

CITY OF ANTIOCH, CALIFORNIA



COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

CITY OF ANTIOCH, CALIFORNIA

**Comprehensive Annual Financial Report
For the Fiscal Year Ended
June 30, 2017**

**Prepared By
Department of Finance**

City of Antioch

Comprehensive Annual Financial Report

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OFFICE OF THE CITY MANAGER LETTER OF TRANSMITTAL

DATE: December 20, 2017

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

FROM: Ron Bernal, City Manager and Dawn Merchant, Finance Director

SUBJECT: 2017 Comprehensive Annual Financial Report (CAFR)

State law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

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

Badawi & Associates, Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Antioch's financial statements for the year ended June 30, 2017. The independent auditor's report is presented as the first component of the financial section of this report.

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

Profile of the Government

The City of Antioch, incorporated in 1872, is located in the western part of the state and is the second largest city in Contra Costa County by population. California State Highway 4, connecting San Francisco-Oakland with Stockton and Central Valley points, bisects the City. Connecting with this freeway east of Antioch is State Highway 160, which runs north to Sacramento across the Nejedly Bridge and offers access to Solano County and the Sacramento area. The City of Antioch currently occupies a land area of approximately 29 square miles and serves a population of about 114,241 residents. The City of Antioch receives property taxes levied on real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time-to-time.

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

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

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

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

Local economy: Overall, the local economy is recovering after significant retraction since 2008. However, significant vacancies in some of the neighborhood shopping centers and the City's downtown business core persist. Positive activities include negotiations for a new tenant at the former Humphreys Restaurant location at the Antioch Marina. There is an increase in industrial real estate activity and a few new housing developments are at various stages of the entitlement process. The City has also launched the "Rivertown Revitalization Project" in a concentrated effort to revitalize the City's historic downtown and make it a destination for our residents for cultural events.

With the recent completion of the Highway 4 widening and the scheduled Spring 2018 opening of the BART station and trains that will connect Antioch and the Bay Area, this \$1.3B investment through the center of Antioch has positioned our community for strong economic development. The significantly widened highway, six new interchanges and the Highway 4 to Highway 160 connector bridges have created better access and visibility to Antioch's

numerous economic development opportunities. Whether the Northern Waterfront with deep water ports and rail, the Hillcrest Specific Plan area adjacent to BART, the Rivertown Business District set on the San Joaquin River with one-of-a-kind views, or the 2,500-acre Sand Creek focus area with planned residential communities and Mt. Diablo as a backdrop, every type of development opportunity can be found in Antioch. Offering a well qualified workforce of over 51,000 people, affordable housing and affordable rents for businesses and industry at the center of East Contra Costa County, Antioch is regaining its position as a regional destination and leader.

Water is one of our most valuable commodities and Antioch is fortunate to have pre-1914 water rights that allow us to divert 16M gallons of water from the San Joaquin River per day. Antioch is pursuing a desalination/brackish water plant that will provide a safe, reliable, and drought-proof source of water for our community. Because of mandatory rationing from the State during the most recent drought, the need for this type of drought-proof water supply will not only benefit Antioch residents and businesses, but new customers and industries that depend on an uninterrupted quality source of water.

Continued increases in property values and consumer spending are expected to continue throughout 2017. Projections show that job growth in the East Bay will drive the region's unemployment rate below 4% by the end of 2017. With the economy in Antioch and the East Bay improving overall, the upward price pressure on housing has continued to push from Silicon Valley and San Francisco through the inner Bay Area and the I-680 corridor toward Antioch, which is a good value in comparison to those areas. As housing prices and demand continues, the entitlement of over 1,200 residential lots and another 1,400 more in process is expected to produce new market rate housing. The health care industry continues to grow as Sutter Delta Hospital is making current expansions to their facility, Kaiser Permanente remains a regional health care leader and John Muir Health Care increases its presence in the region.

Over the long run, Antioch is well positioned to take advantage of a strong Bay Area economy that continues to move east.

Current period financial information: The City continues to emerge from the financial challenges of the recession. The City has experienced multiple years of declines in property tax and sales tax revenues, and increases in both of these sources of revenues in the last few years as the economy has turned around have helped the City build substantial General Fund reserves. Even though the City has increased its reserve, this does not mean there still is not work to be done to achieve balanced budgets in the foreseeable future. Finances have improved significantly with the passage of Measure C, a ½ cent sales tax passed in November 2013, and Measure O, an increase in the business license tax passed in 2014. Nevertheless, the City continues to face the task of bringing revenues in line with General Fund Budget expenditures as without the additional tax measures passed, the City is still not at pre-recession revenue levels. The City's steadfast goal continues to be the alignment of budgeted expenditures with the existing revenue stream, which will allow the City to provide a basic level of services and continue to maintain General Fund reserves that comply with City

Council policy.

Collection of revenues from Measure C, the seven year $\frac{1}{2}$ cent increase in sales tax for City use, began on April 1, 2014 and has yielded \$19,889,565 since inception through June 30, 2017.

Collection of revenues from Measure O, the Business License Tax on residential landlords, began on January 1, 2015 and yielded \$2,416,815 in fiscal year 2017.

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

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

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

The most fundamental expectation of any community is public safety for its people and their property. An adequately-staffed, well-trained and well-equipped police department is one of the keys to meeting that expectation. Historically, the Police Department has accounted for the most significant expenditure of General Fund revenues. The City is focused on hiring Police Officers to achieve the funded staffing level of 102 sworn officers. As of June 30th, the City had 96 sworn positions filled.

In addition to 2013's Measure C, the $\frac{1}{2}$ cent sales tax increase for seven years, the voters of the City of Antioch passed Measure O in 2014, an update of the Business License Tax. Measure C is projected to bring in about \$7 million a year for its seven year life and has been allocated by the City Council to funding Police and Code Enforcement services and Measure O is projected to bring in about \$2 million a year to the General Fund. The City Council and staff have begun to strategize ways to further increase revenues and reduce or maintain expenditures in the General Fund in the next couple of years as Measure C is set to sunset in 2021. The impending sunset of Measure C creates the need to establish long-term,

sustainable sources of revenue that are locally-controlled, cannot be seized by the State, and can be invested directly in crime and blight reduction, as well as other quality of life initiatives for Antioch residents and businesses. The City will continue to aggressively focus on these strategies in the upcoming fiscal year.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Antioch for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2016; this was the twenty-seventh consecutive year that our government has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.


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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance department, particularly Dawn Merchant and Jo Castro. I would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the financial management of the City of Antioch.

Respectfully submitted,



Ron Bernal
City Manager



Dawn Merchant
Finance Director

**CITY OF ANTIOCH
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**ELECTED OFFICIALS AND
ADMINISTRATIVE PERSONNEL**

JUNE 30, 2017

ELECTED OFFICIALS

**Sean Wright, Mayor
Lamar Thorpe, Mayor Pro-Tem
Lori Ogorchock, Council Member
Monica E. Wilson, Council Member
Tony G. Tiscareno, Council Member
Donna Conley, City Treasurer
Arne Simonsen, City Clerk**

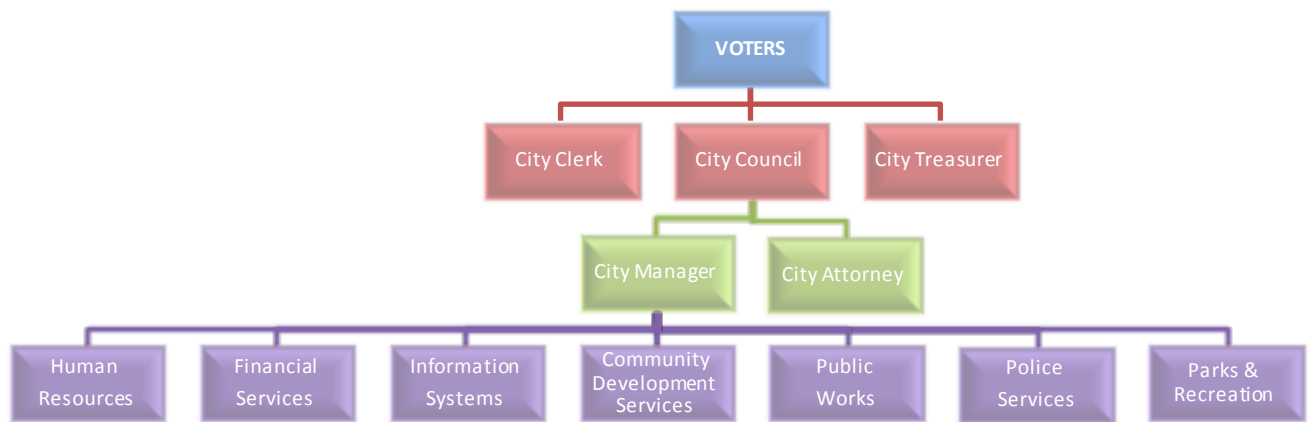
ADMINISTRATIVE PERSONNEL

City Manager
City Attorney (Interim)
Chief of Police
Community Development Director
Finance Director
Administrative Services Director
Parks & Recreation Director
Information Services Director

Ron Bernal
Derek Cole
Tammany Brooks
Forrest Ebbs
Dawn Merchant
Nickie Mastay
Nancy Kaiser
Alan Barton

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

City of Antioch-Organization of City Government





Government Finance Officers Association

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

Presented to

**City of Antioch
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016



Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Antioch, California (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension required supplementary information, budgetary comparison information, and funded status of other post-employment benefit plans on pages 5-13 and 84-95 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

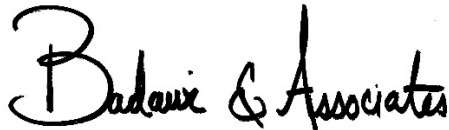
The combining non-major fund financial statements, individual non-major fund financial statements, and budget comparison information for non-major funds are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, individual nonmajor fund financial statements and budget comparison information for non-major governmental funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2017 on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

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

Badawi & Associates
Certified Public Accountants
Oakland, California
December 20, 2017

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City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2017

As management of the City of Antioch, we offer readers of the City of Antioch's financial statements this narrative overview and analysis of the financial activities of the City of Antioch for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages **i-ix** of this report.

Financial Highlights

- The assets of the City of Antioch exceeded its liabilities at the close of the most recent fiscal year by \$503,379,495 (net position). Of this amount, \$2,402,706 (unrestricted) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$3,422,150. This was due mainly to the increase in property and sales tax revenues, water service charges and a decrease in expenses for the Water Enterprise Fund related to business-type activities.
- As of the close of the current fiscal year, the City of Antioch's governmental funds reported ending fund balances of \$75,655,712, an increase of \$8,831,427 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$25,979,579 or 57% of total General Fund expenditures, and 49% of total General Fund revenues.
- The City of Antioch's current and other liabilities increased a total of \$19,721,532 mainly due to an increase in pension and OPEB obligations.
- The City of Antioch's total long-term obligations for governmental activities decreased by \$52,385 and total long-term obligations for business-type activities decreased by \$238,288 due to debt service payments.
- Deferred outflows of resources increased by \$11,278,145 for governmental activities and \$2,336,666 for business-type activities due to pension obligations.
- Deferred inflows of resources decreased by \$4,304,631 for governmental activities and \$1,008,576 for business type activities due to pension obligations.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Antioch's basic financial statements. The City of Antioch's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City of Antioch's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this

City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2017

statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Antioch that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Antioch include general government, public works, public safety, parks and recreation and community development. The business-type activities of the City of Antioch include water and sewer utilities; a marina and a water park facility.

The government-wide financial statements include not only the City of Antioch itself (known as the primary government), but also a legally separate public financing authority. Financial information for this component unit is blended with the financial information presented for the primary government itself. The government-wide financial statements can be found on pages **17-21** of this report.

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

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

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

The City of Antioch maintains sixty-eight individual funds, some combined for reporting purposes. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund and the Housing Successor Fund Special Revenue fund, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The governmental fund financial statements can be found on pages **25-29** of this report.

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

Proprietary funds. The City of Antioch maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial

City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2017

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

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

The proprietary fund financial statements can be found on pages **31-34** of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Antioch's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on page **35-37** of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages **39-81** of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Antioch, assets exceeded liabilities by \$503,379,495 at the close of the most recent fiscal year.

By far the largest portion of the City of Antioch's net position (92%) reflects its investment in capital assets (e.g., infrastructure (including water and sewer pipes), land, structures and improvements and equipment), less any related debt used to acquire those assets that are still outstanding. The City of Antioch uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the City of Antioch's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

City of Antioch
Management's Discussion and Analysis
For the year ended June 30, 2017

	Governmental Activities		Business-type Activities		TOTAL	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 93,547,445	\$ 83,771,504	\$ 58,242,020	\$ 53,690,158	\$ 151,789,465	\$ 137,461,662
Capital assets	318,260,834	329,241,131	151,984,328	151,406,843	470,245,162	480,647,974
Total assets	411,808,279	413,012,635	210,226,348	205,097,001	622,034,627	618,109,636
Deferred outflows of resources	19,753,926	8,475,781	3,647,330	1,310,664	23,401,256	9,786,445
Current and other liabilities	103,294,958	86,367,763	20,985,308	18,190,971	124,280,266	104,558,734
Long-term obligations	8,750,534	8,802,919	6,707,478	6,945,766	15,458,012	15,748,685
Total liabilities	112,045,492	95,170,682	27,692,786	25,136,737	139,738,278	120,307,419
Deferred inflows of resources	2,171,905	6,476,536	146,205	1,154,781	2,318,110	7,631,317
Net position:						
Net investment in						
capital assets	312,205,752	323,131,964	149,447,604	148,728,779	461,653,356	471,860,743
Restricted	39,323,433	37,657,344	-	-	39,323,433	37,657,344
Unrestricted	(34,184,377)	(40,948,110)	36,587,083	31,387,368	2,402,706	(9,560,742)
Total net position	\$ 317,344,808	\$ 319,841,198	\$ 186,034,687	\$ 180,116,147	\$ 503,379,495	\$ 499,957,345

An additional portion of the City of Antioch's net position (8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$2,402,706, may be used to meet the government's ongoing obligations to citizens and creditors. The amount related to governmental activities is negative in the amount of (\$34,184,377) due to GASB Statement No. 68 requiring the recognition of the City's net pension liability. The City implemented this statement in fiscal year 2015.

The government's total net position increased by \$3,422,150. Of this, \$2,496,390 represents a decrease in governmental activities due mainly to an increase in Public Safety expenditures. A major factor to the increase of \$5,918,540 in net position of business type activities was due to an increase in Water Enterprise Fund current charges for services. At the end of the current fiscal year, the City of Antioch is able to report positive balances in two categories of net position, for the government as a whole, and all three categories for its business-type activities.

Under GASB 68, the City recognizes deferred outflows of resources, deferred inflows of resources, pension expense and net pension liability for the Miscellaneous and Safety pension plans administered through the California Public Employees Retirement System (CalPERS) and a Police Supplementary Retirement plan administered through the Public Agency Retirement System (PARS). The implementation of this statement has created a negative balance of unrestricted net position for governmental activities with the recognition of \$83,138,636 in net pension liability for governmental activities.

Current and other assets increased by \$14,327,803 primarily due to increases in cash and investment balances and accounts receivable. This is mainly due to increased current service charges in the Water Enterprise fund, increased property and sales taxes in the General Fund and a \$1,234,728 receivable in annual Measure J street funds in the Measure J Special Revenue fund which was received before year end in the prior fiscal year.

Current and other liabilities increased by \$19,721,532 due mainly to an increase in the net pension liability and an increase in the net OPEB obligation.

Deferred outflows of resources increased \$13,614,811 and deferred inflows decreased \$5,313,207 due to pension obligation activity.

Long-term obligations decreased by \$290,673 due mainly to scheduled debt service payments.

City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2017

Governmental and Business-Type Activities. Governmental activities decreased the City of Antioch's net position by \$2,496,390. There was an increase of \$5,918,540 in net position reported in connection with the City of Antioch's business-type activities.

CHANGE IN NET POSITION

	Governmental Activities		Business-type Activities		TOTAL	
	2017	2016	2017	2016	2017	2016
Revenue:						
Program revenues:						
Charges for services	\$ 8,748,735	\$ 7,582,623	\$ 36,932,294	\$ 32,788,173	\$ 45,681,029	\$ 40,370,796
Operating grants and contributions	4,801,398	5,514,980	-	-	4,801,398	5,514,980
Capital grants and contributions	2,233,315	2,324,444	683,190	2,402,956	2,916,505	4,727,400
General revenues:						
Property tax	18,630,843	16,796,472	-	-	18,630,843	16,796,472
Sales tax	19,999,886	19,924,740	-	-	19,999,886	19,924,740
Franchise	4,767,213	4,616,063	-	-	4,767,213	4,616,063
Other	10,728,831	10,583,315	528,554	732,399	11,257,385	11,315,714
Total revenues	69,910,221	67,342,637	38,144,038	35,923,528	108,054,259	103,266,165
Expenses:						
General government	3,413,887	8,115,505	-	-	3,413,887	8,115,505
Public works	18,854,257	17,182,144	-	-	18,854,257	17,182,144
Public safety	40,083,795	31,560,735	-	-	40,083,795	31,560,735
Parks and recreation	5,295,336	4,264,053	-	-	5,295,336	4,264,053
Community development	4,273,187	2,942,461	-	-	4,273,187	2,942,461
Interest on long-term debt	197,882	261,653	-	-	197,882	261,653
Water	-	-	24,457,466	22,334,168	24,457,466	22,334,168
Sewer	-	-	5,862,714	5,528,283	5,862,714	5,528,283
Marina	-	-	1,026,304	1,108,139	1,026,304	1,108,139
Prewett Water Park	-	-	2,167,281	2,024,309	2,167,281	2,024,309
Total expenses	72,118,344	64,326,551	33,513,765	30,994,899	105,632,109	95,321,450
Increase in net position-before transfers and extraordinary items	(2,208,123)	3,016,086	4,630,273	4,928,629	2,422,150	7,944,715
Special items	1,000,000	1,466,666	-	-	1,000,000	1,466,666
Transfers	(1,288,267)	(317,102)	1,288,267	317,102	-	-
Increase (decrease) in net position	(2,496,390)	4,165,650	5,918,540	5,245,731	3,422,150	9,411,381
Net position - July 1	319,841,198	315,675,548	180,116,147	174,870,416	499,957,345	490,545,964
Net position - June 30	\$ 317,344,808	\$ 319,841,198	\$ 186,034,687	\$ 180,116,147	\$ 503,379,495	\$ 499,957,345

Governmental activities. General Fund property tax revenues increased due to a higher assessed valuation. Operating grants and contributions decreased mainly due to less projects funded with grants than prior year.

Business-type activities. Business-type activities increased the City of Antioch's net position by \$5,918,540 accounting for growth in the government's net position. The increase was mainly attributable to an increase in water service charges.

Financial Analysis of the Government's Funds

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

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

City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2017

As of the end of the current fiscal year, the City of Antioch's governmental funds reported combined ending fund balances of \$75,655,712, an increase of \$8,831,427 in comparison with the prior year. About 34% of this total amount, \$25,979,579, constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is segregated into the following components: 1) *nonspendable* to indicate that it is not available for new spending because of its form (\$369,379) 2) *restricted* to indicate restrictions on use imposed by external parties, including enabling legislation (\$37,601,711) 3) *committed* to indicate restrictions on use as approved by the City Council (\$7,175,902), or 4) *assigned* for a variety of other purposes (\$4,529,141).

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

Revenues Classified by Source Governmental Funds						
Revenue by Source	FY 2016/2017		FY 2015/2016		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Change
Taxes	\$ 49,569,328	73.0%	\$ 47,414,782	69.9%	\$ 2,154,546	4.5 %
Licenses and permits	1,243,093	1.8%	1,149,614	1.7%	93,479	8.1 %
Fines and penalties	271,578	0.4%	190,960	0.3%	80,618	42.2 %
Investment income and rentals	1,404,243	2.1%	1,761,733	2.6%	(357,490)	(20.3)%
Revenue from other agencies	3,344,537	4.9%	4,689,882	6.9%	(1,345,345)	(28.7)%
Current service charges	5,747,888	8.5%	11,518,338	17.0%	(5,770,450)	(50.1)%
Special assessment revenue	2,978,372	4.4%	2,993,631	4.4%	(15,259)	(0.5)%
Other	3,300,993	4.9%	3,472,193	5.1%	(171,200)	(4.9)%
Total	\$ 67,860,032	100.0%	\$ 73,191,133	107.9%	\$ (5,331,101)	-7.3%

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

- Taxes increased due to a higher property assessed valuation, increase in unitary taxes due to a tax sharing agreement, and an increase in business license tax collections under the City's residential landlord tax passed under Measure O.
- Fines and penalties increased due to an increase in vehicle code fines collected.
- Revenue from other agencies decreased significantly due to not receiving an allocation of Measure J funding during fiscal year 2017 during the measurable and available period. The City received approximately \$1.5M last fiscal year, which is in governmental deferred inflows in this fiscal year.
- Current service charges decreased due to a change in accounting for the City's cost allocation plan. In prior year, costs for internal services under this plan were reflected as service charges and this was changed in fiscal year 2017 to accurately reflect as a reduction in cost of the servicing departments.

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

City of Antioch
Management's Discussion and Analysis
For the year ended June 30, 2017

Expenditures by Function
Governmental Funds

Expenditures by Function	FY 2016/2017		FY 2015/2016		Increase (Decrease)	
	Amount	Percent of Total	Amount	Percent of Total	Amount	Percent Change
Current						
General government	\$ 2,079,224	3.4%	\$ 8,622,614	14.3%	\$ (6,543,390)	(75.89%)
Public works	10,186,226	16.9%	10,593,166	17.6%	(406,940)	(3.84%)
Public safety	36,947,175	61.3%	34,989,201	58.0%	1,957,974	5.6%
Parks and recreation	4,000,553	6.6%	3,710,999	6.2%	289,554	7.8%
Community development	4,313,748	7.2%	3,778,339	6.3%	535,409	14.2%
Capital outlay	1,893,731	3.1%	3,626,834	6.0%	(1,733,103)	(47.79%)
Debt service	875,229	1.5%	874,975	1.5%	254	0.0%
Total	<u>\$ 60,295,886</u>	<u>100.0%</u>	<u>\$ 66,196,128</u>	<u>109.8%</u>	<u>\$ (5,900,242)</u>	<u>(8.91%)</u>

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

- General government expenditures decreased due to a change in accounting for the City's cost allocation plan. In prior year, costs for internal services under this plan were reflected as service charges and this was changed in fiscal year 2017 to accurately reflect as a reduction in cost of the servicing departments.
- Community development expenditures increased mainly due increased Code Enforcement expenditures.
- Capital outlay expenditures decreased mainly due to fewer capital projects completed in the current year.

The General Fund is the chief operating fund of the City of Antioch. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$25,979,579, while total fund balance was \$31,015,217. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 57% of total General Fund expenditures, while total fund balance represents 68%.

The fund balance of the City of Antioch's General Fund increased by \$8,110,788 during the current fiscal year mainly due to the net effect of an increase in property tax and business license tax coupled with significant expenditure budget savings from personnel costs from vacancies and projects not completed or started as anticipated.

The fund balance of the Housing Successor Fund increased by \$175,480 during the current fiscal year due to loan repayments received.

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

Unrestricted net position of the Water Fund at the end of the year amounted to \$28,649,388 and those of the Sewer Fund amounted to \$10,340,405. Unrestricted net position of the Marina Fund at the end of the year amounted to \$8,550 and unrestricted net position of the Prewett Water Park Fund amounted to (\$699,725).

- Water Fund total net position increased \$5,758,962 during the current fiscal year, which is mainly due to an increase in charges for services.
- Sewer Fund total net position decreased \$648,949 during the current fiscal year, which is mainly due to an increase in personnel costs.

City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2017

- Marina Fund total net position decreased \$468,801 during the current fiscal year, which is mainly due to depreciation expense.

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

General Fund Budgetary Highlights

Differences between the final amended budget and the actual results resulted in \$981,181 higher revenues than projected and \$4,088,277 variance from appropriations and can be briefly summarized as follows:

- \$449,728 more in property, sales and business license taxes than projected.
- \$161,288 more in state mandated reimbursements and grant reimbursements than anticipated.
- \$224,183 more in miscellaneous revenues than anticipated.
- \$2,198,767 in salary savings among all General Fund departments due to vacancies.
- \$648,674 contractual savings for street and park maintenance work.
- \$233,202 savings for grant expenditures budgeted which will now not occur until next fiscal year.
- Approximately \$1,000,000 in savings for various projects or purchases that did not occur in the fiscal year as anticipated.

Capital Asset and Debt Administration

Capital assets. The City of Antioch's investment in capital assets for its governmental and business-type activities as of June 30, 2017, amounts to \$470,245,162 (net of accumulated depreciation). This investment in capital assets includes land, infrastructure (including water and sewer pipes), structures and improvements, and equipment. The total net decrease in the City of Antioch's investment in capital assets for the current fiscal year was \$10,402,812.

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

- A variety of street and other construction projects such as the West Antioch Creek Channel improvements and Northeast Annexation improvements made construction in progress for governmental activities as of the end of the current fiscal year reach \$1,493,088.
- Various system additions and improvements were completed in the Water, Sewer, Marina and Prewett Water Park funds at a cost of \$4,043,735. Work continued on water and sewer system improvement projects causing construction in progress for business type activities to be \$3,185,087 as of the end of the current fiscal year.

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

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

City of Antioch

Management's Discussion and Analysis

For the year ended June 30, 2017

	Governmental Activities		Business-type Activities		Total		
	2017	2016	2017	2016	2017	2015	Increase/ Decrease
Land	\$ 13,421,504	\$ 13,421,504	\$ 3,558,467	\$ 3,558,467	\$ 16,979,971	\$ 16,979,971	\$ -
Construction in Progress	1,493,088	4,252,213	3,185,087	1,705,447	4,678,175	5,957,660	(1,279,485)
Infrastructure	242,733,643	251,347,487	101,793,114	102,596,340	344,526,757	353,943,827	(9,417,070)
Structures and Improvements	55,123,309	54,547,136	40,747,376	42,752,947	95,870,685	97,300,083	(1,429,398)
Equipment	5,489,290	5,672,791	2,700,284	793,641	8,189,574	6,466,432	1,723,142
Total	\$ 318,260,834	\$ 329,241,131	\$ 151,984,328	\$ 151,406,842	\$ 470,245,162	\$ 480,647,973	\$ (10,402,811)

Construction Commitments. Among the significant construction commitments were \$1,424,134 towards West Antioch Creek Channel improvements, \$1,050,421 towards the Sewer Trenchless Rehabilitation project, and \$1,126,343 towards Water Treatment Plant improvements.

Additional information on the City of Antioch's capital assets can be found in **Note 8 on page 54**.

Long-term debt. At the end of the current fiscal year, the City had total debt outstanding of \$11,345,501. Of this amount, \$3,525,000 represents bonds secured solely by specified revenue sources (i.e., revenue bonds), \$2,733,938 represents loans payable, \$3,528,271 represents a long term payable and \$1,558,291 represents leases payable.

The City of Antioch's total long-term obligations for governmental activities decreased by \$52,385 and total long-term obligations for business-type activities decreased by \$138,288 due to scheduled debt service payments during the current fiscal year.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15% of its total assessed valuation. The current debt limitation for the City of Antioch is \$1,551,247,431. The City of Antioch has no outstanding general obligation debt.

Additional information on the City's long-term debt can be found in **Note 9 on pages 55-58** of this report.

Economic Factors and Next Year's Budget

- The unemployment rate for the City of Antioch was 6.8% at June 30th. This is higher than the state's average unemployment rate of 5.7% and higher than the national average rate of 4.9%
- Assessed values in the City have increased approximately 6% for the 2017-18 tax year.
- Sales taxes are projected to increase 4% over the prior year.

All of these factors were considered in preparing the City of Antioch's budget for the 2017-2018 fiscal year.

During the current fiscal year, General Fund fund balance increased by \$8,110,788. The City of Antioch has appropriated \$1,270,101 of General Fund assigned fund balance for spending in the 2017-2018 fiscal year budget. Additionally, \$2,947,925 represents unspent Measure C funds that are committed to the Police Department.

Requests for Information

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

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Antioch
Statement of Net Position
June 30, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments	\$ 56,978,795	\$ 54,796,385	\$ 111,775,180
Receivables (net):			
Accounts	4,074,512	4,779,594	8,854,106
Taxes	4,912,742	-	4,912,742
Interest	246,223	-	246,223
Materials, parts and supplies	191,739	276,426	468,165
Internal balances	1,711,535	(1,711,535)	-
Prepaid items	390,432	101,150	491,582
Restricted cash and investments, held by fiscal agents	25	-	25
Loans receivable, net	21,599,796	-	21,599,796
Due from Successor Agency Trust	2,537,847	-	2,537,847
Net OPEB asset	903,799	-	903,799
Capital assets:			
Nondepreciable	14,914,592	6,743,554	21,658,146
Depreciable, net	303,346,242	145,240,774	448,587,016
Total assets	411,808,279	210,226,348	622,034,627
DEFERRED OUTFLOWS OF RESOURCES			
Deferred loss on refunding	102,544	-	102,544
Pension related amounts	12,145,716	2,151,548	14,297,264
Contributions to pension plan subsequent to the measurement date	7,505,666	1,495,782	9,001,448
Total deferred outflows of resources	19,753,926	3,647,330	23,401,256
LIABILITIES			
Accounts payable	1,895,878	1,846,947	3,742,825
Accrued payroll	445,671	127,641	573,312
Interest payable	26,908	104,640	131,548
Deposits	5,261,801	316,384	5,578,185
Unearned revenue	55,006	-	55,006
Long-term obligations:			
Due within one year	1,511,581	444,248	1,955,829
Due beyond one year	7,238,953	6,263,230	13,502,183
Net pension liability	83,138,636	18,589,696	101,728,332
Net OPEB obligation	12,471,058	-	12,471,058
Total liabilities	112,045,492	27,692,786	139,738,278
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	2,171,905	146,205	2,318,110
Total deferred inflows of resources	2,171,905	146,205	2,318,110
NET POSITION			
Net investment in capital assets	312,205,752	149,447,604	461,653,356
Restricted for:			
Debt service	302	-	302
Housing	26,164,918	-	26,164,918
Public safety	388,289	-	388,289
Public and capital facilities	465,390	-	465,390
Roads	8,886,033	-	8,886,033
Landscape maintenance and tidelands protection	1,596,492	-	1,596,492
Community services	1,822,009	-	1,822,009
Total restricted	39,323,433	-	39,323,433
Unrestricted	(34,184,377)	36,587,083	2,402,706
Total net position	\$ 317,344,808	\$ 186,034,687	\$ 503,379,495

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Activities
For the Fiscal Year Ended June 30, 2017

Functions / Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
General government	\$ 3,413,887	\$ 311,518	\$ 146,436	\$ -
Public works	18,854,257	4,339,525	2,188,222	2,233,315
Public safety	40,083,795	1,311,511	1,465,251	-
Parks and recreation	5,295,336	720,871	20,910	-
Community development	4,273,187	2,065,310	980,579	-
Interest on long-term liabilities	197,882	-	-	-
Total governmental activities	\$ 72,118,344	\$ 8,748,735	\$ 4,801,398	\$ 2,233,315
Business-type activities:				
Water	24,457,466	29,814,917	-	390,088
Sewer	5,862,714	5,754,703	-	293,102
Marina	1,026,304	516,197	-	-
Prewett Water Park	2,167,281	846,477	-	-
Total business-type activities	33,513,765	36,932,294	-	683,190
Total primary government	\$ 105,632,109	\$ 45,681,029	\$ 4,801,398	\$ 2,916,505

General Revenues:

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

Total general revenues and transfers

Special items - Successor Agency contribution

Change in net position

Net position - beginning of year

Net position - end of year

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (2,955,933)	\$ -	\$ (2,955,933)
(10,093,195)	-	(10,093,195)
(37,307,033)	-	(37,307,033)
(4,553,555)	-	(4,553,555)
(1,227,298)	-	(1,227,298)
(197,882)	-	(197,882)
<u>\$ (56,334,896)</u>	<u>\$ -</u>	<u>(56,334,896)</u>
-	5,747,539	5,747,539
-	185,091	185,091
-	(510,107)	(510,107)
-	(1,320,804)	(1,320,804)
-	4,101,719	4,101,719
<u>(56,334,896)</u>	<u>4,101,719</u>	<u>(52,233,177)</u>
18,630,843	-	18,630,843
178,055	-	178,055
4,767,213	-	4,767,213
3,915,933	-	3,915,933
443,102	-	443,102
19,999,886	-	19,999,886
50,608	-	50,608
142,268	-	142,268
1,420,465	182,574	1,603,039
4,578,400	345,980	4,924,380
(1,288,267)	1,288,267	-
<u>52,838,506</u>	<u>1,816,821</u>	<u>54,655,327</u>
1,000,000	-	1,000,000
(2,496,390)	5,918,540	3,422,150
319,841,198	180,116,147	499,957,345
<u>\$ 317,344,808</u>	<u>\$ 186,034,687</u>	<u>\$ 503,379,495</u>

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MAJOR GOVERNMENTAL FUNDS

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

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

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

City of Antioch
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Housing Successor Special Revenue Fund	Non-major Governmental Funds	Total
ASSETS				
Cash and investments	\$ 29,032,274	\$ 1,686,256	\$ 21,045,935	\$ 51,764,465
Receivables (net):				
Accounts	763,249	-	3,303,069	4,066,318
Taxes	4,312,487	-	600,255	4,912,742
Interest	246,223	-	-	246,223
Due from other funds	1,260,905	-	-	1,260,905
Prepaid items	217,752	17,852	131,336	366,940
Restricted cash and investments	-	-	25	25
Loans receivable	-	15,230,707	6,369,089	21,599,796
Due from Successor Agency Trust	-	2,537,847	-	2,537,847
Total assets	\$ 35,832,890	\$ 19,472,662	\$ 31,449,709	\$ 86,755,261
LIABILITIES				
Accounts payable	\$ 1,181,019	\$ 29,529	\$ 580,892	\$ 1,791,440
Accrued payroll	392,519	-	37,136	429,655
Deposits	2,617,933	-	2,643,868	5,261,801
Due to other funds	-	-	1,260,905	1,260,905
Unearned revenue	-	-	55,006	55,006
Total liabilities	4,191,471	29,529	4,577,807	8,798,807
DEFERRED INFLOWS OF RESOURCES				
Unavailable sales tax receipts	553,834	-	-	553,834
Unavailable sales tax - Public Safety	50,700	-	-	50,700
Unavailable Measure J receipts	-	-	1,234,728	1,234,728
Unavailable Suppl Law Enforcement receipts	-	-	68,575	68,575
Unavailable grant receipts	21,668	-	371,237	392,905
Total deferred inflows of resources	626,202	-	1,674,540	2,300,742
FUND BALANCES				
Nonspendable	219,902	17,852	131,625	369,379
Restricted	-	19,425,281	18,176,430	37,601,711
Committed	3,545,635	-	3,630,267	7,175,902
Assigned	1,270,101	-	3,259,040	4,529,141
Unassigned	25,979,579	-	-	25,979,579
Total fund balances	31,015,217	19,443,133	25,197,362	75,655,712
Total liabilities, deferred inflows of resources and fund balances	\$ 35,832,890	\$ 19,472,662	\$ 31,449,709	\$ 86,755,261

City of Antioch
Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Position - Governmental Activities
June 30, 2017

Fund Balances - Total Governmental Funds	\$ 75,655,712
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Amounts reported for governmental activities in the Statement of Net Position were different because:

Capital assets used in governmental activities are not current financial resources. Therefore they were not reported in the Governmental Funds Balance Sheet. Capital assets, net of Internal Service Funds assets \$2,280,869	315,979,965
--	-------------

Revenues received that are measurable but unavailable are recorded as deferred inflows in the fund financial statements	2,300,742
---	-----------

Loss on refundings for long-term debt are deferred outflows of resources on the Statement of Net Position	102,544
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Contributions to the pension plan subsequent to the measurement date in the current fiscal year are deferred outflows of resources on the Statement of Net Position	7,505,666
---	-----------

Net OPEB assets of governmental activities are not current financial resources. Therefore they are not reported in the Governmental Funds Balance Sheet.	903,799
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Internal service funds are used by management to charge the costs of vehicle repair and maintenance, stores, office equipment and replacement, and post employment medical benefits to individual funds. The assets and liabilities are included in governmental activities in the statement of net position.	9,130,349
---	-----------

Certain liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental fund financial statements:

Long-term debt:

Due in one year, net of internal service funds liability of \$17,935	(1,493,646)
--	-------------

Due in more than one year, net of internal service funds liability of \$161,421	(7,077,532)
---	-------------

Net OPEB obligation	(12,471,058)
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Net pension liability	(83,138,636)
-----------------------	--------------

Pension related amounts	9,973,811
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Accrued interest payable	(26,908)
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Total long-term liabilities	(94,233,969)
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Net Position of Governmental Activities	\$ 317,344,808
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City of Antioch

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the Fiscal Year Ended June 30, 2017

	General Fund	Housing Successor Special Revenue Fund	Non-major Governmental Funds	Total
REVENUES:				
Taxes	\$ 45,234,543	\$ -	\$ 4,334,785	\$ 49,569,328
Licenses & permits	1,243,093	-	-	1,243,093
Fines and penalties	160,564	-	111,014	271,578
Investment income and rentals	559,693	6,035	838,515	1,404,243
Revenue from other agencies	1,237,450	-	2,107,087	3,344,537
Current service charges	2,009,228	-	3,738,660	5,747,888
Special assessment revenue	-	-	2,978,372	2,978,372
Other	2,409,693	379,072	512,228	3,300,993
Total revenues	52,854,264	385,107	14,620,661	67,860,032
EXPENDITURES:				
Current:				
General government	928,283	-	1,150,941	2,079,224
Public works	6,027,009	-	4,159,217	10,186,226
Public safety	35,460,038	-	1,487,137	36,947,175
Parks and recreation	-	-	4,000,553	4,000,553
Community development	2,995,742	209,627	1,108,379	4,313,748
Capital outlay	471,930	-	1,421,801	1,893,731
Debt service:				
Principal retirement	-	-	621,747	621,747
Interest and fiscal charges	-	-	253,482	253,482
Total expenditures	45,883,002	209,627	14,203,257	60,295,886
REVENUES OVER (UNDER) EXPENDITURES	6,971,262	175,480	417,404	7,564,146
OTHER FINANCING SOURCES (USES):				
Transfers in	3,780,876	-	4,307,751	8,088,627
Transfers (out)	(2,641,350)	-	(5,179,996)	(7,821,346)
Total other financing sources (uses)	1,139,526	-	(872,245)	267,281
SPECIAL ITEMS:				
Successor Agency contribution	-	-	1,000,000	1,000,000
Net change in fund balances	8,110,788	175,480	545,159	8,831,427
FUND BALANCES:				
Beginning of year	22,904,429	19,267,653	24,652,203	66,824,285
End of year	\$ 31,015,217	\$ 19,443,133	\$ 25,197,362	\$ 75,655,712

See accompanying notes to the basic financial statements.

City of Antioch

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities - Governmental Activities For the Fiscal Year Ended June 30, 2017

Net Change in Fund Balances - Total Governmental Funds	\$ 8,831,427
--	--------------

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

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

Capital outlay	1,893,731
Depreciation, net of internal service funds depreciation of \$572,921	(10,930,168)

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

	(1,824,734)
--	-------------

Contributions to the pension plan in the current fiscal year are not included in the Statement of Activities	7,505,666
--	-----------

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

	2,033,970
--	-----------

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

Lease revenue bonds	175,000
Capital lease obligations	446,747

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues.

Increase in long-term claims liability	(162,856)
Increase in long-term compensated absences	(410,126)
Amortization of debt discount, premium and loss on refunding	26,941
Decrease in net OPEB asset	(240,730)
Increase in net OPEB obligation	(3,357,487)
Pension expense	(6,689,887)
Decrease in accrued interest payable	28,659

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

	177,457
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Change in Net Position of Governmental Activities	<u>\$ (2,496,390)</u>
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See accompanying notes to the basic financial statements.

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PROPRIETARY FUND FINANCIAL STATEMENTS

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

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

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

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

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

City of Antioch
Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Marina	Non-major Prewett Water Park	Total	Internal Service Funds
ASSETS						
Current assets:						
Cash and investments	\$ 40,415,875	\$ 13,660,330	\$ 590,753	\$ 129,427	\$ 54,796,385	\$ 5,214,330
Accounts receivables, net	4,050,259	705,568	2,339	21,428	4,779,594	8,194
Materials, parts and supplies	269,811	-	6,615	-	276,426	191,739
Prepaid items	62,913	34,020	51	4,166	101,150	23,492
Total current assets	44,798,858	14,399,918	599,758	155,021	59,953,555	5,437,755
Noncurrent assets:						
Capital assets:						
Nondepreciable:						
Land	1,002,231	14,553	469,953	2,071,730	3,558,467	-
Construction in progress	1,612,510	1,572,577	-	-	3,185,087	-
Depreciable:						
Water and sewer pipes	67,631,830	66,822,312	-	-	134,454,142	-
Structures and improvements	56,230,857	10,904,360	14,567,574	15,267,791	96,970,582	267,474
Vehicles and equipment	3,802,143	425,447	137,082	2,337,169	6,701,841	11,583,837
Less accumulated depreciation	(51,158,803)	(20,750,783)	(8,837,530)	(12,138,675)	(92,885,791)	(9,570,442)
Total capital assets	79,120,768	58,988,466	6,337,079	7,538,015	151,984,328	2,280,869
Total assets	123,919,626	73,388,384	6,936,837	7,693,036	211,937,883	7,718,624
DEFERRED OUTFLOWS OF RESOURCES						
Pension related amounts	1,199,976	791,144	64,169	96,259	2,151,548	-
Contributions to pension plan subsequent to the measurement date	914,788	466,019	43,988	70,987	1,495,782	-
Total deferred outflows of resources	2,114,764	1,257,163	108,157	167,246	3,647,330	-
LIABILITIES						
Current liabilities:						
Accounts payable	1,590,912	178,396	10,761	66,878	1,846,947	104,438
Accrued payroll	59,048	29,904	2,818	35,871	127,641	16,016
Interest payable	-	-	104,640	-	104,640	-
Deposits	260,011	-	32,391	23,982	316,384	-
Compensated absences - due within one year	33,635	10,044	438	411	44,528	17,935
Long Term Payable-DDSD due within one year	252,026	-	-	-	252,026	-
Marina loans payable - due within one year	-	-	147,694	-	147,694	-
Total current liabilities	2,195,632	218,344	298,742	127,142	2,839,860	138,389
Noncurrent liabilities:						
Long Term Payable-DDSD	3,276,245	-	-	-	3,276,245	-
Long Term loan payable-SWRCB	197,214	-	-	-	197,214	-
Compensated absences - due in more than one year	302,715	90,393	3,937	3,696	400,741	161,421
Marina loans - due in more than one year	-	-	2,389,030	-	2,389,030	-
Net pension liability	12,203,012	4,962,388	540,081	884,215	18,589,696	-
Total noncurrent liabilities	15,979,186	5,052,781	2,933,048	887,911	24,852,926	161,421
Total liabilities	18,174,818	5,271,125	3,231,790	1,015,053	27,692,786	299,810
DEFERRED INFLOWS OF RESOURCES						
Pension related amounts	89,416	45,551	4,299	6,939	146,205	-
Total deferred inflows of resources	89,416	45,551	4,299	6,939	146,205	-
NET POSITION						
Net investment in capital assets	79,120,768	58,988,466	3,800,355	7,538,015	149,447,604	2,280,869
Unrestricted	28,649,388	10,340,405	8,550	(699,725)	38,298,618	5,137,945
Total net position	\$ 107,770,156	\$ 69,328,871	\$ 3,808,905	\$ 6,838,290	187,746,222	\$ 7,418,814

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

(1,711,535)

Net position of business-type activities \$ 186,034,687

See accompanying notes to the basic financial statements

City of Antioch
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Marina	Non-major Prewett Water Park	Total	Internal Service Funds
OPERATING REVENUES:						
Charges for services	\$ 29,814,917	\$ 5,754,703	\$ 516,197	\$ 846,477	\$ 36,932,294	\$ 5,536,741
Revenue from other agencies	-	-	-	-	-	15,000
Other revenue	276,784	21,448	38,309	9,439	345,980	20,411
Total operating revenues	30,091,701	5,776,151	554,506	855,916	37,278,274	5,572,152
OPERATING EXPENSES:						
Wages and benefits	5,061,080	2,610,231	230,524	831,920	8,733,755	1,466,687
Utilities	1,621,751	-	41,561	132,077	1,795,389	-
Contractual services	10,922,596	1,604,403	128,693	213,093	12,868,785	2,729,823
Tools and supplies	4,307,971	293,640	77,180	250,210	4,929,001	493,400
Depreciation	2,424,974	1,356,287	428,016	646,467	4,855,744	572,921
Repairs and maintenance	158,944	36,852	2,012	88,711	286,519	379,069
Total operating expenses	24,497,316	5,901,413	907,986	2,162,478	33,469,193	5,641,900
OPERATING INCOME (LOSS)	5,594,385	(125,262)	(353,480)	(1,306,562)	3,809,081	(69,748)
NONOPERATING REVENUES (EXPENSES):						
Gain (loss) from disposal of capital assets	-	-	-	-	-	31,911
Investment income	128,332	52,874	1,117	251	182,574	16,219
Investment (expense)	-	-	(114,683)	-	(114,683)	-
Total nonoperating revenues (expenses)	128,332	52,874	(113,566)	251	67,891	48,130
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	5,722,717	(72,388)	(467,046)	(1,306,311)	3,876,972	(21,618)
Capital contribution - connection fees	390,088	293,102	-	-	683,190	-
Capital contribution - City	-	5,850	-	1,818,884	1,824,734	-
Transfers in	235,800	157,200	-	704,500	1,097,500	269,186
Transfers (out)	(589,643)	(1,032,713)	(1,755)	(9,856)	(1,633,967)	-
CHANGE IN NET POSITION	5,758,962	(648,949)	(468,801)	1,207,217	5,848,429	247,568
NET POSITION:						
Beginning of year	102,011,194	69,977,820	4,277,706	5,631,073		7,171,246
End of year	<u>\$ 107,770,156</u>	<u>\$ 69,328,871</u>	<u>\$ 3,808,905</u>	<u>\$ 6,838,290</u>		<u>\$ 7,418,814</u>

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

	70,111
Change in net position of business-type activities	<u>\$ 5,918,540</u>

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Business-type Activities - Enterprise Funds					Governmental Activities
	Water	Sewer	Marina	Non-major Prewett Water Park	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash receipt from customers	\$ 29,441,055	\$ 5,703,259	\$ 607,772	\$ 807,528	\$ 36,559,614	\$ -
Cash receipt from other funds	-	-	-	-	-	5,571,966
Cash paid to suppliers for goods and services	(16,817,706)	(2,053,534)	(268,618)	(712,116)	(19,851,974)	(3,565,426)
Cash paid to employees for services	(5,438,984)	(2,734,046)	(244,942)	(927,479)	(9,345,451)	(1,481,909)
Net cash provided by (used in) operating activities	7,184,365	915,679	94,212	(832,067)	7,362,189	524,631
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:						
Transfers in	235,800	157,200	-	704,500	1,097,500	269,186
Transfers (out)	(589,643)	(1,032,713)	(1,755)	(9,856)	(1,633,967)	-
Net cash provided by (used in) noncapital financing activities	(353,843)	(875,513)	(1,755)	694,644	(536,467)	269,186
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Capital asset additions	(1,948,332)	(1,628,215)	(31,948)	-	(3,608,495)	(421,884)
Capital contributions	390,088	293,102	-	-	683,190	-
Principal paid on bonds	-	-	(141,340)	-	(141,340)	-
Interest paid on bonds	-	-	(120,513)	-	(120,513)	-
Net cash provided by (used in) capital and related financing activities	(1,558,244)	(1,335,113)	(293,801)	-	(3,187,158)	(421,884)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest received	128,332	52,874	1,117	251	182,574	16,219
Net cash provided by (used in) investing activities	128,332	52,874	1,117	251	182,574	16,219
Net change in cash and cash equivalents	5,400,610	(1,242,073)	(200,227)	(137,172)	3,821,138	388,152
CASH AND CASH EQUIVALENTS:						
Beginning of year	35,015,265	14,902,403	790,980	266,599	50,975,247	4,826,178
End of year	\$ 40,415,875	\$ 13,660,330	\$ 590,753	\$ 129,427	\$ 54,796,385	\$ 5,214,330
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:						
Operating income (loss)	\$ 5,594,385	\$ (125,262)	\$ (353,480)	\$ (1,306,562)	\$ 3,809,081	\$ (69,748)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:						
Depreciation	2,424,974	1,356,287	428,016	646,467	4,855,744	572,921
Decrease (increase) in:						
Accounts receivable	(653,555)	(72,892)	52,896	(6,863)	(680,414)	(186)
Materials, parts, and supplies	8,201	-	(4,086)	-	4,115	7,446
Prepaid items	13,877	5,724	-	(3,916)	15,685	(22,353)
Deferred outflows of resources for pensions	(1,276,614)	(880,632)	(69,876)	(109,544)	(2,336,666)	-
Increase (decrease) in:						
Accounts payable	171,478	(124,363)	(15,086)	(24,109)	7,920	51,773
Accrued payroll	(178,679)	(81,882)	(7,719)	(74,025)	(342,305)	(45,868)
Deposits	2,909	-	370	2,689	5,968	-
Deferred revenue	-	-	-	(44,214)	(44,214)	-
Loan payable	-	-	-	-	-	-
Accrued compensated absences	(60,240)	28,869	(16)	(10,748)	(42,135)	30,646
Net pension liability	1,870,317	1,003,239	91,958	152,472	3,117,986	-
Deferred inflows of resources for pensions	(732,688)	(193,409)	(28,765)	(53,714)	(1,008,576)	-
Net cash provided by (used in) operating activities	\$ 7,184,365	\$ 915,679	\$ 94,212	\$ (832,067)	\$ 7,362,189	\$ 524,631
SUPPLEMENTAL DISCLOSURE OF NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:						
Contributions (donations) of capital assets to/from the general government	\$ -	\$ 5,850	\$ -	\$ 1,818,884	\$ 1,824,734	\$ -
Total noncash capital and related financing activities	\$ -	\$ 5,850	\$ -	\$ 1,818,884	\$ 1,824,734	\$ -

See accompanying notes to the basic financial statements.

FIDUCIARY FUND FINANCIAL STATEMENTS

City of Antioch
Statement of Fiduciary Fund Assets and Liabilities
Fiduciary Funds
June 30, 2017

	Successor Agency Private Purpose Trust Fund	Agency Funds
ASSETS		
Cash and investments	\$ 3,065,915	\$ 1,910,407
Interest receivable	41	-
Prepaid Items	2,547	-
Restricted cash and investments	146,266	-
Capital assets:		
Nondepreciable	96,493	-
Total assets	3,311,262	\$ 1,910,407
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	152,250	-
LIABILITIES		
Accounts payable	3,640	1,155,814
Interest payable	167,679	-
Due to City of Antioch	2,537,847	-
Due to others	-	754,593
Long-term obligations:		
Due within one year	2,080,077	-
Due beyond one year	21,144,546	-
Total liabilities	25,933,789	\$ 1,910,407
NET POSITION		
Held in trust for enforceable obligations of the former Antioch Development Agency	\$ (22,470,277)	

See accompanying notes to the basic financial statements.

City of Antioch
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2017

	Successor Agency Private Purpose Trust Fund
ADDITIONS	
Contributions:	
Redevelopment Property Tax Trust Fund	\$ 3,938,195
Investment earnings:	
Investment income and rentals	(4,410)
Total additions	\$ 3,933,785
DEDUCTIONS	
Administrative expenses	\$ 75,954
Enforceable obligations	598,666
Total deductions	\$ 674,620
SPECIAL ITEMS	
Contribution to City of Antioch	(1,000,000)
Total special items	\$ (1,000,000)
Change in net position	2,259,165
NET POSITION:	
Beginning of year	(24,729,442)
End of year	\$ (22,470,277)

See accompanying notes to the basic financial statements.

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City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



NOTE 1 - THE FINANCIAL REPORTING ENTITY

(a) Reporting Entity

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

The governmental reporting entity consists of the City (Primary Government) and its component units. Component units are legally separate organizations for which the City is financially accountable or other organizations whose nature and significant relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (1) either the City's ability to impose its will on the organization or (ii) there is potential for the organization to provide a financial benefit to or impose a financial burden on the City.

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

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

(b) Blended Component Unit

Antioch Public Financing Authority

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

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities except for interfund services provided and used. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues and other non exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental

City of Antioch

Notes to the Basic Financial Statements

For the year ended June 30, 2017



activities. Direct expenses are those that are specifically associated with a program or function; and, therefore, are clearly identifiable to a particular function. Program revenues include 1) fees, fines and charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

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

Fund Financial Statements

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

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

The City reports the following major governmental funds:

- The *General Fund* is used to account for all of the general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of the City which are not accounted for in another fund. For the City, the General Fund includes such activities as general government, public works, public safety, parks and recreation and community development.
- The *Housing Successor Fund* was established by the City with when it elected to become the Housing Successor to the Antioch Development Agency with the abolishment of redevelopment under AB 1X 26. This fund accounts for the administration of housing activities of the former Low and Moderate Income Housing Fund of the redevelopment agency.

The City reports the following major enterprise funds:

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

The City reports the following additional fund types:

City of Antioch

Notes to the Basic Financial Statements

For the year ended June 30, 2017



- *Internal Service Funds* account for the maintenance and replacement of vehicles and equipment; the operation, maintenance, and replacement of office equipment used by City departments; charges for workers' compensation expenses; and charges for loss control, on a cost-reimbursement basis.
- *Agency Funds* account for assets held by the City in the capacity of agent for individuals (refundable cash bonds and employee benefits), other governmental agencies (Fire Protection District and ECWMA) and special assessment debt without city commitment.
- *Private Purpose Trust Funds* account for the assets and liabilities held by the City as Successor Agency to the Antioch Development Agency.

(b) Measurement Focus, Basis of Accounting

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

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

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

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

(c) Internal Investment Pool

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

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



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

(d) Receivables

During the course of normal operations, the City carried various receivable balances for taxes, interest, services, loan, utilities and special assessments. Accounts receivables are shown net of an allowance for doubtful accounts of \$1,084,693 in the General Fund and \$293,341 in the Water Enterprise Fund.

(e) Materials, Parts and Supplies

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

(f) Loans Receivable

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

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

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

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

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

(h) Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangements are recorded at acquisition value rather than

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



fair value. Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, bridges, water/sewer, lighting systems, drainage systems, and flood control. The City defines capital assets as assets with an estimated useful life in excess of one year and an initial, individual cost of \$5,000 or more. Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

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

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

(i) Property Taxes and Special Assessments Revenue

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

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

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

(k) Accumulated Compensated Absences

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

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



(l) Interfund Transactions

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

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

(m) Pensions

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

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

(n) Estimates

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

(l) New Pronouncements

In fiscal year 2017, the City adopted the following Governmental Accounting Standards Board Statements and some were not applicable:

- GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* – This statement has no impact on the City. There was no effect on net position as part of implementation of this standard.
- GASB Statement No. 77, *Tax Abatement Disclosures* – This statement has no impact on the City. There was no effect on net position as part of implementation of this standard.
- GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans* – There was no effect on net position as part of implementation of this standard.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



- GASB Statement No. 80, *Blending Requirements for Certain Component Units* – This statement has no impact on the City. There was no effect on net position as part of implementation of this standard.

NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

(a) Expenditures in Excess of Budget

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

	Appropriated Final Budget	Actual Expenditures	Excess
<i>Nonmajor Special Revenue Funds:</i>			
Asset Forfeitures	\$ 14,299	\$ 55,262	\$ (40,963)
Local Law Enforcement Byrne Grant	2,137	2,147	(10)
Traffic Safety	100	107	(7)
East Lone Tree Benefit District	-	553	(553)

NOTE 4 - CASH AND INVESTMENTS

(a) Cash and Investment Balances

The City has the following cash and investments at June 30, 2017:

Cash and investments:

Petty cash	6,350
Deposits in banks	38,703,836
Total cash	38,710,186
Certificate of Deposit	12,570,087
U.S. Government securities	20,114,847
U.S. Government agencies	20,432,467
Medium-term corporate notes	15,757,441
Asset Backed Securities	2,894,212
California Local Agency Investment Fund	6,272,262
Total investments	78,041,316
Total cash and investments	116,751,502

Restricted cash and investments:

Money market	146,291
Total restricted cash and investments	146,291
Total	\$ 116,897,793

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



Cash and investments are presented on the Statement of Net Position as follows at June 30, 2017:

	Government-Wide Statement of Net Assets	Fiduciary Funds Statement of Assets and Liabilities	Total
Cash and investments	\$ 111,775,180	\$ 4,976,322	\$ 116,751,502
Restricted cash and investments	25	146,266	146,291
Total	<u>\$ 111,775,205</u>	<u>\$ 5,122,588</u>	<u>\$ 116,897,793</u>

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

Restricted cash and investments at June 30, 2017 was \$146,291, which was held by trustees or fiscal agents. These funds may only be used for specific capital outlay or for the payment of certain bonds or tax allocation bonds, and have been invested only as permitted by State statutes or applicable City ordinance, resolution or bond indentures.

(b) Cash Deposits

The carrying amount of the City's cash deposits was \$38,703,836 at June 30, 2017. The bank balance at June 30, 2017, was \$39,544,686, which was fully insured and/or was collateralized with securities held by the pledging financial institutions in the City's name as described in the following paragraph.

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

(c) Investments

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

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

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



Mutual funds as permitted by the Code
The City did not enter into reverse repurchase agreements during the year ended June 30, 2017.

At June 30, 2017, the City's investment position in the State of California Local Agency Investment Fund (LAIF) was \$6,272,262. This amount reflects the City's market value share in the pool. A factor of .998940671% was used to determine the market value. The total amount invested by all public agencies in LAIF at that day was \$75,539,216,146. Of that amount, 97.11% is invested in non derivative financial products and 2.89%, as compared to 2.81% in previous year, in structured notes and asset-backed securities. The Local Investment Advisory Board (Board) has oversight responsibility for LAIF. The Board consists of five members as designated by State Statute. The value of the pool shares in LAIF, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the City's position in the pool. Information is not available on whether the mutual funds in which the City has invested used, held or wrote derivative products during the fiscal year ended June 30, 2017.

(d) Investment Valuation

Investments (except for money market accounts, time deposits, and commercial paper) are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investment fair value measurements at June 30, 2017 are provided by our custodian bank and described below. There are no securities classified in Level 3. Fair value is defined as the quoted market value on the last trading day of the period. Investments included in restricted cash and investments included money market accounts not subject to fair value measurement.

Investment Type	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Securities of U.S. Government				
Treasury and Agencies:				
Supra-National Agencies	\$ 2,439,946	\$ -	\$ 2,439,946	\$ -
Federal Home Loan Banks (FHLB)	1,447,051	-	1,447,051	-
Federal Home Loan Mortgage Corp (FHLMC)	1,778,549	-	1,778,549	-
Freddie Mac	1,592,811	-	1,592,811	-
Federal National Mortg Assoc Notes (FNMA)	11,667,758	-	11,667,758	-
US Treasuries	20,114,847	20,114,847	-	-
Fannie Mae	573,794	-	573,794	-
Municipal Bonds	932,558	-	932,558	-
Asset Back Securities	2,894,212	-	2,894,212	-
Corporate Notes	15,757,441	-	15,757,441	-
Certificates of Deposit	12,570,087	-	12,570,087	-
Total investments subject to fair value	71,769,054	\$ 20,114,847	\$ 51,654,207	\$ -
Investments not subject to fair value leveling disclosure:				
Local Agency Investment Fund	6,272,262			
Money Market	146,291			
Total Investments	\$ 78,187,607			

Treasury securities categorized as Level 1 are valued based on prices quoted in active markets for those securities. Supra National Agencies, Federal Home Loan Banks, Federal Home Loan Mortgage Corporate

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



Notes, Federal National Mortgage Association Notes and Corporate Notes categorized as Level 2 are valued based on matrix pricing which use observable market inputs such as yield curves and market indices that are derived principally from or corroborated by observable market data by correlation to other means.

(e) Interest Rate Risk

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

At June 30, 2017, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (In Years)		
		Less than 1	1 to 2	2 to 3
U.S. Government securities	\$ 20,114,847	\$ -	\$ 8,970,714	\$ 11,144,133
U.S. Government agencies	20,432,467	689,645	8,509,654	11,233,168
Medium-term corporate notes	15,757,441	3,226,584	5,890,884	6,639,973
Asset-Backed securities	2,894,212	-	-	2,894,212
Certificate of Deposit	12,570,087	3,977,132	8,592,955	-
Total	\$ 71,769,054	\$ 7,893,361	\$ 31,964,207	\$ 31,911,486

(f) Credit Risk

State law limits investments in commercial paper and corporate bonds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs). It is the City's policy to limit its investments in these investment types to the top rating issued by NRSROs, including raters Standard & Poor's and Moody's Investor's Service. At June 30, 2017, the City's credit risks, expressed on a percentage basis, were as follows:

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

Investment Type	S&P's Credit Rating	% of Investments
U.S. Government securities	AA+	28.03%
U.S. Government agencies	AAA	3.40%
U.S. Government agencies	AA+	23.77%
U.S. Government agencies	A+	1.09%
U.S. Government agencies	NR	0.21%
Medium-term corporate notes	AA+	1.00%
Medium-term corporate notes	AAA	1.15%
Medium-term corporate notes	AA	1.40%
Medium-term corporate notes	AA-	4.75%
Medium-term corporate notes	A+	5.45%
Medium-term corporate notes	A	3.26%
Medium-term corporate notes	A-	3.01%
Certificate of Deposit	AA-	7.57%
Certificate of Deposit	A+	7.96%
Certificate of Deposit	A	1.99%
Asset-Backed securities	AAA	4.03%
Total		100.00%

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



(g) Custodial Credit Risk

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

NOTE 5 - MEASURE C SALES TAX

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

In order to calculate Measure C spending and balance remaining each fiscal year for the Police Department (PD), the City Council established a baseline budget figure from 2013-14 of \$26,560,004 for the Police Department to be used each succeeding fiscal year that would be considered non Measure C funded expenditures out of the General Fund. Anything spent beyond the baseline budget figure each year up to the amount of Measure C monies available is considered Measure C expenditures. Each year the City projects the total Measure C revenue to be received and adds any remaining Measure C funds from the prior fiscal year to the baseline budget for the total amount of General Fund and Measure C revenues allotted the Police Department in that fiscal year.

In fiscal year 2017, \$6,534,889 in Measure C monies were received. Of this amount \$6,037,152 was allocated to Public Safety and \$497,737 was allocated and spent on Code Enforcement Services. The table below shows how the total available revenues for Police were determined in fiscal year 2017. That figure is then compared to the actual fiscal year 2017 Police Department expenditures to arrive at the remaining Measure C funds at June 30, 2017. This amount (\$2,947,925) is committed in the General Fund for use next fiscal year by the Police Department.

	Police Measure C Budget
13/14 Baseline Budget	\$26,560,004
Measure C FY17 actual receipts allocated to PD	6,037,152
Measure C carryover from Fiscal Year 2016	4,351,967
Total Available Revenues	36,949,123
Actual PD Expenditures (excluding City Wide administration)	(34,001,198)
Difference under budget	\$2,947,925

The next table shows the calculation of Measure C funds spent in fiscal year 2017 by the Police Department.

Measure C Fiscal Year 2017 Receipts allocated to PD	\$6,037,152
Plus: Fiscal Year 2016 Measure C carryover	4,351,967
Sub-total Available Measure C Monies	\$10,389,119
Less: Difference under Budget (table above)	(2,947,925)
CALCULATED TOTAL OF MEASURE C FUNDING SPENT FOR POLICE SERVICES	\$7,441,194

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



NOTE 6 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

(a) Current Balances

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

The composition of interfund balances as of June 30, 2017, is as follows:

Due to Other Funds		Due From Other Funds	
Nonmajor Governmental Funds		General Fund	
		\$1,260,905	
		<u>\$1,260,905</u>	

(b) Due from Successor Agency Trust Fund

At June 30, 2017, the Housing Fund has a receivable due from the Successor Agency Private Purpose Trust Fund in the amount of \$2,537,847. Prior to the dissolution of redevelopment, Health and Safety Code required Project Areas to annually set aside 20% of tax increment revenues for low and moderate income housing development. Project Area #1 was formed prior to the year this requirement was established and the Agency began repaying the unfunded set-aside in fiscal year 1997. With the dissolution of redevelopment pursuant to AB 1X 26 as amended by AB1484, this asset has been transferred to the Housing Successor Fund and related liability of the former Project Area #1 to the Successor Agency Trust. The liability is included on the Successor Agency's Enforceable Obligations Schedule and repayment resumed in the 2014-15 fiscal year as approved by the State of California Department of Finance.

(c) Transfers to/from Other Funds

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations and re-allocations of special revenues. The following schedule summarizes transfers between funds. The most significant transfers which occurred were: \$1,010,000 from the Gas Tax Special Revenue Fund and \$1,070,545 from the Street Impact Special Revenue Fund to the General Fund to pay for street maintenance and \$1,500,000 from the Measure J Special Revenue Fund to the Gas Tax Special Revenue Fund to pay for project expenditures.

Transfers In							
	Major Fund		Major Fund				
	General Fund	Nonmajor Governmental Funds	Water Enterprise	Sewer Enterprise	Prewett Water Park Enterprise	Internal Service	Total
General Fund	\$ -	\$ 1,578,850	\$ 235,800	\$ 157,200	\$ 669,500	\$ -	\$ 2,641,350
Nonmajor:							
Governmental	2,990,076	2,154,920	-	-	35,000	-	5,179,996
Water Enterprise	342,680	112,370	-	-	-	134,593	589,643
Sewer Enterprise	448,120	450,000	-	-	-	134,593	1,032,713
Marina Enterprise	-	1,755	-	-	-	-	1,755
Prewett Water Park	-	9,856	-	-	-	-	9,856
Total	<u>\$ 3,780,876</u>	<u>\$ 4,307,751</u>	<u>\$ 235,800</u>	<u>\$ 157,200</u>	<u>\$ 704,500</u>	<u>\$ 269,186</u>	<u>\$ 9,455,313</u>

City of Antioch
Notes to the Basic Financial Statements
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NOTE 7 - LOANS RECEIVABLE

The composition of the City's loans receivable including interest as of June 30, 2017, is as follows:

Rental and Housing Rehabilitation Loans	\$ 2,603,229
Multi-unit Rental Rehabilitation Loans:	
West Rivertown Apartments/Eden Housing Project	6,903,378
Terrace Glen Project	2,146,381
Pinecrest Apartment Project	1,296,598
Rivertown Senior Housing	242,750
Riverstone Apartment	2,555,994
Hillcrest Terrace Project	1,431,958
Tabora Gardens	3,716,813
NSP Loans	49,135
Lone Tree Golf Course	1,122,165
Other loans	1,155,000
Allowance	(1,623,606)
Total governmental activities (net)	<u>\$ 21,599,795</u>

(a) Rental and Housing Rehabilitation Loans

The City administers rental and home improvement revolving loan funds using federal Community Development Block Grant (CDBG) funds and prior to 2013, redevelopment funds. The program provides below market rate loans, secured by deeds of trust, to eligible participants for rental and housing rehabilitation. Although payments for most loans are amortized over an established payment schedule, some loans allow for deferred payment of accrued interest and principal until the homeowner's property is sold or transferred, primarily for seniors and very low-income families. Repayments received from the outstanding loans are used to make additional rental and housing rehabilitation loans. Principal and interest outstanding balances at June 30, 2017 are \$2,603,229.

(b) Multi-Unit Rental Rehabilitation Loans

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

West Rivertown Apartments/Eden Housing Project

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

This project is the construction of a 57-unit, affordable housing townhouse development in the City's downtown with financing assistance from the Agency and several other agencies. In May 2000, the Agency entered into a disposition, development and loan agreement with Eden Rivertown Limited Partnership (the Developer). Under the terms of the loan agreement, the Developer must repay up to \$3,601,686 (maximum loan amount) to the Agency, which includes the purchase of the land from the Agency. The loan bears an interest rate of 3% per annum. The Developer is required to make annual payments of principal and interest to the Agency in the amount of 100% of residual receipts, less the portion of the residual receipts that is owed to Contra Costa County. Payments are to begin the July 1st after project completion and will end on the 55th anniversary date of the Agency promissory note dated February 11, 2002. Principal and interest outstanding at June 30, 2017 is \$5,115,216.

City of Antioch

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In 1994, the City loaned Community Housing Opportunities (CHOC) \$203,755 for the acquisition of property. CHOC determined that their planned development of this property was no longer feasible, and in November 2005, the City, the Agency, and CHOC agreed to the transfer of ownership of the property and loan to Eden Housing for the development of 40 units of affordable housing to expand the West Rivertown Project in the City's downtown. In order to complete the project, the Agency agreed to loan Eden Housing an additional \$1,458,400. The loan for \$203,755 is non-interest bearing and all principal and interest payments are deferred and will be forgiven at the expiration of the term. The loan for \$1,458,400 bears an interest rate of 3% per annum and will end on the 55th anniversary date of the issuance of certificates of occupancy by the City. Principal and interest outstanding on this loan at June 30, 2017 is \$1,584,407.

Terrace Glen Project

This project consists of a 32-unit, multifamily rental housing development. In August 1998, the City and former redevelopment agency made a commitment for \$850,000 in Community Development Block Grant (CDBG) funds, and \$547,625 in housing set-aside funds, respectively, towards this project. Commencing November 6, 1996, the loan accrues simple interest at 3% per annum. The 55-year term loan is secured by a deed of trust. Commencing on October 1, 1999, and on October 1 of each year thereafter, the developer will pay the City's/Agency's pro-rata percentage of the lender's share of residual receipts to the extent there are residual receipts. Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in March 2054. Principal and interest outstanding at June 30, 2017 is \$2,146,381.

Pinecrest Apartment Project

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

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

Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in May 2055. Principal and interest outstanding at June 30, 2017 is \$1,296,598.

Rivertown Senior Housing

This project consists of a fifty-unit, affordable senior housing project. In September 1992, the former redevelopment agency made a commitment for \$442,750 in housing set-aside funds toward this project. In September 2001, the loan was amended to reduce the principal amount by \$200,000 to reflect funds not borrowed for the project. The loan is noninterest bearing and secured by a deed of trust with affordable housing requirements for 40 years. The balance of the loan is due and payable on October 1, 2033. Principal outstanding at June 30, 2017 is \$242,750.

Riverstone Apartments

This project consists of acquisition and rehabilitation of 136 apartment rental units for low and very low income households. On July 1, 2007, the former redevelopment agency made a commitment for \$2,025,000 in housing set-aside funds toward this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 55-year loan term is secured by a deed of trust.

City of Antioch
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Commencing on May 1st following the fifteenth anniversary of the first disbursement of the loan, and on May 1st of each year thereafter for the term of the loan, the developer will make repayments equal to the lesser of (i) the amount necessary to fully amortize the repayment of principal and interest on the loan for the remaining term or (ii) residual receipts. Payments will be first credited against accrued interest and then principal. Principal and interest outstanding at June 30, 2017 is \$2,555,994.

Hillcrest Terrace Project

This project consists of a 65-unit affordable senior housing project. In October 1998, the former redevelopment agency made a commitment for \$731,175 in housing set-aside funds towards this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 55-year term loan is secured by a deed of trust. Commencing on the June 1 after project completion, and on June 1 of each year thereafter, the developer will pay the Agency one-half of the residual receipts to the extent there is residual receipts. Payments will be first credited against accrued interest and then against principal. Any outstanding principal and interest is due and payable in full in June 2055. In September 2001, the Agency made a commitment of an additional \$200,000 due and payable October 1, 2038. Principal and interest outstanding for these loans at June 30, 2017 is \$1,431,958.

Tabora Gardens

This project consists of acquisition and development of 85 units of senior, multifamily housing affordable to low income households. On June 6, 2011, the former redevelopment agency made a commitment for \$300,000 in housing set-aside funds toward this project. Commencing on the first date of disbursement, the loan accrues simple interest at 3% per annum. The 58-year loan term is secured by a deed of trust. The loan is fully deferred and payment in full, including interest, is due upon expiration of the term. Principal and interest outstanding at June 30, 2017 is \$3,716,813.

NSP Loans

The City provides loans of CDBG Neighborhood Stabilization Program funds to low and moderate income eligible persons that purchase homes through the NSP program implemented by Heart and Hands of Compassion. The loans are to assist in the purchase of the properties. The loans expire 30 years from the date of the notes, and payments of principal and interest are deferred until the end of the term. The unpaid principal balance, plus any shared appreciation, is due and payable upon expiration of the term, transfer of the property, or default. As of June 30, 2017, there are four loans outstanding totaling \$49,135.

(c) Lone Tree Golf Course

During fiscal year 2004-05, the City loaned the Lone Tree Golf Course monies to complete various improvements at the golf course. Annual interest only repayments began August 23, 2005. The loan agreement was amended in December 2007. The new term is for a term of 25 years from December 11, 2007 with interest being calculated based on the City's earnings on idle funds. The City has agreed to defer payment of the loan until the finances of the Golf Course stabilize. Principal outstanding at June 30, 2017, is \$900,000. During fiscal year 2005-06, the City loaned an additional \$296,220 to the Golf Course for parking lot improvements. The loan is non-interest bearing and deferred under the same terms of the previous loan. Principal outstanding on this loan is \$222,165 at June 30, 2017.

(d) Other Loans

The Agency administers a first time homebuyer loan program for qualified applicants. Principal is due at the end of 30 years or upon default, refinancing, sale or transfer of the property. The Agency is also entitled to a pro-rata share of appreciation on the property when the principal is paid. As of June 30, 2017 there is \$1,155,000 of loans outstanding.

City of Antioch
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NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2017 was as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017
Governmental activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 13,421,504	\$ -	\$ -	\$ 13,421,504
Construction in progress	4,252,213	121,915	2,881,040	1,493,088
Total capital assets, not being depreciated	17,673,717	121,915	2,881,040	14,914,592
<i>Capital assets, being depreciated</i>				
Infrastructure	419,352,407	260,071	-	419,612,478
Structures and improvements	80,222,033	2,175,656	-	82,397,689
Equipment	17,499,803	895,657	468,321	17,927,139
Total capital assets, being depreciated	517,074,243	3,331,384	468,321	519,937,306
<i>Less accumulated depreciation for:</i>				
Infrastructure	(168,004,919)	(8,873,916)	-	(176,878,835)
Structures and improvements	(25,674,897)	(1,599,483)	-	(27,274,380)
Equipment	(11,827,013)	(1,029,692)	418,856	(12,437,849)
Total accumulated depreciation	(205,506,829)	(11,503,091)	418,856	(216,591,064)
Total capital assets, being depreciated, net	311,567,414	(8,171,707)	49,465	303,346,242
Governmental activities capital assets, net	\$ 329,241,131	\$ (8,049,792)	\$ 2,930,505	\$ 318,260,834
Business-type activities				
<i>Capital assets, not being depreciated</i>				
Land	\$ 3,558,467	\$ -	\$ -	\$ 3,558,467
Construction in progress	1,705,447	2,364,986	885,346	3,185,087
Total capital assets, not being depreciated	5,263,914	2,364,986	885,346	6,743,554
<i>Capital assets, being depreciated</i>				
Water and sewer pipes	133,464,645	989,496	-	134,454,141
Structures and improvements	96,124,910	963,819	118,146	96,970,583
Equipment	4,583,421	2,118,420	-	6,701,841
Total capital assets, being depreciated	234,172,976	4,071,735	118,146	238,126,565
<i>Less accumulated depreciation for:</i>				
Water and sewer pipes	(30,868,306)	(1,792,721)	-	(32,661,027)
Structures and improvements	(53,371,961)	(2,851,246)	-	(56,223,207)
Equipment	(3,789,780)	(211,777)	-	(4,001,557)
Total accumulated depreciation	(88,030,047)	(4,855,744)	-	(92,885,791)
Total capital assets, being depreciated, net	146,142,929	(784,009)	118,146	145,240,774
Business-type activities capital assets, net	\$ 151,406,843	\$ 1,580,977	\$ 1,003,492	\$ 151,984,328

Construction in Progress

Construction in progress for governmental activities primarily represents work being performed on West Antioch Creek Channel improvements and Northeast Annexation improvements.

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

City of Antioch
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Depreciation

Depreciation expense was charged to governmental functions as follows:

General government	\$ 198,757
Public works	8,712,139
Public safety	690,362
Parks and recreation	1,310,359
Community development	18,553
Depreciation of capital assets held by the City's Internal Service Fund is charged to the various functions based on their usage of the assets	572,921
Total depreciation expense - governmental functions	<u>\$ 11,503,091</u>

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

Water	\$ 2,424,974
Sewer	1,356,287
Marina	428,016
Prewett Water Park	646,467
Total depreciation expense - business-type functions	<u>\$ 4,855,744</u>

NOTE 9 - LONG-TERM OBLIGATIONS

(a) Long-Term Debt Composition

Long-term debt at June 30, 2017, consisted of the following:

Type of Indebtedness (Purpose)	Final Maturity	Annual Principal Installment	Interest Rates	Original Issue Amount	Outstanding at June 30, 2017
<u>Governmental Activities:</u>					
Lease Revenue Bonds:					
2015A Issue - ABAG Golf Course	5/1/31	\$334,750-347,167	2.00-5.00%	\$ 3,840,000	\$ 3,525,000
Total lease revenue bonds				<u>3,840,000</u>	<u>3,525,000</u>
Capital Lease:					
Honeywell Energy Retrofit	7/21/20	\$25,091-45,735	4.79%	4,050,000	1,558,291
Total governmental activities				<u>7,890,000</u>	<u>5,083,291</u>
<u>Business-type Activities:</u>					
Loans Payable:					
State of California Antioch Marina Loan	8/1/43	\$7,655-122,321	4.7-7.9%	6,500,000	2,536,724
SWRCB Planning Loan	7/1/23	\$85,188-115,629	1.60%	197,214	197,214
Total loans payable				<u>6,697,214</u>	<u>2,733,938</u>
Long Term Payable:					
Delta Diablo Recycled Water Program	12/31/30	\$248,176-251,638	0.077%	5,040,423	3,528,271
Total business-type activities				<u>11,737,637</u>	<u>6,262,209</u>
Total primary government				<u>\$ 19,627,637</u>	<u>\$ 11,345,500</u>

City of Antioch
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(b) Long-Term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2017 are as follows:

	Balance July 1, 2016	Increases	Decreases	Balance June 30, 2017	Amount Due Within One Year
Governmental Activities					
Lease Revenue Bonds	\$ 3,700,000	\$ -	\$ (175,000)	\$ 3,525,000	\$ 180,000
Unamortized Premium	513,998	-	(34,266)	479,732	-
Capital Lease Payable	2,005,038	-	(446,747)	1,558,291	474,509
Claims Liability (Note 15)	374,209	443,405	(280,549)	537,065	483,358
Compensated Absences	2,209,674	635,816	(195,044)	2,650,446	373,714
Total Governmental Activities	\$ 8,802,919	\$ 1,079,221	\$ (1,131,606)	\$ 8,750,534	\$ 1,511,581
Business-type Activities					
Loans Payable	\$ 2,678,064	\$ 197,214	\$ (141,340)	\$ 2,733,938	\$ 147,694
Long Term Payable - Delta Diablo Recycled Water Program	3,780,298	-	(252,027)	3,528,271	252,026
Compensated Absences	487,404	42,982	(85,117)	445,269	44,528
Total Business-type Activities	\$ 6,945,766	\$ 240,196	\$ (478,484)	\$ 6,707,478	\$ 444,248

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

(c) Debt Service Requirements - Governmental Activities

As of June 30, 2017, annual debt service requirements of governmental activities to maturity are as follows:

Year ending June 30:	Lease Revenue Bonds	
	Principal	Interest
2018	\$ 180,000	\$ 161,450
2019	190,000	154,250
2020	200,000	144,750
2021	210,000	134,750
2022	220,000	124,250
2023-2027	1,275,000	444,500
2028-2031	1,250,000	113,500
Total	\$ 3,525,000	\$ 1,277,450

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

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years by \$1,117,618. This results in an economic gain (difference between the present value of debt service payments on the old and new debt) of \$994,284.

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

(d) Capital Lease

In October 2009, the City entered into a lease-purchase agreement in the amount of \$4,050,000 with Bank of America to finance the acquisition and retrofitting of interior building lighting in City facilities, street lights and park and site lighting fixtures throughout the City. The lease has an imputed interest rate of 4.79% and requires monthly payments beginning in August 2010 until July 2020, when the lease will terminate and the City will obtain title to the property. The project was completed in December 2010. As of June 30, 2017, the net book value of the assets completed has been recorded as Improvements other than Buildings in the amount of \$3,585,475.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017 were as follows:

Year Ending June 30:	Governmental Activities
2018	\$ 538,834
2019	544,651
2020	550,525
2021	45,918
Total minimum lease payments	1,679,928
Less: amount representing interest	(121,637)
Present value of minimum lease payments	<u>\$ 1,558,291</u>

(e) Debt Service Requirements - Business- type Activities

As of June 30, 2017 annual debt service requirements of business-type activities to maturity are as follows:

Year ending June 30:	Marina Loans		Long Term Payable	
	Principal	Interest	Principal	Interest
2018	\$ 147,694	\$ 114,153	\$ 249,325	\$ 2,701
2019	98,528	107,506	249,517	2,509
2020	102,925	103,073	249,709	2,317
2021	82,948	98,441	249,901	2,125
2022	86,681	94,708	250,094	1,932
2023-2027	495,544	411,401	1,253,360	6,771
2028-2032	617,538	298,407	1,006,072	1,938
2033-2037	715,233	137,381	-	-
2038-2040	189,633	12,390	-	-
Total	<u>\$ 2,536,724</u>	<u>\$ 1,377,460</u>	<u>\$ 3,507,978</u>	<u>\$ 20,293</u>

City of Antioch
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(f) Loans Payable

Marina Loan

In 1984, the Department of Boating and Waterways provided a series of construction loans to the City and former Antioch Development Agency for the planning and construction of the Antioch Marina through the Harbors and Watercraft Revolving Fund. Principal and interest are due annually.

SWRCB Planning Loan

In February 2017, the City signed a loan agreement with the State Water Resources Control Board for a planning loan up to \$1,000,000 for a Brackish Water Desalination Plant project. All project disbursements must be requested by the City by January 31, 2019. The final loan repayment schedule will be given to the City after all loan disbursements are given and planning completed. The loan will bear interest at a rate of 1.6%, with a five year loan repayment period from 2019 to 2023. As of June 30, 2017, the City has received one loan disbursement in the amount of \$197,214 of the maximum \$1,000,000 allowed. A repayment schedule will not be provided to the City until final disbursement is made.

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

The City entered into a Joint Powers Agreement with Delta Diablo (the District) in November 2003 for the District to develop a recycled water program within City limits. As part of this agreement, the District would design, construct, own, operate and regulate all recycled water facilities to provide recycled water within the City of Antioch. The City would be responsible for 50% of the project cost, up to \$5,000,000 in principal with associated interest, of a loan the District obtained from the State Water Resources Control Board to complete the project. The project was completed in July 2011 and the City began paying a proportionate share of the project costs in December 2011. The total due at June 30, 2017 is \$3,528,271 representing the total share of principal and interest outstanding on the loan the District obtained. Repayment requirements are as follows:

(h) Legal Debt Limit

As of June 30, 2017, the City's debt limit and legal debt margin (15% of valuation subject to taxation) was \$1,551,247,431.

NOTE 10 - NET POSITION/FUND BALANCES

(a) Net Position

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

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

Restricted - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The following amounts of net position are restricted by enabling legislation: \$85,295 pursuant to State Assembly Bill 1900 which restricts the use of funds for protection of

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tidelands areas; \$1,471,090 pursuant to the DIVCA Act of 2006 which restricts the use for Public, Educational and Governmental Programming (PEG).

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

(b) Fund Balances

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

As of June 30, 2017 components of fund balance are described below:

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

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

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

	Major Funds		Non-major	
	General	Housing	Governmental	Total
	Fund	Successor	Funds	
Nonspendable:				
Petty cash and prepaids	\$ 219,902	\$ 17,852	\$ 131,625	\$ 369,379
Total nonspendable	219,902	17,852	131,625	369,379
Restricted for:				
Housing & Development	-	19,425,281	6,453,500	25,878,781
Debt service	-	-	25	25
Public Facilities	-	-	396,815	396,815
Streets	-	-	5,148,614	5,148,614
Parks	-	-	83,405	83,405
PEG Programming	-	-	1,471,090	1,471,090
Storm Channels	-	-	2,502,691	2,502,691
Landscape Maintenance	-	-	1,511,037	1,511,037
Tidelands Areas	-	-	85,295	85,295
Law Enforcement	-	-	31,878	31,878
Traffic Safety	-	-	20,980	20,980
Parks & Recreation	-	-	135,241	135,241
Animal Shelter	-	-	82,400	82,400
Abandoned Vehicle	-	-	253,459	253,459
Total restricted	-	19,425,281	18,176,430	37,601,711
Committed to:				
Compensated absences	97,710	-	-	97,710
Litigation/Insurance	500,000	-	-	500,000
Police Services - Measure C	2,947,925	-	-	2,947,925
Parks	-	-	1,423,057	1,423,057
Landscape Maintenance	-	-	91,165	91,165
Arts & Cultural Activities	-	-	53,308	53,308
Recreation Programs	-	-	4,982	4,982
Field Maintenance	-	-	199,226	199,226
Memorial Field Maintenance	-	-	21,377	21,377
Road Repair	-	-	312,937	312,937
Waste Reduction	-	-	372,743	372,743
Youth Activities	-	-	83,733	83,733
Traffic Signals	-	-	986,322	986,322
Post Retirement Medical	-	-	81,417	81,417
Total committed	3,545,635	-	3,630,267	7,175,902
Assigned to:				
Contractual Services	1,270,101	-	-	1,270,101
Parks & Recreation	-	-	49,873	49,873
Capital Projects	-	-	1,936,108	1,936,108
Community Benefit Prog.	-	-	412,388	412,388
AD 26	-	-	374,053	374,053
AD 27	-	-	486,618	486,618
Total assigned	1,270,101	-	3,259,040	4,529,141
Unassigned	25,979,579	-	-	25,979,579
Total fund balances	\$31,015,217	\$19,443,133	\$25,196,950	\$75,655,712

The City has established a fund balance policy for the General Fund requiring that the minimum unassigned fund balance be at least 20% of General Fund operating revenues (including transfers). As of June 30, 2017, unassigned fund balance was 46.26% of total operating revenues.

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NOTE 11 - PENSION PLANS OVERVIEW

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

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Miscellaneous Plan	\$54,239,873	\$10,249,842	\$420,186
Safety Plan	46,835,514	13,048,870	1,888,940
Police Supplementary Plan	652,945	-	8,984
Totals	\$101,728,332	\$23,298,712	\$2,318,110

NOTE 12 - PENSION PLAN - MISCELLANEOUS

(a) General Information about the Miscellaneous Pension Plan

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

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

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

Hire Date	Miscellaneous Plan		
	Prior to November 9, 2007	On or After November 9, 2007 and prior to January 1, 2013	On or after January 1, 2013
Benefit Formula	2.7% @ 55	2.7% @ 55	2.0% @ 62
Benefit Vesting Schedule	5 years of service	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50-55	50-55	52-67
Monthly Benefits, as a % of Eligible Compensation	2.0%-2.7%	1.426%-2.418%	1.0%-2.5%
Required Employee Contribution Rates	8%	8%	6.5%
Required Employer Contribution Rates	30.127%	28.627%	28.627%

Employees Covered – At June 30, 2017, the following employees were covered by the benefit terms for the Miscellaneous Plan:

	Miscellaneous Plan
Inactive employees or beneficiaries currently receiving benefits	295
Inactive employees entitled to but not yet receiving benefits	124
Active employees	181
Total	600

Contributions – Section 20814 (c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ending June 30, 2016 (the measurement date), the City made \$3,697,065 in contributions.

(b) Net Pension Liability – Miscellaneous Plan

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

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

	Miscellaneous Plan
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase (1)	3.3%-14.2%
Investment Rate of Return (2)	7.5%
Mortality	.00466-1.00000

(1) Depending on age, service and type of employment

(2) Net of pension plan investment and administrative expenses, including inflation

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

Discount Rate - The discount rate used to measure the total pension liability was 7.65% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary.

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

City of Antioch
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Asset Class	Current Target Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	(0.55%)	(1.05%)
Total	100% %		
(a) An expected inflation of 2.5% used for this period.			
(b) An expected inflation of 3.0% used for this period.			

(c) Changes in the Net Pension Liability

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2015	\$154,741,069	\$109,531,887	\$45,209,182
Changes in the year:			
Service cost	2,494,442	-	2,494,442
Interest on the total pension liability	11,647,037	-	11,647,037
Differences between actual and expected experience	139,957	-	139,957
Changes in assumptions	-	-	-
Plan to plan resource movement	-	(3,027)	(3,027)
Changes in benefit terms	-	-	-
Contribution - employer	-	3,697,065	(3,697,065)
Contribution - employee	-	1,080,984	(1,080,984)
Investment Income	-	542,477	(542,477)
Administrative expenses	-	(66,754)	66,754
Benefit payments, including refunds of employee contributions	(7,758,833)	(7,758,833)	-
Net Changes	6,522,603	(2,508,088)	9,030,691
Balance at June 30, 2016	\$161,263,672	\$107,023,799	\$54,239,873

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

City of Antioch
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	Miscellaneous
1% Decrease	6.65%
Net Pension Liability	\$75,396,601
Current Discount Rate	7.65%
Net Pension Liability	\$54,239,873
1% Increase	8.65%
Net Pension Liability	\$36,734,742

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

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

For the year ended June 30, 2017, the City recognized pension expense for the Miscellaneous Plan of \$3,645,690. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$4,298,817	\$ -
Changes of assumptions	-	246,578
Differences between expected and actual experiences	79,106	173,608
Net differences between projected and actual earnings on plan investments	5,871,919	-
Total	<u>\$10,249,842</u>	<u>\$420,186</u>

\$4,298,817 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2018	\$448,717
2019	826,306
2020	2,713,798
2021	1,542,018
Thereafter	0

(e) Payable to the Pension Plan

At June 30, 2017, the City reported a payable of \$628,454 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2017.

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NOTE 13 - PENSION PLAN - SAFETY

(a) General Information about the Safety Pension Plan

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

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

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

Safety Plan			
Hire Date	Prior to September 14, 2012 (Classic)	On or After September 14, 2012 and prior to January 1, 2013 (Second Tier)	On or after January 1, 2013 (PEPRA)
Benefit Formula	3% @ 50	3.0% @ 50	2.7% @ 57
Benefit Vesting Schedule	5 years of service	5 years of service	5 years of service
Benefit Payments	Monthly for life	Monthly for life	Monthly for life
Retirement Age	50	50	50-57
Monthly Benefits, as a % of Eligible Compensation	3.0%	3.0%	2.0%-2.7%
Required Employee Contribution Rates	9%	9%	9%
Required Employer Contribution Rates	20.493%	20.123%	12.821%
Required Unfunded Accrued Liability Contribution	\$2,184,013	\$0	\$485

Contributions - Section 20814 (c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan is determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

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For the measurement period ending June 30, 2016 (the measurement date), the contributions recognized as part of pension expense for the Safety Plan were \$4,113,904.

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

As of June 30, 2017, the City reported net pension liabilities for its proportionate shares of the net pension liability of the Safety Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Total Safety Net Pension Liability	<u><u>\$46,835,514</u></u>

The City's net pension liability for the Safety Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2016, and the total pension liability was determined by an actuarial valuation as of June 30, 2015 rolled forward to June 30, 2016 using standard update procedures. In determining the City's rate plan's proportionate share of the net pension liability, the total pension liability using the output from the Actuarial Valuation System and the fiduciary net position provided by CalPERS' Financial Office are first determined for the individual rate plans and the risk pool as a whole on the Valuation Date. The first calculation uses the risk pool's total pension liability and fiduciary net position at the Valuation Date to determine the net pension liability at the Valuation Date. Using standard actuarial roll forward methods, the risk pool's total pension liability is then computed at the Measurement Date. The fiduciary net position is then determined by the CalPERS' Financial Office at the Measurement Date. Next, the individual employer rate plans' share of the total pension liability, fiduciary net position and net pension liability are calculated at the Valuation Date. Using the individual employer rate plan's share of the risk pool total pension liability and fiduciary net position, the proportionate shares of the total pension liability and fiduciary net position are determined for each employer rate plan. The City's proportionate share of the net pension liability for the Plan as of June 30, 2015 and 2016 are as follows:

	<u>Safety Plan</u>
Proportion – June 30, 2015	.54723 %
Proportion – June 30, 2016	.54126 %
Change – Increase (Decrease)	-.00597 %

For the year ended June 30, 2017, the City recognized pension expense of \$4,724,626. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$4,702,631	\$ -
Differences between actual and expected experience	-	324,119
Changes in assumptions	-	1,413,182
Change in employer's proportion	1,267,806	50,467
Change in employer's proportion and difference between the employer's contributions and the employer's proportionate share of contributions	135,535	101,172
Net differences between projected and actual earnings on plan investments	6,942,898	-
Total	<u><u>\$13,048,870</u></u>	<u><u>\$1,888,940</u></u>

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\$4,702,631 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year end June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	
2018	\$674,507
2019	744,982
2020	3,230,372
2021	1,807,438
Thereafter	0

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

	Safety Plan
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Payroll Growth	3.0%
Projected Salary Increase (1)	3.3%-14.2%
Investment Rate of Return (2)	7.5%
Mortality	.00466-1.00000

(1) Depending on age, service and type of employment

(2) Net of pension plan investment and administrative expenses, including inflation

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

Discount Rate - The discount rate used to measure the total pension liability was 7.65% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.65 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.65 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed "GASB Crossover Testing Report" that can be obtained from the CalPERS website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term

City of Antioch
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(first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10(a)	Real Return Years 11+(b)
Global Equity	51.0%	5.25%	5.71%
Global Fixed Income	20.0%	0.99%	2.43%
Inflation Sensitive	6.0%	0.45%	3.36%
Private Equity	10.0%	6.83%	6.95%
Real Estate	10.0%	4.50%	5.13%
Infrastructure and Forestland	2.0%	4.50%	5.09%
Liquidity	1.0%	(0.55%)	(1.05%)
Total	100%		
(a) An expected inflation of 2.5% used for this period.			
(b) An expected inflation of 3.0% used for this period.			

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

	Safety Plan
1% Decrease	6.65%
Net Pension Liability	\$68,940,446
Current Discount Rate	7.65%
Net Pension Liability	\$46,835,514
1% Increase	8.65%
Net Pension Liability	\$28,689,630

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

(c) Payable to the Pension Plan

At June 30, 2017, the City reported a payable of \$462,457 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2017.

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NOTE 14 - SUPPLEMENTARY RETIREMENT PLAN

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

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

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

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

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

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

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Employees Covered - At June 30, 2017, the following employees were covered by the benefit terms for the Supplementary Plan:

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

Contributions - There is no requirement imposed by PARS to contribute any amount beyond the pay as you go contributions. For the fiscal year 2017, the City made a total of \$283,310 in pay as you contributions.

(b) Net Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2017, using an annual actuarial valuation as of June 30, 2015 rolled forward to June 30, 2017 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

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

	<u>Supplementary Plan</u>
Valuation Date	June 30, 2015
Measurement Date	June 30, 2017
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	5.5%
Inflation	3.0%
Payroll Growth (1)	0%
Projected Salary Increase (1)	0%
Investment Rate of Return	5.5%
Mortality	.00125-1.00000

(1) This is a closed plan

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

Discount Rate - The discount rate used to measure the total pension liability at June 30, 2015 was 5.5% for the Plan based upon the S&P Municipal Bond 20 Year High Grade Rate Index.

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

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(c) Changes in the Net Pension Liability

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2016	\$1,677,826	\$612,153	\$1,065,673
Changes in the year:			
Interest on the total pension liability	89,935	-	89,935
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Contribution - employer	-	483,310	(483,310)
Net investment income	-	46,509	(46,509)
Administrative expenses	-	(27,156)	27,156
Benefit payments, including refunds of employee contributions	(85,299)	(85,299)	-
Net Changes	4,636	417,364	(412,728)
Balance at June 30, 2017	\$1,682,462	\$1,029,517	\$652,945

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

	<u>Supplementary</u>
1% Decrease	4.5%
Net Pension Liability	\$907,045
Current Discount Rate	5.5%
Net Pension Liability	\$652,945
1% Increase	6.5%
Net Pension Liability	\$449,320

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

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

For the year ended June 30, 2017, the City recognized pension expense for the Supplementary Plan of \$71,406. At June 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ -
Differences between actual and expected experience	-
Changes in assumptions	-
Net differences between projected and actual earnings on plan investments	8,984
Total	<u>\$8,984</u>

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

Year Ended June 30	
2018	(\$2,819)
2019	(2,819)
2020	(2,819)
2021	(527)
2022	0
Thereafter	0

(e) Payable to the Pension Plan

At June 30, 2017, the City did not report a payable for an amount outstanding amount of contributions to the pension plan required for the year ended June 30, 2017.

NOTE 15 - POST EMPLOYMENT MEDICAL BENEFITS

(a) Medical After Retirement Plan Trust

Plan Description. City of Antioch provides postretirement medical benefits to all eligible employees and their surviving spouses under the provisions of three formal City-sponsored plans (Miscellaneous Group, Management Group and Police Group). The effective date varies based upon the employee's classification and related memorandum of understanding (MOU). For all employees who retire from service (either regular retirement or disability retirement), the City shall pay a portion of their medical premiums based on their respective MOU currently in effect. The City's contributions are advanced-funded on an actuarially determined basis and recorded in the CalPERS Trust (CERBT). The Fund is a Section 115 Trust set up for the purpose of receiving employer contributions that will prefund health and other post employment benefit costs for retirees and their beneficiaries. As of June 30, 2017, there were 138 active participants and there were 200 retired participants eligible to receive post employment health care benefits. The City currently maintains three Special Revenue Funds to account for the payment of retiree medical benefits and reimbursements for these costs from the trust for each plan group (combined for financial reporting purposes). The CERBT accounts for the separate plans in one master trust account for the City with three subgroups, one for each plan. Assets of each plan are restricted to pay for benefits of those plan members or beneficiaries only. The City makes contributions to the CERBT based on a percentage of active employee payroll.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



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

The City has established a policy to make contributions, for the purpose of funding its calculated obligations over a period of time, enough to pay current benefits due, with the intent to make the full ARC contributions (21.2% of payroll for fiscal year 2017) as fiscal conditions improve, to the CERBT each year. The amount necessary to fund future benefits is based on projections from the July 1, 2015 Actuarial Study completed by Bickmore Risk Services in accordance with GASB Statement 45, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

For fiscal year 2017, the City made a total of \$1,357,034 in contributions.

Annual OPEB Cost and Net OPEB Obligation. The City's annual OPEB cost (expense) is calculated based on the Annual Required Contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the City of Antioch annual OPEB costs for the year segregated to show amounts by each City sponsored plan (although combined in the trust), the amount actually contributed to the plan, and changes in the City's net OPEB obligation to the City Retiree Health Plan:

	Miscellaneous	Management	Police	Total
Annual Required Contributions	\$ 1,150,346	\$ 757,600	\$ 3,148,677	\$ 5,056,623
Interest on net OPEB obligation	52,584	(52,648)	350,693	350,629
Adjustment to annual required contributions	(62,735)	66,221	(455,486)	(452,000)
Annual OPEB Cost	1,140,195	771,173	3,043,884	4,955,252
Contributions Made	291,515	530,443	535,077	1,357,035
Increase in net OPEB obligation	(848,680)	(240,730)	(2,508,807)	(3,598,217)
Net OPEB Asset (Obligation) - beginning of year	(1,033,076)	1,144,529	(8,080,495)	(7,969,042)
Net OPEB Asset (Obligation) - end of year	\$ (1,881,756)	\$ 903,799	\$ (10,589,302)	\$ (11,567,259)

The following shows the calculation of the Annual Required Contributions for FY 2017:

	Miscellaneous	Management	Police	Total
Normal Cost at Year End	\$ 413,390	\$ 98,765	\$ 1,041,101	\$ 1,553,256
Amortization of UAAL	681,239	625,518	1,976,607	3,283,364
Interest	55,717	33,317	130,969	220,003
Annual Required Contribution (ARC)	\$ 1,150,346	\$ 757,600	\$ 3,148,677	\$ 5,056,623

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan (shown by City sponsored plan), and the net OPEB asset (obligation) for FY2017 and the two previous years were as follows:

Miscellaneous			
Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	OPEB (Obligation)
6/30/2015	\$ 825,817	33%	\$ (470,463)
6/30/2016	865,839	31%	(1,033,076)
6/30/2017	1,140,195	26%	(1,881,756)

Management			
Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	OPEB Asset
6/30/2015	\$ 469,816	110%	\$ 1,076,961
6/30/2016	479,641	114%	1,144,529
6/30/2017	771,172	69%	903,799

Police			
Fiscal Year Ended	Annual OPEB Cost	% of Annual OPEB Contributed	OPEB (Obligation)
6/30/2015	\$ 2,240,192	23%	\$ (6,250,353)
6/30/2016	2,379,113	23%	(8,080,495)
6/30/2017	3,043,884	18%	(10,589,302)

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

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

California Employers' Retiree Benefit Trust
Funded Status of Plans 7/1/15 Valuation Date

Plan Name	Actuarial Accrued Liability (AAL)	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability (UAAL)	Funded Status AVA/MVA	Annual Covered Payroll	Unfunded Liability As A % of Payroll
Miscellaneous	\$16,251,325	\$4,757,637	\$11,493,688	29.3%	\$7,300,953	157.4%
Management	13,502,874	1,941,892	11,560,982	14.4%	4,571,434	252.9%
Police	38,077,016	3,009,933	35,067,083	7.9%	11,273,886	311.0%
Total All Plans	\$67,831,215	\$9,709,462	\$58,121,753	14.3%	\$23,146,273	251.1%

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

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

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



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

In the July 1, 2015 actuarial valuation, the entry age normal cost method was used. The actuarial assumptions used include (a) a 4.60% investment rate of return for Management, 5.09% investment rate of return for Miscellaneous and 4.34% for Police; (b) projected salary increases at 3.25% per year; (c) inflation of 3.00% and (d) healthcare cost trend rates ranging between 4.50% and 8.5% between 2015 and 2024, with annual increases of 4.64% from 2025 and thereafter for City contributions linked to a specific medical plan and annual increases of 4.50% from 2015 and thereafter for City contributions that are capped. The Unfunded Actuarial Accrued Liability (UAAL) is being amortized as a level percentage of projected payroll over 30 years on a closed basis. The remaining amortization period as of June 30, 2017 was 21 years for the plan.

(b) Medical After Retirement Plan Account

Employees hired after September 1, 2007 are not eligible for post employment medical benefits as defined in the previous plan. The City has created a medical after retirement program in which the City will contribute 1.5% of the employee's base monthly salary into an account established for the employee to be used for future medical benefits. This plan is being administered by Operating Engineers Local 3. The City will match an additional amount of up to 1.0% of the employee contribution, for a total City contribution not to exceed 2.5%. Employees have the right to their individual plan upon separation of employment. As of June 30, 2017, there were 135 participants in the plan. During the year, the City contributed \$204,609 towards employee accounts.

NOTE 16 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The City currently reports its risk management activities in its General Fund and Loss Control Internal Service Fund.

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

The City's deductibles and maximum coverage follow:

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

The City contributes its pro rata share of anticipated losses to a pool administered by MPA. Should actual losses among participants be greater than the anticipated losses, the City will be assessed retrospectively its pro rata share of that deficiency. Conversely, if the actual losses are less than anticipated, the City will be refunded its pro rata share of the excess. The City paid premiums of

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



\$3,327,488 during the year ended June 30, 2017. MPA has obtained excess general liability coverage in the amount of \$28,000,000 for total coverage of \$29,000,000 through participation in the California Joint Powers Risk Management Association. MPA has also purchased excess property damage coverage through various commercial carriers. Settled claims have not exceeded this excess liability coverage in any of the past three fiscal years.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated and includes incremental claim expenses. Allocated and unallocated claims adjustment expenditures are included in the liability balance. These losses include an estimate of claims that have been incurred but not reported. The claim liability balances at June 30, 2017 are discounted at 2.0%. This liability is the City's best estimate based on available information. Changes in the reported liability resulted from the following:

	Beginning of Fiscal Year Liability	Deductibles and Charges in Estimates	Payments	End of Fiscal Year Liability
2014-2015	\$ 519,069	\$ 391,361	\$ 334,546	\$ 575,884
2015-2016	575,884	50,772	252,447	374,209
2016-2017	374,209	443,405	280,549	537,065

NOTE 17 - SERVICE CONCESSION ARRANGEMENT FOR GOLF COURSE

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

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS

(a) Antioch Area Public Facilities Financing Agency

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

The AAPFFA has issued Special Tax Bonds to finance various school district and City projects. These bonds are to be repaid out of a special tax levied on property owners of the community facilities district comprising the AAPFFA. During the fiscal year ended June 30, 2017 the AAPFFA contributed \$1,126,048 of bond proceeds to the City to finance construction of amenities at the City's Prewett Park facility. This

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



contribution has been recorded as revenue from other agencies in the City's Capital Projects Funds. The City acts as fiscal agent for the AAPFFA. The City's Finance Department maintains accounting records and processes receipts and disbursements. The AAPFFA's financial statements are available by contacting the City of Antioch, Finance Department, P.O. Box 5007, Antioch, CA 94531-5007, 925-779-7055.

(b) Contra Costa County Home Mortgage Finance Authority

The City and Contra Costa County are members of the Contra Costa Home Mortgage Financing Authority (Home Mortgage). The Home Mortgage issued 1984 Home Mortgage Revenue Bonds for the purpose of facilitating the financing of low-income home mortgages in the City and County. The City made no contributions to the Home Mortgage during the fiscal year ended June 30, 2017. The Home Mortgage is governed by a board consisting of representatives of the County and City. The board controls the operations and finances of the Authority, independent of influence by the City. Therefore, the Home Mortgage is excluded from the City's reporting entity. The Home Mortgage's financial statements are available by contacting the Contra Costa County Community Development Department, 651 Pine Street, Martinez, CA 94553-1229, 925-646-4208.

NOTE 19 - COMMITMENTS AND CONTINGENCIES

(a) Grants

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

(b) Pending Litigation

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

(c) Construction Commitments

Among the significant construction commitments were \$1,424,134 towards West Antioch Creek Channel improvements, \$1,050,421 towards the Sewer Trenchless Rehabilitation project and \$1,126,343 towards Water Treatment Plant improvements.

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

(a) Redevelopment Dissolution

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

City of Antioch

Notes to the Basic Financial Statements

For the year ended June 30, 2017



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

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

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

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

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City’s position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City. In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

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

(b) Capital Assets

In December 2015, the California State Department of Finance approved a Long Range Property Management Plan of the Successor Agency. As part of this approved plan, any assets of the Successor Agency deemed for “Governmental Use” or “Future Development” were approved to be transferred to the City with three properties remaining with the Successor Agency that will be sold in the future.

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



Capital asset activity for the year ended June 30, 2017 was as follows:

	July 1, 2016	Deletions	June 30, 2017
<i>Nondepreciable</i>			
Land	\$ 96,493	\$ -	\$ 96,493
Total Nondepreciable Capital Assets	<u>\$ 96,493</u>	<u>\$ -</u>	<u>\$ 96,493</u>

(c) Long-Term Obligations

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

(1) Long-Term Debt Composition

Type of Indebtedness (Purpose)	Final Maturity	Annual Principal Installment	Interest Rates	Original Issue Amount	Outstanding at June 30, 2017
Tax Allocation Bonds:					
2000 - ADA Project 1 Refunding	9/1/17	\$200,000-1,380,000	4.2-5.0%	\$ 14,450,000	\$ 1,380,000
2009 - ADA Project 1	9/1/27	\$95,343-142,289	2.60%	2,080,841	1,381,201
Total tax allocation bonds				<u>16,530,841</u>	<u>2,761,201</u>
Lease Revenue Bonds:					
2015A Issue - APFA Municipal Facilities,	5/1/32	\$1,352,000-2,116,650	2.0-5.0%	19,315,000	18,385,000
Total lease revenue bonds				<u>19,315,000</u>	<u>18,385,000</u>
Total long-term obligations				<u>\$ 35,845,841</u>	<u>\$ 21,146,201</u>

(2) Long-Term Obligation Activity

Changes in long-term obligations for the year ended June 30, 2017 are as follows:

	Balance July 1, 2016	Decreases	Balance June 30, 2017	Amount Due Within One Year
2015A Lease Revenue Bonds	\$ 18,925,000	\$ (540,000)	\$ 18,385,000	\$ 590,000
Unamortized Premiums	2,216,983	(138,561)	2,078,422	-
2000 Tax Allocation Bonds	2,685,000	(1,305,000)	1,380,000	1,380,000
2009 Tax Allocation Bonds	1,488,489	(107,288)	1,381,201	110,077
Total obligations held by the Successor Agency Trust	<u>\$ 25,315,472</u>	<u>\$ (2,090,849)</u>	<u>\$ 23,224,623</u>	<u>\$ 2,080,077</u>

City of Antioch
Notes to the Basic Financial Statements
For the year ended June 30, 2017



(3) Debt Service Requirements

As of June 30, 2017, annual debt service requirements of governmental activities to maturity are as follows:

Year ending June 30:	Tax Allocation Bonds		Lease Revenue Bonds	
	Principal	Interest	Principal	Interest
2018	\$ 1,490,077	\$ 68,980	\$ 590,000	\$ 796,250
2019	112,939	31,581	645,000	772,650
2020	115,876	28,606	715,000	740,400
2021	118,888	25,554	790,000	704,650
2022	121,980	22,423	870,000	665,150
2023-2027	659,152	62,222	5,610,000	2,586,750
2028-2032	142,289	1,850	9,165,000	960,000
Total	<u>\$ 2,761,201</u>	<u>\$ 241,216</u>	<u>\$ 18,385,000</u>	<u>\$ 7,225,850</u>

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

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

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REQUIRED SUPPLEMENTAL INFORMATION

City of Antioch
Required Supplementary Information
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2017

Schedule of Revenues and Transfers In - General Fund

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
FUNCTION/ACTIVITY:				
TAXES				
Property secured	\$ 9,132,500	\$ 10,229,707	\$ 10,238,654	\$ 8,947
Property in lieu of VLF	6,734,780	7,068,302	7,068,302	-
Property unsecured	262,369	298,801	320,520	21,719
Property other	400,400	400,400	568,152	167,752
Sales and use tax	12,991,925	12,744,000	12,860,462	116,462
Sales and use tax - Measure C	4,832,765	6,589,658	6,534,889	(54,769)
Motor vehicle in-lieu	40,000	50,608	50,608	-
Transient lodging tax	80,000	90,000	124,142	34,142
Franchises - other	8,340	8,353	8,353	-
Franchises - gas	185,530	321,824	321,824	-
Franchises - electric	399,295	454,047	454,047	-
Franchises - cable tv	1,285,782	1,406,085	1,332,385	(73,700)
Franchises - garbage	999,446	1,002,030	993,169	(8,861)
Business license tax (Gross Receipts)	3,751,000	3,691,000	3,915,934	224,934
Property transfer tax	330,000	380,000	443,102	63,102
Total taxes	41,434,132	44,734,815	45,234,543	499,728
LICENSES AND PERMITS				
Bicycle License	-	113	113	-
Building permits	1,000,000	1,000,000	1,028,082	28,082
Street & curb permits	160,000	115,000	108,879	(6,121)
Wide vehicle/overload	7,500	10,000	6,352	(3,648)
Technology fee	22,500	24,000	25,023	1,023
Energy Inspection Fee	22,500	22,500	24,937	2,437
Pool Safety Fee	500	1,000	1,106	106
Accessibility Fee (Non-Resident)	2,000	3,800	3,893	93
Green Bldg Verification & Compliance	85,000	40,000	44,708	4,708
Total licenses and permits	1,300,000	1,216,413	1,243,093	26,680
FINES AND PENALTIES				
Vehicle code fines	35,000	110,000	133,207	23,207
Non-traffic fines	8,000	3,800	27,357	23,557
Total fines and penalties	43,000	113,800	160,564	46,764
INVESTMENT INCOME AND RENTALS				
Investment income	40,000	75,000	58,811	(16,189)
Rent and concessions	468,045	490,215	500,882	10,667
Total investment income and rentals	508,045	565,215	559,693	(5,522)
REVENUE FROM OTHER AGENCIES				
Homeowners property tax relief	70,000	75,000	80,388	5,388
P.O.S.T. reimbursements	12,000	10,000	5,918	(4,082)
State mandated reimbursements	-	562	65,793	65,231
Grant reimbursements	577,673	990,600	1,085,351	94,751
Total revenue from other agencies	659,673	1,076,162	1,237,450	161,288

(Continued)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2017

Schedule of Revenues and Transfers In - General Fund

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
FUNCTION/ACTIVITY, Continued:				
CURRENT SERVICE CHARGES				
Administrative services	30,000	51,400	54,581	3,181
Legal fees	-	12,786	8,275	(4,511)
Special police services	445,000	737,522	744,253	6,731
False alarm fees	324,000	64,190	64,775	585
Plan checking fees	445,000	431,000	529,300	98,300
Planning fees	24,000	53,125	58,510	5,385
Inspection fees	250,000	170,000	213,297	43,297
Special public works services	2,000	1,000	-	(1,000)
Other service charges	15,480	21,001	22,252	1,251
Assessment fees	135,000	143,590	70,077	(73,513)
Billings to Department	291,549	280,490	243,908	(36,582)
Total current service charges	1,962,029	1,966,104	2,009,228	43,124
OTHER REVENUES				
Miscellaneous revenue	829,580	2,185,510	2,409,693	224,183
OTHER FINANCING SOURCES				
Transfers in:				
Gas Tax Fund	1,010,000	1,010,000	1,010,000	-
Pollution Elimination	273,365	273,365	261,105	(12,260)
Street Impact	1,167,330	1,070,545	1,070,545	-
Street Light and Landscape Maintenance Districts	150,228	209,321	206,378	(2,943)
Supplementary Law Enforcement Grant	100,000	284,742	284,742	-
Local Law Enforcement Block Grant	73,052	40,850	40,989	139
Traffic Safety	80,000	116,317	116,317	-
Water Fund	340,000	342,680	342,680	-
Sewer Fund	340,000	448,120	448,120	-
Total transfers in	3,533,975	3,795,940	3,780,876	(15,064)
Total other financing sources	3,533,975	3,795,940	3,780,876	(15,064)
Total general fund revenues and other financing sources	\$ 50,270,434	\$ 55,653,959	\$ 56,635,140	\$ 981,181

(Concluded)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2017

Schedule of Expenditures and Transfers Out - General Fund

<i>Schedule of Expenditures and Transfers Out - General Fund</i>				Variance With
	Budget			Final Budget
	Original	Final	Actual	Positive (Negative)
FUNCTION/ACTIVITY:				
City Council	\$ 14,676	\$ 16,284	\$ 8,055	\$ 8,229
City Attorney	34,367	59,649	3,477	56,172
City Manager	6,243	55,200	42,747	12,453
City Clerk	8,647	26,247	12,301	13,946
City Treasurer	256,539	257,490	217,301	40,189
Personnel Services	18,677	35,223	26,421	8,802
Economic Development	307,504	402,861	364,399	38,462
Finance	18,735	43,750	13,564	30,186
Warehouse & Central Stores	15,607	15,607	15,056	551
Non-Departmental	514,024	525,254	224,960	300,294
Total general government	1,195,019	1,437,565	928,281	509,284
PUBLIC WORKS				
Maintenance Administration	10,925	33,693	12,714	20,979
General Maintenance Services	10,864	11,685	6,459	5,226
Street Maintenance	1,832,673	1,656,238	1,043,796	612,442
Engineering and Land Development	1,294,503	1,386,035	1,209,823	176,212
Signal & Street Lighting	843,303	844,651	762,952	81,699
Striping & Signing	840,725	967,533	862,154	105,379
Facilities Maintenance	14,857	13,331	2,152	11,179
Park Maintenance	1,403,384	1,406,486	1,234,530	171,956
Median and General Landscape	537,938	540,215	497,352	42,863
Capital Improv/Engineering Administration	146,633	126,371	113,392	12,979
Engineering Services	199,081	200,841	154,413	46,428
Work Alternative	162,390	157,523	127,272	30,251
Total public works	7,297,276	7,344,602	6,027,009	1,317,593
PUBLIC SAFETY				
Administration	4,639,371	5,091,942	5,091,377	565
Police Reserve	10,420	11,900	11,653	247
Prisoner Custody	716,403	160,210	160,210	-
Community Policing	17,981,224	12,459,503	12,460,067	(564)
Police Services - Measure C Funded	4,663,350	8,921,787	7,441,194	1,480,593
Traffic Division	240,514	448,845	443,527	5,318
Investigation	4,247,465	4,891,768	4,891,768	-
Special Operations Unit	1,084,411	1,317,057	1,325,149	(8,092)
Communications	3,263,238	2,944,954	2,944,954	-
Emergency Services	5,164	4,915	4,262	653
Community Volunteer	99,247	114,620	103,885	10,735
Facility Maintenance	618,671	639,564	581,989	57,575
Total public safety	37,569,478	37,007,065	35,460,035	1,547,030

(Continued)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2017

Schedule of Expenditures and Transfers Out - General Fund

	Budget		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
COMMUNITY DEVELOPMENT				
Office of the Director	848,569	867,017	827,214	39,803
Land Planning Services	756,349	1,269,884	726,373	543,511
Code Enforcement	389,287	321,912	263,076	58,836
Code Enforcement - Measure C Funded	169,415	530,000	497,737	32,263
Building Inspection	815,439	960,321	681,342	278,979
Total community development	2,979,059	3,949,134	2,995,742	953,392
Total current expenditures	49,040,832	49,738,366	45,411,067	4,327,299
CAPITAL OUTLAY				
Public Works:				
Street Maintenance	-	20,000	19,427	573
Striping & Signing	12,000	6,000	-	6,000
Public Safety:				
Community Policing	108,000	452,503	452,503	-
Total capital outlay	120,000	478,503	471,930	6,573
OTHER FINANCING USES:				
Transfers out:				
Animal Control	538,108	501,222	420,859	80,363
Antioch WaterPark	351,105	456,105	669,500	(213,395)
Antioch Water	-	235,800	235,800	-
Antioch Sewer	-	157,200	157,200	-
Antioch Marina	228,910	-	-	-
Office Equipment Replacement	93,297	-	-	-
Recreation	661,515	767,461	925,424	(157,963)
Downtown Street Light & Landscape District	241,000	241,000	195,600	45,400
Honeywell Capital Lease	36,967	36,967	36,967	-
Total transfers out	2,150,902	2,395,755	2,641,350	(245,595)
Total general fund expenditures and other financing uses	\$ 51,311,734	\$ 52,612,624	\$ 48,524,347	\$ 4,088,277

(Concluded)

City of Antioch
Required Supplementary Information, Continued
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2017

Special Revenue Fund - Housing Successor

	Budget			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Investment income and rentals	\$ 1,500	\$ 8,800	\$ 6,035	\$ (2,765)
Other	275,033	379,125	379,072	(53)
Total revenues	276,533	387,925	385,107	(2,818)
EXPENDITURES:				
Current:				
Community development	196,825	267,589	209,627	57,962
Total expenditures	196,825	267,589	209,627	57,962
REVENUES OVER (UNDER) EXPENDITURES	79,708	120,336	175,480	55,144
Net change in fund balances	\$ 79,708	\$ 120,336	175,480	\$ 55,144
FUND BALANCES:				
Beginning of year			19,267,653	
End of year			\$ 19,443,133	

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

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

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	<u>2014</u>	<u>2015</u>	<u>2016</u>
Total Pension Liability			
Service Cost	\$ 2,275,615	\$ 2,281,384	\$ 2,494,442
Interest on total pension liability	10,868,782	11,178,491	11,647,037
Difference between expected and actual experience	-	(1,909,680)	139,957
Changes in assumptions	-	(2,712,350)	-
Changes in benefits	-	-	-
Benefit payments, including refunds of employee contributions	(7,232,184)	(7,404,372)	(7,758,833)
Net change in total pension liability	5,912,213	1,433,473	6,522,603
Total pension liability - beginning	147,395,383	153,307,596	154,741,069
Total pension liability - ending (a)	<u>\$ 153,307,596</u>	<u>\$ 154,741,069</u>	<u>\$ 161,263,672</u>
Plan fiduciary net position			
Contributions - employer	2,667,605	3,289,258	3,697,065
Contributions - employee	1,105,584	1,003,111	1,080,984
Plan to plan resource movement	-	387	(3,027)
Net Investment income	16,670,267	2,321,856	475,723
Benefit payments	(7,232,184)	(7,404,372)	(7,758,833)
Net change in plan fiduciary net position	13,211,272	(789,760)	(2,508,088)
Plan fiduciary net position - beginning	97,110,375	110,321,647	109,531,887
Plan fiduciary net position - ending (b)	<u>\$ 110,321,647</u>	<u>\$ 109,531,887</u>	<u>\$ 107,023,799</u>
 Net pension liability - ending (a) - (b)	 \$ 42,985,949	 \$ 45,209,182	 \$ 54,239,873
 Plan fiduciary net position as a percentage of the total pension liability	 71.96%	 70.78%	 66.37%
 Covered payroll	 12,054,961	 12,390,746	 13,457,695
 Net pension liability as a percentage of covered			

Notes to Schedule:

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

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

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

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

**Miscellaneous Employees Retirement System,
an Agent Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2017
Last 10 Years***

SCHEDULE OF CONTRIBUTIONS

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially Determined Contribution	\$ 3,289,258	\$ 3,697,065	\$ 4,298,817
Contributions in Relation to the Actuarially Determined Contribution	<u>(3,289,258)</u>	<u>(3,697,065)</u>	<u>(4,298,817)</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
 Covered Payroll	 12,390,746	 13,457,695	 13,600,988
 Contributions as a Percentage of Covered Payroll	 26.55%	 27.47%	 31.61%

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

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

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

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

	2014	2015	2016
Proportion of the net pension liability	0.537714%	0.547227%	0.5413%
Proportionate share of the net pension liability \$	33,459,081	\$ 37,561,170	\$ 46,835,514
Covered payroll \$	10,649,187	\$ 11,368,228	\$ 12,074,088
Proportionate share of the net pension liability as percentage of covered payroll	314.19%	330.40%	387.90%
Plan fiduciary net position as a percentage of of the total pension liability	79.82%	78.40%	74.06%

Notes to Schedule:

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

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

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

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

Public Safety Employees Retirement System,
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
As of June 30, 2017
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially Determined Contribution	\$ 3,652,991	\$ 4,113,904	\$ 4,702,631
Contributions in Relation to the Actuarially Determined Contribution	<u>(3,652,991)</u>	<u>(4,113,904)</u>	<u>(4,702,631)</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
 Covered Employee Payroll	 11,368,228	 12,074,088	 13,591,940
 Contributions as a Percentage of Covered Payroll	 32.13%	 34.07%	 34.60%

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

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

Supplementary Retirement Plan
As of June 30, 2017
Last 10 Years*

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Total Pension Liability			
Service Cost	\$ -	\$ -	\$ -
Interest on total pension liability	76,000	89,649	89,935
Difference between expected and actual experience	-	36,011	-
Changes in assumptions	(23,000)	(439,207)	-
Changes in benefits	-	-	-
Benefit payments, including refunds of employee contributions	(82,000)	(83,627)	(85,299)
Net change in total pension liability	(29,000)	(397,174)	4,636
Total pension liability - beginning	2,104,000	2,075,000	1,677,826
Total pension liability - ending (a)	<u>\$ 2,075,000</u>	<u>\$ 1,677,826</u>	<u>\$ 1,682,462</u>
 Plan fiduciary net position			
Contributions - employer	91,667	627,588	483,310
Contributions - employee	-	-	-
Net Investment income	-	29,508	46,509
Administrative expense	(5,000)	(34,983)	(27,156)
Benefit payments	(82,000)	(83,627)	(85,299)
Net change in plan fiduciary net position	4,667	538,486	417,364
Plan fiduciary net position - beginning	69,000	73,667	612,153
Plan fiduciary net position - ending (b)	<u>\$ 73,667</u>	<u>\$ 612,153</u>	<u>\$ 1,029,517</u>
 Net pension liability - ending (a) - (b)	\$ 2,001,333	\$ 1,065,673	\$ 652,945
 Plan fiduciary net position as a percentage of the total pension liability	3.55%	36.48%	61.19%
 Covered payroll	-	-	-
 Net pension liability as a percentage of covered payroll	n/a	n/a	n/a

Notes to Schedule:

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

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

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

Supplementary Retirement Plan
As of June 30, 2017
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

	<u>2015</u>	<u>2016</u>	<u>2017</u>
Actuarially Determined Contribution	\$ 184,000	\$ 182,000	\$ 182,000
Contributions in Relation to the Actuarially Determined Contribution	(91,667)	(627,588)	(283,310)
Contribution Deficiency (Excess)	\$ 92,333	\$ (445,588)	\$ (101,310)
 Covered Payroll	 -	 -	 -
 Contributions as a Percentage of Covered Payroll	 n/a	 n/a	 n/a

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

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

California Employers' Retiree Benefit Trust
Funded Status of Plan

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

City of Antioch
Notes to Required Supplementary Information
For the Fiscal Year Ended June 30, 2017

BUDGETARY BASIS OF ACCOUNTING

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

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

SUPPLEMENTAL INFORMATION

City of Antioch
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2017

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
ASSETS				
Cash and investments	\$ 15,626,124	\$ -	\$ 5,419,811	\$ 21,045,935
Receivables:				
Accounts, net	2,021,810	1,201,862	79,397	3,303,069
Tax	600,255	-	-	600,255
Interest	-	-	-	-
Prepaid items	131,059	277	-	131,336
Restricted cash and investments	-	25	-	25
Loans receivable	6,369,089	-	-	6,369,089
Total assets	\$ 24,748,337	\$ 1,202,164	\$ 5,499,208	\$ 31,449,709
LIABILITIES				
Liabilities:				
Accounts payable	\$ 545,996	\$ -	\$ 34,896	\$ 580,892
Accrued payroll	36,868	-	268	37,136
Deposits	832,710	-	1,811,158	2,643,868
Due to other funds	12,139	1,201,862	46,904	1,260,905
Unearned revenue	55,006	-	-	55,006
Total liabilities	1,482,719	1,201,862	1,893,226	4,577,807
DEFERRED INFLOWS OF RESOURCES				
Unavailable Measure J receipts	1,234,728	-	-	1,234,728
Unavailable Suppl Law Enforcement receipts	68,575	-	-	68,575
Unavailable grant receipts	371,237	-	-	371,237
Total deferred inflows of resources	1,674,540	-	-	1,674,540
Fund Balances:				
Nonspendable:				
Petty cash and prepaid items	131,348	277	-	131,625
Restricted for:				
Housing & Development	6,453,500	-	-	6,453,500
Debt service	-	25	-	25
Public Facilities	-	-	396,815	396,815
Streets	5,148,614	-	-	5,148,614
Parks	83,405	-	-	83,405
PEG Programming	1,471,090	-	-	1,471,090
Storm Channels	2,502,691	-	-	2,502,691
Landscape Maintenance	1,511,037	-	-	1,511,037
Tidelands Areas Protection	85,295	-	-	85,295
Law Enforcement	31,878	-	-	31,878
Traffic Safety	20,980	-	-	20,980
Parks & Recreation	135,241	-	-	135,241
Animal Shelter Maintenance /Operation	82,400	-	-	82,400
Abandoned Vehicle	253,459	-	-	253,459
Committed to:				
Parks	1,423,057	-	-	1,423,057
Landscape Maintenance	91,165	-	-	91,165
Arts & Cultural Activities	53,308	-	-	53,308
Recreation Programs	4,982	-	-	4,982
Field Maintenance	199,226	-	-	199,226
Memorial Field Maintenance	21,377	-	-	21,377
Road Repair	312,937	-	-	312,937
Waste Reduction	372,743	-	-	372,743
Youth Activities/Building Maintenance	83,733	-	-	83,733
Traffic Signals	986,322	-	-	986,322
Post Retirement Medical	81,417	-	-	81,417
Assigned to:				
Parks & Recreation	49,873	-	-	49,873
Capital Projects	-	-	1,936,108	1,936,108
Community Benefit Programs	-	-	412,388	412,388
AD 26	-	-	374,053	374,053
AD 27	-	-	486,618	486,618
Total fund balances	21,591,078	302	3,605,982	25,197,362
Total liabilities, deferred inflows of resources and fund balances	\$ 24,748,337	\$ 1,202,164	\$ 5,499,208	\$ 31,449,709

City of Antioch

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the Fiscal Year Ended June 30, 2017

	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Total
REVENUES:				
Taxes	\$ 3,934,785	\$ -	\$ 400,000	\$ 4,334,785
Fines and penalties	111,014	-	-	111,014
Investment income and rentals	476,493	343,055	18,967	838,515
Revenue from other agencies	981,039	-	1,126,048	2,107,087
Current service charges	3,351,590	-	387,070	3,738,660
Special assessment revenue	2,978,372	-	-	2,978,372
Other	352,503	-	159,725	512,228
Total revenues	12,185,796	343,055	2,091,810	14,620,661
EXPENDITURES:				
Current:				
General government	1,146,841	4,100	-	1,150,941
Public works	3,786,298	-	372,919	4,159,217
Public safety	1,487,137	-	-	1,487,137
Parks and recreation	4,000,553	-	-	4,000,553
Community development	973,344	-	135,035	1,108,379
Capital outlay	394,747	-	1,027,054	1,421,801
Debt service:				
Principal retirement	-	621,747	-	621,747
Interest and fiscal charges	-	253,482	-	253,482
Total expenditures	11,788,920	879,329	1,535,008	14,203,257
REVENUES OVER (UNDER) EXPENDITURES	396,876	(536,274)	556,802	417,404
OTHER FINANCING SOURCES (USES):				
Transfers in	3,474,676	533,075	300,000	4,307,751
Transfers (out)	(5,179,996)	-	-	(5,179,996)
Total other financing sources (uses)	(1,705,320)	533,075	300,000	(872,245)
SPECIAL ITEMS:				
Successor Agency contribution	1,000,000	-	-	1,000,000
Net change in fund balances	(308,444)	(3,199)	856,802	545,159
FUND BALANCES:				
Beginning of year	21,899,522	3,501	2,749,180	24,652,203
End of year	\$ 21,591,078	\$ 302	\$ 3,605,982	\$ 25,197,362

NON-MAJOR SPECIAL REVENUE FUNDS

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

Delta Fair Property Fund

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

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

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

Recreation Programs

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

Animal Control Fund

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

Civic Arts Fund

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

Park in Lieu Fund

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

Senior Bus Fund

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

Abandoned Vehicles Fund

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

Traffic Signal Fee Fund

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

Asset Forfeitures Fund

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

Measure J Growth Management Program Fund

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

NON-MAJOR SPECIAL REVENUE FUNDS, Continued

Child Care Fund

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

Tidelands Assembly Bill 1900

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

Maintenance Districts

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

Solid Waste Reduction AB 939

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

Pollution Elimination

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

Supplemental Law Enforcement

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

Street Impact Fund

This fund accounts for franchise taxes received.

Traffic Safety Fund

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

PEG Franchise Fee Fund

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

East Lone Tree Benefit District Fund

This fund accounts for the East Lone Tree Public Facility Benefit District formed by the City in December 2016. A benefit district fee is charged to developers to be used to fund the planning, design/engineering and construction of transportation improvements - specifically the segments of Slatten Ranch Road and related infrastructure including storm drain, water, sanitary sewer, dry utilities and East Antioch Trail improvements.

Post Retirement Medical

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

City of Antioch
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2017

	Delta Fair Property	Housing and Community Development	Gax Tax	Recreation Programs	Animal Control	Civic Arts	Park in Lieu	Senior Bus
ASSETS								
Cash and investments	\$ 83,405	\$ 261,972	\$ 1,404,246	\$ 719,161	\$ 163,732	\$ 31,761	\$ 1,423,057	\$ 185,114
Receivables:								
Accounts, net	-	231,717	-	21,801	128	-	-	-
Taxes	-	-	199,825	-	-	21,547	-	-
Prepaid items	-	-	-	17,568	151	-	-	-
Loans receivable	-	6,369,089	-	-	-	-	-	-
Total assets	\$ 83,405	\$ 6,862,778	\$ 1,604,071	\$ 758,530	\$ 164,011	\$ 53,308	\$ 1,423,057	\$ 185,114
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities:								
Accounts payable	\$ -	\$ 140,039	\$ 43,078	\$ 86,981	\$ 22,137	\$ -	\$ -	\$ -
Accrued payroll	-	954	1,023	14,998	7,270	-	-	-
Deposits	-	-	-	357,952	52,204	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Unavailable revenue	-	-	-	55,006	-	-	-	-
Total liabilities	-	140,993	44,101	514,937	81,611	-	-	-
Deferred inflows of resources								
Unavailable Measure J receipts	-	-	-	-	-	-	-	-
Unavailable Suppl Law Enforcement receipts	-	-	-	-	-	-	-	-
Unavailable grant receipts	-	268,285	-	-	-	-	-	-
Total deferred inflows of resources	-	268,285	-	-	-	-	-	-
Fund balances:								
Nonspendable:								
Petty cash and prepaid items	-	-	-	18,008	-	-	-	-
Restricted for:								
Housing & Development	-	6,453,500	-	-	-	-	-	-
Streets	-	-	1,559,970	-	-	-	-	-
Parks	83,405	-	-	-	-	-	-	-
PEG Programming	-	-	-	-	-	-	-	-
Storm Channels	-	-	-	-	-	-	-	-
Landscape Maintenance	-	-	-	-	-	-	-	-
Tidelands Areas Protection	-	-	-	-	-	-	-	-
Law Enforcement	-	-	-	-	-	-	-	-
Traffic Safety	-	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	-	135,241
Animal Shelter Maintenance /Operation	-	-	-	-	82,400	-	-	-
Abandoned Vehicle	-	-	-	-	-	-	-	-
Committed to:	-	-	-	-	-	-	-	-
Parks	-	-	-	-	-	-	1,423,057	-
Landscape Maintenance	-	-	-	-	-	-	-	-
Arts & Cultural Activities	-	-	-	-	-	53,308	-	-
Recreation Programs	-	-	-	4,982	-	-	-	-
Field Maintenance	-	-	-	199,226	-	-	-	-
Memorial Field Maintenance	-	-	-	21,377	-	-	-	-
Road Repair	-	-	-	-	-	-	-	-
Waste Reduction	-	-	-	-	-	-	-	-
Youth Activities/Building Maintenance	-	-	-	-	-	-	-	-
Traffic Signals	-	-	-	-	-	-	-	-
Post Retirement Medical	-	-	-	-	-	-	-	-
Assigned to:	-	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	-	49,873
Total fund balances	83,405	6,453,500	1,559,970	243,593	82,400	53,308	1,423,057	185,114
Total liabilities, deferred inflows of resources and fund balances	\$ 83,405	\$ 6,862,778	\$ 1,604,071	\$ 758,530	\$ 164,011	\$ 53,308	\$ 1,423,057	\$ 185,114

2023											
Abandoned Vehicles	Traffic Signal Fee	Asset Forfeitures	Measure J Growth Management Program	Child Care	Tidelands Assembly Bill - 1900	Lighting & Landscape District	Park 1A Maintenance District	Solid Waste Reduction AB 939	Pollution Elimination	Supplemental Law Enforcement	
\$ 240,950	\$ 986,393	\$ 365,181	\$ 2,685,771	\$ 89,733	\$ 85,295	\$ 1,719,355	\$ 94,197	\$ 420,898	\$ 2,258,141	\$ 1	
12,643	-	-	1,234,728	-	-	-	698	102,952	303,099	84,909	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	160	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
\$ 253,593	\$ 986,393	\$ 365,181	\$ 3,920,499	\$ 89,733	\$ 85,295	\$ 1,719,515	\$ 94,895	\$ 523,850	\$ 2,561,240	\$ 84,910	
\$ -	\$ -	\$ 263	\$ 7,907	\$ -	\$ -	\$ 166,895	\$ 3,707	\$ 17,801	\$ 54,956	\$ -	
134	71	-	623	-	-	6,423	23	1,756	3,593	-	
-	-	349,436	3,520	6,000	-	35,000	-	28,598	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
134	71	349,699	12,050	6,000	-	208,318	3,730	48,155	58,549	-	
-	-	-	1,234,728	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	68,575	
-	-	-	-	-	-	-	-	102,952	-	-	
-	-	-	1,234,728	-	-	-	-	102,952	-	68,575	
-	-	-	-	-	-	160	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	2,673,721	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	2,502,691	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	1,511,037	-	-	-	-	
-	-	15,482	-	-	85,295	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	16,335	
-	-	-	-	-	-	-	-	-	-	-	
253,459	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	91,165	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	372,743	-	-	
-	986,322	-	-	83,733	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	
253,459	986,322	15,482	2,673,721	83,733	85,295	1,511,197	91,165	372,743	2,502,691	16,335	
\$ 253,593	\$ 986,393	\$ 365,181	\$ 3,920,499	\$ 89,733	\$ 85,295	\$ 1,719,515	\$ 94,895	\$ 523,850	\$ 2,561,240	\$ 84,910	

City of Antioch
Combining Balance Sheet
Non-Major Special Revenue Funds
June 30, 2017

	LLEBG Byrne Grant	Street Impact	Traffic Safety	PEG Franchise Fee	East Lone Tree Benefit District	Post Retirement Medical	Total
ASSETS							
Cash and investments	\$ -	\$ -	\$ 4,045	\$ 1,405,144	\$ 914,923	\$ 83,649	\$ 15,626,124
Receivables:							
Accounts, net	12,200	-	16,935	-	-	-	2,021,810
Taxes	-	312,937	-	65,946	-	-	600,255
Prepaid items	-	-	-	-	-	113,180	131,059
Loans receivable	-	-	-	-	-	-	6,369,089
Total assets	\$ 12,200	\$ 312,937	\$ 20,980	\$ 1,471,090	\$ 914,923	\$ 196,829	\$ 24,748,337
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,232	\$ 545,996
Accrued payroll	-	-	-	-	-	-	36,868
Deposits	-	-	-	-	-	-	832,710
Due to other funds	12,139	-	-	-	-	-	12,139
Unavailable revenue	-	-	-	-	-	-	55,006
Total liabilities	12,139	-	-	-	-	2,232	1,482,719
DEFERRED INFLOWS OF RESOURCES							
Unavailable Measure J receipts	-	-	-	-	-	-	1,234,728
Unavailable Suppl Law Enforcement receipts	-	-	-	-	-	-	68,575
Unavailable grant receipts	-	-	-	-	-	-	371,237
Total deferred inflows of resources	-	-	-	-	-	-	1,674,540
Fund balances:							
Nonspendable:							
Petty cash and prepaid items	-	-	-	-	-	113,180	131,348
Restricted for:							
Housing & Development	-	-	-	-	-	-	6,453,500
Streets	-	-	-	-	914,923	-	5,148,614
Parks	-	-	-	-	-	-	83,405
PEG Programming	-	-	-	1,471,090	-	-	1,471,090
Storm Channels	-	-	-	-	-	-	2,502,691
Landscape Maintenance	-	-	-	-	-	-	1,511,037
Tidelands Areas Protection	-	-	-	-	-	-	85,295
Law Enforcement	61	-	-	-	-	-	31,878
Traffic Safety	-	-	20,980	-	-	-	20,980
Parks & Recreation	-	-	-	-	-	-	135,241
Animal Shelter Maintenance /Operation	-	-	-	-	-	-	82,400
Abandoned Vehicle	-	-	-	-	-	-	253,459
Committed to:							
Parks	-	-	-	-	-	-	1,423,057
Landscape Maintenance	-	-	-	-	-	-	91,165
Arts & Cultural Activities	-	-	-	-	-	-	53,308
Recreation Programs	-	-	-	-	-	-	4,982
Field Maintenance	-	-	-	-	-	-	199,226
Memorial Field Maintenance	-	-	-	-	-	-	21,377
Road Repair	-	312,937	-	-	-	-	312,937
Waste Reduction	-	-	-	-	-	-	372,743
Youth Activities/Building Maintenance	-	-	-	-	-	-	83,733
Traffic Signals	-	-	-	-	-	-	986,322
Post Retirement Medical	-	-	-	-	-	81,417	81,417
Assigned to:							
Parks & Recreation	-	-	-	-	-	-	49,873
Total fund balances	61	312,937	20,980	1,471,090	914,923	194,597	21,591,078
Total liabilities, deferred inflows of resources and fund balances	\$ 12,200	\$ 312,937	\$ 20,980	\$ 1,471,090	\$ 914,923	\$ 196,829	\$ 24,748,337

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City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2017

	Delta Fair Property	Housing and Community Development	Gax Tax	Recreation Programs	Animal Control	Civic Arts	Park in Lieu	Senior Bus
REVENUES:								
Taxes	\$ -	\$ -	\$ 2,188,222	\$ -	\$ -	\$ 53,913	\$ -	\$ -
Fines and penalties	-	-	-	-	-	-	-	-
Investment income and rentals	55,313	1,077	1,675	238,397	763	127	5,311	557
Revenue from other agencies	-	563,954	16,939	-	-	-	-	-
Current service charges	-	-	-	716,144	209,077	-	142,268	4,727
Special assessment revenue	-	-	-	-	-	-	-	-
Other	-	136,772	42,703	41,757	103,231	-	-	-
Total revenues	55,313	701,803	2,249,539	996,298	313,071	54,040	147,579	5,284
EXPENDITURES:								
Current:								
General Government	-	-	-	-	-	-	-	-
Public works	688	-	2,969,635	-	-	-	3,869	-
Public safety	-	-	-	-	864,889	-	-	-
Parks and recreation	-	-	-	1,888,932	-	31,974	-	21,007
Community development	-	560,081	-	-	-	-	-	-
Capital outlay	150,000	-	143,710	-	-	-	99,496	-
Total expenditures	150,688	560,081	3,113,345	1,888,932	864,889	31,974	103,365	21,007
REVENUES OVER (UNDER) EXPENDITURES	(95,375)	141,722	(863,806)	(892,634)	(551,818)	22,066	44,214	(15,723)
OTHER FINANCING SOURCES (USES):								
Transfers in	-	-	1,800,000	968,124	420,859	-	-	-
Transfers (out)	-	-	(1,564,913)	(10,370)	(579)	-	-	(7,700)
Total other financing sources (uses)	-	-	235,087	957,754	420,280	-	-	(7,700)
SPECIAL ITEMS:								
Successor Agency contribution	-	-	1,000,000	-	-	-	-	-
Net change in fund balances	(95,375)	141,722	371,281	65,120	(131,538)	22,066	44,214	(23,423)
FUND BALANCES:								
Beginning of year	178,780	6,311,778	1,188,689	178,473	213,938	31,242	1,378,843	208,537
End of year	\$ 83,405	\$ 6,453,500	\$ 1,559,970	\$ 243,593	\$ 82,400	\$ 53,308	\$ 1,423,057	\$ 185,114

Measure J											
Abandoned	Traffic	Asset	Growth	Child	Tidelands	Lighting &	Park 1A	Solid Waste	Pollution	Supplemental	
Vehicles	Signal Fee	Forfeitures	Management	Care	Assembly	Landscape	Maintenance	Reduction	Elimination	Law	
			Program		Bill - 1900	District	District	AB 939		Enforcement	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,215	\$ 160,000	\$ -	\$ -	
-	-	-	-	-	-	-	-	-	-	-	
876	3,407	1,464	8,502	79,104	7,921	3,736	46,062	1,721	6,771	321	
51,930	-	-	-	-	-	-	255	88,017	-	216,808	
-	58,671	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	2,169,255	-	-	809,117	-	
-	-	7,114	-	-	-	-	40	20,861	25	-	
52,806	62,078	8,578	8,502	79,104	7,921	2,172,991	81,572	270,599	815,913	217,129	
-	-	-	-	-	-	-	-	-	-	-	
-	13,497	-	182,122	-	54,697	-	-	-	560,465	-	
23,551	-	55,262	-	-	-	-	-	-	-	108	
-	-	-	-	1,664	-	2,004,553	52,423	-	-	-	
-	-	-	-	-	-	-	-	312,284	100,979	-	
-	445	-	-	-	-	-	-	-	1,096	-	
23,551	13,942	55,262	182,122	1,664	54,697	2,004,553	52,423	312,284	662,540	108	
29,255	48,136	(46,684)	(173,620)	77,440	(46,776)	168,438	29,149	(41,685)	153,373	217,021	
-	-	-	50,000	-	-	205,693	-	-	30,000	-	
-	-	-	(1,500,000)	(70,000)	-	(242,643)	(10,093)	-	(261,105)	(284,742)	
-	-	-	(1,450,000)	(70,000)	-	(36,950)	(10,093)	-	(231,105)	(284,742)	
-	-	-	-	-	-	-	-	-	-	-	
29,255	48,136	(46,684)	(1,623,620)	7,440	(46,776)	131,488	19,056	(41,685)	(77,732)	(67,721)	
224,204	938,186	62,166	4,297,341	76,293	132,071	1,379,709	72,109	414,428	2,580,423	84,056	
\$ 253,459	\$ 986,322	\$ 15,482	\$ 2,673,721	\$ 83,733	\$ 85,295	\$ 1,511,197	\$ 91,165	\$ 372,743	\$ 2,502,691	\$ 16,335	

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2017

	LLEBG Byrne Grant	Street Impact	Traffic Safety	PEG Fanchise Fee	East Lone Tree Benefit District	Post Retirement Medical	Total
REVENUES:							
Taxes	\$ -	\$ 1,230,437	\$ -	\$ 266,998	\$ -	\$ -	\$ 3,934,785
Fines and penalties	-	-	111,014	-	-	-	111,014
Investment income and rentals	-	3,584	645	4,870	476	3,813	476,493
Revenue from other agencies	43,136	-	-	-	-	-	981,039
Current service charges	-	-	-	-	915,000	1,305,703	3,351,590
Special assessment revenue	-	-	-	-	-	-	2,978,372
Other	-	-	-	-	-	-	352,503
Total revenues	43,136	1,234,021	111,659	271,868	915,476	1,309,516	12,185,796
EXPENDITURES:							
Current:							
General Government	-	-	-	5,160	-	1,141,681	1,146,841
Public works	-	772	-	-	553	-	3,786,298
Public safety	2,147	-	107	-	-	541,073	1,487,137
Parks and recreation	-	-	-	-	-	-	4,000,553
Community development	-	-	-	-	-	-	973,344
Capital outlay	-	-	-	-	-	-	394,747
Total expenditures	2,147	772	107	5,160	553	1,682,754	11,788,920
REVENUES OVER (UNDER) EXPENDITURES	40,989	1,233,249	111,552	266,708	914,923	(373,238)	396,876
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	-	-	-	-	3,474,676
Transfers (out)	(40,989)	(1,070,545)	(116,317)	-	-	-	(5,179,996)
Total other financing sources (uses)	(40,989)	(1,070,545)	(116,317)	-	-	-	(1,705,320)
SPECIAL ITEMS:							
Successor Agency contribution	-	-	-	-	-	-	1,000,000
Net change in fund balances	-	162,704	(4,765)	266,708	914,923	(373,238)	(308,444)
FUND BALANCES:							
Beginning of year	61	150,233	25,745	1,204,382	-	567,835	21,899,522
End of year	\$ 61	\$ 312,937	\$ 20,980	\$ 1,471,090	\$ 914,923	\$ 194,597	\$ 21,591,078

City of Antioch
Budgetary Comparison Schedule
Delta Fair Property Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 54,600	\$ 55,100	\$ 55,313	\$ 213
Total revenues	<u>54,600</u>	<u>55,100</u>	<u>55,313</u>	<u>213</u>
EXPENDITURES:				
Current:				
Public works	507	739	688	51
Capital outlay	<u>100,000</u>	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Total expenditures	<u>100,507</u>	<u>150,739</u>	<u>150,688</u>	<u>51</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(45,907)</u>	<u>(95,639)</u>	<u>(95,375)</u>	<u>264</u>
Net change in fund balances	<u>\$ (45,907)</u>	<u>\$ (95,639)</u>	<u>(95,375)</u>	<u>\$ 264</u>
FUND BALANCES:				
Beginning of year			<u>178,780</u>	
End of year			<u>\$ 83,405</u>	

City of Antioch
Budgetary Comparison Schedule
Housing and Community Development Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Budget			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Investment income and rentals	\$ 1,400	\$ 1,400	\$ 1,077	\$ (323)
Revenue from other agencies	727,250	1,655,628	563,954	(1,091,674)
Current service charges	50,000	50,000	-	(50,000)
Other	144,282	110,071	136,772	26,701
Total revenues	922,932	1,817,099	701,803	(1,115,296)
EXPENDITURES:				
Current:				
Community development	567,360	646,059	560,081	85,978
Capital outlay	250,000	840,138	-	840,138
Total expenditures	817,360	1,486,197	560,081	926,116
REVENUES OVER (UNDER) EXPENDITURES	105,572	330,902	141,722	(189,180)
Net change in fund balances	\$ 105,572	\$ 330,902	141,722	\$ (189,180)
FUND BALANCES:				
Beginning of year			6,311,778	
End of year			\$ 6,453,500	

City of Antioch
Budgetary Comparison Schedule
Gas Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Budget			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Taxes	\$ 2,210,315	\$ 2,121,767	\$ 2,188,222	\$ 66,455
Investment income and rentals	10,000	8,000	1,675	(6,325)
Revenues from other agencies	-	16,939	16,939	-
Other	-	42,703	42,703	-
Total revenues	2,220,315	2,189,409	2,249,539	60,130
EXPENDITURES:				
Current:				
Public works	357,387	3,020,528	2,969,635	50,893
Capital outlay	1,000,000	382,000	143,710	238,290
Total expenditures	1,357,387	3,402,528	3,113,345	289,183
REVENUES OVER (UNDER) EXPENDITURES	862,928	(1,213,119)	(863,806)	349,313
OTHER FINANCING SOURCES (USES):				
Transfers in	-	1,800,000	1,800,000	-
Transfers (out)	(1,564,914)	(1,564,914)	(1,564,913)	1
Total other financing sources (uses)	(1,564,914)	235,086	235,087	1
SPECIAL ITEMS:				
Successor Agency contribution	-	1,000,000	1,000,000	-
Net change in fund balances	\$ (701,986)	\$ 21,967	371,281	\$ 349,314
FUND BALANCES:				
Beginning of year			1,188,689	
End of year			\$ 1,559,970	

City of Antioch
Budgetary Comparison Schedule
Recreation Programs Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 309,500	\$ 296,000	\$ 238,397	\$ (57,603)
Current service charges	932,500	855,500	716,144	(139,356)
Other	40,000	46,605	41,757	(4,848)
Total revenues	1,282,000	1,198,105	996,298	(201,807)
EXPENDITURES:				
Current:				
Parks and recreation	1,892,845	1,955,441	1,888,932	66,509
Capital outlay	8,500	-	-	-
Total expenditures	1,901,345	1,955,441	1,888,932	66,509
REVENUES OVER (UNDER) EXPENDITURES	(619,345)	(757,336)	(892,634)	(135,298)
OTHER FINANCING SOURCES (USES):				
Transfers in	704,215	810,161	968,124	157,963
Transfers (out)	(10,370)	(10,370)	(10,370)	-
Total other financing sources (uses)	693,845	799,791	957,754	157,963
Net change in fund balances	\$ 74,500	\$ 42,455	65,120	\$ 22,665
FUND BALANCES:				
Beginning of year			178,473	
End of year			\$ 243,593	

City of Antioch
Budgetary Comparison Schedule
Animal Control Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Current service charges	\$ 323,000	\$ 248,763	\$ 209,077	\$ (39,686)
Other	11,000	101,258	103,231	1,973
Total revenues	334,000	350,021	313,071	(36,950)
EXPENDITURES:				
Current:				
Public safety	871,529	1,064,603	864,889	199,714
Total expenditures	871,529	1,064,603	864,889	199,714
REVENUES OVER (UNDER) EXPENDITURES	(537,529)	(714,582)	(551,818)	162,764
OTHER FINANCING SOURCES (USES):				
Transfers in	538,108	501,222	420,859	(80,363)
Transfers (out)	(579)	(579)	(579)	-
Total other financing sources (uses)	537,529	500,643	420,280	(80,363)
Net change in fund balances	\$ -	\$ (213,939)	(131,538)	\$ 82,401
FUND BALANCES:				
Beginning of year			213,938	
End of year			\$ 82,400	

City of Antioch
Budgetary Comparison Schedule
Civic Arts Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 34,285	\$ 42,000	\$ 53,913	\$ 11,913
Investment income and rentals	25	175	127	(48)
Total revenues	<u>34,310</u>	<u>42,175</u>	<u>54,040</u>	<u>11,865</u>
EXPENDITURES:				
Current:				
Parks and recreation	<u>35,114</u>	<u>34,245</u>	<u>31,974</u>	<u>2,271</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(804)</u>	<u>7,930</u>	<u>22,066</u>	<u>14,136</u>
Net change in fund balances	<u>\$ (804)</u>	<u>\$ 7,930</u>	<u>22,066</u>	<u>\$ 14,136</u>
FUND BALANCES:				
Beginning of year			<u>31,242</u>	
End of year			<u>\$ 53,308</u>	

City of Antioch
Budgetary Comparison Schedule
Park in Lieu Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 6,500	\$ 6,500	\$ 5,311	\$ (1,189)
Current service charges	110,000	121,264	142,268	21,004
Total revenues	116,500	127,764	147,579	19,815
EXPENDITURES:				
Current:				
Public works	7,380	7,393	3,869	3,524
Capital outlay	-	100,000	99,496	504
Total expenditures	7,380	107,393	103,365	4,028
REVENUES OVER (UNDER) EXPENDITURES	109,120	20,371	44,214	23,843
Net change in fund balances	\$ 109,120	\$ 20,371	44,214	\$ 23,843
FUND BALANCES:				
Beginning of year			1,378,843	
End of year			\$ 1,423,057	

City of Antioch
Budgetary Comparison Schedule
Senior Bus Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,000	\$ 1,000	\$ 557	\$ (443)
Current service charges	4,000	5,000	4,727	(273)
Total revenues	5,000	6,000	5,284	(716)
EXPENDITURES:				
Current:				
Parks and recreation	500	21,500	21,007	493
Total expenditures	500	21,500	21,007	493
REVENUES OVER (UNDER) EXPENDITURES	4,500	(15,500)	(15,723)	(223)
OTHER FINANCING (USES):				
Transfers (out)	(7,700)	(7,700)	(7,700)	-
Total other financing (uses)	(7,700)	(7,700)	(7,700)	-
Net change in fund balances	\$ (3,200)	\$ (23,200)	(23,423)	\$ (223)
FUND BALANCES:				
Beginning of year			208,537	
End of year			\$ 185,114	

City of Antioch
Budgetary Comparison Schedule
Abandoned Vehicle Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,000	\$ 1,240	\$ 876	\$ (364)
Revenue from other agencies	47,000	47,000	51,930	4,930
Total revenues	<u>48,000</u>	<u>48,240</u>	<u>52,806</u>	<u>4,566</u>
EXPENDITURES:				
Current:				
Public safety	69,303	69,331	23,551	45,780
REVENUES OVER (UNDER) EXPENDITURES	<u>(21,303)</u>	<u>(21,091)</u>	<u>29,255</u>	<u>50,346</u>
Net change in fund balances	<u>\$ (21,303)</u>	<u>\$ (21,091)</u>	<u>29,255</u>	<u>\$ 50,346</u>
FUND BALANCES:				
Beginning of year			<u>224,204</u>	
End of year			<u>\$ 253,459</u>	

City of Antioch
Budgetary Comparison Schedule
Traffic Signal Fee Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 5,000	\$ 5,000	\$ 3,407	\$ (1,593)
Current service charges	75,000	60,000	58,671	(1,329)
Total revenues	<u>80,000</u>	<u>65,000</u>	<u>62,078</u>	<u>(2,922)</u>
EXPENDITURES:				
Current:				
Public works	2,517	2,518	13,497	(10,979)
Capital outlay	330,000	340,000	445	339,555
Total expenditures	<u>332,517</u>	<u>342,518</u>	<u>13,942</u>	<u>328,576</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(252,517)</u>	<u>(277,518)</u>	<u>48,136</u>	<u>325,654</u>
Net change in fund balances	<u>\$ (252,517)</u>	<u>\$ (277,518)</u>	<u>48,136</u>	<u>\$ 325,654</u>
FUND BALANCES:				
Beginning of year			<u>938,186</u>	
End of year			<u>\$ 986,322</u>	

City of Antioch
Budgetary Comparison Schedule
Asset Forfeitures Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 500	\$ 2,170	\$ 1,464	\$ (706)
Other	7,500	9,614	7,114	(2,500)
Total revenues	8,000	11,784	8,578	(3,206)
EXPENDITURES:				
Current:				
Public safety	14,040	14,299	55,262	(40,963)
Total expenditures	14,040	14,299	55,262	(40,963)
REVENUES OVER (UNDER) EXPENDITURES	(6,040)	(2,515)	(46,684)	(44,169)
Net change in fund balances	\$ (6,040)	\$ (2,515)	(46,684)	\$ (44,169)
FUND BALANCES:				
Beginning of year			62,166	
End of year			\$ 15,482	

City of Antioch
Budgetary Comparison Schedule
Measure J Growth Management Program Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 22,000	\$ 22,000	\$ 8,502	\$ (13,498)
Revenue from other agencies	1,156,950	1,290,969	-	(1,290,969)
Total revenues	<u>1,178,950</u>	<u>1,312,969</u>	<u>8,502</u>	<u>(1,304,467)</u>
EXPENDITURES:				
Current:				
Public works	208,110	403,150	182,122	221,028
Capital outlay	1,000,000	1,000,000	-	1,000,000
Total expenditures	<u>1,208,110</u>	<u>1,403,150</u>	<u>182,122</u>	<u>1,221,028</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(29,160)</u>	<u>(90,181)</u>	<u>(173,620)</u>	<u>(83,439)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	50,000	50,000	50,000	-
Transfers (out)	-	(1,500,000)	(1,500,000)	-
Total other financing sources (uses)	<u>50,000</u>	<u>(1,450,000)</u>	<u>(1,450,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ 20,840</u>	<u>\$ (1,540,181)</u>	<u>(1,623,620)</u>	<u>\$ (83,439)</u>
FUND BALANCES:				
Beginning of year			4,297,341	
End of year			<u>\$ 2,673,721</u>	

City of Antioch
Budgetary Comparison Schedule
Child Care Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 78,120	\$ 79,545	\$ 79,104	\$ (441)
Total revenues	<u>78,120</u>	<u>79,545</u>	<u>79,104</u>	<u>(441)</u>
EXPENDITURES:				
Current:				
Parks and recreation	<u>2,792</u>	<u>2,282</u>	<u>1,664</u>	<u>618</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>75,328</u>	<u>77,263</u>	<u>77,440</u>	<u>177</u>
OTHER FINANCING (USES):				
Transfers (out)	<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
Total other financing (uses)	<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
Net change in fund balances	<u>\$ 5,328</u>	<u>\$ 7,263</u>	<u>7,440</u>	<u>\$ 177</u>
FUND BALANCES:				
Beginning of year			<u>76,293</u>	
End of year			<u>\$ 83,733</u>	

City of Antioch
Budgetary Comparison Schedule
Tidelands Assembly Bill-1900 Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 7,970	\$ 7,930	\$ 7,921	\$ (9)
Total revenues	<u>7,970</u>	<u>7,930</u>	<u>7,921</u>	<u>(9)</u>
EXPENDITURES:				
Current:				
Public works	<u>688</u>	<u>105,698</u>	<u>54,697</u>	<u>51,001</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>7,282</u>	<u>(97,768)</u>	<u>(46,776)</u>	<u>50,992</u>
Net change in fund balances	<u>\$ 7,282</u>	<u>\$ (97,768)</u>	<u>(46,776)</u>	<u>\$ 50,992</u>
FUND BALANCES:				
Beginning of year			<u>132,071</u>	
End of year			<u>\$ 85,295</u>	

City of Antioch
Budgetary Comparison Schedule
Lighting & Landscape District Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,775	\$ 6,225	\$ 3,736	\$ (2,489)
Special assessment revenue	2,102,104	2,174,761	2,169,255	(5,506)
Total revenues	<u>2,103,879</u>	<u>2,180,986</u>	<u>2,172,991</u>	<u>(7,995)</u>
EXPENDITURES:				
Current:				
Parks and recreation	<u>2,401,157</u>	<u>2,475,602</u>	<u>2,004,553</u>	<u>471,049</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(297,278)</u>	<u>(294,616)</u>	<u>168,438</u>	<u>463,054</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	252,615	252,359	205,693	(46,666)
Transfers (out)	<u>(186,493)</u>	<u>(245,586)</u>	<u>(242,643)</u>	<u>2,943</u>
Total other financing sources (uses)	<u>66,122</u>	<u>6,773</u>	<u>(36,950)</u>	<u>(43,723)</u>
Net change in fund balances	<u><u>\$ (231,156)</u></u>	<u><u>\$ (287,843)</u></u>	<u>131,488</u>	<u><u>\$ 419,331</u></u>
FUND BALANCES:				
Beginning of year			<u>1,379,709</u>	
End of year			<u><u>\$ 1,511,197</u></u>	

City of Antioch
Budgetary Comparison Schedule
Park 1A Maintenance District Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 21,825	\$ 34,419	\$ 35,215	\$ 796
Investment income and rentals	40,050	46,555	46,062	(493)
Revenue from other agencies	115	115	255	140
Total revenues	61,990	81,089	81,572	483
EXPENDITURES:				
Current:				
Parks and recreation	59,025	59,211	52,423	6,788
REVENUES OVER (UNDER) EXPENDITURES	2,965	21,878	29,149	7,271
OTHER FINANCING (USES):				
Transfers (out)	(11,615)	(11,359)	(10,093)	(1,266)
Total other financing (uses)	(11,615)	(11,359)	(10,093)	(1,266)
Net change in fund balances	\$ (8,650)	\$ 10,519	19,056	\$ 6,005
FUND BALANCES:				
Beginning of year			72,109	
End of year			\$ 91,165	

City of Antioch
Budgetary Comparison Schedule
Solid Waste Reduction AB 939 Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 160,000	\$ 160,000	\$ 160,000	\$ -
Investment income and rentals	1,500	2,330	1,721	(609)
Revenue from other agencies	56,000	204,761	88,017	(116,744)
Other	5,000	15,372	20,861	5,489
Total revenues	222,500	382,463	270,599	(111,864)
EXPENDITURES:				
Current:				
Community development	297,196	389,092	312,284	76,808
Total expenditures	297,196	389,092	312,284	76,808
REVENUES OVER (UNDER) EXPENDITURES	(74,696)	(6,629)	(41,685)	(35,056)
Net change in fund balances	\$ (74,696)	\$ (6,629)	(41,685)	\$ (35,056)
FUND BALANCES:				
Beginning of year			414,428	
End of year			\$ 372,743	

City of Antioch
Budgetary Comparison Schedule
Pollution Elimination Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 7,000	\$ 10,465	\$ 6,771	\$ (3,694)
Special assessment revenue	820,000	820,000	809,117	(10,883)
Other	-	-	25	25
Total revenues	827,000	830,465	815,913	(14,552)
EXPENDITURES:				
Current:				
Public works	682,029	650,548	560,465	90,083
Community development	271,176	272,102	100,979	171,123
Capital outlay	275,000	275,000	1,096	273,904
Total expenditures	1,228,205	1,197,650	662,540	535,110
REVENUES OVER (UNDER) EXPENDITURES	(401,205)	(367,185)	153,373	520,558
OTHER FINANCING SOURCES (USES):				
Transfers in	30,000	30,000	30,000	-
Transfers (out)	273,765	273,765	(261,105)	(534,870)
Total other financing sources (uses)	303,765	303,765	(231,105)	(534,870)
Net change in fund balances	\$ (97,440)	\$ (63,420)	(77,732)	\$ (14,312)
FUND BALANCES:				
Beginning of year			2,580,423	
End of year			\$ 2,502,691	

City of Antioch
Budgetary Comparison Schedule
Supplemental Law Enforcement Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ -	\$ 321	\$ 321	\$ -
Revenue from other agencies	100,000	200,475	216,808	16,333
Total revenues	100,000	200,796	217,129	16,333
EXPENDITURES:				
Current:				
Public Safety	-	109	108	1
REVENUES OVER (UNDER) EXPENDITURES	100,000	200,687	217,021	16,334
OTHER FINANCING (USES):				
Transfers (out)	(100,000)	(284,742)	(284,742)	-
Total other financing (uses)	(100,000)	(284,742)	(284,742)	-
Net change in fund balances	\$ -	\$ (83,946)	(67,721)	\$ 16,333
FUND BALANCES:				
Beginning of year			84,056	
End of year			\$ 16,335	

City of Antioch
Budgetary Comparison Schedule
Local Law Enforcement Byrne Grant fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Revenue from other agencies	\$ 77,068	\$ 42,926	\$ 43,136	\$ 210
Total revenues	<u>77,068</u>	<u>42,926</u>	<u>43,136</u>	<u>210</u>
EXPENDITURES:				
Current:				
Public Safety	<u>4,016</u>	<u>2,137</u>	<u>2,147</u>	<u>(10)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>73,052</u>	<u>40,789</u>	<u>40,989</u>	<u>200</u>
OTHER FINANCING (USES):				
Transfers (out)	<u>(73,052)</u>	<u>(40,850)</u>	<u>(40,989)</u>	<u>(139)</u>
Total other financing (uses)	<u>(73,052)</u>	<u>(40,850)</u>	<u>(40,989)</u>	<u>(139)</u>
Net change in fund balances	<u>\$ 4,016</u>	<u>\$ 2,076</u>	<u>-</u>	<u>\$ 71</u>
FUND BALANCES:				
Beginning of year			<u>61</u>	
End of year			<u>\$ 61</u>	

City of Antioch
Budgetary Comparison Schedule
Street Impact Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 1,167,330	\$ 1,239,566	\$ 1,230,437	\$ (9,129)
Investment income and rentals	2,000	3,585	3,584	(1)
Total revenues	<u>1,169,330</u>	<u>1,243,151</u>	<u>1,234,021</u>	<u>(9,130)</u>
EXPENDITURES:				
Current:				
Public works	<u>700</u>	<u>772</u>	<u>772</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,168,630</u>	<u>1,242,379</u>	<u>1,233,249</u>	<u>(9,130)</u>
OTHER FINANCING (USES):				
Transfers (out)	<u>(1,167,330)</u>	<u>(1,070,545)</u>	<u>(1,070,545)</u>	<u>-</u>
Total other financing (uses)	<u>(1,167,330)</u>	<u>(1,070,545)</u>	<u>(1,070,545)</u>	<u>-</u>
Net change in fund balances	<u>\$ 1,300</u>	<u>\$ 171,834</u>	162,704	<u>\$ (9,130)</u>
FUND BALANCES:				
Beginning of year			<u>150,233</u>	
End of year			<u>\$ 312,937</u>	

City of Antioch
Budgetary Comparison Schedule
Traffic Safety Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Fines and penalties	\$ 80,000	\$ 100,307	\$ 111,014	\$ 10,707
Investment income and rentals	100	426	645	219
Total revenues	<u>80,100</u>	<u>100,733</u>	<u>111,659</u>	<u>10,926</u>
EXPENDITURES:				
Current:				
Public Safety	<u>90</u>	<u>100</u>	<u>107</u>	<u>(7)</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>80,010</u>	<u>100,633</u>	<u>111,552</u>	<u>10,919</u>
OTHER FINANCING (USES):				
Transfers (out)	<u>80,000</u>	<u>116,317</u>	<u>(116,317)</u>	<u>(232,634)</u>
Total other financing (uses)	<u>80,000</u>	<u>116,317</u>	<u>(116,317)</u>	<u>(232,634)</u>
Net change in fund balances	<u>\$ 160,010</u>	<u>\$ 216,950</u>	<u>(4,765)</u>	<u>\$ (221,715)</u>
FUND BALANCES:				
Beginning of year			<u>25,745</u>	
End of year			<u>\$ 20,980</u>	

City of Antioch
Budgetary Comparison Schedule
PEG Franchise Fee Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 240,000	\$ 280,000	\$ 266,998	\$ (13,002)
Investment income and rentals	6,500	6,500	4,870	(1,630)
Total revenues	246,500	286,500	271,868	(14,632)
EXPENDITURES:				
Current:				
General Government	83,258	83,387	5,160	78,227
Capital outlay	50,000	50,000	-	50,000
Total expenditures	133,258	133,387	5,160	128,227
REVENUES OVER (UNDER) EXPENDITURES	113,242	153,113	266,708	113,595
Net change in fund balances	\$ 113,242	\$ 153,113	266,708	\$ 113,595
FUND BALANCES:				
Beginning of year			1,204,382	
End of year			\$ 1,471,090	

City of Antioch
Budgetary Comparison Schedule
East Lone Tree Benefit District Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ -	\$ 2,000	\$ 476	\$ (1,524)
Current Service Charges	-	915,000	915,000	-
Total revenues	-	917,000	915,476	(1,524)
EXPENDITURES:				
Current:				
Public Works	-	-	553	(553)
Total expenditures	-	-	553	(553)
REVENUES OVER (UNDER) EXPENDITURES	-	917,000	914,923	(2,077)
Net change in fund balances	\$ -	\$ 917,000	914,923	\$ (2,077)
FUND BALANCES:				
Beginning of year			-	
End of year			\$ 914,923	

City of Antioch
Budgetary Comparison Schedule
Post Retirement Medical Special Revenue Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 550	\$ 3,470	\$ 3,813	\$ (343)
Charges for services	1,524,000	1,305,645	1,305,703	2,611,348
Total revenues	1,524,550	1,309,115	1,309,516	2,611,005
EXPENDITURES:				
General Government	1,010,270	1,164,588	1,141,681	22,907
Public safety	614,091	556,247	541,073	15,174
Total expenditures	1,624,361	1,720,835	1,682,754	38,081
REVENUES OVER (UNDER) EXPENDITURES	(99,811)	(411,720)	(373,238)	2,572,924
Net change in fund balances	<u>\$ (99,811)</u>	<u>\$ (411,720)</u>	(373,238)	<u>\$ 2,572,924</u>
FUND BALANCES:				
Beginning of year			567,835	
End of year			<u>\$ 194,597</u>	

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NON-MAJOR DEBT SERVICE FUNDS

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

Golf Course Clubhouse/Irrigation

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

Honeywell Capital Lease

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

City of Antioch
Combining Balance Sheet
Non-Major Debt Service Funds
June 30, 2017

	ABAG/ 2015 Lease Revenue	Honeywell Capital Lease	Total
ASSETS			
Accounts receivable, net	\$ 1,201,862	\$ -	\$ 1,201,862
Prepaid items	277	-	277
Restricted cash and investments	25	-	25
Total assets	\$ 1,202,164	\$ -	\$ 1,202,164
LIABILITIES AND FUND BALANCES			
Liabilities:			
Due to other funds	\$ 1,201,862	\$ -	\$ 1,201,862
Total liabilities	1,201,862	-	1,201,862
Fund balances:			
Nonspendable:			
Prepaid items	277	-	277
Restricted for:			
Debt service	25	-	25
Total fund balances	302	-	302
Total liabilities and fund balances	\$ 1,202,164	\$ -	\$ 1,202,164

City of Antioch

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Debt Service Funds

For the Fiscal Year Ended June 30, 2017

	ABAG/ 2015 Lease Revenue	Honeywell Capital Lease	Total
REVENUES:			
Investment income and rentals	\$ 343,055	\$ -	\$ 343,055
Total revenues	343,055	-	343,055
EXPENDITURES:			
Current:			
General government	4,100	-	4,100
Debt service:			
Principal retirements	175,000	446,747	621,747
Interest and fiscal charges	167,154	86,328	253,482
Total expenditures	346,254	533,075	879,329
REVENUES OVER (UNDER) EXPENDITURES	(3,199)	(533,075)	(536,274)
OTHER FINANCING SOURCES:			
Transfer in	-	533,075	533,075
Total other financing sources	-	533,075	533,075
Net change in fund balances	(3,199)	-	(3,199)
FUND BALANCES:			
Beginning of year	3,501	-	3,501
End of year	\$ 302	\$ -	\$ 302

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NON-MAJOR CAPITAL PROJECTS FUNDS

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

Capital Improvement Fund

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

Prewett Community Park

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

Special Assessment Districts

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

Hillcrest Bridge District

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

Residential Development Allocation

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

Development Impact Fee

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

City of Antioch
Combining Balance Sheet
Non-Major Capital Project Funds
June 30, 2017

			Special Assessment Districts		
	Capital	Prewett	Hillcrest	Lone	Hillcrest
	Improvement	Community	District #26	Diamond	Bridge
		Park			District
ASSETS					
Cash and investments	\$ 3,513,694	\$ 97,465	\$ 374,053	\$ 486,618	\$ 138,778
Accounts receivable, net	234	79,163	-	-	-
Total assets	\$ 3,513,928	\$ 176,628	\$ 374,053	\$ 486,618	\$ 138,778
LIABILITIES					
Liabilities:					
Accounts payable	\$ 34,886	\$ 10	\$ -	\$ -	\$ -
Accrued payroll	268	-	-	-	-
Deposits	1,700,000	111,158	-	-	-
Due to other funds	-	46,904	-	-	-
Total liabilities	1,735,154	158,072	-	-	-
FUND BALANCES					
Fund Balances:					
Restricted	-	-	-	-	-
Assigned for:					
Capital Projects	1,778,774	18,556	-	-	138,778
Community Beenfit Programs	-	-	-	-	-
AD 26	-	-	374,053	-	-
AD 27	-	-	-	486,618	-
Unassigned	-	-	-	-	-
Total fund balances	1,778,774	18,556	374,053	486,618	138,778
Total liabilities, deferred inflows of resources					
and fund balances	\$ 3,513,928	\$ 176,628	\$ 374,053	\$ 486,618	\$ 138,778

Residential Development Allocation	Development Impact Fee	Total
\$ 412,388	\$ 396,815	\$ 5,419,811
-	-	79,397
\$ 412,388	\$ 396,815	\$ 5,499,208

\$ -	\$ -	\$ 34,896
-	-	268
-	-	1,811,158
-	-	46,904
-	-	1,893,226

-	396,815	396,815
-	-	1,936,108
412,388	-	412,388
-	-	374,053
-	-	486,618
-	-	-
412,388	396,815	3,605,982
\$ 412,388	\$ 396,815	\$ 5,499,208

City of Antioch
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Capital Project Funds
For the Fiscal Year Ended June 30, 2017

			Special Assessment Districts		
	Capital	Prewett	Hillcrest	Lone	Hillcrest
	Improvement	Community	District #26	Diamond	Bridge
		Park			District
REVENUES:					
Taxes	\$ 400,000	\$ -	\$ -	\$ -	\$ -
Investment income and rentals	12,326	183	1,253	1,643	465
Revenue from other agencies	-	1,126,048	-	-	-
Current service charges	31,364	-	-	13,190	-
Other	19,725	-	-	-	-
Total revenues	463,415	1,126,231	1,253	14,833	465
EXPENDITURES:					
Current:					
Public works	347,452	16,955	2,011	5,517	315
Community development	-	-	-	-	-
Capital outlay	120,375	906,679	-	-	-
Total expenditures	467,827	923,634	2,011	5,517	315
REVENUES OVER (UNDER) EXPENDITURES	(4,412)	202,597	(758)	9,316	150
OTHER FINANCING SOURCES:					
Transfers in	300,000	-	-	-	-
Total other financing sources	300,000	-	-	-	-
Net change in fund balances	295,588	202,597	(758)	9,316	150
FUND BALANCES:					
Beginning of year	1,483,186	(184,041)	374,811	477,302	138,628
End of year	<u>\$ 1,778,774</u>	<u>\$ 18,556</u>	<u>\$ 374,053</u>	<u>\$ 486,618</u>	<u>\$ 138,778</u>

Residential Development Allocation	Development Impact Fee	Total
\$ -	\$ -	\$ 400,000
1,412	1,685	18,967
-	-	1,126,048
-	342,516	387,070
140,000	-	159,725
141,412	344,201	2,091,810
-	669	372,919
135,035	-	135,035
-	-	1,027,054
135,035	669	1,535,008
6,377	343,532	556,802
-	-	300,000
-	-	300,000
6,377	343,532	856,802
406,011	53,283	2,749,180
\$ 412,388	\$ 396,815	\$ 3,605,982

City of Antioch
Budgetary Comparison Schedule
Capital Improvement Capital Projects Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Taxes	\$ 400,000	\$ 400,000	\$ 400,000	\$ -
Investment income and rentals	500	18,000	12,326	(5,674)
Current service charges	5,000	28,232	31,364	3,132
Other	12,000	17,664	19,725	2,061
Total revenues	<u>417,500</u>	<u>463,896</u>	<u>463,415</u>	<u>(481)</u>
EXPENDITURES:				
Current:				
Public works	34,371	40,187	347,452	(307,265)
Capital outlay	400,000	650,000	120,375	529,625
Total expenditures	<u>434,371</u>	<u>690,187</u>	<u>467,827</u>	<u>222,360</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(16,871)</u>	<u>(226,291)</u>	<u>(4,412)</u>	<u>221,879</u>
OTHER FINANCING SOURCES:				
Transfers in	300,000	300,000	300,000	-
Total other financing sources	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Net change in fund balances	<u>\$ 283,129</u>	<u>\$ 73,709</u>	295,588	<u>\$ 221,879</u>
FUND BALANCES:				
Beginning of year			<u>1,483,186</u>	
End of year			<u>\$ 1,778,774</u>	

City of Antioch
Budgetary Comparison Schedule
Prewett Community Park Capital Projects Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,300	\$ 97	\$ 183	\$ 86
Revenue from other agencies	-	1,153,252	1,126,048	(27,204)
Total revenues	<u>1,300</u>	<u>1,153,349</u>	<u>1,126,231</u>	<u>(27,118)</u>
EXPENDITURES:				
Public works	250	-	16,955	(16,955)
Capital outlay	-	950,795	906,679	44,116
Total expenditures	<u>250</u>	<u>950,795</u>	<u>923,634</u>	<u>27,161</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>1,050</u>	<u>202,554</u>	<u>202,597</u>	<u>43</u>
Net change in fund balances	<u>\$ 1,050</u>	<u>\$ 202,554</u>	<u>202,597</u>	<u>\$ 43</u>
FUND BALANCES:				
Beginning of year			(184,041)	
End of year			<u>\$ 18,556</u>	

City of Antioch
Budgetary Comparison Schedule
Hillcrest District #26 Capital Projects Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 800	\$ 1,500	\$ 1,253	\$ (247)
Total revenues	<u>800</u>	<u>1,500</u>	<u>1,253</u>	<u>(247)</u>
EXPENDITURES:				
Public works	1,093	1,654	2,011	(357)
Capital outlay	-	20,000	-	20,000
Total expenditures	<u>1,093</u>	<u>21,654</u>	<u>2,011</u>	<u>19,643</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(293)</u>	<u>(20,154)</u>	<u>(758)</u>	<u>19,396</u>
Net change in fund balances	<u>\$ (293)</u>	<u>\$ (20,154)</u>	<u>(758)</u>	<u>\$ 19,396</u>
FUND BALANCES:				
Beginning of year			<u>374,811</u>	
End of year			<u>\$ 374,053</u>	

City of Antioch
Budgetary Comparison Schedule
Lone Diamond Capital Projects Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 1,200	\$ 1,770	\$ 1,643	\$ (127)
Current service charges	20,000	20,150	13,190	(6,960)
Total revenues	<u>21,200</u>	<u>21,920</u>	<u>14,833</u>	<u>(7,087)</u>
EXPENDITURES:				
Public works	<u>13,099</u>	<u>13,249</u>	<u>5,517</u>	<u>7,732</u>
Total expenditures	<u>13,099</u>	<u>13,249</u>	<u>5,517</u>	<u>7,732</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>8,101</u>	<u>8,671</u>	<u>9,316</u>	<u>645</u>
Net change in fund balances	<u>\$ 8,101</u>	<u>\$ 8,671</u>	9,316	<u>\$ 645</u>
FUND BALANCES:				
Beginning of year			<u>477,302</u>	
End of year			<u>\$ 486,618</u>	

City of Antioch
Budgetary Comparison Schedule
Hillcrest Bridge District Capital Projects Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 750	\$ 750	\$ 465	\$ (285)
Current service charges	25,000	-	-	-
Total revenues	<u>25,750</u>	<u>750</u>	<u>465</u>	<u>(285)</u>
EXPENDITURES:				
Public works	<u>282</u>	<u>335</u>	<u>315</u>	<u>20</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>25,468</u>	<u>415</u>	<u>150</u>	<u>(265)</u>
Net change in fund balances	<u>\$ 25,468</u>	<u>\$ 415</u>	<u>150</u>	<u>\$ (265)</u>
FUND BALANCES:				
Beginning of year			<u>138,628</u>	
End of year			<u>\$ 138,778</u>	

City of Antioch
Budgetary Comparison Schedule
Residential Development Allocation Capital Projects Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 100	\$ 2,075	\$ 1,412	\$ (663)
Others	-	140,000	140,000	-
Total revenues	<u>100</u>	<u>142,075</u>	<u>141,412</u>	<u>(663)</u>
EXPENDITURES:				
Community development	<u>50</u>	<u>548,086</u>	<u>135,035</u>	<u>413,051</u>
Total expenditures	<u>50</u>	<u>548,086</u>	<u>135,035</u>	<u>413,051</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>50</u>	<u>(406,011)</u>	<u>6,377</u>	<u>412,388</u>
Net change in fund balances	<u>\$ 50</u>	<u>\$ (406,011)</u>	<u>6,377</u>	<u>\$ 412,388</u>
FUND BALANCES:				
Beginning of year			<u>406,011</u>	
End of year			<u>\$ 412,388</u>	

City of Antioch
Budgetary Comparison Schedule
Development Impact Fee Fund
For the Fiscal Year Ended June 30, 2017

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES:				
Investment income and rentals	\$ 2,000	\$ 2,500	\$ 1,685	\$ (815)
Current service charges	518,000	331,485	342,516	11,031
Total revenues	<u>520,000</u>	<u>333,985</u>	<u>344,201</u>	<u>10,216</u>
EXPENDITURES:				
Public Works	<u>50</u>	<u>700</u>	<u>669</u>	<u>31</u>
Total expenditures	<u>50</u>	<u>700</u>	<u>669</u>	<u>31</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>519,950</u>	<u>333,285</u>	<u>343,532</u>	<u>10,247</u>
Net change in fund balances	<u>\$ 519,950</u>	<u>\$ 333,285</u>	<u>343,532</u>	<u>\$ 10,247</u>
FUND BALANCES:				
Beginning of year			<u>53,283</u>	
End of year			<u>\$ 396,815</u>	

INTERNAL SERVICE FUNDS

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

Vehicle Repair and Replacement

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

Office Equipment Replacement

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

Loss Control Fund

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

City of Antioch
Combining Statement of Net Position
Internal Services Funds
June 30, 2017

	Vehicle Repair & Replacement	Office Equipment Replacement	Loss Control	Total
ASSETS				
Current assets:				
Cash and investments	\$ 3,014,838	\$ 1,948,000	\$ 251,492	\$ 5,214,330
Accounts receivable, net	3,121	5,073	-	8,194
Materials, parts and supplies	191,739	-	-	191,739
Prepaid items	28	23,464	-	23,492
Total current assets	3,209,726	1,976,537	251,492	5,437,755
Noncurrent assets:				
Capital assets:				
Vehicles and equipment	8,697,532	2,886,305	-	11,583,837
Improvements Other than buildings	187,940	79,534	-	267,474
Less accumulated depreciation	(7,102,088)	(2,468,354)	-	(9,570,442)
Net capital assets	1,783,384	497,485	-	2,280,869
Total assets	4,993,110	2,474,022	251,492	7,718,624
LIABILITIES				
Current liabilities:				
Accounts payable	69,116	35,315	7	104,438
Accrued payroll	5,556	10,460	-	16,016
Current portion of compensated absences	7,766	10,169	-	17,935
Total current liabilities	82,438	55,944	7	138,389
Long-term liabilities:				
Compensated absences	69,897	91,524	-	161,421
Total long-term liabilities	69,897	91,524	-	161,421
Total liabilities	152,335	147,468	7	299,810
NET POSITION				
Net investment in capital assets	1,783,384	497,485	-	2,280,869
Unrestricted	3,057,391	1,829,069	251,485	5,137,945
Total net position	\$ 4,840,775	\$ 2,326,554	\$ 251,485	\$ 7,418,814

City of Antioch
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Services Funds
For the Fiscal Year Ended June 30, 2017

	Vehicle Repair & Replacement	Office Equipment Replacement	Loss Control	Total
OPERATING REVENUES:				
Charges for services	\$ 2,277,287	\$ 1,522,911	\$ 1,736,543	\$ 5,536,741
Revenue from other agencies	-	-	15,000	15,000
Other revenue	20,411	-	-	20,411
Total operating revenues	2,297,698	1,522,911	1,751,543	5,572,152
OPERATING EXPENSES:				
Wages and benefits	524,958	941,729	-	1,466,687
Contractual services	196,740	674,298	1,858,785	2,729,823
Tools and supplies	417,590	66,310	9,500	493,400
Depreciation	509,424	63,497	-	572,921
Repairs and maintenance	355,209	23,860	-	379,069
Total operating expenses	2,003,921	1,769,694	1,868,285	5,641,900
OPERATING INCOME (LOSS)	293,777	(246,783)	(116,742)	(69,748)
NONOPERATING REVENUES (EXPENSES):				
Gain (loss) on sale of property	31,911	-	-	31,911
Investment income	10,645	5,716	(142)	16,219
Total nonoperating revenues (expenses)	42,556	5,716	(142)	48,130
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS				
	336,333	(241,067)	(116,884)	(21,618)
Transfers in	-	269,186	-	269,186
Net income (loss)	336,333	28,119	(116,884)	247,568
NET POSITION:				
Beginning of year	4,504,442	2,298,435	368,369	7,171,246
End of year	\$ 4,840,775	\$ 2,326,554	\$ 251,485	\$ 7,418,814

City of Antioch
Combining Statement of Cash Flows
Internal Services Funds
For the Fiscal Year Ended June 30, 2017

	Vehicle Repair & Replacement	Office Equipment Replacement	Loss Control	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash receipt from other funds	\$ 2,295,448	\$ 1,524,975	\$ 1,751,543	\$ 5,571,966
Cash payment to suppliers for goods and services	(936,178)	(760,970)	(1,868,278)	(3,565,426)
Cash payment to employees for services	(528,134)	(953,775)	-	(1,481,909)
Net cash provided by (used in) operating activities	831,136	(189,770)	(116,735)	524,631
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers in	-	269,186	-	269,186
Net cash provided by (used in) noncapital financing activities	-	269,186	-	269,186
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Capital asset additions	(374,261)	(79,534)	-	(453,795)
Net cash provided by (used in) capital and related financing activities	(342,350)	(79,534)	-	(421,884)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest received (paid)	10,645	5,716	(142)	16,219
Net cash provided by (used in) investing activities	10,645	5,716	(142)	16,219
Net change in cash and cash equivalents	499,431	5,598	(116,877)	388,152
Cash and cash equivalents, beginning of year	2,515,407	1,942,402	368,369	4,826,178
Cash and cash equivalents, end of year	<u>\$ 3,014,838</u>	<u>\$ 1,948,000</u>	<u>\$ 251,492</u>	<u>\$ 5,214,330</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	\$ 293,777	\$ (246,783)	\$ (116,742)	\$ (69,748)
Adjustments to reconcile operating income (loss) to cash flows from operating activities:				
Depreciation	509,424	63,497	-	572,921
Decrease (increase) in:				
Accounts receivable	(2,250)	2,064	-	(186)
Materials, parts, and supplies	7,446	-	-	7,446
Prepaid items	1,009	(23,362)	-	(22,353)
Increase (decrease) in:				
Accounts payable	24,906	26,860	7	51,773
Accrued payroll	(14,674)	(31,194)	-	(45,868)
Accrued compensated absences	11,498	19,148	-	30,646
Net cash provided by (used in) operating activities	\$ 831,136	\$ (189,770)	\$ (116,735)	\$ 524,631

AGENCY FUNDS

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

Employee Benefits

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

Storm Drain Districts D55 and D56

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

Refundable Cash Bond

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

Fire Protection

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

East County Water Management Association

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

City of Antioch
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2017

	Balance June 30, 2016	Additions	Deductions	Balance June 30, 2017
Employee Benefits				
Assets:				
Cash and investments	\$ 104,005	\$ 1,135,695	\$ (43,979)	\$ 1,195,721
Total assets	<u>\$ 104,005</u>	<u>\$ 1,135,695</u>	<u>\$ (43,979)</u>	<u>\$ 1,195,721</u>
Liabilities:				
Accounts payable	\$ 44,044	\$ 1,122,093	\$ (43,979)	\$ 1,122,158
Due to others	59,961	13,602	-	73,563
Total Liabilities	<u>\$ 104,005</u>	<u>\$ 1,135,695</u>	<u>\$ (43,979)</u>	<u>\$ 1,195,721</u>
Storm Drain Districts D55 & D56				
Assets:				
Cash and investments	<u>\$ 4,337</u>	<u>\$ 3,356</u>	<u>\$ (4,337)</u>	<u>\$ 3,356</u>
Liabilities:				
Accounts payable	<u>\$ 4,337</u>	<u>\$ 3,356</u>	<u>\$ (4,337)</u>	<u>\$ 3,356</u>
Refundable Cash Bond				
Assets:				
Cash and investments	<u>\$ 701,601</u>	<u>\$ 147,500</u>	<u>\$ (385,056)</u>	<u>\$ 464,045</u>
Liabilities:				
Accounts payable	-	415,856	(385,556)	\$ 30,300
Due to others	701,601	147,500	(415,356)	433,745
Total Liabilities	<u>\$ 701,601</u>	<u>\$ 563,356</u>	<u>\$ (800,912)</u>	<u>\$ 464,045</u>
Fire Protection				
Assets:				
Cash and investments	<u>\$ 179,504</u>	<u>\$ 96,506</u>	<u>\$ (44,624)</u>	<u>\$ 231,386</u>
Liabilities:				
Due to others	<u>\$ 179,504</u>	<u>\$ 96,506</u>	<u>\$ (44,624)</u>	<u>\$ 231,386</u>
Total liabilities	<u>\$ 179,504</u>	<u>\$ 96,506</u>	<u>\$ (44,624)</u>	<u>\$ 231,386</u>
ECWMA				
Assets:				
Cash and investments	<u>\$ 12,542</u>	<u>\$ 4,567</u>	<u>\$ (1,210)</u>	<u>\$ 15,899</u>
Liabilities:				
Due to others	<u>\$ 12,542</u>	<u>\$ 4,567</u>	<u>\$ (1,210)</u>	<u>\$ 15,899</u>
Total - All Agency Funds				
Assets:				
Cash and investments	\$ 1,001,989	\$ 1,387,624	\$ (479,206)	\$ 1,910,407
Total assets	<u>\$ 1,001,989</u>	<u>\$ 1,387,624</u>	<u>\$ (479,206)</u>	<u>\$ 1,910,407</u>
Liabilities:				
Accounts payable	\$ 48,381	\$ 1,541,305	\$ (433,872)	\$ 1,155,814
Due to others	953,608	262,175	(461,190)	754,593
Total liabilities	<u>\$ 1,001,989</u>	<u>\$ 1,803,480</u>	<u>\$ (895,062)</u>	<u>\$ 1,910,407</u>

STATISTICAL SECTION

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

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

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	\$280,385	\$279,610	\$292,426	\$295,764	\$302,099	\$325,151	\$329,692	\$326,664	\$323,132	\$312,206
Restricted	44,710	46,710	44,812	48,611	43,431	43,227	41,108	38,858	37,657	39,323
Unrestricted	<u>27,922</u>	<u>22,500</u>	<u>19,453</u>	<u>14,010</u>	<u>21,104</u>	<u>16,543</u>	<u>15,064</u>	<u>(49,846)</u>	<u>(40,948)</u>	<u>(34,184)</u>
Total governmental activities net position	<u>\$353,017</u>	<u>\$348,820</u>	<u>\$356,691</u>	<u>\$358,385</u>	<u>\$366,634</u>	<u>\$384,921</u>	<u>\$385,864</u>	<u>\$315,676</u>	<u>\$319,841</u>	<u>\$317,345</u>
Business-type activities										
Net investment in capital assets	\$149,526	\$150,985	\$149,207	\$150,008	\$149,127	\$148,026	\$148,514	\$148,726	\$148,729	\$149,447
Restricted	2,655	2,456	1,673	1,476	1,554	1,432	0	0	0	0
Unrestricted	<u>21,210</u>	<u>21,979</u>	<u>25,411</u>	<u>31,856</u>	<u>33,195</u>	<u>38,130</u>	<u>41,634</u>	<u>26,144</u>	<u>31,387</u>	<u>36,587</u>
Total business-type activities net position	<u>\$173,391</u>	<u>\$175,420</u>	<u>\$176,291</u>	<u>\$183,340</u>	<u>\$183,876</u>	<u>\$187,588</u>	<u>\$190,148</u>	<u>\$174,870</u>	<u>\$180,116</u>	<u>\$186,034</u>
Primary government										
Net investment in capital assets	\$429,911	\$430,595	\$441,633	\$445,772	\$451,226	\$473,177	\$478,206	\$475,390	\$471,861	\$461,653
Restricted	47,365	49,166	46,485	50,087	44,985	44,659	41,108	38,858	37,657	39,323
Unrestricted	<u>49,132</u>	<u>44,479</u>	<u>44,864</u>	<u>45,866</u>	<u>54,299</u>	<u>54,673</u>	<u>56,698</u>	<u>(23,702)</u>	<u>(9,561)</u>	<u>2,403</u>
Total primary government net position	<u>\$526,408</u>	<u>\$524,240</u>	<u>\$532,982</u>	<u>\$541,725</u>	<u>\$550,510</u>	<u>\$572,509</u>	<u>\$576,012</u>	<u>\$490,546</u>	<u>\$499,957</u>	<u>\$503,379</u>

Source: City of Antioch Annual Financial Report

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities:										
General government	\$8,926	\$9,338	\$7,379	\$6,640	\$6,736	\$5,937	\$8,802	\$6,912	\$8,932	\$3,414
Public works	15,764	19,452	13,305	16,147	13,671	17,438	15,359	19,043	17,564	18,855
Public safety	28,875	30,296	28,228	26,376	25,637	27,303	26,453	30,900	31,563	40,084
Parks and recreation	4,401	4,497	4,397	4,203	4,134	3,964	3,827	4,185	4,264	5,295
Community development	8,905	8,683	8,052	7,013	3,204	2,121	2,571	3,657	2,942	4,273
Interest on long-term liabilities	2,251	2,195	2,206	2,316	1,865	422	397	427	262	198
Total governmental activities	69,122	74,461	63,567	62,695	55,247	57,185	57,409	65,124	65,527	72,119
Business-type activities										
Water	23,087	22,900	20,371	18,948	25,244	23,123	25,751	23,308	22,334	24,458
Sewer	2,820	2,973	3,464	3,118	3,112	4,007	4,668	5,439	5,528	5,863
Marina	1,208	1,175	1,012	1,005	1,050	1,129	1,076	1,016	1,108	1,026
Prewett Water Park	2,089	2,299	2,084	1,740	1,762	1,878	1,920	1,983	2,024	2,167
Total business-type activities	29,204	29,347	26,931	24,811	31,168	30,137	33,415	31,746	30,994	33,514
Total primary government expenses	98,326	103,808	90,498	87,506	86,415	87,322	90,824	96,870	96,521	105,633
Program Revenues										
Governmental activities:										
Charges for services:										
General government	1,645	2,850	2,536	1,360	1,474	1,642	1,824	3,752	2,098	312
Public works	3,012	1,572	2,895	3,369	2,429	1,745	3,152	1,666	1,573	4,339
Public safety	1,346	1,621	1,678	1,270	1,254	1,303	1,401	1,407	1,482	1,312
Community development	4,208	2,755	1,262	1,147	2,018	3,174	1,479	2,809	2,812	2,065
Other activities	687	637	646	560	701	700	789	872	816	721
Operating grants and contributions	7,772	6,136	5,971	9,846	9,802	8,742	5,879	8,880	5,515	4,801
Capital grants and contributions	7,856	8,789	17,425	8,568	1,896	2,308	8,118	1,836	2,324	2,233
Total governmental activities program revenues	26,526	24,360	32,413	26,120	19,574	19,614	22,642	21,222	16,620	15,783
Business-type activities:										
Fines, forfeitures and charges for services										
Water	20,842	20,180	19,293	21,687	23,395	25,129	25,907	24,430	26,192	29,815
Sewer	3,738	3,816	4,050	4,320	4,453	4,523	4,714	5,013	5,395	5,755
Marina	807	811	711	658	681	645	591	516	471	516
Prewett Water Park	835	955	927	1,040	910	854	866	789	730	846
Capital grants and contributions:										
Water	2,449	1,214	918	1,159	939	1,328	1,008	1,235	831	391
Sewer	2,714	1,397	714	1,004	393	524	1,193	1,063	1,387	293
Marina	0	0	0	0	0	747	304	0	185	0
Total business-type activities program revenues	31,385	28,373	26,613	29,868	30,771	33,750	34,583	33,046	35,191	37,616
Total primary government program revenues	57,911	52,733	59,026	55,988	50,345	53,364	57,225	54,268	51,811	53,399
Net (expense)/ revenue										
Governmental activities										
Business-type activities	-42,596	-50,101	-31,154	-36,575	-35,673	-37,571	-34,767	-43,902	-48,907	-56,336
Total primary government net expense	2,181	-974	-318	5,057	-397	3,613	1,168	1,300	4,197	4,102
	-40,415	-51,075	-31,472	-31,518	-36,070	-33,958	-33,599	-42,602	-44,710	-52,234

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Revenues and Other Changes										
In Net Position										
Governmental activities:										
Taxes:										
Property taxes	26,476	25,121	21,012	19,781	15,612	11,676	12,625	15,129	16,796	18,631
Transient lodging tax	360	242	113	80	120	116	136	150	158	178
Franchise	3,595	3,466	4,172	3,901	4,166	4,042	4,188	4,406	4,616	4,767
Business license fees based on gross receipts	1,243	1,024	1,084	1,010	1,048	1,165	1,172	1,964	3,121	3,916
Property transfer taxes	333	432	344	255	283	313	363	382	461	443
Sales and use tax	11,725	9,909	9,476	9,340	10,476	11,074	12,532	17,597	19,925	20,000
Motor vehicle in lieu	456	344	297	467	51	53	45	43	45	51
Park in lieu	148	388	49	45	215	443	338	120	50	142
Investment income not restricted	3,508	2,042	595	454	355	177	305	278	582	1,421
Other	2,391	3,900	1,881	2,867	2,765	3,761	3,956	3,455	6,168	4,578
Special item - Contribution from Successor Agy	0	0	0	0	638	0	0	0	1,467	1,000
Extraordinary items - Redevelopment Dissolution	0	0	0	0	7,719	0	0	0	0	0
Transfers	-687	-965	3	69	473	183	191	798	-317	-1,288
Total government activities	<u>49,548</u>	<u>45,903</u>	<u>39,026</u>	<u>38,269</u>	<u>43,921</u>	<u>33,003</u>	<u>35,851</u>	<u>44,322</u>	<u>53,072</u>	<u>53,839</u>
Business-type activities:										
Investment income not restricted	1,305	825	360	349	315	204	392	334	630	183
Other	193	1,214	831	1711	1091	78	1,190	117	102	346
Transfers	687	965	-3	-69	-473	-183	-191	-798	317	1,288
Total business type activities	<u>2,185</u>	<u>3,004</u>	<u>1,188</u>	<u>1,991</u>	<u>933</u>	<u>99</u>	<u>1,391</u>	<u>-347</u>	<u>1,049</u>	<u>1,817</u>
Total primary government	<u>51,733</u>	<u>48,907</u>	<u>40,214</u>	<u>40,260</u>	<u>44,854</u>	<u>33,102</u>	<u>37,242</u>	<u>43,975</u>	<u>54,121</u>	<u>55,656</u>
Change in Net Position										
Governmental activities	6,952	-4,198	7,872	1,694	8,248	-4,568	1,084	420	4,165	-2,497
Business-type activities	4,366	2,030	870	7,048	536	3,712	2,559	953	5,246	5,919
Total primary government	<u>\$11,318</u>	<u>-\$2,168</u>	<u>\$8,742</u>	<u>\$8,742</u>	<u>\$8,784</u>	<u>-\$856</u>	<u>\$3,643</u>	<u>\$1,373</u>	<u>\$9,411</u>	<u>\$3,422</u>

Source: City of Antioch Financial Report

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$872	\$894	\$259	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	8,534	4,392	5,488	-	-	-	-	-	-	-
Nonspendable	-	-	-	34	60	91	206	38	224	220
Committed	-	-	-	102	94	602	1,497	4,524	4,946	3,546
Assigned	-	-	-	92	298	277	126	1,086	144	1,270
Unassigned	-	-	-	6,557	8,037	9,140	9,006	11,531	17,590	25,979
Total general fund	<u>\$9,406</u>	<u>\$5,286</u>	<u>\$5,747</u>	<u>\$6,785</u>	<u>\$8,489</u>	<u>\$10,110</u>	<u>\$10,835</u>	<u>\$17,179</u>	<u>\$22,904</u>	<u>\$31,015</u>
All other governmental funds										
Reserved	\$22,507	\$15,430	\$13,428	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue funds	14,912	18,253	20,496	-	-	-	-	-	-	-
Capital projects funds	2,912	3,767	2,034	-	-	-	-	-	-	-
Nonspendable	-	-	-	3,562	35	363	142	134	132	149
Restricted	-	-	-	21,494	23,294	22,447	20,807	38,440	37,332	37,602
Committed	-	-	-	5,566	6,017	3,446	2,869	3,275	3,715	3,630
Assigned	-	-	-	4,675	4,636	3,521	2,296	2,432	2,925	3,259
Unassigned	-	-	-	(2,412)	-	-	(4)	(102)	(184)	-
Total all other governmental funds	<u>\$40,331</u>	<u>\$37,450</u>	<u>\$35,958</u>	<u>\$32,885</u>	<u>\$33,982</u>	<u>\$29,777</u>	<u>\$26,110</u>	<u>\$44,179</u>	<u>\$43,920</u>	<u>\$44,640</u>

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

Source: City of Antioch Annual Financial Report

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

	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Taxes	\$45,979	\$42,165	\$37,744	\$37,384	\$34,424	\$30,792	\$34,300	\$42,635	\$47,415	\$49,569
Licenses and permits	1,400	735	857	798	1,096	1,655	1,303	1,178	1,149	1,243
Fines and penalties	214	362	306	189	154	142	146	134	191	272
Investment income and rentals	3,794	2,491	1,380	1,064	1,065	1,437	1,520	1,485	1,762	1,404
Revenue from other agencies	7,756	10,667	20,602	14,699	8,470	9,952	10,244	5,598	4,690	3,345
Current service charges	11,614	11,106	9,418	8,391	8,323	8,112	10,335	11,011	11,518	5,748
Special assessment revenue	2,802	2,731	2,793	2,775	2,879	2,850	2,904	2,985	2,994	2,978
Contribution from Successor Agency Trust	0	0	0	0	638	0	0	0	0	0
Other	1,575	3,852	1,161	2,253	2,315	1,238	1,754	2,368	3,472	3,301
Total Revenues	75,134	74,109	74,261	67,553	59,364	56,178	62,506	67,394	73,191	67,860
Expenditures										
Current:										
General government	8,331	8,976	6,971	6,073	5,702	5,331	6,357	6,109	8,623	2,079
Public works	9,269	12,888	7,159	8,587	6,652	7,803	8,450	11,128	10,593	10,186
Public safety	29,629	31,202	29,340	26,928	26,065	26,959	28,786	31,826	34,989	36,947
Parks and recreation	4,076	4,023	3,776	3,594	3,641	3,209	3,331	3,491	3,711	4,001
Community development	11,390	11,308	9,685	8,856	3,968	3,094	3,005	4,527	3,778	4,314
Capital outlay	13,840	8,176	20,331	13,183	4,614	10,753	14,562	4,945	3,627	1,894
Debt service:										
Principal retirement	1,170	1,255	1,345	1,764	2,115	509	536	5,310	560	622
Interest	2,219	2,167	2,133	2,290	1,999	412	390	359	311	248
Fiscal charges	16	14	14	19	18	9	6	3	4	5
Bond issuance costs	0	0	29	0	0	0	0	59	0	0
Total Expenditures	79,940	80,009	80,783	71,294	54,774	58,079	65,423	67,757	66,196	60,296
Excess (deficiency) of revenues over (under) expenditures	-4,806	-5,900	-6,522	-3,741	4,590	-1,901	-2,917	-363	6,995	7,564
Other financing sources (uses)										
Transfers in	13,212	13,130	12,380	11,264	9,438	6,355	7,408	5,990	6,312	8,088
Transfer out	(13,717)	(14,231)	(11,147)	(11,430)	(9,285)	(6,397)	(7,433)	(5,871)	(6,841)	(7,821)
Capital lease	0	0	2,177	1,873	0	0	0	0	0	0
Proceeds of bonds	0	0	2,081	0	0	0	0	3,840	0	0
Bond premium	0	0	0	0	0	0	0	583	0	0
Extraordinary item	0	0	0	0	(1,942)	0	0	0	(1,000)	1,000
Total other financing sources (uses)	(505)	(1,101)	5,491	1,707	(1,789)	(42)	(25)	4,542	(1,529)	1,267
Net change in fund balances	-\$5,311	-\$7,001	-\$1,031	-\$2,034	\$2,801	-\$1,943	-\$2,942	\$4,179	\$5,466	\$8,831
Debt service as a percentage of non-capital expenditures	5.13%	4.76%	5.75%	6.98%	8.20%	1.95%	1.82%	9.03%	1.39%	1.49%

Source: City of Antioch Annual Financial Report

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

Fiscal Year	Property Tax	Sales Tax (1)	Sales Tax Measure C (2)	Motor Vehicle In Lieu Tax (VLF)	Gax Tax	Transient Lodging Tax	Franchise Taxes	Business License Tax	Property Transfer Tax	Total
2008	\$26,477	\$11,725	\$0	\$455	\$1,790	\$170	\$3,596	\$1,243	\$333	\$45,789
2009	25,121	9,909	0	343	1,627	242	3,466	1,024	432	42,164
2010	21,012	9,476	0	297	1,660	113	3,757	1,084	344	37,743
2011	19,781	9,340	0	467	2,550	80	3,900	1,010	255	37,383
2012	15,612	10,476	0	51	2,876	120	3,958	1,048	283	34,424
2013	11,676	11,074	0	53	2,353	116	4,042	1,165	313	30,792
2014	12,625	11,587	899	45	3,286	136	4,188	1,171	363	34,300
2015	15,129	12,014	5,584	43	2,966	150	4,406	1,964	382	42,638
2016	16,796	12,573	6,821	44	2,246	158	4,616	3,121	461	46,836
2017	18,631	12,263	6,535	51	2,188	178	4,767	3,915	443	48,971

(1) Sales tax is levied at 8.25% (8.5% prior to 1/1/17) on retail sales and/or consumption of personal property, 1% of the total tax rate is allocated to the City.

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

Source: City of Antioch Annual Financial Report

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

Fiscal Year	Total Secured Tax Roll	Unsecured Tax Roll	Less Homeowners' Exemptions	Less Other Tax Exempt Property	Total Taxable Assessed Value	Less Redevelopment Assessed Valuation	Value of Taxable Property	Amount Allocated to City (a)
2008	10,949,191	178,902	-128,392	-533,214	10,466,487	-704,753	9,761,734	10.19%
2009	10,108,077	224,814	-126,214	-674,711	9,531,966	-754,155	8,777,811	10.01%
2010	8,011,789	235,898	-123,979	-687,894	7,435,814	-765,856	6,669,958	9.66%
2011	7,662,034	220,183	-121,652	-691,413	7,069,152	-724,248	6,344,904	9.65%
2012	7,155,541	205,339	-116,601	-683,407	6,560,872	-723,955	5,836,917	(a)
2013	7,109,642	196,571	-111,761	-696,290	6,498,162	-641,397	5,856,765	(a)
2014	7,616,910	189,173	-106,871	-711,013	6,988,199	-613,598	6,374,601	(a)
2015	8,904,098	176,385	-103,063	-721,103	8,256,317	-592,222	7,664,095	10.05%
2016	9,552,650	200,649	-100,989	-728,610	8,923,700	-600,330	8,323,370	(a)
2017	10,752,279	191,460	-95,663	-779,398	10,068,678	-695,151	9,373,527	(a)

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

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

Source: Contra Costa County Certificate of Assessed Valuations

City of Antioch
Principal Property Taxpayers
FY 2016-17 Compared To FY 2007-08
(amounts expressed in thousands, except for Rank and Percentages)

2016-2017 Local Secured Assessed Valuation - \$10,133,000,917

Taxpayer	2017			2008		
	Total Secured Assessed Value (A)	Rank	Percentage of Total Secured Assessed Value	Total Secured Assessed Value (A)	Rank	Percentage of Total Secured Assessed Value
Kaiser Foundation Hospitals/Health Plan-Sand Creek	\$412,359	1	4.069%			
Sutter East Bay Hospital	116,790	2	1.153%			
Reliant-Mira Vista LP	39,062	3	0.385%			
Sequoia Equities - Cross Pointe	35,559	4	0.351%			
Camden Village LLC	27,300	5	0.269%	\$38,734		0.376%
Walmart	26,445	6	0.261%	30,037		0.292%
Georgia-Pacific Gypsum LLC	26,421	7	0.261%	22,965		0.223%
Kaiser Foundation Hospitals/Health Plan-Delta Fair	23,533	8	0.232%			
Delta View Family Apartments	22,491	9	0.222%	17,423		0.169%
Dallas Rach MSL LLC	21,501	10	0.212%			
DDR MDT MV Antioch	0.00		0.000%	15,647		0.152%
GWF Power Systems Company	0.00		0.000%	50,543		0.491%
Inland American & Stephens LLC	0.00		0.000%	48,031		0.466%
DDR MDT MV Slatten Ranch	0.00		0.000%	40,268		0.391%
Fairfield Antioch LLC	0.00		0.000%	36,727		0.357%
Chiu Gabriel H & Ali Har	0.00		0.000%			
Macerich Partnership	0.00		0.000%	31,556		0.306%
Delta Square - Oxford Ltd. Ptnr.	0.00		0.000%	21,711		0.211%
	<u>\$751,461</u>		<u>7.416%</u>	<u>\$353,642</u>		<u>3.434%</u>

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

(A) Amounts listed for top ten taxpayers only.

Source: County Assessor's Office via ParcelQuest

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

Fiscal Year	Basic County Wide Levy	BART	East Bay Regional Park	Community College 2002 Bonds	Community College 2006 Bonds	Community College 2014 Bonds	Total
2008	1.0000	0.0076	0.0080	0.0038	0.0070	-	1.0264
2009	1.0000	0.0090	0.01	0.0040	0.0026	-	1.0256
2010	1.0000	0.0057	0.0108	0.0046	0.0080	-	1.0291
2011	1.0000	0.0031	0.0084	0.0049	0.0084	-	1.0248
2012	1.0000	0.0041	0.0071	0.0049	0.0095	-	1.0256
2013	1.0000	0.0043	0.0051	0.0047	0.0040	-	1.0181
2014	1.0000	0.0075	0.0078	0.0043	0.0090	-	1.0286
2015	1.0000	0.0026	0.0067	0.0034	0.0076	0.0110	1.0313
2016	1.0000	0.0026	0.0067	0.0034	0.0076	0.0110	1.0313
2017	1.0000	0.0080	0.0032	0.0033	0.0074	0.0013	1.0232

Source: Contra Cost County Assessors Office

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

Fiscal Year	City Property Tax Levied and Collected	Development Agency Property Tax Levied and Collected	Total Tax Levied and Collected	Percentage of Levy Collected (3)	Value of City Property Subject To Local Tax Rate	Value of Development Agency Property Subject to Local Tax Rate	Total Value of Property Subject To Local Tax Rate
2008	\$20,865	\$7,375	\$28,240	100%	\$9,761,734	\$704,753	\$10,466,487
2009	19,704	7,952	27,656	100%	8,777,811	754,155	9,531,966
2010	16,940	7,759	24,699	100%	6,669,959	765,856	7,435,815
2011	16,574	7,348	23,922	100%	6,344,904	724,248	7,069,152
2012	14,187	3,877 (2)	18,064	100%	5,836,917	723,955	6,560,872
2013	15,919	0 (2)	15,919	100%	5,856,765	641,397	6,498,162
2014	16,765	0 (2)	16,765	100%	6,374,601	613,598	6,988,199
2015	14,927	0 (2)	14,927	100%	7,664,094	592,222	8,256,316
2016	12,043	0 (2)	12,043	100%	8,323,370	600,330	8,923,700
2017	13,552	0 (2)	13,552	100%	8,833,818	655,249	9,489,067

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

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

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

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

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

Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Estimated Actual Value of Taxable Property (1)	Per Capita (2)
	Lease Revenue Bonds	Tax Allocation Bonds (3)	Capital Leases	Water Bonds	Long-term Payable	Loans Payable	Marina Loans			
2008	\$29,309	\$12,035	\$ -	\$4,160	\$ -	\$ -	\$3,816	\$49,320	0.51%	493
2009	29,054	11,070	-	3,525	-	-	3,695	47,344	0.54%	473
2010	28,754	12,141	2,177	2,869	-	-	3,568	49,509	0.74%	485
2011	28,369	10,981	3,867	2,195	-	-	3,436	48,848	0.77%	474
2012	27,934	-	3,541	1,511	4,788	-	3,297	41,071	0.70%	395
2013	5,002	-	3,192	770	4,536	-	3,152	16,652	0.28%	159
2014	4,841	-	2,821	-	4,284	-	3,001	14,947	0.23%	141
2015	4,386	-	2,425	-	4,032	-	2,843	13,686	0.18%	127
2016	4,214	-	2,005	-	3,780	-	2,678	12,677	0.15%	117
2017	4,005	-	1,558	-	3,528	197	2,537	11,825	0.13%	109

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

Source: City of Antioch Financial Report

(1) See the schedule of Assessed Value and Estimated Actual Value of Taxable Property.

(2) Population data can be found in the Demographic and Economic Statistics schedule

(3) Tax Allocation Bonds have become an obligation of the Successor Agency to the Antioch Development Agency and no longer on City books.

City of Antioch
Ratios of General Bonded Debt Outstanding

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt limit	\$1,669,214	\$1,549,934	\$1,237,153	\$1,182,333	\$1,104,132	\$1,095,932	\$1,170,913	\$1,362,072	\$1,462,995	\$1,551,247
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$1,669,214	\$1,549,934	\$1,318,322	\$1,182,333	\$1,104,132	\$1,095,932	\$1,170,913	\$1,362,072	\$1,462,995	\$1,551,247
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2017

The following numbers are not expressed in thousands:

Assessed value	\$9,489,067,010
Add back: exempt real property	<u>852,582,533</u>
Total assessed value	<u>10,341,649,543</u>

Debt limit (15% of total assessed value)	1,551,247,431
Debt applicable to limit:	
General obligation bonds	0
Less: Amount set aside for repayment of general obligation debt	<u>0</u>
Total net debt applicable to limit	<u>0</u>
Legal debt margin	<u><u>\$1,551,247,431</u></u>

Source: City of Antioch Finance Department and Contra Costa County Certificate of Assessed Valuations for fiscal year 2016-17

Note: Beginning in Fiscal Year 2000-01, the City of Antioch did not have any general obligation debt.

However, under State finance law, the City of Antioch's outstanding general obligation debt should not exceed 15% of total assessed property value.

By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Antioch
Pledged Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Water Revenue Bonds (1) (in thousands)							Special Assessment Bonds	
	Gross	Less:	Net Revenue Available for Debt Service	Debt Service		Debt Service Coverage		Special Assessment Collections (2)	Outstanding (in thousands) Lone Diamond
	Water	Direct							
	Charges And Other	Operating Expenses		Principal	Interest				
2008	\$ 21,796	\$ 20,174	\$ 1,622	\$ 640	\$ 142	2.07%		\$ 7,550,756	\$ 46,795
2009	21,585	19,804	1,781	655	126	2.28%		7,464,602	41,170
2010	20,226	17,390	2,836	675	108	3.62%		7,401,685	35,045
2011	22,103	16,609	5,494	695	88	7.02%		7,476,123	26,905
2012	23,652	22,924	728	720	66	0.93%		7,425,102	20,905
2013	25,369	20,628	4,741	745	41	6.03%		7,436,553	13,915
2014	27,297	23,328	3,969	770	14	5.06%		7,472,192	2,405
2015	24,711	21,137	3,574	0	0	n/a		-	-
2016	26,865	20,049	6,816	0	0	n/a		-	-
2017	30,220	22,072	8,148	0	0	n/a		-	-

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

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

Source: City of Antioch Financial Statements

CITY OF ANTIOCH
Direct and Overlapping Debt
June 30, 2017

2015-16 Assessed Valuation	\$9,489,067,010
Antioch Development Agency Incremental Valuation:	655,249,435
Adjusted Assessed Valuation:	<u>\$8,833,817,575</u>

JURISDICTION	Total Debt 6/30/2017	Percent Applicable (1)	City's Share of Debt 6/30/2017
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Bay Area Rapid Transit District	\$891,135,000	1.484%	\$13,224,443
Contra Costa Community College District	409,580,000	5.268%	21,576,674
Antioch Unified School District Schools Facilities Improvement District No. 1	116,098,791	79.869%	92,726,943
Liberty Union High School District	44,100,000	2.336%	1,030,176
Brentwood Union School District	62,234,704	4.160%	2,588,964
East Bay Regional Park District	123,590,000	2.289%	2,828,975
Total Overlapping Tax and Assessment Debt			<u>\$133,976,176</u>
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	\$21,146,201	100.000%	\$21,146,201
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Direct Debt:			
City of Antioch Capital Lease	\$1,558,291	100.000%	\$1,558,291
City of Antioch Lease Revenue Bonds	4,004,732	100.000%	4,004,732
Subtotal Direct General Fund Debt			<u>\$5,563,023</u>
Overlapping Debt:			
Contra Costa County General Fund Obligations	\$222,354,484	5.249%	\$11,671,387
Contra Costa County Pension Obligation Bonds	185,830,000	5.249%	9,754,217
Contra Costa Community College District Certificates of Participation	430,000	5.268%	22,652
Antioch Unified School District Certificates of Participation	36,859,539	86.031%	31,710,630
Brentwood Union School District General Fund Obligations	991,253	4.160%	41,236
Contra Costa Fire Protection District Pension Obligation Bonds	75,540,000	11.433%	8,636,488
Subtotal gross overlapping General Fund Debt			<u>\$61,836,610</u>
Less: Contra Costa County Obligations supported from revenue funds			4,009,863
Subtotal net overlapping General Fund Debt			<u>\$57,826,747</u>
COMBINED TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>\$63,389,770 (2)</u>
COMBINED TOTAL NET DEBT			<u>\$218,512,147 (2)</u>

NOTES:

(1) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

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

Ratios to 2016-17 Assessed Valuation:

Total Overlapping Tax and Assessment Debt: 1.41%

Ratios to Adjusted Assessed Valuation:

Combined Direct Debt (\$5,563,023): 0.006%

Gross Combined Total Debt: 2.27%

Net Combined Total Debt: 2.47%

Ratios to Redevelopment Successor Agency Incremental Valuation:

Total Overlapping Tax Increment Debt: 3.23%

Source: California Municipal Statistics, Inc.

City of Antioch
Demographic and Economic Statistics
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>City of Antioch Population(1)</u>	<u>Contra Costa County Population (1)</u>	<u>Personal Income (in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2008	100,361	1,023,344	\$59,914,142	\$58,547	7.6%
2009	100,957	1,037,890	55,781,843	53,745	12.20%
2010	102,330	1,052,605	57,700,398	54,817	12.80%
2011	103,054	1,066,096	60,778,675	57,011	12.50%
2012	103,833	1,065,117	66,544,007	61,638	10.20%
2013	105,117	1,074,702	69,375,880	63,403	8.70%
2014	106,455	1,087,008	70,849,779	63,752	6.90%
2015	108,298	1,102,871	*	*	6.80%
2016	112,968	1,123,429	*	*	6.80%
2017	114,241	1,139,513	*	*	6.80%

*No Data Available

Data Sources:

(1) State Department of Finance

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

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

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

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

Employer	2017		2007	
	Approx. Number of Employees¹	Percentage Of Total City Employment	Number of Employees	Percentage Of Total City Employment
Kaiser Permanente	2,014	3.93%	1,820	3.81%
Antioch Unified School District	1,817	3.55%	2,500	5.23%
Sutter Delta Medical Center ²	1,200	2.34%	850	1.78%
Contra Costa County Social Services	525	1.03%	500	1.05%
Wal-Mart	423	0.83%	300	0.63%
Costco ²	305	0.60%	221	0.46%
Target	299	0.58%	242	0.51%
City of Antioch	262	0.51%	391	0.82%
Antioch Auto Center	240	0.47%	237	0.50%
Safeway	126	0.25%	200	0.42%
Long's Drugs (corporate office)	-	0.00%	258	0.54%

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

² Includes contract employees

City of Antioch
Operating Indicators by Function
Last Ten Fiscal Years

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Police										
Physical arrests	6,734	7,288	5,990	4,830	4,296	4,047	4,018	4,707	4,954	4,730
Parking violations	1,188	1,391	1,241	963	1,310	1,319	2,318	2,311	2,551	2,530
Traffic violations	7,049	12,664	5,905	3,320	2,123	1,396	1,479	2,246	4,261	5,619
Sworn Officers	126	126	126	126	126	126	87 (3)	102(3)	102(3)	102(3)
Reserve Personnel	4	4	4	4	4	3	3	3	3	3
Support Personnel	59	59	59	59	59	59	26 (3)	29	32	32
Highways and streets										
Street resurfacing, sq ft	128,685	387,760	164,929	879,575	711,900	105,820	1,408,525	342,269	164,993	750,707
Potholes repaired	3,076	170	n/a	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Culture and recreation										
Athletic sports complex admissions	31,429	33,650	33,640	40,000	41,500	42,000	60,000	60,000	(4)	(4)
Water Park Guests/Program Participants	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	71,241	42,341
Recreation Classes/Program Participants	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	6,000	6,905
Worth Shaw Sports Complex										
Number of Tournaments	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	40	44
Number of Participants in City Programs	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	1,500	1,800
Number of Turf Field Rentals	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	459	503
Community center admissions/Facility Rentals										
Nick Rodriguez Community Center	558,624	173	314,731	127,545	46,233	10,500	12,800	14,300	365	345 (5)
Antioch Community Center	NA	NA	NA	150,937	234,102	384,602	100,000	100,000	806	695 (5)
Prewett Community Center	129,250	120,121	80,591	80,041	83,556	68,766	92,000	71,241	129	85 (5)
Water										
New connections	236	170	207	139	169	289	206	158	97	74
Water main breaks	18	18	28	17	39	36	22	31	33	46
Average daily consumption (thousands of gallons)	19,519	17,195	15,190	15,539	16,043	16,478	16,221	12,065	11,010	12,567
Sewer**										
New connections	184	140	181	106	144	259	180	123	67	43

- (1) Of the City's 5 Traffic Unit Officers, one Traffic Unit Officer was transferred to patrol in July 2006 and four were transferred to patrol in October 2006. Therefore, there was an increase in physical arrests and decreases in traffic and parking violations.
- (2) The City no longer tracks this data.
- (3) 2014 and beyond represents total funded positions only. 2013 and prior years data includes frozen positions.
- (4) Recreation Dept has changed information reporting beginning in 2016.
- (5) In 2016, Recreation began reporting number of facility rentals verses number of visitors as in prior years

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

Source: Various City Departments

CITY OF ANTIOCH

**FULL TIME CITY EMPLOYEES
BY FUNCTION**

Last Ten Fiscal Years

FUNCTION	2008 ⁴	2009 ⁴	2010 ⁴	2011 ⁴	2012 ⁴	2013 ⁴	2014 ³	2015 ³	2016 ³	2017 ³
General government	50	52	52	52	52	46	25	30	31	31
Public safety ¹										
Sworn Police Officers	126	126	126	126	126	126	87	102	102	102
Community Service Officers	20	20	20	20	20	20	4	5	8	8
Administrative Staff	39	39	39	39	39	39	30	28	28	28
Public works	42	42	54	55	60	63	39	36	36	36
Community Development	43	42	30	30	30	28	10	13	16	16
Capital Improvement ²	5	5	5	5	-	-	-	-	-	-
Recreation	18	18	18	18	18	16	8	9	10	10
Water	41	41	41	41	41	47	47	47	48	48
Wastewater	15	15	15	15	15	21	21	24	25	25
Total employees	<u>399</u>	<u>400</u>	<u>400</u>	<u>401</u>	<u>401</u>	<u>406</u>	<u>271</u>	<u>294</u>	<u>304</u>	<u>304</u>

¹ Fire services are provided by Contra Costa Fire Protection District

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

³ Data is only funded positions for fiscal year

⁴ Includes frozen positions

Source: City of Antioch budgets

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

Function	Fiscal Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	43	43	43	42	39	39	40	42	44	44
Fire Stations*	4	4	4	4	4	4	4	4	4	4
Highways and streets										
Streets (miles)	352.62	360.02	482.618	566.31	566.31	595.16	724.55	853.95	853.95	885.19
Streetlights	6,486	8,600	8,649	8,697	8,714	8,731	8,738	8,745	8,758	8,771
Traffic Signals, City Owned	99	100	101	101	101	102	102	102	107	107
Culture and recreation										
Parks acreage	308	308	308	308	308	328	237	237	237	237
Parks	33	33	33	33	33	33	33	33	33	33
Swimming pools	7	7	7	7	7	7	7	7	7	7
Community centers	3	3	3	4	4	4	4	4	4	4
Water										
Water lines (miles)	278.80	340.00	341.68	341.68	341.68	341.68	343.45	345.23	346.58	346.65
Number of water meters	31,061	31,231	30,931	31,468	31,254	31,583	31,803	31,803	30,926	32,072
Maximum daily treatment capacity (millions of gallons)	30.02	27.01	26.49	29.00	26.13	27.01	36.00	36.00	36.00	36.00
Fire hydrants	3,443	3,443	3,443	3,522	3,537	3,537	3,589	3,589	3,594	3,602
Sewer**										
Sanitary sewer lines (miles)	255.70	300.00	300.68	300.68	300.68	300.68	300.68	300.68	302.17	302.17
Number of sewer connections	29,664	29,804	29,535	29,657	29,818	30,171	30,377	30,377	30,660	30,661
Storm drains (miles)	161.42	220.00	221.01	221.01	221.01	221.01	221.46	221.46	223.25	223.27

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

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

Sources: Various City departments.

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Antioch, California (City), as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 20, 2017.

Internal Control Over Financial Reporting

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

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

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

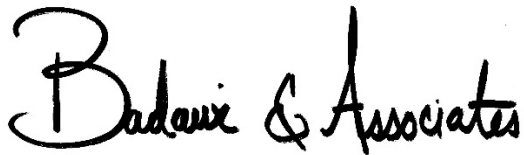
To the Honorable Mayor and Members of the City Council
of the City of Antioch
Antioch, California
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Compliance and Other Matters

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

Purpose of this Report

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

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

Badawi and Associates
Certified Public Accountants
Oakland, California
December 20, 2017