA with Empire Hanover Union City, LLC to make rehabilitation improvements to existing buildings in the Union Landing area in accordance with the Agency's 5-year Implementation Plan. In accordance with this OPA, a loan of \$652,218 was made to Empire Hanover Union City in June 2002. The loan is due no later than March 1, 2012.

**17. TAX INCREMENT SHIFT TO EDUCATIONAL REVENUE AUGMENTATION FUND (ERAF)**

During 2004 the State of California directed that a portion of the incremental property taxes which had been received in prior years by redevelopment agencies be paid instead to local educational agencies. This shift of tax increment to the ERAF ended with the 2006-07 fiscal year.

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

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**18. EXPENDITURES OVER APPROPRIATIONS**

The following funds had an excess of expenditures over appropriations, but had adequate resources to cover the excess:

<b>Major Funds:</b>	
General Fund	\$ 1,835,098
Community Redevelopment Debt Service	454
<b>Non-Major Funds:</b>	
Fire Equipment Acquisition	120,000
Solid Waste Management	889,766
Public Facilities Authority Debt Service Fund	40,764
Community Facilities District Capital Projects	39,471

The excess of expenditures over appropriations in the General Fund is related to transactions for a new capital lease. During the year, the General Fund entered into a lease agreement to acquire fire equipment apparatus. Both the full value of the lease, \$1,671,440, and the actual principal payment on the lease, \$520,000, were recorded as expenditures. These amounts were offset by recording lease proceeds as another financing source and by the receipt of funds from the City's Community Redevelopment Agency as their contribution towards this project.

The excess of expenditures over appropriations in the Community Redevelopment Agency's Debt Service Fund was caused by payments made to other taxing agencies (pass-through payments) in amounts greater than anticipated.

The excess of expenditures over appropriations in the Fire Equipment Acquisition Fund was due to the debt service payment on a new lease for the acquisition of fire apparatus.

The excess of expenditures over appropriations in the Solid Waste Management Fund are due to a recycling subsidy paid to the City's current refuse collector and a settlement payment made to the City's previous refuse collector.

The excess of expenditures over appropriations in the Public Facilities Authority Debt Service Fund is because actual fiscal charges were greater than the amount anticipated.

The excess of expenditures over appropriations in Community Facilities District Capital Project fund is due to expenditures made for landscaping and an engineering study in the District.

**19. DEFICIT NET ASSETS AND FUND BALANCES**

At June 30, 2007, the following fund had a deficit fund balance which will be eliminated through the reduction of expenditures and/or the use of new funding sources:

<u>Funds</u>	<u>Fund Balance</u>
Capital Improvement Capital Project Fund	\$ (1,215,459)

**City of Union City**  
**Notes to Basic Financial Statements, Continued**  
**For the year ended June 30, 2007**

**20. PRIOR PERIOD ADJUSTMENTS**

The City recorded a prior period adjustment to correct the grant revenue that was not recorded in fiscal years 2004-2006 in the amount of \$2,172,201.

Government-Wide Financial Statements

	Net Assets, as Previously Reported	Prior Period Adjustment <u>Grant</u> <u>Revenues</u>	Net Assets, as Restated
<b>Governmental Activities</b>			
Net assets	\$ 173,596,429	\$ 2,172,201	\$ 175,768,630

Fund Financial Statements

	Fund Balance, as Previously Reported	Prior Period Adjustment <u>Grant</u> <u>Revenues</u>	Fund Balance, as Restated
<b>Governmental Fund</b>			
Community Redevelopment Agency Capital Projects Fund	\$ 43,785,783	\$ 2,172,201	\$ 45,957,984

**21. SUBSEQUENT EVENTS**

Issuance of Refunding Tax Allocation Bonds, Series 2007

On July 11, 2007, the Community Redevelopment Agency of the City of Union City (the Agency) issued the Refunding Tax Allocation Bonds, Series 2007 in the amount of \$32,905,000 to refund a portion of the Agency's outstanding Tax Allocation Bonds, Series 1999. Principal Payments are payable annually on October 1, and interest payments semi-annually on April 1 and October 1 from the Agency's tax increment revenues. The bonds mature through October 1, 2024, and bear interest at the rate of 4%-5% term bond.

Budget Amendment to FY 06/07 Budget

On September 25, 2007, The City Council amended the Expenditure and Revenue Budgets for Fiscal Year 2006/07. The budget adjustments to the General Fund's expenditures and revenues were \$408,100 and \$251,700 respectively. The budget adjustments to the other funds' expenditures and revenues were \$6,663,100 and \$9,452,900 respectively.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**City of Union City**  
**Required Supplementary Information**  
**For the year ended June 30, 2007**

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**1. BUDGETARY BASIS OF ACCOUNTING**

*A. Budgetary Control and Budgetary Accounting*

The City Council adopts a two-year operating budget for the General Fund, Special Revenue funds and Debt Service funds. Each year the operating budget is effective July 1 and lapses the following June 30. Budgets are adopted on a basis consistent with generally accepted accounting principles. The budget is controlled at the department level in the General Fund and at the fund level for all other funds. For fiscal year 2006-07, the following Special Revenue funds did not have an adopted budget: Allied Waste Vehicle Impact and CFD 2005-1. The City's five-year capital improvement plan serves as the basis for the capital project budgets. Appropriations for Capital Project Funds are approved at the same time operating budgets are adopted. These appropriations are made in the fiscal year the capital project is scheduled to commence and are effective for the life of the project. Amendments to capital budgets may be approved by Council at any time during the project's life. As a result, budget to actual schedules are not presented.

The City Council may amend the budget by resolution during the fiscal year. The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revisions which alter the total appropriations of any fund must be approved by the City Council. Transfers between funds must be approved by the City Council. There were certain amendments made to the budget during the year for changes in employee compensation plans and to address variances between the original budget and actual activities. These adjustments are reflected in the final budget information presented in the comparison schedules.

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 forward into the following fiscal year.

**City of Union City**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2007**

**1. BUDGETARY BASIS OF ACCOUNTING, Continued**

The following are the budget comparison schedules for General Fund, Special Revenue major Governmental Funds.

Budgetary Comparison Schedule, General Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES:</b>				
Taxes and assessments	\$ 26,133,253	\$ 26,698,246	\$ 27,991,594	\$ 1,293,348
Licences, permits and fees	2,051,800	2,081,900	2,268,896	186,996
Fines and forfeitures	935,286	835,300	818,384	(16,916)
Intergovernmental	1,396,100	2,038,934	1,805,312	(233,622)
Charges for services	2,032,800	1,946,496	2,024,588	78,092
Investment income	482,400	564,600	1,310,984	746,384
Other	174,350	402,750	1,559,113	1,156,363
<b>Total revenues</b>	<b>33,205,989</b>	<b>34,568,226</b>	<b>37,778,871</b>	<b>3,210,645</b>
<b>EXPENDITURES:</b>				
Current:				
City council	209,023	211,035	211,031	4
City manager	495,544	571,772	548,532	23,240
City attorney	500,000	606,400	655,915	(49,515)
City clerk	329,035	351,337	297,511	53,826
Administrative services	3,992,662	4,000,466	3,831,978	168,488
Police	12,925,958	14,103,752	13,800,189	303,563
Fire	8,756,216	9,347,845	9,700,688	(352,843)
Recreation and culture	1,659,271	2,150,703	2,036,277	114,426
Planning and public works	1,385,536	1,585,865	1,676,457	(90,592)
Public works	3,940,210	3,907,543	3,882,460	25,083
Capital outlay	22,100	57,618	1,738,396	(1,680,778)
Debt service:				
Principal payment	-	170,000	520,000	(350,000)
<b>Total expenditures</b>	<b>34,215,555</b>	<b>37,064,336</b>	<b>38,899,434</b>	<b>(1,835,098)</b>
<b>REVENUE OVER (UNDER) EXPENDITURE:</b>	<b>(1,009,566)</b>	<b>(2,496,110)</b>	<b>(1,120,563)</b>	<b>1,375,547</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from lease financing	-	-	1,671,440	1,671,440
Proceeds from the sale of assets	-	623,300	624,762	1,462
Transfers in	900,540	915,424	915,384	(40)
Transfers out	(265,993)	(1,790,883)	(1,348,076)	442,807
<b>Total other financing sources (uses)</b>	<b>634,547</b>	<b>(252,159)</b>	<b>1,863,510</b>	<b>2,115,669</b>
<b>Net change in fund balances</b>	<b>\$ (375,019)</b>	<b>\$ (2,748,269)</b>	<b>742,947</b>	<b>\$ 3,491,216</b>
<b>FUND BALANCES:</b>				
Beginning of year			9,121,669	
End of year			<u>9,864,616</u>	

**City of Union City**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2007**

**1. BUDGETARY BASIS OF ACCOUNTING, Continued**

Budgetary Comparison Schedule, Community Development Agency Special Revenue Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and assessments	\$ 2,906,594	\$ 2,906,594	\$ 3,840,642	\$ 934,048
Investment income	59,500	59,500	389,495	329,995
Other	-	-	226	226
<b>Total revenues</b>	<u>2,966,094</u>	<u>2,966,094</u>	<u>4,230,363</u>	<u>1,264,269</u>
<b>EXPENDITURES:</b>				
Current:				
Housing and community development	<u>6,678,727</u>	<u>11,000,330</u>	<u>2,405,372</u>	<u>8,594,958</u>
<b>Total expenditures</b>	<u>6,678,727</u>	<u>11,000,330</u>	<u>2,405,372</u>	<u>8,594,958</u>
<b>REVENUE OVER (UNDER) EXPENDITURE:</b>	<u>(3,712,633)</u>	<u>(8,034,236)</u>	<u>1,824,991</u>	<u>9,859,227</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Debt issuance	4,000,000	4,000,000	-	4,000,000
Transfers out	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(4,079,179)</u>	<u>(2,579,179)</u>
<b>Total other financing sources (uses)</b>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(4,079,179)</u>	<u>(2,579,179)</u>
<b>Net change in fund balances</b>	<u>\$ (5,212,633)</u>	<u>\$ (9,534,236)</u>	<u>(2,254,188)</u>	<u>\$ 7,280,048</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>10,347,828</u>	
End of year			<u>\$ 8,093,640</u>	

**City of Union City**  
**Required Supplementary Information, Continued**  
**For the year ended June 30, 2007**

**2. DEFINED PENSION PLAN**

A schedule of funding progress for the past three actuarial valuations is presented below.

**Safety Plan**

Actuarial Valuation Date*	Actuarial Asset Value	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll
6/30/2004	86,206,650	84,186,052	(2,020,598)	102.4%	11,353,862	(17.8)%
6/30/2005	93,127,116	91,198,075	(1,929,041)	102.1%	11,558,273	(16.7)%
6/30/2006	100,329,149	100,949,698	620,549	99.4%	12,811,028	4.8%

**Miscellaneous Plan**

Actuarial Valuation Date*	Actuarial Asset Value	Entry Age Actuarial Accrued Liability	Unfunded (Overfunded) Actuarial Accrued Liability	Funded Ratio	Covered Payroll	Unfunded (Overfunded) Actuarial Liability as Percentage of Covered Payroll
6/30/2004	42,272,580	47,907,929	5,635,349	88.2%	10,474,708	53.8%
6/30/2005	45,972,193	51,529,101	5,556,908	89.2%	10,901,481	51.0%
6/30/2006	50,779,085	57,188,757	6,409,672	88.8%	11,507,867	55.7%

\*Latest information available.

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## **SUPPLEMENTARY INFORMATION**

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**MAJOR GOVERNMENTAL FUNDS BUDGETARY SCHEDULES**

# City of Union City

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

### Community Development Agency Debt Service Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and assessments	\$ 13,687,502	\$ 15,561,882	\$ 15,561,810	\$ (72)
Investment income	3,000	205,040	205,035	(5)
<b>Total revenues</b>	<b>13,690,502</b>	<b>15,766,922</b>	<b>15,766,845</b>	<b>(77)</b>
<b>EXPENDITURES:</b>				
Current:				
Agency pass through payments	3,800,000	1,162,950	1,042,536	120,414
Debt Service:				
Principal repayment	1,600,000	1,265,000	1,265,000	-
Interest and fiscal charges	5,900,000	5,079,150	5,200,018	(120,868)
<b>Total expenditures</b>	<b>11,300,000</b>	<b>7,507,100</b>	<b>7,507,554</b>	<b>(454)</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>2,390,502</b>	<b>8,259,822</b>	<b>8,259,291</b>	<b>(531)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,500,000	1,319,180	1,319,179	(1)
Transfers out	(3,890,502)	(10,948,502)	(10,948,000)	502
<b>Total other financing sources (uses)</b>	<b>(2,390,502)</b>	<b>(9,629,322)</b>	<b>(9,628,821)</b>	<b>501</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ (1,369,500)</b>	<b>(1,369,530)</b>	<b>\$ (30)</b>
<b>FUND BALANCES:</b>				
Beginning of year			4,464,886	
End of year			\$ 3,095,356	

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS:

#### **Measure B/ACTIA**

Under Measure B administered by the Alameda County Transportation Improvement Authority (ACTIA), the City receives proceeds of an additional half-cent sales tax for use on transportation-related expenditures. This fund accounts for the portion of these monies used for City streets and roads projects and bicycle and pedestrian path project.

#### **511 Plan Area**

To account for monies received from developers for amenities and infrastructure improvements in the 511 Plan Area.

#### **Special Parks**

To account for the development of City parks. Financing is provided by park dedication fees, bedroom taxes from developers, and State park subsidies.

#### **State Gas Tax**

To account for monies allocated to the City by the State for street and road maintenance.

#### **Street Lights and Landscaping**

To account for monies received and expended by the City that is to be expended for landscaping and a portion of street lighting costs.

#### **Housing and Community Development**

To account for monies received and expended by the City as a participant in the Federal Community Development Block Grant Program.

#### **HOME**

To account for federal funds received through the County of Alameda for development or rehabilitation of affordable housing.

#### **Fire Equipment Acquisition**

To account for monies received from developers for the acquisition of fire equipment.

#### **DIPSA Development**

To account for service charges relating to the Decoto Industrial Park Study Area (DIPSA).

#### **DIPSA Maintenance District**

To account for monies received from property owners in the DIPSA to be used for maintenance and services within that area.

#### **EMS Enhancement (Emergency Medical Services)**

To account for monies received through a property tax special assessment to fund a paramedic program and to maintain a first responder program administered by the County Health Department.

#### **Traffic Signal**

To account for monies received from developers for the purpose of constructing traffic signals.

#### **Supplemental Law Enforcement**

To account for monies received under AB 3229, Citizen's Option for Public Safety Program, to be used for front line law enforcement services.

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS, Continued:

#### **Clean Water Program**

To account for monies received from assessments for implementation of the federal Clean Water Act requirements under the regulatory authority of the San Francisco Bay Regional Water Quality Control Board.

#### **Retirement/Benefits Reserve**

To account for prior year's PERS contributions in excess of actuarially required balances. These funds are used to pay off leave balances of employees separating from services with the City.

#### **Leisure Revolving**

To account for a variety of activities offered to adults and youth to participate in a wide range of programs.

#### **Recycling and Waste Management**

To account for the City's recycling awareness programs.

#### **911 Emergency Communication Response System**

To account for the sources and uses of funds associated with the City's 911 emergency communication response system.

#### **Code Enforcement**

To account for the sources and uses of funds associated with the City's weed abatement program.

#### **Traffic Congestion**

To account for monies received from the State of California to be used for the preservation, maintenance and rehabilitation of the local street and road system.

#### **Used Oil Block Grant**

To account for monies received from the California Integrated Waste Management Board to be used for used oil and filter recycling activities.

#### **Housing In-Lieu**

To account for fees paid by developers of housing development projects with six units or less, outside the Redevelopment Project Area, that opt to pay an in-lieu fee rather than providing affordable units in the developments.

#### **Public Safety Parcel Tax**

To account for assessments received from property owners to support public safety services in the City.

#### **Post-Employment Medical Benefits**

To account for funds to be used to pay for future expenses related to post-employment benefits other than pension plans. This fund was established by City Council resolution and is funded by a transfer from the City's General Fund.

#### **Union Landing PBID**

To account for the activities of the property owners in the Union Landing area.

#### **Allied Waste Vehicle Impact**

To account for amounts paid to the City under the terms of an agreement with Allied Waste/BFI Waste Systems. These funds are to be used to mitigate the impact the heavy trash collection vehicles have on City streets.

#### **Alameda County Waste Import Mitigation**

To account for grant funds received from Alameda County Waste Management Authority. These funds are to be spent on waste reduction efforts in accordance with the guidelines adopted by the Authority.

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS, Continued:

#### **CFD 2005-1**

To account for monies received from property assessments in the Summerhill/Melodia Community Facilities District to provide funds for police services, fire protection and suppression services and park maintenance.

#### **Solid Waste Management**

To account for funds received from levies on properties for the collection of solid waste. Under the terms of the franchise agreement, the major portion of this money is remitted to the solid waste collector as payment of their services and a portion of is remitted to the City for their share of the franchise fee.

### DEBT SERVICE FUNDS:

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

#### **Pension Obligation Bonds**

To account for principal and interest requirement on Pension Obligation Bonds to fund a portion of unfunded liability.

#### **Community Facilities District**

To account for principal and interest requirements on the Special Tax Bonds issued by the District to finance the construction of public facilities and improvements within the Community Facilities District No.97-1 (Dyer Street Triangle).

#### **Tri-Cities Waste Management**

To account for principal and interest requirement on the refunding bonds issued by the City to finance a portion of its share of the Settlement Agreement among the Cities of Fremont, Newark and Union City and Waste Management of Alameda County.

#### **Public Facilities Authority**

To account for bonds issued under the Marks-Roos Local Bonding Pooling Act of 1983.

#### **Special Assessment Bonds**

To account for principal and interest requirements on the 1996 Local Improvement District 25R Bonds to finance improvements to properties located within the Special Assessment Districts.

### CAPITAL PROJECT FUNDS:

#### **Capital Facilities Improvements**

To account for the monies collected from developers used to develop and improve various facilities within the City.

#### **Bridge Benefit District**

To account for the construction of bridges within the City. The sources of funds for these projects will be from developers and property owners benefited by the bridges.

#### **Community Facilities District**

To account for the construction of public facilities and improvements within the Community Facilities District No.97-1 (Dyer Street Triangle). The sources of funds for these projects will be from proceeds of Special Tax Bonds.

#### **Park Facilities**

To account for funds collected from new non-subdivided residential construction (apartments) developers. These monies will be used for park facilities and the costs of acquiring land for park improvements.

**City of Union City**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2007**

	Special Revenue Funds				
	Measure B/ ACTIA	511 Plan Area	Special Parks	State Gas Tax	Street Lights and Landscaping
<b>ASSETS</b>					
Cash and investments	\$ 1,863,225	\$ 459,676	\$ 2,794,762	\$ 2,684,643	\$ 944,224
Restricted cash and investments with fiscal agents	-	-	-	-	-
Receivables:					
Taxes	-	-	-	-	27,645
Accounts	-	-	-	-	-
Intergovernmental	206,798	-	-	122,391	-
Due from other funds	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Loan receivable	-	-	-	-	-
Prepaid items	-	-	-	6,560	8,808
Property held for resale, net of allowance for decline in value	-	-	-	-	-
<b>Total assets</b>	<b>\$ 2,070,023</b>	<b>\$ 459,676</b>	<b>\$ 2,794,762</b>	<b>\$ 2,813,594</b>	<b>\$ 980,677</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 352,413	\$ 92,373	\$ 138,801
Accrued Payroll	-	-	-	24,902	47,387
Other accrued liabilities	243,288	-	-	35,879	207
Due to other funds	-	-	-	-	-
Due to other agencies	-	-	-	-	-
Deposits Payable	-	-	-	-	-
Deferred Revenue	-	-	185	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>243,288</b>	<b>-</b>	<b>352,598</b>	<b>153,154</b>	<b>186,395</b>
<b>Fund Balances:</b>					
Reserved:					
Advances to other funds	-	-	-	-	-
Debt service	-	-	-	-	-
DIPSA development	-	-	-	-	-
Encumbrances	233,979	-	849,093	601,406	15,987
Prepaid items and condemnation deposits	-	-	-	6,560	8,808
511 plan area	-	2,301	-	-	-
Property held for resale	-	-	-	-	-
Recycling program	-	-	-	-	-
<b>Total reserved</b>	<b>233,979</b>	<b>2,301</b>	<b>849,093</b>	<b>607,966</b>	<b>24,795</b>
Unreserved:					
Designated for compensated absences	-	-	-	-	-
Designated for underground utility	-	-	-	-	-
Undesignated reported in:					
Special revenue funds	1,592,756	457,375	1,593,071	2,052,474	769,487
Debt Service funds	-	-	-	-	-
Capital project funds	-	-	-	-	-
<b>Total fund balances</b>	<b>1,826,735</b>	<b>459,676</b>	<b>2,442,164</b>	<b>2,660,440</b>	<b>794,282</b>
<b>Total liabilities and fund balances</b>	<b>\$ 2,070,023</b>	<b>\$ 459,676</b>	<b>\$ 2,794,762</b>	<b>\$ 2,813,594</b>	<b>\$ 980,677</b>

Special Revenue Funds

Housing and Community Development	HOME	Fire Equipment Acquisition	DIPSA Development	DIPSA Maintenance District	EMS Enhancement	Traffic Signal	Supplemental Law Enforcement
\$ 58,314	\$ 83,232	\$ 2,494	\$ 3,539,228	\$ 993,523	\$ 192,220	\$ 349,861	\$ 82,631
-	-	-	-	-	-	-	-
-	-	-	-	3,340	3,452	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	47,104	-	-
-	-	-	-	-	-	-	-
767,942	1,801,115	-	-	-	-	-	-
938	-	-	-	513	40	-	-
-	-	-	1,681,848	-	-	-	-
<u>\$ 827,194</u>	<u>\$ 1,884,347</u>	<u>\$ 2,494</u>	<u>\$ 5,221,076</u>	<u>\$ 997,376</u>	<u>\$ 242,816</u>	<u>\$ 349,861</u>	<u>\$ 82,631</u>
\$ -	\$ -	\$ -	\$ 62,520	\$ 12,429	\$ 13,727	\$ -	\$ -
8,343	-	-	-	4,237	8,112	-	25,634
8,738	10,600	-	14	77	45	-	-
-	-	-	-	-	-	-	-
17,191	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
766,246	1,801,115	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>800,518</u>	<u>1,811,715</u>	<u>-</u>	<u>62,534</u>	<u>16,743</u>	<u>21,884</u>	<u>-</u>	<u>25,634</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	5,469,675	-	-	-	-
2,659	-	-	515,068	9,010	1,743	-	-
937	-	-	-	513	40	-	-
-	-	-	-	-	-	-	-
-	-	-	1,681,848	-	-	-	-
-	-	-	-	-	-	-	-
<u>3,596</u>	<u>-</u>	<u>-</u>	<u>7,666,591</u>	<u>9,523</u>	<u>1,783</u>	<u>-</u>	<u>-</u>
3,057	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
20,023	72,632	2,494	(2,508,049)	971,110	219,149	349,861	56,997
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>26,676</u>	<u>72,632</u>	<u>2,494</u>	<u>5,158,542</u>	<u>980,633</u>	<u>220,932</u>	<u>349,861</u>	<u>56,997</u>
<u>\$ 827,194</u>	<u>\$ 1,884,347</u>	<u>\$ 2,494</u>	<u>\$ 5,221,076</u>	<u>\$ 997,376</u>	<u>\$ 242,816</u>	<u>\$ 349,861</u>	<u>\$ 82,631</u>

(Continued)

**City of Union City**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds, Continued**  
**June 30, 2007**

	Special Revenue Funds				
	Clean Water Program	Retirement/ Benefits Reserve	Leisure Revolving	Recycling and Waste Management	911 Emergency Communication Response System
<b>ASSETS</b>					
Cash and investments	\$ 298,630	\$ 800,048	\$ 949,173	\$ 77,057	\$ 1,226,298
Restricted cash and investments with fiscal agents	-	-	-	-	-
Receivables:					
Taxes	5,365	-	-	19,597	-
Accounts	65,205	-	3,712	16,666	267,787
Intergovernmental	-	-	-	-	-
Due from other funds	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Loan receivable	-	-	-	-	-
Prepaid items	4,817	-	12,656	1,132	86,051
Property held for resale, net of allowance for decline in value	-	-	-	-	-
<b>Total assets</b>	<b>\$ 374,017</b>	<b>\$ 800,048</b>	<b>\$ 965,541</b>	<b>\$ 114,452</b>	<b>\$ 1,580,136</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 414	\$ -	\$ 13,639	\$ -	\$ 1,488
Accrued Payroll	32,199	-	51,844	3,936	84,783
Other accrued liabilities	35	-	10,244	19,597	-
Due to other funds	-	-	-	-	-
Due to other agencies	-	-	-	-	-
Deposits Payable	-	-	40,579	-	-
Deferred Revenue	-	-	404,651	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>32,648</b>	<b>-</b>	<b>520,957</b>	<b>23,533</b>	<b>86,271</b>
<b>Fund Balances:</b>					
Reserved:					
Advances to other funds	-	-	-	-	-
Debt service	-	-	-	-	-
DIPSA development	-	-	-	-	-
Encumbrances	-	-	1,786	-	7,337
Prepaid items and condemnation deposits	4,817	-	12,656	1,132	86,052
511 plan area	-	-	-	-	-
Property held for resale	-	-	-	-	-
Recycling program	-	-	-	1,185,892	-
Total reserved	<b>4,817</b>	<b>-</b>	<b>14,442</b>	<b>1,187,024</b>	<b>93,389</b>
Unreserved:					
Designated for compensated absences	11,915	-	-	-	-
Designated for underground utility	-	-	-	-	-
Undesignated reported in:					
Special revenue funds	324,637	800,048	430,142	(1,096,105)	1,400,476
Debt Service funds	-	-	-	-	-
Capital project funds	-	-	-	-	-
<b>Total fund balances</b>	<b>341,369</b>	<b>800,048</b>	<b>444,584</b>	<b>90,919</b>	<b>1,493,865</b>
<b>Total liabilities and fund balances</b>	<b>\$ 374,017</b>	<b>\$ 800,048</b>	<b>\$ 965,541</b>	<b>\$ 114,452</b>	<b>\$ 1,580,136</b>

Special Revenue Funds

Code Enforcement	Traffic Congestion	Used Oil Block Grant	Housing In-Lieu	Public Safety Parcel tax	Post-Employment Medical Benefits	Union Landing PBID	Allied Waste Vehicle Impact
\$ 50,237	\$ 1,283,779	\$ 17,721	\$ 442,158	\$ 70,241	\$ 1,836,343	\$ 31,284	\$ 299,138
-	-	-	-	-	-	-	-
-	-	-	-	27,611	-	9	-
-	-	-	-	-	-	-	13,006
-	-	589	-	435	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	15,233	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 50,237</u>	<u>\$ 1,283,779</u>	<u>\$ 18,310</u>	<u>\$ 442,158</u>	<u>\$ 113,520</u>	<u>\$ 1,836,343</u>	<u>\$ 31,293</u>	<u>\$ 312,144</u>
\$ 9,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 380	\$ -
-	-	-	-	86,807	-	-	-
-	-	1,845	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>9,900</u>	<u>-</u>	<u>1,845</u>	<u>-</u>	<u>86,807</u>	<u>-</u>	<u>380</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	15,233	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	15,233	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
40,337	1,283,779	16,465	442,158	11,480	1,836,343	30,913	312,144
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>40,337</u>	<u>1,283,779</u>	<u>16,465</u>	<u>442,158</u>	<u>26,713</u>	<u>1,836,343</u>	<u>30,913</u>	<u>312,144</u>
<u>\$ 50,237</u>	<u>\$ 1,283,779</u>	<u>\$ 18,310</u>	<u>\$ 442,158</u>	<u>\$ 113,520</u>	<u>\$ 1,836,343</u>	<u>\$ 31,293</u>	<u>\$ 312,144</u>

(Continued)

**City of Union City**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds, Continued**  
**June 30, 2007**

	Special Revenue Funds			Debt Service Funds	
	Alameda County Waste Import Mitigation	CFD 2005-1	Solid Waste Management	Pension Obligation Bonds	Community Facilities District
<b>ASSETS</b>					
Cash and investments	\$ 163,811	\$ 56,318	\$ 5,652,821	\$ 662,016	\$ 797,160
Restricted cash and investments with fiscal agents	-	-	-	820,123	580,502
Receivables:					
Taxes	-	-	49,577	-	-
Accounts	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Due from other funds	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Loan receivable	-	-	-	-	-
Prepaid items	-	-	-	-	-
Property held for resale, net of allowance for decline in value	-	-	-	-	-
<b>Total assets</b>	<b>\$ 163,811</b>	<b>\$ 56,318</b>	<b>\$ 5,702,398</b>	<b>\$ 1,482,139</b>	<b>\$ 1,377,662</b>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ 611	\$ -	\$ -
Accrued Payroll	-	-	-	-	-
Other accrued liabilities	-	-	104,520	-	-
Due to other funds	-	-	-	-	-
Due to other agencies	-	-	-	-	-
Deposits Payable	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>105,131</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Reserved:					
Advances to other funds	-	-	-	-	-
Debt service	-	-	-	1,482,139	1,377,662
DIPSA development	-	-	-	-	-
Encumbrances	-	-	4,990	-	-
Prepaid items and condemnation deposits	-	-	-	-	-
511 plan area	-	-	-	-	-
Property held for resale	-	-	-	-	-
Recycling program	-	-	-	-	-
<b>Total reserved</b>	<b>-</b>	<b>-</b>	<b>4,990</b>	<b>1,482,139</b>	<b>1,377,662</b>
Unreserved:					
Designated for compensated absences	-	-	-	-	-
Designated for underground utility	-	-	-	-	-
Undesignated reported in:					
Special revenue funds	163,811	56,318	5,592,277	-	-
Debt Service funds	-	-	-	-	-
Capital project funds	-	-	-	-	-
<b>Total fund balances</b>	<b>163,811</b>	<b>56,318</b>	<b>5,592,267</b>	<b>1,482,139</b>	<b>1,377,662</b>
<b>Total liabilities and fund balances</b>	<b>\$ 163,811</b>	<b>\$ 56,318</b>	<b>\$ 5,702,398</b>	<b>\$ 1,482,139</b>	<b>\$ 1,377,662</b>

Debt Service Funds			Capital Project Funds				Total Non-Major Governmental Funds
Tri-Cities Waste Management	Public Facilities Authority	Special Assessment District	Capital Facilities Improvements	Bridge Benefit District	Community Facilities District	Park Facilities	
\$ 1,419,086	\$ -	\$ 6,087,177	\$ 956,578	\$ 512,305	27013	\$ 1,509	\$ 37,765,934
-	5,532,997	-	-	-	65,227	-	6,998,849
-	-	-	-	-	-	-	136,596
-	-	-	550	-	-	-	366,926
-	-	-	-	-	-	-	377,317
-	-	1,750	-	-	-	-	1,750
-	56,915	121,010	-	-	-	-	177,925
-	-	-	-	-	-	-	2,569,057
-	-	-	-	-	-	-	136,748
-	-	-	-	-	-	-	1,681,848
<u>\$ 1,419,086</u>	<u>\$ 5,589,912</u>	<u>\$ 6,209,937</u>	<u>\$ 957,128</u>	<u>\$ 512,305</u>	<u>\$ 92,240</u>	<u>\$ 1,509</u>	<u>\$ 50,212,950</u>
\$ -	\$ -	\$ -	\$ 22,170	\$ -	\$ -	\$ -	\$ 720,865
-	-	-	-	-	-	-	378,184
-	-	-	101,313	-	-	-	536,402
-	1,750	-	-	-	-	-	1,750
-	-	-	-	-	-	-	17,191
-	-	-	-	-	-	-	40,579
-	-	-	-	-	-	-	2,972,197
-	121,010	56,915	-	-	-	-	177,925
-	122,760	56,915	123,483	-	-	-	4,845,093
-	-	121,010	-	-	-	-	121,010
1,419,086	5,467,152	6,032,012	-	-	-	-	15,778,051
-	-	-	-	-	-	-	5,469,675
-	-	-	232,098	-	-	-	2,475,156
-	-	-	-	-	-	-	136,748
-	-	-	-	-	-	-	2,301
-	-	-	-	-	-	-	1,681,848
-	-	-	-	-	-	-	1,185,892
<u>1,419,086</u>	<u>5,467,152</u>	<u>6,153,022</u>	<u>232,098</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,850,681</u>
-	-	-	-	-	-	-	14,972
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	17,294,603
-	-	-	-	-	-	-	-
-	-	-	601,547	512,305	92,240	1,509	1,207,601
<u>1,419,086</u>	<u>5,467,152</u>	<u>6,153,022</u>	<u>833,645</u>	<u>512,305</u>	<u>92,240</u>	<u>1,509</u>	<u>45,367,857</u>
<u>\$ 1,419,086</u>	<u>\$ 5,589,912</u>	<u>\$ 6,209,937</u>	<u>\$ 957,128</u>	<u>\$ 512,305</u>	<u>\$ 92,240</u>	<u>\$ 1,509</u>	<u>\$ 50,212,950</u>

(Concluded)

**City of Union City**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2007**

	Special Revenue Funds				
	Measure B/ ACTIA	511 Plan Area	Special Parks	State Gas Tax	Street Lights and Landscaping
<b>REVENUES:</b>					
Taxes and special assessments	\$ 817,419	\$ -	\$ 150,568	\$ 1,296,160	\$ 2,465,598
Intergovernmental		-	-	-	-
Charges for services	-	-	359,032	-	-
Investment Income	102,243	21,518	208,906	125,703	-
Other revenues		-	-	286	2,054
<b>Total revenues</b>	<b>919,662</b>	<b>21,518</b>	<b>718,506</b>	<b>1,422,149</b>	<b>2,467,652</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	2,935,729
Public safety	-	-	-	-	-
Housing and community development	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	1,208,606	-	4,133,147	1,571,739	4,155
Debt service:					
Principal repayment	-	28,090	-	-	-
Interest and fiscal charges	-	7,359	-	-	-
<b>Total expenditures</b>	<b>1,208,606</b>	<b>35,449</b>	<b>4,133,147</b>	<b>1,571,739</b>	<b>2,939,884</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(288,944)</b>	<b>(13,931)</b>	<b>(3,414,641)</b>	<b>(149,590)</b>	<b>(472,232)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	40,000
Transfers out	-	-	-	(40,000)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40,000)</b>	<b>40,000</b>
<b>Net change in fund balances</b>	<b>(288,944)</b>	<b>(13,931)</b>	<b>(3,414,641)</b>	<b>(189,590)</b>	<b>(432,232)</b>
<b>FUND BALANCES:</b>					
Beginning of year	2,115,679	473,607	5,856,805	2,850,030	1,226,514
End of year	\$ 1,826,735	\$ 459,676	\$ 2,442,164	\$ 2,660,440	\$ 794,282

Special Revenue Funds

Housing and Community Development	HOME	Fire Equipment Acquisition	DIPSA Development	DIPSA Maintenance District	EMS Enhancement	Traffic Signal	Supplemental Law Enforcement
\$ -	\$ -	\$ -	\$ -	\$ 410,114	\$ 299,179	\$ -	\$ -
575,216	-	-	14,773	-	188,415	-	138,488
-	-	-	554,975	-	-	13,479	-
-	3,353	-	152,057	-	5,348	15,974	5,156
177,825	23,138	-	-	-	-	4,360	-
<u>753,041</u>	<u>26,491</u>	<u>-</u>	<u>721,805</u>	<u>410,114</u>	<u>492,942</u>	<u>33,813</u>	<u>143,644</u>
-	-	-	-	267,700	330,131	-	-
-	-	-	1,525	-	-	-	92,545
729,600	33,738	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	157,446	-	80,651	20,845	74,551
-	-	120,000	186,797	-	-	-	-
-	-	-	16,191	-	-	-	-
<u>729,600</u>	<u>33,738</u>	<u>120,000</u>	<u>361,959</u>	<u>267,700</u>	<u>410,782</u>	<u>20,845</u>	<u>167,096</u>
<u>23,441</u>	<u>(7,247)</u>	<u>(120,000)</u>	<u>359,846</u>	<u>142,414</u>	<u>82,160</u>	<u>12,968</u>	<u>(23,452)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>23,441</u>	<u>(7,247)</u>	<u>(120,000)</u>	<u>359,846</u>	<u>142,414</u>	<u>82,160</u>	<u>12,968</u>	<u>(23,452)</u>
3,235	79,879	122,494	4,798,696	838,219	138,772	336,893	80,449
<u>\$ 26,676</u>	<u>\$ 72,632</u>	<u>\$ 2,494</u>	<u>\$ 5,158,542</u>	<u>\$ 980,633</u>	<u>\$ 220,932</u>	<u>\$ 349,861</u>	<u>\$ 56,997</u>

(Continued)

**City of Union City**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds, Continued**  
**For the year ended June 30, 2007**

	Special Revenue Funds				
	Clean Water Program	Retirement /Benefits Reserve	Leisure Revolving	Recycling and Waste Management	911 Emergency Communications Response System
<b>REVENUES:</b>					
Taxes and special assessments	\$ 1,219,369	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	11	-	-	-
Charges for services	-	-	1,512,867	199,992	2,646,093
Investment Income	-	-	33	-	55,845
Other revenues	-	-	-	-	-
<b>Total revenues</b>	<b>1,219,369</b>	<b>11</b>	<b>1,512,900</b>	<b>199,992</b>	<b>2,701,938</b>
<b>EXPENDITURES:</b>					
Current:					
General government	1,147,302	9,775	-	130,330	-
Public safety	-	-	-	-	2,867,326
Housing and community development	-	-	-	-	-
Recreation and culture	-	-	1,434,775	-	-
Capital outlay	5,889	-	12,500	-	7,586
Debt service:					
Principal repayment	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<b>1,153,191</b>	<b>9,775</b>	<b>1,447,275</b>	<b>130,330</b>	<b>2,874,912</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>66,178</b>	<b>(9,764)</b>	<b>65,625</b>	<b>69,662</b>	<b>(172,974)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	182,684
Transfers out	(67,900)	-	(14,844)	-	-
<b>Total other financing sources (uses)</b>	<b>(67,900)</b>	<b>-</b>	<b>(14,844)</b>	<b>-</b>	<b>182,684</b>
<b>Net change in fund balances</b>	<b>(1,722)</b>	<b>(9,764)</b>	<b>50,781</b>	<b>69,662</b>	<b>9,710</b>
<b>FUND BALANCES:</b>					
Beginning of year	343,091	809,812	393,803	21,257	1,484,155
End of year	\$ 341,369	\$ 800,048	\$ 444,584	\$ 90,919	\$ 1,493,865

Special Revenue Funds

Code Enforcement	Traffic Congestion	Used Oil Block Grant	Housing In-Lieu	Public Safety Parcel tax	Post-Employment Medical Benefits	Union Landing PBID	Allied Waste Vehicle Impact
\$ -	\$ -	\$ -	\$ -	\$ 2,509,230	\$ -	\$ 473,539	\$ -
-	520,616	17,198	-	2,634	-	-	-
41	-	-	413,333	-	-	-	156,072
-	52,329	632	66,807	-	41,999	6,490	-
-	-	-	-	-	-	-	-
41	572,945	17,830	480,140	2,511,864	41,999	480,029	156,072
11,862	-	18,626	-	-	656	4,585	-
-	-	-	-	2,717,386	-	18,742	-
-	-	-	49,616	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	11,404	-	-	-
11,862	-	18,626	49,616	2,728,790	656	23,327	-
(11,821)	572,945	(796)	430,524	(216,926)	41,343	456,702	156,072
-	-	-	-	165,993	893,000	-	-
-	-	-	-	-	-	(432,640)	-
-	-	-	-	165,993	893,000	(432,640)	-
(11,821)	572,945	(796)	430,524	(50,933)	934,343	24,062	156,072
52,158	710,834	17,261	11,634	77,646	902,000	6,851	156,072
\$ 40,337	\$ 1,283,779	\$ 16,465	\$ 442,158	\$ 26,713	\$ 1,836,343	\$ 30,913	\$ 312,144

(Continued)

**City of Union City**  
**Combined Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds, Continued**  
**For the year ended June 30, 2007**

	Special Revenue Funds			Debt Service Funds	
	Alameda County Waste Import Mitigation	CFD 2005-1	Solid Waste Management	Pension Obligation Bonds	Community Facilities District
<b>REVENUES:</b>					
Taxes and special assessments	\$ -	\$ 56,318	\$ 44,993	\$ -	\$ 605,876
Intergovernmental	36,928	-	-	-	-
Charges for services	-	-	-	-	-
Investment Income	-	-	-	54,205	53,188
Other revenues	-	-	-	2,041,537	-
<b>Total revenues</b>	<b>36,928</b>	<b>56,318</b>	<b>44,993</b>	<b>2,095,742</b>	<b>659,064</b>
<b>EXPENDITURES:</b>					
Current:					
General government	372,034	-	1,092,699	-	35,825
Public safety	-	-	-	-	-
Housing and community development	-	-	-	-	-
Recreation and culture	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service:					
Principal repayment	-	-	-	100,000	160,000
Interest and fiscal charges	-	-	-	1,236,856	410,532
<b>Total expenditures</b>	<b>372,034</b>	<b>-</b>	<b>1,092,699</b>	<b>1,336,856</b>	<b>606,357</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(335,106)</b>	<b>56,318</b>	<b>(1,047,706)</b>	<b>758,886</b>	<b>52,707</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(400,000)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(400,000)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>(335,106)</b>	<b>56,318</b>	<b>(1,047,706)</b>	<b>358,886</b>	<b>52,707</b>
<b>FUND BALANCES:</b>					
Beginning of year	498,917	-	6,644,973	1,123,253	1,324,955
End of year	\$ 163,811	\$ 56,318	\$ 5,597,267	\$ 1,482,139	\$ 1,377,662

Debt Service Funds			Capital Project Funds				Total
Tri-Cities Waste Management	Public Facilities Authority	Special Assessment Districts	Capital Facilities Improvements	Bridge Benefit District	Community Facilities District	Park Facilities	Non-Major Governmental Funds
\$ -	\$ -	\$ 649,798	\$ -	\$ 881	\$ -	\$ 2,000	\$ 11,001,042
-	-	-	-	-	-	-	1,494,279
-	-	-	2,681,289	-	-	-	8,537,173
63,911	313,522	64,050	39,126	22,741	4,288	-	1,479,424
-	-	4,433,882	-	-	-	-	6,683,082
63,911	313,522	5,147,730	2,720,415	23,622	4,288	2,000	29,195,000
-	-	-	-	-	-	478	6,357,732
-	-	-	-	-	-	-	5,697,524
-	-	-	-	-	-	-	812,954
-	-	-	-	-	-	-	1,434,775
-	-	-	3,657,616	-	39,471	-	10,974,202
85,000	320,000	284,000	50,561	-	-	-	1,334,448
28,762	311,264	358,682	13,247	-	-	13	2,394,310
113,762	631,264	642,682	3,721,424	-	39,471	491	29,005,945
(49,851)	(317,742)	4,505,048	(1,001,009)	23,622	(35,183)	1,509	189,055
-	-	-	-	-	-	-	1,281,677
-	-	-	-	-	-	-	(955,384)
-	-	-	-	-	-	-	326,293
(49,851)	(317,742)	4,505,048	(1,001,009)	23,622	(35,183)	1,509	515,348
1,468,937	5,784,894	1,647,974	1,834,654	488,683	127,423	-	44,852,509
\$ 1,419,086	\$ 5,467,152	\$ 6,153,022	\$ 833,645	\$ 512,305	\$ 92,240	\$ 1,509	\$ 45,367,857

(Concluded)

# City of Union City

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

### Measure B/ACTIA Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 735,000	\$ 735,000	\$ 817,419	\$ 82,419
Investment income	30,000	30,000	102,243	72,243
<b>Total revenues</b>	<b>765,000</b>	<b>765,000</b>	<b>919,662</b>	<b>154,662</b>
<b>EXPENDITURES:</b>				
Capital outlay	1,015,000	2,997,334	1,208,606	1,788,728
<b>Total expenditures</b>	<b>1,015,000</b>	<b>2,997,334</b>	<b>1,208,606</b>	<b>1,788,728</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ (250,000)</b>	<b>\$ (2,232,334)</b>	<b>(288,944)</b>	<b>\$ 1,943,390</b>
<b>FUND BALANCES:</b>				
Beginning of year			2,115,679	
End of year			\$ 1,826,735	

# City of Union City

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

### 511 Plan Area Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ -	\$ 21,600	\$ 21,518	\$ (82)
<b>Total revenues</b>	<u>-</u>	<u>21,600</u>	<u>21,518</u>	<u>(82)</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal repayment	-	28,100	28,090	10
Interest and fiscal charges	-	7,400	7,359	41
<b>Total expenditures</b>	<u>-</u>	<u>35,500</u>	<u>35,449</u>	<u>51</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ -</u>	<u>\$ (13,900)</u>	(13,931)	<u>\$ (31)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>473,607</u>	
End of year			<u>\$ 459,676</u>	

# City of Union City

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

### Special Parks Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ -	\$ -	\$ 150,568	\$ 150,568
Charges for services	2,300,000	2,300,000	359,032	(1,940,968)
Investment income	70,000	70,000	208,906	138,906
<b>Total revenues</b>	<b>2,370,000</b>	<b>2,370,000</b>	<b>718,506</b>	<b>(1,651,494)</b>
<b>EXPENDITURES:</b>				
Capital outlay	3,661,300	7,100,674	4,133,147	2,967,527
<b>Total expenditures</b>	<b>3,661,300</b>	<b>7,100,674</b>	<b>4,133,147</b>	<b>2,967,527</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ (1,291,300)</b>	<b>\$ (4,730,674)</b>	<b>(3,414,641)</b>	<b>\$ 1,316,033</b>
<b>FUND BALANCES:</b>				
Beginning of year			5,856,805	
End of year			\$ 2,442,164	

# City of Union City

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

### State Gas Tax Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 1,300,000	\$ 1,300,000	\$ 1,296,160	\$ (3,840)
Investment income	45,000	45,000	125,703	80,703
Other	-	-	286	286
<b>Total revenues</b>	<u>1,345,000</u>	<u>1,345,000</u>	<u>1,422,149</u>	<u>77,149</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>1,602,277</u>	<u>3,339,441</u>	<u>1,571,739</u>	<u>1,767,702</u>
<b>Total expenditures</b>	<u>1,602,277</u>	<u>3,339,441</u>	<u>1,571,739</u>	<u>1,767,702</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>(257,277)</u>	<u>(1,994,441)</u>	<u>(149,590)</u>	<u>1,844,851</u>
<b>OTHER FINANCING</b>				
Transfer out	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>40,000</u>
<b>Net change in fund balance</b>	<u>\$ (257,277)</u>	<u>\$ (1,994,441)</u>	<u>(189,590)</u>	<u>\$ 1,804,851</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>2,850,030</u>	
End of year			<u>\$ 2,660,440</u>	

# City of Union City

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

### Street Lights and Landscaping Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 2,650,000	\$ 2,650,000	\$ 2,465,598	\$ (184,402)
Other	-	-	2,054	2,054
<b>Total revenues</b>	<b>2,650,000</b>	<b>2,650,000</b>	<b>2,467,652</b>	<b>(182,348)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	3,048,820	3,598,556	2,935,729	662,827
Capital outlay	-	-	4,155	(4,155)
<b>Total expenditures</b>	<b>3,048,820</b>	<b>3,598,556</b>	<b>2,939,884</b>	<b>658,672</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(398,820)</b>	<b>(948,556)</b>	<b>(472,232)</b>	<b>476,324</b>
<b>OTHER FINANCING</b>				
Transfer in	-	40,000	40,000	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>40,000</b>	<b>40,000</b>	<b>-</b>
<b>Net change in fund balance</b>	<b>\$ (398,820)</b>	<b>\$ (908,556)</b>	<b>(432,232)</b>	<b>\$ 476,324</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,226,514	
End of year			\$ 794,282	

# City of Union City

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

### Housing and Community Development Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 819,834	\$ 819,834	\$ 575,216	\$ (244,618)
Other	9,000	9,000	177,825	168,825
<b>Total revenues</b>	<b>828,834</b>	<b>828,834</b>	<b>753,041</b>	<b>(75,793)</b>
<b>EXPENDITURES:</b>				
Current:				
Housing and community development	752,603	761,587	729,600	31,987
<b>Total expenditures</b>	<b>752,603</b>	<b>761,587</b>	<b>729,600</b>	<b>31,987</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 76,231</b>	<b>\$ 67,247</b>	<b>23,441</b>	<b>\$ (43,806)</b>
<b>FUND BALANCES:</b>				
Beginning of year			3,235	
End of year			<b>\$ 26,676</b>	

# City of Union City

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

### HOME Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ 400	\$ 400	\$ 3,353	\$ 2,953
Other	45,000	45,000	23,138	(21,862)
<b>Total revenues</b>	<b>45,400</b>	<b>45,400</b>	<b>26,491</b>	<b>(18,909)</b>
<b>EXPENDITURES:</b>				
Current:				
Housing and community development	-	33,800	33,738	62
<b>Total expenditures</b>	<b>-</b>	<b>33,800</b>	<b>33,738</b>	<b>62</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 45,400</b>	<b>\$ 11,600</b>	<b>(7,247)</b>	<b>\$ (18,847)</b>
<b>FUND BALANCES:</b>				
Beginning of year			79,879	
End of year			\$ 72,632	

# City of Union City

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

### Fire Equipment Acquisition Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 46,000	\$ 46,000	\$ -	\$ (46,000)
<b>Total revenues</b>	<u>46,000</u>	<u>46,000</u>	<u>-</u>	<u>(46,000)</u>
<b>EXPENDITURES</b>				
Debt service:				
Principal repayment	-	-	120,000	(120,000)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>120,000</u>	<u>(120,000)</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ 46,000</u>	<u>\$ 46,000</u>	(120,000)	<u>\$ (166,000)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>122,494</u>	
End of year			<u>\$ 2,494</u>	

# City of Union City

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

### DIPSA Development Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 14,773	14,773
Charges for services	2,200,000	2,200,000	554,975	(1,645,025)
Investment income	80,000	80,000	152,057	72,057
<b>Total revenues</b>	<b>2,280,000</b>	<b>2,280,000</b>	<b>721,805</b>	<b>(1,558,195)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	30,000	90,000	-	90,000
Public safety	7,000	7,000	1,525	5,475
Capital outlay	254,800	2,431,003	157,446	2,273,557
Debt service:				
Principal repayment	53,800	185,109	186,797	(1,688)
Interest and fiscal charges	22,500	-	16,191	(16,191)
<b>Total expenditures</b>	<b>368,100</b>	<b>2,713,112</b>	<b>361,959</b>	<b>2,351,153</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 1,911,900</b>	<b>\$ (433,112)</b>	<b>359,846</b>	<b>\$ 792,958</b>
<b>FUND BALANCES:</b>				
Beginning of year			4,798,696	
End of year			\$ 5,158,542	

# City of Union City

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

### DIPSA Maintenance District Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 349,000	\$ 406,800	\$ 410,114	\$ 3,314
Investment income	5,000	5,000	-	(5,000)
<b>Total revenues</b>	<b>354,000</b>	<b>411,800</b>	<b>410,114</b>	<b>(1,686)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	185,926	267,737	267,700	37
<b>Total expenditures</b>	<b>185,926</b>	<b>267,737</b>	<b>267,700</b>	<b>37</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 168,074</b>	<b>\$ 144,063</b>	<b>142,414</b>	<b>\$ (1,649)</b>
<b>FUND BALANCES:</b>				
Beginning of year			838,219	
End of year			\$ 980,633	

# City of Union City

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

### EMS Enhancement Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 280,000	\$ 280,000	\$ 299,179	\$ 19,179
Intergovernmental	157,000	157,000	188,415	31,415
Investment income	-	-	5,348	5,348
<b>Total revenues</b>	<b>437,000</b>	<b>437,000</b>	<b>492,942</b>	<b>55,942</b>
<b>EXPENDITURES:</b>				
Current:				
General government	307,227	314,418	330,131	(15,713)
Capital outlay	118,610	118,610	80,651	37,959
<b>Total expenditures</b>	<b>425,837</b>	<b>433,028</b>	<b>410,782</b>	<b>22,246</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 11,163</b>	<b>\$ 3,972</b>	<b>82,160</b>	<b>\$ 78,188</b>
<b>FUND BALANCES:</b>				
Beginning of year			138,772	
End of year			\$ 220,932	

# City of Union City

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

### Traffic Signal Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 30,000	\$ 30,000	\$ 13,479	\$ (16,521)
Investment income	1,000	1,000	15,974	14,974
Other	-	-	4,360	4,360
<b>Total revenues</b>	<u>31,000</u>	<u>31,000</u>	<u>33,813</u>	<u>2,813</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>20,000</u>	<u>263,600</u>	<u>20,845</u>	<u>242,755</u>
<b>Total expenditures</b>	<u>20,000</u>	<u>263,600</u>	<u>20,845</u>	<u>242,755</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ 11,000</u>	<u>\$ (232,600)</u>	12,968	<u>\$ 245,568</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>336,893</u>	
End of year			<u>\$ 349,861</u>	

# City of Union City

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

### Supplemental Law Enforcement Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ 138,488	\$ 138,488	\$ -
Investment income	-	-	5,156	5,156
<b>Total revenues</b>	<b>-</b>	<b>138,488</b>	<b>143,644</b>	<b>5,156</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	-	152,545	92,545	60,000
Capital outlay	-	63,674	74,551	(10,877)
<b>Total expenditures</b>	<b>-</b>	<b>216,219</b>	<b>167,096</b>	<b>49,123</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ -</b>	<b>\$ (77,731)</b>	<b>(23,452)</b>	<b>\$ 54,279</b>
<b>FUND BALANCES:</b>				
Beginning of year			80,449	
End of year			\$ 56,997	

# City of Union City

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

### Clean Water Program Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 1,262,000	\$ 1,262,000	\$ 1,219,369	\$ (42,631)
<b>Total revenues</b>	<b>1,262,000</b>	<b>1,262,000</b>	<b>1,219,369</b>	<b>(42,631)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	1,385,515	1,443,893	1,147,302	296,591
Capital outlay	-	14,000	5,889	8,111
<b>Total expenditures</b>	<b>1,385,515</b>	<b>1,457,893</b>	<b>1,153,191</b>	<b>304,702</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(123,515)</b>	<b>(195,893)</b>	<b>66,178</b>	<b>262,071</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(67,900)	(67,900)	(67,900)	-
<b>Total other financing sources (uses)</b>	<b>(67,900)</b>	<b>(67,900)</b>	<b>(67,900)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (191,415)</b>	<b>\$ (263,793)</b>	<b>(1,722)</b>	<b>\$ 262,071</b>
<b>FUND BALANCES:</b>				
Beginning of year			343,091	
End of year			\$ 341,369	

# City of Union City

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

### Retirement/Benefit Reserve Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 11	11
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>11</b>	<b>11</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	9,800	9,775	25
<b>Total expenditures</b>	<b>-</b>	<b>9,800</b>	<b>9,775</b>	<b>25</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ -</b>	<b>\$ (9,800)</b>	<b>(9,764)</b>	<b>\$ 36</b>
<b>FUND BALANCES:</b>				
Beginning of year			809,812	
End of year			\$ 800,048	

# City of Union City

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

### Leisure Revolving Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 1,953,800	\$ 1,953,800	\$ 1,512,867	\$ (440,933)
Investment income	-	-	33	33
<b>Total revenues</b>	<u>1,953,800</u>	<u>1,953,800</u>	<u>1,512,900</u>	<u>(440,900)</u>
<b>EXPENDITURES:</b>				
Current:				
Recreation and culture	1,953,822	2,023,136	1,434,775	588,361
Capital outlay	10,000	10,000	12,500	(2,500)
<b>Total expenditures</b>	<u>1,963,822</u>	<u>2,033,136</u>	<u>1,447,275</u>	<u>585,861</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>(10,022)</u>	<u>(79,336)</u>	<u>65,625</u>	<u>144,961</u>
<b>OTHER FINANCING</b>				
Transfer out	-	(14,884)	(14,844)	(40)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>(14,884)</u>	<u>(14,844)</u>	<u>(40)</u>
<b>Net change in fund balance</b>	<u>\$ (10,022)</u>	<u>\$ (94,220)</u>	<u>50,781</u>	<u>\$ 145,001</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>393,803</u>	
End of year			<u>\$ 444,584</u>	

# City of Union City

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

### Recycling and Waste Management Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 48,300	\$ 48,300	\$ -	\$ (48,300)
Charges for services	-	118,700	199,992	81,292
Other	33,000	33,000	-	(33,000)
<b>Total revenues</b>	<b>81,300</b>	<b>200,000</b>	<b>199,992</b>	<b>(8)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	130,400	130,330	70
<b>Total expenditures</b>	<b>-</b>	<b>130,400</b>	<b>130,330</b>	<b>70</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 81,300</b>	<b>\$ 69,600</b>	<b>69,662</b>	<b>\$ 62</b>
<b>FUND BALANCES:</b>				
Beginning of year			21,257	
End of year			<b>\$ 90,919</b>	

# City of Union City

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

### 911 Emergency Communication Response System Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 2,750,000	\$ 2,750,000	\$ 2,646,093	\$ (103,907)
Investment income	-	-	55,845	55,845
<b>Total revenues</b>	<u>2,750,000</u>	<u>2,750,000</u>	<u>2,701,938</u>	<u>(48,062)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	2,951,640	2,999,193	2,867,326	131,867
Capital outlay	118,000	118,000	7,586	110,414
<b>Total expenditures</b>	<u>3,069,640</u>	<u>3,117,193</u>	<u>2,874,912</u>	<u>242,281</u>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<u>(319,640)</u>	<u>(367,193)</u>	<u>(172,974)</u>	<u>194,219</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	100,000	637,000	182,684	(454,316)
<b>Total other financing sources (uses)</b>	<u>100,000</u>	<u>637,000</u>	<u>182,684</u>	<u>(454,316)</u>
<b>Net change in fund balances</b>	<u>\$ (219,640)</u>	<u>\$ 269,807</u>	9,710	<u>\$ (260,097)</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>1,484,155</u>	
End of year			<u>\$ 1,493,865</u>	

# City of Union City

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

### Code Enforcement Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ 5,500	\$ -	\$ 41	\$ 41
<b>Total revenues</b>	<b>5,500</b>	<b>-</b>	<b>41</b>	<b>41</b>
<b>EXPENDITURES:</b>				
Current:				
General government	5,500	11,900	11,862	38
<b>Total expenditures</b>	<b>5,500</b>	<b>11,900</b>	<b>11,862</b>	<b>38</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ -</b>	<b>\$ (11,900)</b>	<b>(11,821)</b>	<b>\$ 79</b>
<b>FUND BALANCES:</b>				
Beginning of year			52,158	
End of year			\$ 40,337	

# City of Union City

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

### Traffic Congestion Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 520,616	\$ 520,616
Investment income	6,000	6,000	52,329	46,329
<b>Total revenues</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>	<b>572,945</b>	<b>\$ 566,945</b>
<b>EXPENDITURES</b>				
Capital outlay	-	450,000	-	450,000
<b>Total expenditures</b>	<b>-</b>	<b>450,000</b>	<b>-</b>	<b>450,000</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 6,000</b>	<b>\$ (444,000)</b>	<b>572,945</b>	<b>\$ 1,016,945</b>
<b>FUND BALANCES:</b>				
Beginning of year			710,834	
End of year			\$ 1,283,779	

# City of Union City

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

### Used Oil Block Grant Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 22,000	\$ 22,000	\$ 17,198	\$ (4,802)
Investment income	600	600	632	32
<b>Total revenues</b>	<b>22,600</b>	<b>22,600</b>	<b>17,830</b>	<b>(4,770)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	18,700	18,626	74
<b>Total expenditures</b>	<b>-</b>	<b>18,700</b>	<b>18,626</b>	<b>74</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 22,600</b>	<b>\$ 3,900</b>	<b>(796)</b>	<b>\$ (4,696)</b>
<b>FUND BALANCES:</b>				
Beginning of year			17,261	
End of year			\$ 16,465	

# City of Union City

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

### Housing In-Lieu Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ -	\$ -	\$ 413,333	\$ 413,333
Investment income	-	-	66,807	66,807
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>480,140</b>	<b>480,140</b>
<b>EXPENDITURES:</b>				
Current:				
Housing and community development	-	49,700	49,616	84
<b>Total expenditures</b>	<b>-</b>	<b>49,700</b>	<b>49,616</b>	<b>84</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ -</b>	<b>\$ (49,700)</b>	<b>430,524</b>	<b>\$ 480,224</b>
<b>FUND BALANCES:</b>				
Beginning of year			11,634	
End of year			\$ 442,158	

# City of Union City

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

### Public Safety Parcel Tax Special Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 2,440,000	\$ 2,484,300	\$ 2,509,230	\$ 24,930
Intergovernmental	-	-	2,634	2,634
<b>Total revenues</b>	<b>2,440,000</b>	<b>2,484,300</b>	<b>2,511,864</b>	<b>27,564</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	2,605,993	2,728,805	2,717,386	11,419
Debt service:				
Interest and fiscal charges	-	-	11,404	(11,404)
<b>Total expenditures</b>	<b>2,605,993</b>	<b>2,728,805</b>	<b>2,728,790</b>	<b>15</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(165,993)</b>	<b>(244,505)</b>	<b>(216,926)</b>	<b>27,579</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	165,993	165,993	165,993	-
<b>Total other financing sources (uses)</b>	<b>165,993</b>	<b>165,993</b>	<b>165,993</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ (78,512)</b>	<b>(50,933)</b>	<b>\$ 27,579</b>
<b>FUND BALANCES:</b>				
Beginning of year			77,646	
End of year			\$ 26,713	

# City of Union City

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

### Post-Employment Medical Benefits Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ -	\$ 42,000	\$ 41,999	\$ (1)
<b>Total revenues</b>	<b>-</b>	<b>42,000</b>	<b>41,999</b>	<b>(1)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	700	656	44
<b>Total expenditures</b>	<b>-</b>	<b>700</b>	<b>656</b>	<b>44</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>41,300</b>	<b>41,343</b>	<b>43</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	893,000	893,000	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>893,000</b>	<b>893,000</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ 934,300</b>	<b>934,343</b>	<b>\$ 43</b>
<b>FUND BALANCES:</b>				
Beginning of year			902,000	
End of year			<u>\$ 1,836,343</u>	

# City of Union City

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

### Union Landing PBID Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 480,149	\$ 480,149	\$ 473,539	\$ (6,610)
Investment income	-	-	6,490	6,490
<b>Total revenues</b>	<b>480,149</b>	<b>480,149</b>	<b>480,029</b>	<b>(120)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	17,000	17,000	4,585	12,415
Public safety	30,509	30,509	18,742	11,767
<b>Total expenditures</b>	<b>47,509</b>	<b>47,509</b>	<b>23,327</b>	<b>24,182</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>432,640</b>	<b>432,640</b>	<b>456,702</b>	<b>24,062</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(432,640)	(432,640)	(432,640)	-
<b>Total other financing sources (uses)</b>	<b>(432,640)</b>	<b>(432,640)</b>	<b>(432,640)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>24,062</b>	<b>\$ 24,062</b>
<b>FUND BALANCES:</b>				
Beginning of year			6,851	
End of year			<b>\$ 30,913</b>	

# City of Union City

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

### Allied Waste Vehicle Special Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Charges for services	\$ -	\$ -	\$ 156,072	\$ 156,072
<b>Total revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>156,072</b>	<b>\$ 156,072</b>
<b>FUND BALANCES:</b>				
Beginning of year			156,072	
End of year			\$ 312,144	

# City of Union City

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

### Alameda County Waste Import Mitigation Special Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ 37,000	\$ 36,928	\$ (72)
<b>Total revenues</b>	<b>-</b>	<b>37,000</b>	<b>36,928</b>	<b>(72)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	-	372,100	372,034	66
<b>Total expenditures</b>	<b>-</b>	<b>372,100</b>	<b>372,034</b>	<b>66</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ -</b>	<b>\$ (335,100)</b>	<b>(335,106)</b>	<b>\$ (6)</b>
<b>FUND BALANCES:</b>				
Beginning of year			498,917	
End of year			\$ 163,811	

# City of Union City

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

### Community Facilities District 2005-1 Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ -	\$ -	\$ 56,318	\$ 56,318
<b>Total revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>56,318</b>	<b>\$ 56,318</b>
<b>FUND BALANCES:</b>				
Beginning of year			-	
End of year			\$ 56,318	

# City of Union City

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

### Solid Waste Management Special Revenue Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ -	\$ -	\$ 44,993	\$ 44,993
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>44,993</b>	<b>44,993</b>
<b>EXPENDITURES:</b>				
Current:				
General government	194,590	202,933	1,092,699	(889,766)
<b>Total expenditures</b>	<b>194,590</b>	<b>202,933</b>	<b>1,092,699</b>	<b>(889,766)</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(194,590)</b>	<b>(202,933)</b>	<b>(1,047,706)</b>	<b>(844,773)</b>
<b>FUND BALANCES:</b>				
Beginning of year			6,644,973	
End of year			\$ 5,597,267	

# City of Union City

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

### Pension Obligation Bonds Debt Service Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ -	\$ -	\$ 54,205	\$ 54,205
Other	1,950,000	1,950,000	2,041,537	91,537
<b>Total revenues</b>	<b>1,950,000</b>	<b>1,950,000</b>	<b>2,095,742</b>	<b>145,742</b>
<b>EXPENDITURES:</b>				
Debt service:				
Principal repayment	170,000	170,000	100,000	70,000
Interest and fiscal charges	1,234,097	1,234,097	1,236,856	(2,759)
<b>Total expenditures</b>	<b>1,404,097</b>	<b>1,404,097</b>	<b>1,336,856</b>	<b>67,241</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>545,903</b>	<b>545,903</b>	<b>758,886</b>	<b>212,983</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(400,000)	(400,000)	(400,000)	-
<b>Total other financing sources (uses)</b>	<b>(400,000)</b>	<b>(400,000)</b>	<b>(400,000)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 145,903</b>	<b>\$ 145,903</b>	<b>358,886</b>	<b>\$ 212,983</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,123,253	
End of year			\$ 1,482,139	

# City of Union City

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

### Community Facilities District Debt Service Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ 692,029	\$ 692,029	\$ 605,876	\$ (86,153)
Investment income	4,000	4,000	53,188	49,188
<b>Total revenues</b>	<b>696,029</b>	<b>696,029</b>	<b>659,064</b>	<b>(36,965)</b>
<b>EXPENDITURES:</b>				
Current:				
General government	45,900	45,900	35,825	10,075
Debt service:				
Principal repayment	160,000	160,000	160,000	-
Interest and fiscal charges	402,785	402,785	410,532	(7,747)
<b>Total expenditures</b>	<b>608,685</b>	<b>608,685</b>	<b>606,357</b>	<b>2,328</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ 87,344</b>	<b>\$ 87,344</b>	<b>52,707</b>	<b>\$ (34,637)</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,324,955	
End of year			\$ 1,377,662	

# City of Union City

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

### Tri-Cities Waste Management Debt Service Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ -	\$ -	\$ 63,911	\$ 63,911
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>63,911</b>	<b>63,911</b>
<b>EXPENDITURES:</b>				
Debt service:				
Principal repayment	85,000	85,000	85,000	-
Interest and fiscal charges	38,200	38,200	28,762	9,438
<b>Total expenditures</b>	<b>123,200</b>	<b>123,200</b>	<b>113,762</b>	<b>9,438</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ (123,200)</b>	<b>\$ (123,200)</b>	<b>(49,851)</b>	<b>\$ 73,349</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,468,937	
End of year			\$ 1,419,086	

# City of Union City

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

### Public Facilities Authority Debt Service Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Investment income	\$ 351,848	\$ 351,848	\$ 313,522	\$ (38,326)
<b>Total revenues</b>	<b>351,848</b>	<b>351,848</b>	<b>313,522</b>	<b>(38,326)</b>
<b>EXPENDITURES:</b>				
Debt service:				
Principal repayment	320,000	320,000	320,000	-
Interest and fiscal charges	267,900	270,500	311,264	(40,764)
<b>Total expenditures</b>	<b>587,900</b>	<b>590,500</b>	<b>631,264</b>	<b>(40,764)</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ (236,052)</b>	<b>\$ (238,652)</b>	<b>(317,742)</b>	<b>\$ (79,090)</b>
<b>FUND BALANCES:</b>				
Beginning of year			5,784,894	
End of year			\$ 5,467,152	

# City of Union City

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

### Special Assessment District Debt Service Fund

For the year ended June 30, 2007

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes and special assessments	\$ -	\$ 649,800	\$ 649,798	\$ (2)
Investment income	-	43,800	64,050	20,250
Other	-	4,433,900	4,433,882	(18)
<b>Total revenues</b>	<b>-</b>	<b>5,127,500</b>	<b>5,147,730</b>	<b>20,230</b>
<b>EXPENDITURES:</b>				
Debt service				
Principal repayment	-	284,000	284,000	-
Interest and fiscal charges	-	359,000	358,682	318
<b>Total expenditures</b>	<b>-</b>	<b>643,000</b>	<b>642,682</b>	<b>318</b>
<b>REVENUE OVER (UNDER) EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 4,484,500</b>	<b>4,505,048</b>	<b>\$ 20,548</b>
<b>FUND BALANCES:</b>				
Beginning of year			1,647,974	
End of year			<b>\$ 6,153,022</b>	

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## INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis. However, internal service funds are still presented separately in the Fund financial statements, including the funds below.

### **Workers' Compensation Self-Insurance**

To account for disbursement to an independent claims administrator for employees who qualify to receive benefits under the law. The City has obtained insurance to cover claims exceeding \$150,000.

### **General Liability Self-Insurance**

Established to account for the rest of processing general liability claims by the Bay Cities Joint Power Insurance Association. The City has insurance to cover claims exceeding \$25,000.

### **City Garage Operations**

To account for the rental of equipment to all City departments and for the accumulation of funds and disbursements for equipment acquisitions. User charges include an amount necessary for the maintenance and repair of equipment.

**City of Union City**  
**Combining Statement of Net Assets**  
**Internal Service Funds**  
**June 30, 2007**

	Workers' Compensation Self-Insurance	General Liability Self-Insurance	City Garage Operations	Total
<b>ASSETS</b>				
Current assets:				
Cash and investments	\$ 4,373,304	\$ 2,802,190	\$ 1,157,362	\$ 8,332,856
Accounts receivable	100,917	-	45,819	146,736
Intergovernmental receivables	-	-	10,368	10,368
Due from other funds	1,528,600	-	3,927	1,532,527
Prepaid items	-	-	2,213	2,213
Capital Assets	-	-	963,397	963,397
<b>Total assets</b>	<b>6,002,821</b>	<b>2,802,190</b>	<b>2,183,086</b>	<b>10,988,097</b>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	92,203	5,656	89,668	187,527
Accrued payroll	-	-	14,000	14,000
Other accrued liabilities	-	-	162	162
Compensated absences due in one year	-	-	5,899	5,899
General liability claims due in one year	-	61,812	-	61,812
Workers' compensation claims due in one year	728,040	-	-	728,040
<b>Total current liabilities</b>	<b>820,243</b>	<b>67,468</b>	<b>109,729</b>	<b>997,440</b>
Noncurrent liabilities:				
Compensated absences due in more than one year	-	-	14,128	14,128
General liability claims due in more than one year	-	234,178	-	234,178
Workers' compensation claim due in more than one year	2,294,353	-	-	2,294,353
<b>Total noncurrent liabilities</b>	<b>2,294,353</b>	<b>234,178</b>	<b>14,128</b>	<b>2,542,659</b>
<b>Total liabilities</b>	<b>3,114,596</b>	<b>301,646</b>	<b>123,857</b>	<b>3,540,099</b>
<b>NET ASSETS</b>				
Invested in capital assets	-	-	963,397	963,397
Unrestricted	2,888,225	2,500,544	1,095,832	6,484,601
<b>Total net assets</b>	<b>\$ 2,888,225</b>	<b>\$ 2,500,544</b>	<b>\$ 2,059,229</b>	<b>\$ 7,447,998</b>

**City of Union City**  
**Combining Statement of Activities and Changes in Net Assets**  
**Internal Service Funds**  
**For the year ended June 30, 2007**

	Workers' Compensation Self-Insurance	General Liability Self-Insurance	City Garage Operations	Total
<b>OPERATING REVENUES:</b>				
Charges for sales and services	\$ 2,228,561	\$ 1,359,307	\$ 2,146,444	\$ 5,734,312
<b>Total operating revenues</b>	<b>2,228,561</b>	<b>1,359,307</b>	<b>2,146,444</b>	<b>5,734,312</b>
<b>OPERATING EXPENSES:</b>				
Garage operation	-	-	1,660,352	1,660,352
Workers' compensation claims and premiums	1,010,552	-	-	1,010,552
Insurance	-	721,764	-	721,764
Administration	-	-	48,823	48,823
Depreciation	-	-	244,980	244,980
<b>Total operating expenses</b>	<b>1,010,552</b>	<b>721,764</b>	<b>1,954,155</b>	<b>3,686,471</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,218,009</b>	<b>637,543</b>	<b>192,289</b>	<b>2,047,841</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>				
Investment income	220,624	71,972	44,489	337,085
Gain on sale of assets	-	-	25,348	25,348
Other	(1,337)	-	63,092	61,755
Transfers in	-	-	3,927	3,927
<b>Total nonoperating revenue (expenses)</b>	<b>219,287</b>	<b>71,972</b>	<b>136,856</b>	<b>428,115</b>
<b>Change in net assets</b>	<b>1,437,296</b>	<b>709,515</b>	<b>329,145</b>	<b>2,475,956</b>
<b>NET ASSETS:</b>				
Beginning of year	1,450,929	1,791,029	1,730,084	4,972,042
End of year	<u>\$ 2,888,225</u>	<u>\$ 2,500,544</u>	<u>\$ 2,059,229</u>	<u>\$ 7,447,998</u>

**City of Union City**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2007**

	Workers' Compensation Self-Insurance	General Liability Self-Insurance	City Garage Operations	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash received from customers	\$ 685,373	\$ 1,359,307	\$ 2,106,573	\$ 4,151,253
Cash payments to suppliers	-	-	(1,640,122)	(1,640,122)
Claim paid	(896,930)	(656,463)	-	(1,553,393)
Cash payments to employees	-	-	(94,696)	(94,696)
<b>Net cash provided (used) by operating activities</b>	<b>(211,557)</b>	<b>702,844</b>	<b>371,755</b>	<b>863,042</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Other	(1,337)	-	63,092	61,755
Acquisition of capital assets	-	-	(205,462)	(205,462)
Sales of capital assets	-	-	25,348	25,348
Transfers in	-	-	3,927	3,927
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(1,337)</b>	<b>-</b>	<b>(113,095)</b>	<b>(114,432)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest income	220,624	71,972	44,489	337,085
<b>Net cash provided (used) by investing activities</b>	<b>220,624</b>	<b>71,972</b>	<b>44,489</b>	<b>337,085</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,730</b>	<b>774,816</b>	<b>303,149</b>	<b>1,085,695</b>
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of year	4,365,574	2,027,374	854,213	7,247,161
End of year	<u>\$ 4,373,304</u>	<u>\$ 2,802,190</u>	<u>\$ 1,157,362</u>	<u>\$ 8,332,856</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 1,218,009	\$ 637,543	\$ 192,289	\$ 2,047,841
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	-	244,980	244,980
Accounts receivable	(14,588)	-	(35,944)	(50,532)
Prepays	62,065	-	(640)	61,425
Accounts payable and accrued liabilities	92,203	1,248	20,708	114,159
Accrued payroll	-	-	(3,961)	(3,961)
Accrued other liabilities	-	-	162	162
Accrued compensated absence	-	-	(41,912)	(41,912)
Accrued general liability claims	-	64,053	-	64,053
Accrued worker's compensation claims	(40,646)	-	-	(40,646)
Due from other funds	(1,528,600)	-	(3,927)	(1,532,527)
<b>Net cash provided (used) by operating activities</b>	<b>\$ (211,557)</b>	<b>\$ 702,844</b>	<b>\$ 371,755</b>	<b>\$ 863,042</b>

## **AGENCY FUNDS**

Agency Funds account for assets held by the City as agent for individuals, governmental entities and non-public organizations. These funds include the following:

### **POA Custodial**

To account for the post-retirement healthcare benefits to members of the Police Officers' Association.

**City of Union City**  
**Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the year ended June 30, 2007**

<u>POA Custodial</u>	<u>Balance June 30, 2006</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2007</u>
<b>Assets:</b>				
Cash and investments	\$ 522,209	\$ 138,578	\$ 190,084	\$ 470,703
<b>Total assets</b>	<u>\$ 522,209</u>	<u>\$ 138,578</u>	<u>\$ 190,084</u>	<u>\$ 470,703</u>
<b>Liabilities:</b>				
Other accrued liabilities	\$ 522,209	\$ 326,680	\$ 378,186	\$ 470,703
<b>Total liabilities</b>	<u>\$ 522,209</u>	<u>\$ 326,680</u>	<u>\$ 378,186</u>	<u>\$ 470,703</u>

# STATISICAL SECTION



## STATISTICAL SECTION INTRODUCTION

This part of the City of Union City's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information says about the City's overall financial health.

### **Contents**

#### ***Financial Trends Information***

This information is intended to assist users in understanding and assessing how a government's financial position has changed over time.

#### ***Revenue Capacity Information***

This information is intended to assist users in understanding and assessing factors affecting a government's ability to generate its own revenue.

#### ***Debt Capacity Information***

This information is intended to assist users in understanding and assessing a government's debt burden and its ability to issue additional debt.

#### ***Demographic and Economic Information***

This information is intended to assist users in understanding socioeconomic environment with which a government operates and provide information that facilitates comparison of financial statement information over time and among governments.

#### ***Operating Information***

This information is intended to provide information about operations and resources to assist readers in using financial statement information to understand and assess a government's economic condition.

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## FINANCIAL TRENDS INFORMATION

Net Assets by Component - Last Four Fiscal Years

Changes in Net Assets - Last Four Fiscal Years

Fund Balances of Governmental Funds - Last Four Fiscal Years

Changes in Fund Balances of Governmental Funds - Last Four Fiscal Years

**City of Union City**  
**Net Assets by Component**  
**Last Four Fiscal Years**  
**(accrual basis of accounting)**

	FISCAL YEAR ENDING JUNE 30,			
	2004	2005	2006	2007
Governmental activities:				
Invested in capital assets, net of related debt	\$ 48,954,421	\$ 49,379,275	\$ 102,126,165	\$ 113,794,817
Restricted	52,232,854	88,633,135	37,262,379	63,908,391
Unrestricted	32,644,607	5,325,728	34,208,866	13,069,259
<b>Total governmental activities net assets</b>	<b>\$ 133,831,882</b>	<b>\$ 143,338,138</b>	<b>\$ 173,597,410</b>	<b>\$ 190,772,467</b>
Business-type activities:				
Invested in capital assets, net of related debt	\$ 4,582,120	\$ 4,142,375	\$ 3,770,620	\$ 3,560,252
Restricted	-	-	-	-
Unrestricted	(136,533)	(101,457)	(149,312)	(149,308)
<b>Total business-type activities net assets</b>	<b>\$ 4,445,587</b>	<b>\$ 4,040,918</b>	<b>\$ 3,621,308</b>	<b>\$ 3,410,944</b>
Primary government:				
Invested in capital assets, net of related debt	\$ 53,536,541	\$ 53,521,650	\$ 105,896,785	\$ 117,355,069
Restricted	52,232,854	88,633,135	37,262,379	63,908,391
Unrestricted	32,508,074	5,224,271	34,059,554	12,919,951
<b>Total primary government net assets</b>	<b>\$ 138,277,469</b>	<b>\$ 147,379,056</b>	<b>\$ 177,218,718</b>	<b>\$ 194,183,411</b>

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

*Source: Current and Prior Comprehensive Annual Financial Reports (CAFR)*

*Footnotes: None*

**City of Union City**  
**Changes in Net Assets**  
**Last Four Fiscal Years**  
**(accrual basis of accounting)**

	FISCAL YEAR ENDING JUNE 30,			
	2004	2005	2006	2007
Expenses:				
Governmental activities:				
General Government	\$ 6,934,093	\$ 14,179,871	\$ 17,573,424	\$ 21,780,499
Public Safety	24,482,713	25,996,135	27,452,669	29,255,007
Housing and community development	12,941,092	6,559,551	2,720,183	5,494,565
Recreation and culture	2,904,133	3,010,263	3,322,569	3,685,637
Planning and public works	14,130,361	8,212,260	6,754,395	5,717,553
Interest, fiscal charges & bond issuance costs	5,365,624	10,203,546	7,242,191	8,187,940
<b>Total governmental activities expense</b>	<b>66,758,016</b>	<b>68,161,626</b>	<b>65,065,431</b>	<b>74,121,200</b>
Business-type activities:				
Transit	2,845,947	2,605,535	2,935,467	2,996,756
ParaTransit	490,196	578,940	624,208	619,295
<b>Total business type activities</b>	<b>3,336,143</b>	<b>3,184,475</b>	<b>3,559,675</b>	<b>3,616,051</b>
<b>Total primary government expenses</b>	<b>70,094,159</b>	<b>71,346,101</b>	<b>68,625,106</b>	<b>77,737,251</b>
Program revenues:				
Governmental activities:				
Charges for services:				
General Government	1,842,317	10,911,535	2,105,692	4,661,579
Public Safety	367,854	3,931,527	4,325,371	4,899,676
Housing and community development	713,922	2,315,594	4,638,327	4,870,353
Recreation and culture	1,414,421	1,621,007	1,640,806	1,599,271
Planning and public works	3,007,207	3,649,210	4,462,443	2,754,631
Operating grants and contributions	16,899,088	3,778,487	10,700,117	7,535,553
Capital grants and contributions	7,724,548	318,497	6,634,654	4,577,730
<b>Total governmental activities program revenues</b>	<b>31,969,357</b>	<b>26,525,857</b>	<b>34,507,410</b>	<b>30,898,793</b>
Business-type activities				
Charges for services:				
Transit	306,952	302,039	316,245	376,595
ParaTransit	31,013	30,814	34,984	35,081
Operating grants and contributions	2,359,330	2,438,748	-	-
Capital grants and contributions	1,555,419	-	-	154,814
<b>Total business-type activities program revenues</b>	<b>4,252,714</b>	<b>2,771,601</b>	<b>351,229</b>	<b>566,490</b>
<b>Total primary government program revenues</b>	<b>36,222,071</b>	<b>29,297,458</b>	<b>34,858,639</b>	<b>31,465,283</b>
Net revenues (expenses)				
Governmental activities	(34,788,659)	(41,635,769)	(30,558,021)	(43,222,407)
Business-type activities	916,571	(412,874)	(3,208,446)	(3,049,561)
<b>Total net revenues (expenses)</b>	<b>(33,872,088)</b>	<b>(42,048,643)</b>	<b>(33,766,467)</b>	<b>(46,271,968)</b>

**City of Union City**  
**Changes in Net Assets, Continued**  
**Last Four Fiscal Years**  
**(accrual basis of accounting)**

	FISCAL YEAR ENDING JUNE 30,			
	2004	2005	2006	2007
General revenues and other changes in net assets:				
Governmental activities:				
Taxes:				
Property taxes	\$ 22,921,122	\$ 27,115,254	\$ 34,247,619	\$ 45,109,573
Transient occupancy taxes	349,535	394,660	567,354	681,093
Sales taxes	6,977,572	6,898,346	5,908,016	5,886,152
Other taxes	4,092,077	3,960,798	4,965,913	4,406,249
Motor vehicle in lieu, unrestricted <sup>1</sup>	3,150,742	1,652,172	-	-
Capital contribution <sup>2</sup>	-	-	5,960,072	-
Unrestricted/Intergovernmental <sup>2</sup>	-	-	464,960	473,091
Gain (loss) on sale of assets <sup>2</sup>	-	-	8,278	-
Investment earnings (loss)	890,266	3,607,659	2,324,804	1,648,069
Other revenues <sup>3</sup>	86,034	-	2,241,797	22,017
Transfers	-	-	-	-
<b>Total governmental activities</b>	<b>38,467,348</b>	<b>43,628,889</b>	<b>56,688,813</b>	<b>58,226,244</b>
Business-type activities:				
Capital contribution <sup>2</sup>	-	-	23,789	-
Unrestricted/Intergovernmental <sup>2</sup>	-	-	2,803,111	2,836,714
Gain (loss) on sale of assets <sup>2</sup>	-	-	1,319	-
Investment income	3,895	8,205	19,503	2,481
Other revenues	3,399	-	-	-
Transfers	-	-	-	-
<b>Total business-type activities</b>	<b>7,294</b>	<b>8,205</b>	<b>2,847,722</b>	<b>2,839,195</b>
<b>Total primary government</b>	<b>38,474,642</b>	<b>43,637,094</b>	<b>59,536,535</b>	<b>61,065,439</b>
Changes in net assets				
Governmental activities	3,678,689	1,993,120	26,130,792	15,003,837
Business-type activities	923,865	(404,669)	(360,724)	(210,366)
<b>Total primary government</b>	<b>\$ 4,602,554</b>	<b>\$ 1,588,451</b>	<b>\$ 25,770,068</b>	<b>\$ 14,793,471</b>

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

Source: Current and Prior Comprehensive Annual Financial Reports (CAFR)

Footnotes:

- 1) Starting FISCAL YEAR ENDING JUNE 30, 2006, Motor vehicle in lieu is shown as part of Unrestricted/Intergovernmental under Business-type activities.
- 2) These are new categories starting FISCAL YEAR ENDING JUNE 30, 2006.

**City of Union City**  
**Fund Balances of Governmental Funds**  
**Last Four Fiscal Years**  
**(modified accrual basis of accounting)**

	FISCAL YEAR ENDING JUNE 30,			
	2004	2005	2006	2007
General fund:				
Reserved	\$ 802,141	\$ 964,533	\$ 1,033,512	\$ 2,246,045
Unreserved	2,422,722	5,609,869	8,088,157	7,618,571
<b>Total general fund</b>	<b>\$ 3,224,863</b>	<b>\$ 6,574,402</b>	<b>\$ 9,121,669</b>	<b>\$ 9,864,616</b>
All other governmental funds				
Reserved <sup>1</sup>	\$ 53,179,160	\$ 65,165,108	\$ 70,550,011	\$ 76,650,390
Unreserved, reported in:				
Special revenue funds	10,723,368	11,647,786	21,391,186	17,309,575
Debt service funds <sup>2</sup>	-	-	1,324,955	-
Capital projects funds	9,652,484	16,403,689	8,841,052	8,372,329
Total all other governmental funds	<b>\$ 73,555,012</b>	<b>\$ 93,216,583</b>	<b>\$ 102,107,204</b>	<b>\$ 102,332,294</b>
All Funds				
Reserved	\$ 53,981,301	\$ 66,129,641	\$ 71,583,523	\$ 78,896,435
Unreserved	22,798,574	33,661,344	39,645,350	33,300,475
<b>Total All Funds</b>	<b>\$ 76,779,875</b>	<b>\$ 99,790,985</b>	<b>\$ 111,228,873</b>	<b>\$ 112,196,910</b>

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

*Source: Current and Prior Comprehensive Annual Financial Reports (CAFR)*

*Footnotes:*

- 1) Reserved fund balances include unexpended special assessment bond proceeds in all years.*
- 2) Not segregated prior to FISCAL YEAR ENDING JUNE 30, 2006.*

**City of Union City**  
**Changes in Fund Balances of Governmental Funds**  
**Last Four Fiscal Years**  
**(modified accrual basis of accounting)**

	FISCAL YEAR ENDING JUNE 30,			
	2004	2005	2006	2007
Revenues:				
Taxes and assessments	\$ 44,027,262	\$ 49,978,177	\$ 54,978,807	\$ 58,395,088
Licenses and permits	1,721,499	1,831,682	2,115,678	2,268,896
Fines and forfeitures	314,247	368,931	713,249	818,384
Intergovernmental	11,647,610	6,110,967	5,510,503	3,854,680
Charges for services	4,806,001	7,338,413	15,312,087	10,561,761
Investment income	1,007,539	3,457,031	2,355,655	3,869,655
Other	1,056,307	3,430,997	4,054,344	8,305,205
<b>Total revenues</b>	<b>64,580,465</b>	<b>72,516,198</b>	<b>85,040,323</b>	<b>88,073,669</b>
Expenditures				
Current:				
General government	6,522,983	7,458,634	10,837,477	11,902,699
Public safety	24,292,156	26,326,773	26,832,499	29,198,401
Housing and community development	13,819,333	10,716,359	2,589,062	5,452,663
Recreation and culture	2,673,033	2,892,731	3,160,984	3,471,052
Planning and public works	7,631,311	4,782,767	5,150,566	5,558,917
Agency pass through payments	2,335,784	2,480,251	993,710	1,042,536
Capital Outlay	10,259,735	12,140,706	20,901,327	24,664,914
Debt service:				
Principal repayment	2,109,956	6,409,022	2,189,510	3,202,348
Interest and fiscal charges	5,332,661	6,594,010	7,555,404	7,598,335
Bond issuance costs	546,483	1,719,035	-	-
Payment to advance refunding escrow	-	-	-	-
<b>Total expenditures</b>	<b>75,523,435</b>	<b>81,520,288</b>	<b>80,210,539</b>	<b>92,091,865</b>
Excess (deficiency) of revenues over (under) expenditures	<u>(10,942,970)</u>	<u>(9,004,090)</u>	<u>4,829,784</u>	<u>(4,018,196)</u>
Other financing sources (uses):				
Contribution from Agency fund	-	-	5,960,072	-
Proceeds from bonds	22,997,973	31,725,000	-	-
Issuance of capital leases	-	-	-	2,190,779
Proceeds from sale of assets	-	290,200	2,323	627,180
Unfunded pension liability payment	(22,451,490)	-	-	-
Transfers in	5,550,981	11,836,013	7,469,927	17,329,130
Transfers out	(5,550,981)	(11,836,013)	(7,472,250)	(17,333,057)
<b>Total other financing sources (uses)</b>	<b>546,483</b>	<b>32,015,200</b>	<b>5,960,072</b>	<b>2,814,032</b>
<b>Net change in fund balances</b>	<b>\$ (10,396,487)</b>	<b>\$ 23,011,110</b>	<b>\$ 10,789,856</b>	<b>\$ (1,204,164)</b>
Noncapital expenditures	\$10,259,735	\$11,243,030	\$19,192,979	\$24,693,295
Debt service as a % of noncapital expenditures	13.95%	26.50%	19.01%	19.08%

Note: The City of Union City implemented GASB 34 for the fiscal year ended June 30, 2003.

Information prior to implementation of GASB 34 is not available.

Source: Current and Prior Comprehensive Annual Financial Reports (CAFR)

Footnotes: None

## REVENUE CAPACITY INFORMATION

Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years

Principal Property Tax Payers - Current and Nine Years Ago

Property Tax Levies and Collections - Last Four Fiscal Years

Special Assessment Collections - Last Ten Fiscal Years

Property Values and Construction - Last Ten Fiscal Years

**City of Union City**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(in thousands of dollars)**

Fiscal Year Ended June 30,	City				Taxable Assessed Value
	Secured	State Board Roll	Unsecured	Less Exemptions	
1998	3,120,573	1,633	156,379	(128,363)	3,150,222
1999	3,431,787	1,951	153,547	(137,138)	3,450,146
2000	3,831,218	1,423	164,157	(103,914)	3,892,884
2001	4,247,744	1,333	207,364	(149,317)	4,307,123
2002	4,740,526	1,838	241,631	(167,886)	4,816,109
2003	5,191,110	1,793	242,324	(207,178)	5,228,050
2004	5,581,539	1,558	266,247	(218,017)	5,631,327
2005	5,914,424	4,049	258,072	(292,400)	5,884,146
2006	6,458,910	3,937	286,146	(301,542)	6,447,451
2007	7,148,759	3,661	288,859	(320,302)	7,120,978

Fiscal Year Ended June 30,	Redevelopment Agency				Taxable Assessed Value	Total City Direct Tax Rate	Total Direct & Overlapping Rate
	Secured	State Board Roll	Unsecured	Less Exemptions			
1998	482,132	971	24,050	(14,013)	493,140	0.000%	1.186%
1999	556,364	1,190	27,326	(15,835)	569,045	0.000%	1.258%
2000	703,050	813	21,677	(18,056)	707,485	0.000%	1.159%
2001	869,556	752	34,275	(20,395)	884,187	0.000%	1.134%
2002	1,084,416	1,224	38,739	(24,483)	1,099,896	0.000%	1.134%
2003	1,317,890	1,193	39,732	(28,404)	1,330,411	0.000%	1.142%
2004	1,508,415	905	57,517	(58,700)	1,508,137	0.000%	1.125%
2005	1,589,738	1,427	56,151	(61,702)	1,585,614	0.000%	1.155%
2006	1,805,589	1,351	65,175	(63,232)	1,808,883	0.000%	1.148%
2007	2,065,486	1,163	76,353	(82,226)	2,060,776	0.000%	1.135%

*Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum 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 date shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.*

Source: Alameda County Auditor-Controller Agency

Footnotes: None

**City of Union City**  
**Direct and Overlapping Property Tax Rates**  
**(Rate per \$100 of assessed value)**  
**Last Ten Fiscal Years**

	FISCAL YEAR ENDING JUNE 30,									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
City Direct Rates:										
City basic rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total City Direct Rate	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Overlapping Rates:										
Alameda County	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000	\$ 1.000
School Districts	0.146	0.143	0.142	0.120	0.120	0.130	0.114	0.146	0.133	0.111
AC Transit District	0.022	0.017	-	-	-	-	-	-	-	-
Hospital District	-	-	-	-	-	-	-	-	-	0.006
Bay Area Rapid Transit District	-	-	-	-	-	-	-	-	0.005	0.005
County Water District	0.010	0.006	0.008	0.006	0.006	0.006	0.005	0.004	0.005	0.006
East Bay Regional Park District	0.008	0.092	0.009	0.007	0.007	0.007	0.006	0.006	0.006	0.009
<b>Total Overlapping Rate</b>	<b>\$ 1.186</b>	<b>\$ 1.258</b>	<b>\$ 1.159</b>	<b>\$ 1.134</b>	<b>\$ 1.134</b>	<b>\$ 1.142</b>	<b>\$ 1.125</b>	<b>\$ 1.155</b>	<b>\$ 1.148</b>	<b>\$ 1.135</b>
<b>Total Direct &amp; Overlapping Rate</b>	<b>\$ 1.186</b>	<b>\$ 1.258</b>	<b>\$ 1.159</b>	<b>\$ 1.134</b>	<b>\$ 1.134</b>	<b>\$ 1.142</b>	<b>\$ 1.125</b>	<b>\$ 1.155</b>	<b>\$ 1.148</b>	<b>\$ 1.135</b>

*Note: 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 subject property 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 other agency bonds such as those held by the School Districts.*

Source: Alameda County Auditor-Controller Agency

Footnotes: None

**City of Union City**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**  
**(in thousands of dollars)**

Taxpayer	FISCAL YEAR ENDING JUNE 30,			
	2007		1998	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Rreef America REIT II Corp R	\$ 71,459	1.004%	\$ -	0.000%
Dyer Triangle LLC	58,034	0.815	-	-
Hearst Communications Inc	52,416	0.736	50,275	1.596
Crossroads Technology Park LLC	45,009	0.632	-	-
Catellus Finance 1 LLC	42,275	0.594	36,555	1.160
Teachers Insurance & Annuity Assoc America	37,909	0.532	-	-
Union Square Investments LP	29,434	0.413	-	-
U S Pipe Holdings Corporation	25,860	0.363	25,473	0.809
Summerhill Talavera LLC	25,860	0.363	-	-
Pappas Union City No 2 LP	24,895	0.350	-	-
Kaiser Foundation Health Plan Inc.	-	-	45,223	1.436
Dreyers Grand Ice Cream Inc.	-	-	30,656	0.973
American Licorice Company	-	-	27,288	0.866
Patrician Associates	-	-	26,935	0.855
Keh, Abraham T & Frances T et al.	-	-	20,288	0.644
BRE Properties	-	-	17,190	0.546
Lincoln Fair Ranch Associates	-	-	11,277	0.358
<b>Totals</b>	<b>\$ 413,151</b>	<b>5.802%</b>	<b>\$ 291,159</b>	<b>9.243%</b>
<b>Total City Taxable Assessed Value</b>	<b>\$ 7,120,978</b>		<b>\$ 3,150,222</b>	

Note: None

Source: Alameda County Assessor's Office.

Footnotes: None

**City of Union City**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
1998	\$ 4,992,361	\$ 4,862,834	97.41%	\$ 134,843	\$ 4,997,677	100.11%
1999	5,388,335	5,244,336	97.33%	144,458	5,388,794	100.01%
2000	5,959,801	5,827,060	97.77%	166,235	5,993,295	100.56%
2001	6,418,354	6,266,563	97.64%	135,665	6,402,228	99.75%
2002	6,945,296	6,738,923	97.03%	241,170	6,980,093	100.50%
2003	7,419,969	7,181,564	96.79%	290,840	7,472,404	100.71%
2004	7,856,229	7,489,847	95.34%	200,372	7,690,219	97.89%
2005	8,026,129	7,719,887	96.18%	235,376	7,955,263	99.12%
2006	8,675,790	8,418,010	97.03%	31,116	8,449,126	97.39%
2007	9,488,009	9,043,183	95.31%	20,994	9,064,176	95.53%

*Note: Includes both secured and unsecured property tax collections*

*Source: Alameda County Auditor-Controller Agency*

*Footnotes: None*

*None*

**City of Union City**  
**Special Assessment Collections**  
**Last Ten Fiscal Years**

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Fiscal Year Ended June 30,	Current Assessment Due	Current Assessments Collected	Percent of Current Assessments Collected	Total Outstanding Current Assessments
1998	\$ 5,589,365	\$ 5,412,613	96.84%	\$ 176,752
1999	6,736,096	6,600,714	97.99%	135,382
2000	7,361,188	7,196,789	97.77%	164,399
2001	7,971,765	7,823,663	98.14%	148,102
2002	8,375,293	8,222,647	98.18%	152,646
2003	8,717,090	8,552,386	98.11%	164,704
2004	8,947,966	8,798,181	98.33%	149,785
2005	11,835,419	11,643,835	98.38%	191,584
2006	12,507,056	12,273,151	98.13%	233,905
2007	12,828,936	12,438,676	96.96%	390,260

*Note: None*

*Source: Alameda County Auditor-Controller Agency*

*Footnotes: None*

**City of Union City**  
**Property Values and Construction**  
**Last Ten Fiscal Years**  
**(Value and Bank Deposits in Thousands of Dollars)**

Fiscal Year Ended June 30,	VALUE			NEW DWELLING UNITS (# OF PERMITS)		
	Residential	Non- Residential	Total	Single Family	Multiple Family	Total
1998	\$ 105,932	\$ 30,377	\$ 136,309	483	125	608
1999	93,537	28,691	122,228	419	-	419
2000	90,060	57,809	147,869	246	97	343
2001	82,273	77,736	160,009	240	99	339
2002	21,699	26,383	48,082	57	-	57
2003	37,973	17,274	55,247	93	-	93
2004	56,525	27,679	84,204	118	79	197
2005	68,537	23,406	91,943	132	1	133
2006	62,672	15,806	78,477	194	-	194
2007	87,397	17,067	104,464	155	122	277

Notes: None

Sources:

1) City of Union City Planning Department

Footnotes: None

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## DEBT CAPACITY INFORMATION

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years

Schedule of Direct and Overlapping Debt - As of June 30, 2007

Legal Debt Margin Information - Last Ten Fiscal Years

Pledged-Revenue Coverage - Last Ten Fiscal Years

**City of Union City**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**  
**(In Thousands except Per Capita Items)**

Fiscal Year Ended June 30,	Governmental Activities						Total Governmental Activities
	Pension Obligation Bonds <sup>1</sup>	Tax Allocation Bonds	Sub-Total	Percent of Assessed Value <sup>2</sup>	Per Capita <sup>3</sup>	Other	
1998	\$ -	\$ 15,750	\$ 15,750	0.43%	\$ 256	\$ 18,079	\$ 33,829
1999	-	15,490	15,490	0.39%	241	18,503	33,993
2000	-	50,425	50,425	1.10%	754	19,035	69,460
2001	-	75,170	75,170	1.45%	1,105	24,499	99,669
2002	-	74,610	74,610	1.26%	1,066	26,390	101,000
2003	-	75,114	75,114	1.15%	1,072	25,456	100,570
2004	22,998	74,955	97,953	1.37%	1,393	20,545	118,498
2005	22,968	101,200	124,168	1.66%	1,765	19,646	143,814
2006	22,968	99,985	122,953	1.49%	1,728	18,701	141,654
2007	22,868	98,720	121,588	1.32%	1,682	19,055	140,643

Fiscal Year Ended June 30,	Business-type Activities <sup>4</sup>			Total Primary Government	Percentage of Personal Income <sup>3</sup>	Total Debt per Capita <sup>3</sup>
	Certificates of Participation	Other	Total Business-type Activities			
1998	\$ -	\$ -	\$ -	\$ 33,829	83.19%	\$ 549
1999	-	-	-	33,993	76.58%	528
2000	-	-	-	69,460	143.76%	1,039
2001	-	-	-	99,669	178.65%	1,466
2002	-	14	14	101,014	179.99%	1,444
2003	-	22	22	100,592	181.85%	1,435
2004	-	22	22	118,520	210.05%	1,686
2005	-	-	-	143,814	243.01%	2,045
2006	-	-	-	141,654	227.26%	1,991
2007	-	-	-	140,643	212.86%	1,945

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

Sources:

- 1) Current and Prior Comprehensive Annual Financial Reports (CAFR)
- 2) Alameda County Auditor-Controller Agency

Footnotes:

- 1) The City issued \$22.998 million in pension obligations bonds during FISCAL YEAR ENDED JUNE 30, 2004.
- 2) Assessed value has been used because the actual value of taxable property is not readily available in the State of California.
- 3) These ratios are calculated using personal income and population for the prior calendar year.
- 4) The City started separating business-type activity debt in its financial statements starting with the FISCAL YEAR ENDED JUNE, 30, 2003.

# City of Union City

## Schedule of Direct and Overlapping Debt

### As of June 30, 2007

	\$		\$
	7,197,299,941		1,753,482,204
<b>Total Assessed Valuation</b>	<b>\$ 5,443,817,737</b>		
	Outstanding Debt as of June 30, 2007	Percent (%) applicable to City <sup>2</sup>	City's Share of Debt as of June 30, 2007
<b>OVERLAPPING TAX AND ASSESSMENT DEBT:</b>			
Bay Area Rapid Transit District	\$ 87,185,000	1.379%	\$ 1,202,281
Chabot-Las Positas Community College District	488,944,226	6.416%	31,370,662
Ohlone Community College District	135,505,000	2.168%	2,937,748
New Haven Unified School District	148,109,762	81.280%	120,383,615
Washington Township Healthcare District	60,000,000	13.709%	8,225,400
East Bay Regional Park District	166,295,000	2.005%	3,334,215
City of Union City Dyer Street Community Facilities District	7,005,000	100.000%	7,005,000
City of Union City 1915 Act Bonds	4,753,000	100.000%	4,753,000
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>	<b>1,097,796,988</b>		<b>179,211,921</b>
<b>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</b>			
Alameda County General Fund Obligations	462,174,000	3.471%	16,042,060
Alameda County Pension Obligations	254,826,843	3.471%	8,845,040
Alameda County Board of Education Certificates of Participation	490,000	3.471%	17,008
Alameda-Contra Costa Transit District Certificates of Participation	18,905,000	0.587%	110,972
Chabot-Las Positas Community College District Certificates of Participation	5,145,000	6.416%	330,103
Hayward Unified School District Certificates of Participation	23,860,000	0.148%	35,313
City of Union City Pension Obligation	22,867,973	100.000%	22,867,973
<b>TOTAL DIRECT &amp; OVERLAPPING GENERAL FUND DEBT</b>	<b>788,268,816</b>		<b>48,248,469</b>
<b>COMBINED TOTAL DEBT<sup>3</sup></b>	<b>\$ 1,886,065,804</b>		<b>\$ 227,460,390</b>

Ratios to 2006-07 Assessed Valuation:

Total Overlapping Tax and Assessment Debt 2.49%

Ratios to Adjusted Assessed Valuation:

Combined Direct Debt (\$22,867,973) 0.42%

Combined Total Debt 4.18%

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/07: \$0

Notes: None

Source: California Municipal Statistics

Footnotes:

1) Includes Homeowner's Exemption of \$76,322,400

2) Percentage of overlapping agency's assessed valuation located within boundaries of the city.

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

**City of Union City**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**  
**(In thousands of dollars)**

	FISCAL YEAR ENDING JUNE 30,				
	1998	1999	2000	2001	2002
Assessed valuation	\$ 3,301,981	\$ 3,518,804	\$ 3,926,048	\$ 4,382,754	\$ 4,909,120
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted assessed valuation	\$ 825,495	\$ 879,701	\$ 981,512	\$ 1,095,688	\$ 1,227,280
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt limit	123,824	131,955	147,227	164,353	184,092
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	<u>\$ 123,824</u>	<u>\$ 131,955</u>	<u>\$ 147,227</u>	<u>\$ 164,353</u>	<u>\$ 184,092</u>
Total debt applicable to limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

**City of Union City**  
**Legal Debt Margin Information, Continued**  
**Last Ten Fiscal Years**  
**(In thousands of dollars)**

	FISCAL YEAR ENDING JUNE 30,				
	2003	2004	2005	2006	2007
Assessed valuation	\$ 5,359,435	\$ 5,773,510	\$ 6,102,379	\$ 6,674,873	\$ 7,364,957
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted assessed valuation	1,339,859	1,443,378	1,525,595	1,668,718	1,841,239
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt limit	200,979	216,507	228,839	250,308	276,186
Total net debt applicable to limit:					
General obligation bonds	-	22,998	22,968	22,968	22,868
Legal debt margin	<u>\$ 200,979</u>	<u>\$ 193,509</u>	<u>\$ 205,871</u>	<u>\$ 227,340</u>	<u>\$ 253,318</u>
Total debt applicable to limit as a percentage of debt limit	0.0%	10.6%	10.0%	9.2%	8.3%

*Note: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.*

*The City's Legal Debt Margin decreased from 2003 to 2004 due to issuance of \$22.9 million in pension obligation bonds.*

Source:

City Finance Department  
Alameda County Assessor's Office

Footnotes: None

**City of Union City**  
**Pledged-Revenue Coverage**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Tax Allocation Bonds				Coverage
	Tax Increment	Debt Service			
		Principal	Interest		
1998	\$ 3,034,432	\$ 250,000	\$ 893,118	2.65	
1999	5,664,667	260,000	882,148	4.96	
2000	6,411,013	270,000	870,218	5.62	
2001	7,756,936	320,000	2,816,775	2.47	
2002	10,779,317	560,000	4,182,568	2.27	
2003	12,191,213	810,000	4,276,041	2.40	
2004	13,285,223	1,260,000	4,035,608	2.51	
2005	13,565,441	1,220,000	3,995,075	2.60	
2006	17,301,697	1,215,000	5,091,050	2.74	
2007	19,402,452	1,265,000	5,048,211	3.07	

*Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.*

*Source: Current and Prior Community Redevelopment Agency of the City of Union City Basic Component Unit Financial Statements*

*Footnotes: None*

## DEMOGRAPHIC AND ECONOMIC INFORMATION

Bank Deposit Summary - Last Ten Fiscal Years

General Fund Expenditures by Function - Last Ten Fiscal Years

General Fund Revenues by Function - Last Ten Fiscal Years

Taxable Sales Transactions - Last Ten Calendar Years

Taxable Sales Transactions - by Type of Business

Adopted and Final Budget for 2006-07 and 2007-08 Adopted Budget for Unrestricted General Fund

Summary of Revenues, Expenditures, and Changes in Fund Balance General Fund

Municipal Debt Continuing Disclosure S.E.C. Rule 15c2-12(b)(5)

Pooled Investment Portfolio - As of June 30, 2007

Municipal Debt Continuing Disclosure S.E.C. Rule 15c2-12(b)(5)

Demographic and Economic Statistics - Last Ten Calendar Years

Principal Employers - Current and Nine Years Ago

Full-time and Part-time City Employees (Full-Time Equivalent FTE's) by Department - Last Ten Fiscal Years

**City of Union City**  
**Bank Deposit Summary**  
**Last Ten Fiscal Years**  
**(Deposits in Thousands of Dollars)**

Fiscal Year Ended June 30,	DEPOSITS			# OF INSTITUTIONS		
	Banks	Savings and Loans	Total	Banks	Savings and Loans	Total
1998	\$ 301,494	\$ 37,186	\$ 338,680	6	1	7
1999	355,795	38,531	394,326	6	1	7
2000	389,971	43,138	433,109	7	1	8
2001	449,055	60,639	509,694	7	1	8
2002	496,337	54,974	551,311	8	1	9
2003	554,698	54,187	608,885	8	1	9
2004	620,529	59,560	680,089	8	1	9
2005	678,772	63,282	742,054	9	1	10
2006	731,199	77,771	808,970	10	1	11
2007	821,976	32,211	854,187	10	1	11

Notes: None

Source: Federal Deposit Insurance Corporation (FDIC)

**City of Union City**  
**General Fund Expenditures by Function**  
**Last Ten Fiscal Years**

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Fiscal Year Ended June 30,	General Government	Planning & Public Works	Capital Outlay	Subtotal	Public Safety	Recreation and Culture	Debt Service	Total
1998	\$ 3,131,091	Unavail.	Unavail.	\$ 3,131,091	\$ 13,373,045	\$ 780,816	\$ 88,094	\$ 17,373,046
1999	4,320,233	5,826,639	254,733	10,401,605	14,291,024	1,023,389	623,053	26,339,071
2000	4,244,536	6,621,201	1,531,055	12,396,792	16,765,893	1,063,865	451,153	30,677,703
2001	4,457,207	4,629,090	256,798	9,343,095	17,438,154	1,197,799	402,589	28,381,637
2002	3,967,391	5,012,963	89,204	9,069,558	19,123,197	1,227,497	264,549	29,684,801
2003	3,597,893	3,686,137	77,539	7,361,569	19,782,003	1,431,757	159,549	28,734,878
2004	3,990,636	3,879,653	54,667	7,924,956	22,111,587	1,368,943	-	31,405,486
2005	4,582,097	4,314,982	118,049	9,015,128	19,166,901	1,430,952	-	29,612,981
2006	5,031,370	5,129,047	141,299	10,301,716	21,760,125	1,629,627	-	33,691,468
2007	5,544,967	5,558,917	1,738,396	12,842,280	23,500,877	2,036,277	520,000	38,899,434

Note: None

Source: Current and Prior Comprehensive Annual Financial Reports (CAFR)

Footnotes: None

**City of Union City**  
**General Fund Revenues by Function**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30,	TAXES					Licenses and Permits	Fines and Forfeitures
	Property Taxes <sup>1</sup>	Sales Taxes <sup>1</sup>	Other Taxes <sup>1</sup>	Franchise Fees <sup>1</sup>	Subtotal		
1998	\$ -	\$ -	\$ -	\$ -	\$ 14,351,301	\$ 1,744,976	\$ 168,588
1999	-	-	-	-	14,458,461	1,759,756	204,444
2000	-	-	-	-	16,104,929	1,993,749	182,476
2001	6,913,774	7,231,803	1,615,645	1,981,705	17,742,927	2,019,630	212,467
2002	7,124,113	6,911,269	1,360,153	3,041,133	18,436,668	1,571,306	194,344
2003	7,438,405	7,399,559	1,240,539	3,274,010	19,352,513	1,787,418	238,581
2004	8,431,604	6,977,572	1,431,152	3,454,217	20,294,545	1,721,499	314,247
2005	13,042,287	5,745,554	1,592,884	3,023,074	23,403,799	1,831,682	368,931
2006	15,197,680	5,908,016	1,824,127	3,727,293	26,657,116	2,115,678	713,249
2007	17,018,100	5,886,152	1,893,056	3,194,286	27,991,594	2,268,896	818,384

Fiscal Year Ended June 30,	REVENUE FROM OTHER AGENCIES						Total
	Motor Vehicle In Lieu <sup>1</sup>	Other Inter- Governmental <sup>1</sup>	Subtotal	Charges for Services	Investment Income	Other Revenue	
1998	\$ -	\$ -	\$ 3,145,557	\$ 2,548,316	\$ 547,405	\$ 252,000	\$ 22,758,143
1999	-	-	3,973,106	1,827,584	691,255	372,154	23,286,760
2000	-	-	4,814,835	1,529,789	277,944	598,955	25,502,677
2001	3,487,885	1,520,575	5,008,460	679,928	1,379,295	1,184,930	28,227,637
2002	3,780,283	1,552,129	5,332,412	252,578	693,253	1,192,498	27,673,059
2003	3,949,257	1,348,674	5,297,931	1,157,576	602,925	890,507	29,327,451
2004	3,150,742	981,057	4,131,799	2,676,526	(11,597)	555,435	29,682,454
2005	1,652,171	1,541,934	3,194,105	2,195,566	1,301,797	286,440	32,582,320
2006 <sup>2</sup>	460,702	1,492,629	1,953,331	3,800,000	615,114	645,788	36,500,276
2007	411,336	1,393,976	1,805,312	2,024,588	1,310,984	1,559,113	37,778,871

Note: Includes General and Special Revenue Funds only.

Source: Current and Prior Comprehensive Annual Financial Reports (CARS)

Footnotes:

- 1) Break out of these revenues were not available for FISCAL YEAR ENDING, JUNE 30 1997 - 2000
- 2) Motor Vehicle In-Lieu revenues are now mainly received through Property Taxes as of FISCAL YEAR ENDING, JUNE 30, 2005. This is the reason for the large drop in revenues reported under this category for FISCAL YEAR ENDING, JUNE 30, 2006. FISCAL YEAR ENDING, JUNE 30, 2005 would have seen similar revenues had it not been for a one-time \$1.2 million MVLF loan settlement payment from the State of California.

**City of Union City**  
**Taxable Sales Transactions**  
**Last Ten Calendar Years**  
**(Sales Transactions in Thousands of Dollars)**

Type of Business	CALENDAR YEAR				
	1997	1998	1999	2000	2001
Apparel stores	\$ 3,970	\$ 4,537	\$ 5,101	\$ 5,688	\$ 6,720
General merchandise stores <sup>1</sup>	66,467	70,188	74,582	88,549	94,735
Specialty stores	Unavail.	Unavail.	Unavail.	Unavail.	Unavail.
Food stores	23,680	23,219	28,281	31,174	28,839
Packaged liquor stores	Unavail.	Unavail.	Unavail.	Unavail.	Unavail.
Eating and drinking places	26,825	26,765	30,950	49,142	58,506
Home furnishing and appliances	2,638	2,886	4,081	6,144	8,710
Bldg. matl. and farm implements	66,057	65,645	70,780	75,740	77,804
Auto dealers and auto supplies	9,567	10,350	9,542	9,305	11,675
Service stations	24,545	21,972	26,657	33,713	32,017
Other retail stores <sup>1</sup>	81,216	66,887	60,436	42,093	52,193
All Other Outlets	306,023	295,795	276,244	304,657	262,020
<b>Totals</b>	<b>\$ 610,988</b>	<b>\$ 588,244</b>	<b>\$ 586,654</b>	<b>\$ 646,205</b>	<b>\$ 633,219</b>
Number of sales tax permits	Unavail.	Unavail.	1,075	1,078	1,102

	CALENDAR YEAR				
	2002	2003	2004	2005	2006 <sup>2</sup>
Apparel stores	\$ 12,841	\$ 4,401	\$ 4,418	\$ 4,313	Unavail.
General merchandise stores <sup>1</sup>	Unavail.	Unavail.	Unavail.	Unavail.	Unavail.
Specialty stores	Unavail.	Unavail.	Unavail.	Unavail.	Unavail.
Food stores	28,894	26,441	26,137	25,797	Unavail.
Packaged liquor stores	Unavail.	Unavail.	Unavail.	Unavail.	Unavail.
Eating and drinking places	65,904	66,124	68,167	72,440	Unavail.
Home furnishing and appliances	15,360	15,810	17,461	16,220	Unavail.
Bldg. matl. and farm implements	95,364	97,126	115,549	103,736	Unavail.
Auto dealers and auto supplies	11,507	11,408	13,331	13,619	Unavail.
Service stations	31,184	34,343	40,611	42,862	Unavail.
Other retail stores <sup>1</sup>	191,732	188,060	204,041	206,678	Unavail.
All Other Outlets	225,127	206,026	219,891	228,858	Unavail.
<b>Totals</b>	<b>\$ 677,913</b>	<b>\$ 649,739</b>	<b>\$ 709,606</b>	<b>\$ 714,523</b>	<b>Unavail.</b>
Number of sales tax permits	1,111	1,133	1,190	1,143	Unavail.

Source: California State Board of Equalization, Annual Reports - Taxable Sales in California (Sales & Use Tax)

Footnotes:

1) Sales omitted because their publication would result in the disclosure of confidential information. These are included with "Other retail stores" when possible per California State Board of Equalization.

2) Data for Calendar Year 2006 not available when CAFR produced.

**City of Union City**  
**Taxable Sales Transactions**  
**by Type of Business**  
**(Sales Transactions in Thousands of Dollars)**

Calendar Year 2005<sup>2</sup>  
Municipal Debt Continuing Disclosure S.E.C. Rule 15c2-12(b)(5)

Type of Business	Number of Permits	Sales Tax Transactions
Apparel stores	17	\$ 4,313
General merchandise stores <sup>1</sup>	29	-
Food stores	39	25,797
Eating and drinking places	123	72,440
Home furnishing and appliances	34	16,220
Bldg. matl. and farm implements	18	103,736
Auto dealers and auto supplies	20	13,619
Service stations	11	42,862
Other retail stores <sup>1</sup>	209	206,678
Retail Stores Totals	500	485,665
All Other Outlets	643	228,858
<b>Total All Outlets</b>	<b>1,143</b>	<b>\$ 714,523</b>

Source: California State Board of Equalization, 44th Annual Report - Taxable Sales in California (Sales & Use Tax)

Footnotes:

- 1) Sales omitted because their publication would result in the disclosure of confidential information. These are included with "Other retail stores" when possible per California State Board of Equalization.
- 2) Data for Calendar Year 2006 not available when CAFR produced.

**City of Union City**  
**Adopted and Final**  
**Budget for 2006-07 and 2007-08 Adopted Budget for**  
**Unrestricted General Fund**

Municipal Debt Continuing Disclosure S.E.C. Rule 15c2-12(b)(5)

	2006-07 Adopted General Fund Budget	2006-07 Final General Fund Budget	2007-08 Adopted General Fund Budget
<b>REVENUES:</b>			
Taxes	\$ 26,131,253	\$ 26,698,246	\$ 29,486,900
Licenses and permits	2,051,800	2,081,900	2,438,200
Fines and forfeitures	935,286	835,300	888,400
Intergovernmental	1,400,100	2,038,934	1,288,200
Current service charges	1,919,800	1,946,496	1,952,000
Use of money and property	482,400	564,600	628,800
Other	285,350	402,750	374,400
<b>Total Revenues</b>	<b>33,205,989</b>	<b>34,568,226</b>	<b>37,056,900</b>
<b>EXPENDITURES</b>			
General government	5,526,264	5,741,010	5,785,163
Public safety	21,652,234	23,451,597	23,807,147
Recreation and culture	1,659,271	2,150,703	2,642,606
Planning and public works	5,355,686	5,493,408	5,018,154
Capital outlay	22,100	57,618	42,220
Debt service:			
Principal repayment	-	170,000	95,734
Interest and fiscal charges	-	-	33,656
<b>Total Expenditures</b>	<b>34,215,555</b>	<b>37,064,336</b>	<b>37,424,680</b>
Excess (deficiency) of Revenues over Expenditures	(1,009,566)	(2,496,110)	(367,780)
<b>Other Financing Sources (Uses):</b>			
Gain (loss) on disposal of capital assets	-	623,300	-
Transfers In	900,540	915,424	748,000
Transfers Out	(265,993)	(1,790,883)	(1,409,993)
<b>Total Other Sources (Uses)</b>	<b>634,547</b>	<b>(252,159)</b>	<b>(661,993)</b>
Excess (deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(375,019)	(2,748,269)	(1,029,773)
Fund Balance, beginning of year as reported	9,121,669	9,121,669	6,373,400
Fund Balance, end of year	<u>\$ 8,746,650</u>	<u>\$ 6,373,400</u>	<u>\$ 5,343,627</u>

Notes: None

Source: City of Union City Finance Department

Footnotes: None

**City of Union City**  
**Summary of Revenues, Expenditures, and Changes in Fund Balance**  
**General Fund**  
**Municipal Debt Continuing Disclosure S.E.C. Rule 15c2-12(b)(5)**

	FISCAL YEAR ENDING JUNE 30,				
	2003	2004	2005	2006	2007
<b>REVENUES:</b>					
Taxes	\$ 19,352,513	\$ 20,294,545	\$ 25,055,970	\$ 27,117,818	\$ 27,991,594
Licenses and permits	1,787,571	1,721,499	1,831,682	2,115,678	2,268,896
Fines and forfeitures	238,581	314,247	368,931	713,249	818,384
Intergovernmental	4,987,886	4,131,799	1,541,934	1,492,629	1,805,312
Current service charges	1,157,576	2,676,526	2,195,566	3,800,000	2,024,588
Use of money and property	602,925	(11,597)	1,301,797	615,114	1,310,984
Other	890,537	555,435	286,440	645,788	1,559,113
<b>Total Revenues</b>	<b>29,017,589</b>	<b>29,682,454</b>	<b>32,582,320</b>	<b>36,500,276</b>	<b>37,778,871</b>
<b>EXPENDITURES</b>					
General government	3,597,893	3,990,636	4,582,097	5,031,370	5,544,967
Public safety	19,782,003	22,111,587	19,166,901	21,760,125	23,500,877
Recreation and culture	1,431,757	1,368,943	1,430,952	1,629,627	2,036,277
Planning and public works	3,686,137	3,879,653	4,314,982	5,129,047	5,558,917
Capital outlay	77,539	54,667	118,049	141,299	1,738,396
Debt service:					
Principal repayment	153,872	-	-	-	520,000
Interest and fiscal charges	5,677	-	-	-	-
<b>Total Expenditures</b>	<b>28,734,878</b>	<b>31,405,486</b>	<b>29,612,981</b>	<b>33,691,468</b>	<b>38,899,434</b>
Excess (deficiency) of Revenues over Expenditures	282,711	(1,723,032)	2,969,339	2,808,808	(1,120,563)
<b>Other Financing Sources (Uses):</b>					
Issuance of capital leases					1,671,440
Gain (loss) on disposal of capital assets	-	-	290,200	2,323	624,762
Transfers In	641,000	530,000	300,000	883,900	915,384
Transfers Out	(25,622)	(320,045)	(210,000)	(1,147,764)	(1,348,076)
<b>Total Other Sources (Uses)</b>	<b>615,378</b>	<b>209,955</b>	<b>380,200</b>	<b>(261,541)</b>	<b>1,863,510</b>
Excess (deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	898,089	(1,513,077)	3,349,539	2,547,267	742,947
Fund Balance, beginning of year as previously reported	2,939,169	4,737,940	3,224,863	6,574,402	9,121,669
Change in accounting principle	590,637	-	-	-	-
Fund Balance, beginning of year as reported	3,529,806	4,737,940	3,224,863	6,574,402	9,121,669
<b>Fund Balance, end of year</b>	<b>\$ 4,427,895</b>	<b>\$ 3,224,863</b>	<b>\$ 6,574,402</b>	<b>\$ 9,121,669</b>	<b>\$ 9,864,616</b>

Notes: None

Source: City of Union City Finance Department

Footnotes: None

**City of Union City**  
**Pooled Investment Portfolio**  
**As of June 30, 2007**  
**Municipal Debt Continuing Disclosure S.E.C. Rule 15c2-12(b)(5)**

Investment	At Fair Value	At Par/Cost	Percent of Portfolio	Yield/360 Day Year Equivalent
Local Agency Investment Fund:				
City Accounts	\$ 5,672,354	\$ 5,674,936	7.26%	5.25%
Redevelopment Agency Bond Proceeds Account	4,368,662	4,370,650	5.59%	5.25%
U.S. Treasury Note	960,781	1,000,000	1.28%	2.63%
U.S. Treasury Note	1,990,000	2,000,000	2.56%	4.63%
U.S. Treasury Note	1,929,688	2,000,000	2.56%	3.38%
U.S. Treasury Note	1,986,874	2,000,000	2.56%	4.75%
Federal Home Loan Bank Note	1,993,292	2,000,000	2.56%	3.00%
Federal Home Loan Bank Note	2,990,865	3,000,000	3.84%	3.22%
Federal Home Loan Mortgage Corp	2,957,688	3,000,000	3.84%	0.00%
Federal Nat'l Mortgage Assn	1,963,734	2,000,000	2.56%	0.00%
Federal Home Loan Bank Note	1,996,268	2,000,000	2.56%	4.88%
Federal Home Loan Bank Note	2,968,323	3,000,000	3.84%	3.06%
Federal Home Loan Bank Note	2,578,987	2,600,000	3.33%	4.00%
Federal Nat'l Mortgage Assn	1,983,252	2,000,000	2.56%	4.20%
Federal Nat'l Mortgage Assn	1,986,148	2,000,000	2.56%	4.45%
Federal Home Loan Bank Note	2,984,088	3,000,000	3.84%	4.70%
Federal Home Loan Bank Note	1,477,241	1,490,000	1.91%	4.35%
Federal Nat'l Mort Assn	2,990,124	3,000,000	3.84%	5.00%
Federal Nat'l Mortgage Assn	1,906,404	2,000,000	2.56%	0.00%
Federal Nat'l Mortgage Assn	1,982,730	2,000,000	2.56%	4.50%
Federal Home Loan Mortgage Corp	2,990,733	3,000,000	3.84%	5.05%
Federal Nat'l Mortgage Assn	1,992,346	2,000,000	2.56%	5.00%
Federal Home Loan Mortgage Corp	1,992,332	2,000,000	2.56%	5.00%
Federal Home Loan Bank Note	1,989,988	2,000,000	2.56%	5.00%
Federal Nat'l Mortgage Assn	1,949,508	2,000,000	2.56%	3.85%
Federal Home Loan Mortgage Corp	1,987,550	2,000,000	2.56%	5.00%
Federal Home Loan Mortgage Corp	2,053,002	2,000,000	2.56%	6.63%
Federal Farm Credit Bureau	1,968,758	2,000,000	2.56%	4.75%
Federal Home Loan Mortgage Corp	1,969,590	2,000,000	2.56%	5.50%
Federal Farm Credit Bureau	1,976,140	2,000,000	2.56%	4.80%
Federal Home Loan Mortgage Corp	1,995,088	2,000,000	2.56%	4.63%
Commercial Credit	3,011,136	3,000,000	3.84%	6.25%
HSBC Finance Corp.	1,981,678	2,000,000	2.56%	4.13%
<b>TOTALS</b>	<b>\$ 77,525,351</b>	<b>\$ 78,135,586</b>	<b>100.00%</b>	

*Note: The investment listing above excludes investments in mutual funds and local obligation bonds held by fiscal agents.*

*Sources: City of Union City Finance Department*

*Footnotes: None*

**City of Union City**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

Calendar Year	CITY <sup>1</sup>		COUNTY <sup>1</sup>				
	Population	Population Change %	Population	Population Change %	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
1997	61,600	4.41%	1,380,383	1.57%	\$ 40,665,176	\$ 29,459	4.5%
1998	64,400	4.55%	1,405,903	1.85%	44,390,480	31,574	1.2%
1999	66,869	3.83%	1,427,114	1.51%	48,316,845	33,856	3.5%
2000	67,998	1.69%	1,450,391	1.63%	55,790,773	38,466	3.6%
2001	69,976	2.91%	1,470,249	1.37%	56,121,667	38,172	4.8%
2002	70,083	0.15%	1,463,859	-0.43%	55,316,772	37,788	6.8%
2003	70,300	0.31%	1,458,105	-0.39%	56,424,129	38,697	7.0%
2004	70,338	0.05%	1,452,096	-0.41%	59,179,948	40,755	6.0%
2005	71,152	1.16%	1,509,981	3.99%	62,331,734	41,280	5.2%
2006 <sup>2</sup>	72,297	1.61%	1,526,148	1.07%	66,071,638	43,293	4.4%

Note: None

Source:

- 1) California State Department of Finance
- 2) U.S. Bureau of Economic Analysis
- 3) U.S. Census Bureau
- 4) California Employment Development Department

Footnotes:

- 1) City population figures are readily available, however personal income and unemployment figures are not. Thus, the City of Union City has chosen to show County figures.
- 2) 2006 figures for County personal income and per capita personal income have not yet been released by the U.S. Bureau of Economic Analysis. Figure shown above is an estimate based upon average yearly increase of 6% over last 10 years.

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

		FISCAL YEAR ENDING JUNE 30,	
		2007	
Rank	Employer	Number of Employees	Percent of Total Employment
	<b>Total Employment<sup>1</sup></b>	<b>32,400</b>	<b>100.00%</b>
1	New Haven Unified School District	1,353	4.18%
2	Southern Wine & Spirits	1,150	3.55%
3	Wal-Mart	780	2.41%
4	City of Union City	361	1.11%
5	Axygen Scientific	350	1.08%
6	Kaiser Permanente	300	0.93%
7	OSI, Inc.	300	0.93%
8	Blommer Chocolate	290	0.90%
9	Kerry Sweet Ingredients	270	0.83%
10	Jatco	263	0.81%

		FISCAL YEAR ENDING JUNE 30,	
		1998	
Rank	Employer	Number of Employees	Percent of Total Employment
	<b>Total Employment<sup>1</sup></b>	<b>28,940</b>	<b>100.00%</b>
1	New Haven Unified School District	1,295	4.47%
2	Southern Wine & Spirits	650	2.25%
3	San Francisco Newspaper Agency	600	2.07%
4	Wal-Mart	450	1.55%
5	American Licorice	375	1.30%
6	Apria Healthcare	350	1.21%
7	Shin-Etsu Polymer America Inc.	225	0.78%
8	Orcon Corporation	225	0.78%
9	Young's Market	225	0.78%
10	City of Union City	219	0.76%

Note: None

Sources:

- 1) Union City Chamber of Commerce
- 2) New Haven Unified School District
- 3) City of Union City Personnel Department
- 4) State of California Employment Development Department

Footnotes:

- 1) Total Employment numbers taken from prior calendar year.

**City of Union City**  
**Full-time and Part-time City Employees (Full-Time Equivalent FTE's)**  
**by Department**  
**Last Ten Fiscal Years**

<u>Department</u>	FTE's FOR FISCAL YEAR ENDING JUNE 30,									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Manager	7.00	8.00	8.00	7.00	7.00	5.00	5.00	4.00	4.00	4.00
City Attorney <sup>1</sup>	-	-	-	-	-	-	-	-	-	-
City Clerk	1.00	1.00	1.00	1.75	1.75	1.75	1.75	2.50	2.50	2.50
Administrative Services	9.00	12.00	12.00	15.20	15.20	13.70	13.70	15.40	15.40	15.40
Economic & Comm. Dev.	17.00	18.00	18.00	18.00	18.00	18.50	18.50	17.50	18.50	18.50
Fire <sup>2</sup>	-	-	-	50.50	50.50	49.50	49.00	53.00	53.00	53.00
Leisure	26.51	40.73	39.67	57.01	57.01	62.19	62.19	65.59	74.34	79.46
Police	102.32	105.12	105.12	131.10	131.10	125.59	125.09	119.25	121.25	122.05
Public Works	51.07	53.07	55.07	60.25	60.25	57.25	57.25	61.04	61.04	61.04
<b>TOTAL</b>	<b>218.90</b>	<b>242.92</b>	<b>243.86</b>	<b>345.81</b>	<b>345.81</b>	<b>338.48</b>	<b>337.48</b>	<b>343.28</b>	<b>355.03</b>	<b>360.95</b>

Notes:

Source: Union City Personnel Office and Annual Budgets

Footnotes:

1) City Attorney is a contractual position.

2) Prior to the FISCAL YEAR ENDING JUNE 30, 2001, City Fire Services were contracted out to the City of Fremont.

## OPERATING INFORMATION

Operating Indicators by Function – Last Ten Fiscal Years

Capital Asset Statistics by Function – Last Ten Fiscal Years

Miscellaneous Statistics - Last Ten Four Years

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

Function	FISCAL YEAR ENDING JUNE 30,									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Police <sup>1</sup>										
Arrests	2,632	1,757	2,847	3,300	2,384	2,987	2,554	2,929	3,206	Unavail.
Traffic citations issued	11,602	7,475	7,873	7,462	6,305	8,955	12,317	8,435	8,102	Unavail.
Fire										
Calls for Service <sup>2</sup>	Unavail.	Unavail.	2,102	4,502	4,501	4,390	Unavail.	4,452	4,887	Unavail.
Public Works:										
Street resurfacing (miles)	4.95	4.72	4.93	4.82	4.68	4.45	4.77	8.91	4.24	3.00
Planning										
Number of building permits issued	4,335	4,542	3,616	3,857	2,461	2,028	1,641	1,599	1,753	1,861
Number of building inspections <sup>3</sup>	30,670	32,135	25,583	27,288	17,412	14,348	11,610	11,313	12,403	13,132
Leisure										
Number of recreation classes <sup>4</sup>	Unavail.	Unavail.	Unavail.	512	1,380	924	1,344	1,260	1,400	3,139
Number of facility rentals <sup>4</sup>	Unavail.	Unavail.	Unavail.	125	151	150	142	130	149	187

Notes: None

Source: City departments

Footnotes: None

- 1) Results are for calendar year and not fiscal year. Calendar Year 2007 results are unavailable at this time.
- 2) Fire Department Statistics for Calendar Year 1997 through 1999 are unavailable since Fire services were handled by the Fremont Fire Department. Calendar Year 2004 and 2007 statistics are also unavailable at this time.
- 3) 1997 through 2005 are estimates based off of 2006 ratio of actual building permits issued-to-building inspections.
- 4) Results are for calendar year and not fiscal year. Calendar Year 1997 through 2000 data is unavailable at this time. 2006 is estimated.

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

<u>Function</u>	FISCAL YEAR ENDING JUNE 30,									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Government										
City Halls	1	1	1	1	1	1	1	1	1	1
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Community resource centers	2	2	2	3	3	3	3	3	3	3
Fire										
Fire Stations	3	3	3	4	4	4	4	4	4	4
Public Works:										
Streets (miles)	126.10	128.60	130.60	132.60	134.10	135.10	136.10	136.85	137.00	137.00
Streetlights	3,273	3,337	3,464	3,474	3,602	3,718	3,739	3,773	3,787	4,600
Traffic signals	45	46	48	49	50	52	53	55	57	53
Leisure										
Parks	29	29	31	32	32	31	31	31	31	33
Community centers	2	2	2	3	3	3	3	3	3	3
Senior centers	-	1	1	1	1	1	1	1	1	1
Teen centers	2	2	2	2	2	2	2	2	2	2
Multicourt tennis complexes	2	2	2	2	2	2	2	2	2	2
Sports Centers	-	-	-	-	-	-	-	-	-	1

Notes: None

Source: City departments

Footnotes: None

**City of Union City**  
**Miscellaneous Statistics**  
**Last Four Fiscal Years**

Date incorporated January 26, 1959  
Type of city General law  
Form of government Council/Manager  
Area in square miles 18.1

	FISCAL YEAR ENDING JUNE 30,			
	2004	2005	2006	2007
Police protection				
Stations	1	1	1	1
Sworn personnel	75	79	81	81
Fire protection				
Stations	4	4	4	4
Sworn personnel	48	48	48	48
Cultural				
Parks	31	31	31	33
Multicourt tennis complexes	3	3	3	3
Community centers	1	1	1	1
Teen centers	2	2	2	2
Senior centers	2	2	2	2
Sports centers	-	-	-	1
City employees (FTE's)	337.48	343.28	355.03	360.95
Population <sup>1</sup>	70,300	70,338	71,152	72,297
Households <sup>1</sup>	19,625	19,783	20,019	20,249
Number of registered voters	25,300	25,300	26,074	25,843
Number of public schools				
Elementary schools	8	8	8	8
Middle schools	3	3	3	3
High schools	1	1	1	1
Adult schools	1	1	1	1
Number of students enrolled in public school	13,200	13,200	13,400	12,700

*Note: The City of Union City has elected to show only four years of data for this schedule.*

*Sources:*

*City of Union City Finance Department*  
*California Department of Finance*  
*Alameda County Registrar of Voters*

*Footnotes:*

*1) Figures are for beginning of calendar year January 1st.*





City of Union City  
34009 Alvarado-Niles Road  
Union City, CA 94587