

**CITY OF CONCORD
ENTERPRISE FUNDS
FOR THE YEAR ENDING JUNE 30, 2007**

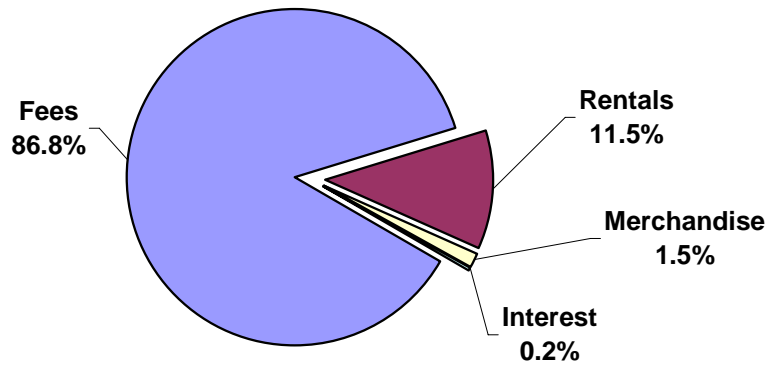
Enterprise Funds are used to account for the City Of Concord operations that are financed and operated like private business enterprises. Use of this type of fund permits user charges to finance or recover all costs, including depreciation, of providing the enterprise's services to the general public on a continuing basis. Enterprise funds include:

Golf Course Fund – To account for activities associated with the development, operations, and maintenance of the Diablo Creek Golf Course.

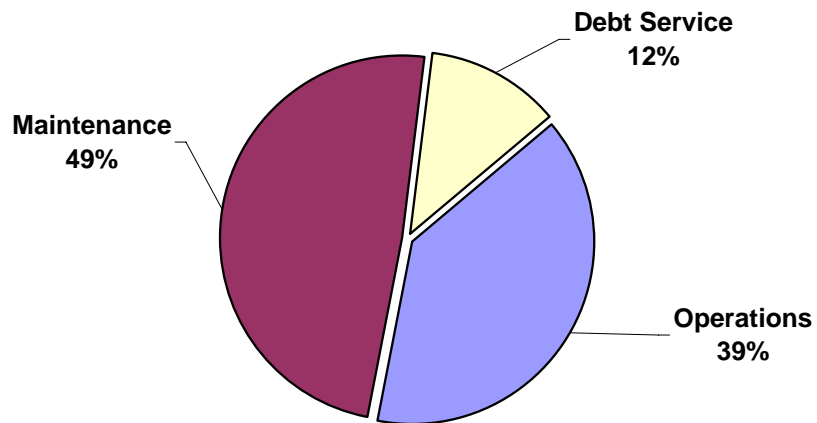
Sewer Fund – Accounts for activities pertaining to sewage transmission and treatment.

**City of Concord
Golf Course
Revenues and Expenses
For the Year Ending June 30, 2007**

Revenue by Source



Expenses by Program



**City of Concord
Golf Course
Ten Year Projection
For the Year Ending June 30, 2007**

| | <u>2006-07</u> | Fee Inc. <u>2007-08</u> | <u>2008-09</u> | Fee Inc. <u>2009-10</u> | <u>2010-11</u> | Fee Inc. <u>2011-12</u> | <u>2012-13</u> | Fee Inc. <u>2013-14</u> | <u>2014-15</u> | Fee Inc. <u>2015-16</u> |
|---------------------------|------------------|----------------------------|------------------|----------------------------|------------------|----------------------------|------------------|----------------------------|------------------|----------------------------|
| Fund Balance 7/01 | \$ 145,094 | \$ 155,763 | \$ 158,271 | \$ 169,546 | \$ 150,727 | \$ 175,825 | \$ 195,650 | \$ 188,969 | \$ 194,663 | \$ 195,832 |
| Add Revenues: | | | | | | | | | | |
| Fees | 1,579,973 | 1,666,297 | 1,668,801 | 1,729,501 | 1,732,133 | 1,817,831 | 1,820,623 | 1,881,647 | 1,884,613 | 1,948,282 |
| Rentals | 209,587 | 217,517 | 221,456 | 229,825 | 234,003 | 242,834 | 247,267 | 256,587 | 261,290 | 271,125 |
| Merchandise Sales | 26,471 | 27,265 | 28,083 | 28,925 | 29,793 | 30,686 | 31,607 | 32,556 | 33,533 | 34,539 |
| Interest | 2,679 | 3,103 | 3,324 | 3,676 | 4,288 | 4,772 | 4,609 | 4,748 | 4,776 | 4,953 |
| Total Revenues | <u>1,818,710</u> | <u>1,914,182</u> | <u>1,921,664</u> | <u>1,991,927</u> | <u>2,000,217</u> | <u>2,096,123</u> | <u>2,104,106</u> | <u>2,175,538</u> | <u>2,184,212</u> | <u>2,258,899</u> |
| Operating Expenditures | | | | | | | | | | |
| Operations | 691,426 | 703,550 | 799,653 | 585,573 | 809,890 | 980,672 | 885,576 | 913,375 | 895,053 | 936,686 |
| Maintenance | 866,201 | 879,164 | 895,810 | 921,698 | 948,363 | 975,828 | 1,004,116 | 1,033,254 | 1,063,265 | 1,094,176 |
| Debt Service | 211,939 | 213,535 | 214,926 | 216,043 | 216,866 | 119,798 | 221,095 | 223,215 | 224,725 | 220,783 |
| Total Expenditures | <u>1,769,566</u> | <u>1,796,249</u> | <u>1,910,389</u> | <u>1,723,314</u> | <u>1,975,119</u> | <u>2,076,298</u> | <u>2,110,787</u> | <u>2,169,844</u> | <u>2,183,043</u> | <u>2,251,645</u> |
| Net Income (Loss) | 49,144 | 117,933 | 11,275 | 268,613 | 25,098 | 19,825 | (6,681) | 5,694 | 1,169 | 7,254 |
| 10 % Contingency Reserves | <u>155,763</u> | <u>158,271</u> | <u>169,546</u> | <u>150,727</u> | <u>175,825</u> | <u>195,650</u> | <u>188,969</u> | <u>194,663</u> | <u>195,832</u> | <u>203,086</u> |
| Less Capital Expenses: | | | | | | | | | | |
| Projects | 38,475 | 115,425 | | 287,432 | | | | | | |
| Capital Projects Reserve | | | | | | | | | | |
| Total Capital Expenses | <u>38,475</u> | <u>115,425</u> | <u>0</u> | <u>287,432</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Fund Balance 6/30 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

Notes:

Meets all standards contained in the Budget and Fiscal Policies adopted by the Council. This policy can be found on page 41.

Revenues:

Fees increases proposed for the years indicated based on a market study done by staff and Head Golf Professional.

Operating Expenditures:

Maintenance Expenditures reflect Valley Crest Maintenance Contract.

Cost Allocation Plan expenditures included in operations have been adjusted to provide for zero end-of-year fund balance.

Salaries and benefits have been budgeted per current labor agreements adjusted for step increases and assuming a full staffing level.

Employee benefits expenses for medical insurance and retirement reflect recent higher than CPI increases.

Employee post-retirement health expenses includes adjustment for GASB Statement No. 45.

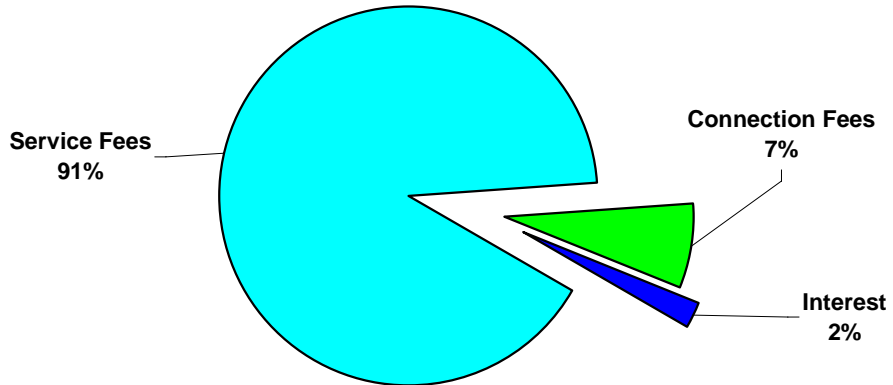
Non-labor operating expenditures for FY 2007 and the remainder of the 10-Year planning period, depending on the category, include increases between 2 and 3% for inflation.

Operating expenditures include internal service fund charges for vehicles, computer and office equipment, buildings, workers' compensation and risk liability.

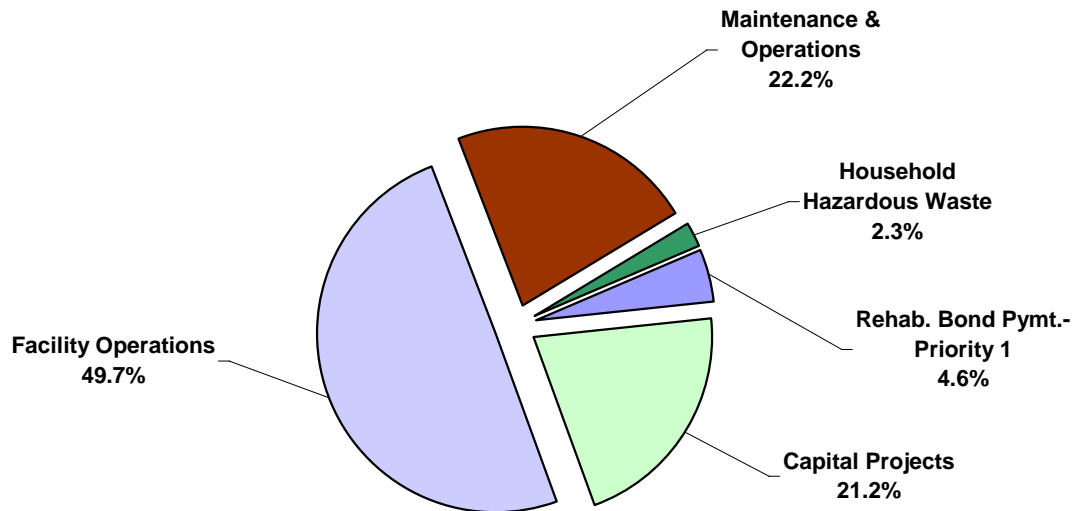
Debt Service engendered by parking lot expansion, entry-way landscaping, new irrigation system, and cart path, greens and bathroom rehabilitation.

**City of Concord
Sewer Enterprise
Revenues and Expenses
For the Year Ending June 30, 2007**

Revenues by Source



Expenses by Program



**Sewer Enterprise
Twenty Year Projection
for the Year Ending June 30, 2007**

Page 1 of 2

| | 2006-07 | Fee Inc \$36 2007-08 | 2008-09 | Fee Inc \$24 2009-10 | 2010-11 | Fee Inc \$24 2011-12 | 2012-13 | Fee Inc \$24 2013-14 | 2014-15 | Fee Inc \$24 2015-16 |
|---|---------------------|-------------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------|-------------------------|---------------------|-------------------------|
| Fund Balance 7/01 | \$ 11,836,513 | \$ 9,859,305 | \$ 7,226,427 | \$ 6,004,458 | \$ 5,856,902 | \$ 4,855,306 | \$ 5,285,171 | \$ 5,464,847 | \$ 6,479,658 | \$ 6,878,241 |
| Add Revenues: | | | | | | | | | | |
| Sewer Service Fees | 14,946,577 | 17,016,470 | 17,050,503 | 18,444,604 | 18,481,493 | 19,878,456 | 19,918,213 | 21,318,049 | 21,360,685 | 22,763,406 |
| Sewer Connection Fees | 1,200,000 | 860,000 | 885,800 | 912,374 | 939,745 | 967,937 | 996,975 | 1,026,884 | 1,057,691 | 1,089,422 |
| Interest | 373,147 | 293,858 | 259,429 | 289,301 | 261,273 | 247,329 | 262,196 | 291,329 | 325,802 | 360,386 |
| Loan Repayment | | | | | | | | 150,000 | 200,000 | 200,000 |
| Total Revenues | <u>16,519,724</u> | <u>18,170,328</u> | <u>18,195,732</u> | <u>19,646,279</u> | <u>19,682,511</u> | <u>21,093,722</u> | <u>21,177,384</u> | <u>22,786,262</u> | <u>22,944,178</u> | <u>24,413,214</u> |
| Less Expenditures: | | | | | | | | | | |
| Maintenance & Operations | 4,056,725 | 4,169,549 | 4,029,842 | 4,126,047 | 4,224,621 | 4,326,776 | 4,434,184 | 4,547,457 | 4,665,972 | 4,791,676 |
| Animal Control Notes Payable | 250,000 | 250,000 | | | | | | | | |
| Household Hazardous Waste | 411,887 | 420,125 | 428,528 | 437,099 | 445,841 | 454,758 | 463,853 | 473,130 | 482,593 | 492,245 |
| Rehab Bond Payment-Priority 1 | 836,530 | 834,638 | 832,650 | 834,655 | 835,126 | 834,186 | 836,776 | 833,070 | 833,189 | 836,903 |
| Bond Paymnt-Gravity Connection In Lieu of Pumping To CCCSD | | 200,000 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 |
| Payment to CCCSD: Operations | 9,069,000 | 9,320,000 | 9,611,000 | 10,067,000 | 10,546,000 | 11,055,000 | 11,588,000 | 12,157,000 | 12,722,000 | 13,345,378 |
| Total Appropriations | <u>14,624,142</u> | <u>15,194,312</u> | <u>15,682,580</u> | <u>16,245,361</u> | <u>16,832,148</u> | <u>17,451,280</u> | <u>18,103,373</u> | <u>18,791,217</u> | <u>19,484,314</u> | <u>20,246,762</u> |
| Net Income(Loss) | 1,895,582 | 2,976,016 | 2,513,152 | 3,400,918 | 2,850,363 | 3,642,442 | 3,074,011 | 3,995,045 | 3,459,864 | 4,166,452 |
| 10% Contingency Reserves | <u>1,312,573</u> | <u>1,348,955</u> | <u>1,364,084</u> | <u>1,419,305</u> | <u>1,477,062</u> | <u>1,538,178</u> | <u>1,602,218</u> | <u>1,670,446</u> | <u>1,738,797</u> | <u>1,813,705</u> |
| Reserve for Capital Projects: | | | | | | | | | | |
| City Projects | 136,790 | 140,894 | 145,121 | 149,474 | 153,959 | 158,577 | 163,335 | 168,234 | 173,281 | 178,479 |
| Capital Facility Contingency | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| CCCSD Capital Projects | 3,536,000 | 5,268,000 | 3,390,000 | 3,199,000 | 3,498,000 | 2,854,000 | 2,531,000 | 2,612,000 | 2,688,000 | 2,768,640 |
| Total Capital Projects | <u>3,872,790</u> | <u>5,608,894</u> | <u>3,735,121</u> | <u>3,548,474</u> | <u>3,851,959</u> | <u>3,212,577</u> | <u>2,894,335</u> | <u>2,980,234</u> | <u>3,061,281</u> | <u>3,147,119</u> |
| Fund Balance 6/30 | <u>\$ 8,546,732</u> | <u>\$ 5,877,472</u> | <u>\$ 4,640,373</u> | <u>\$ 4,437,597</u> | <u>\$ 3,378,244</u> | <u>\$ 3,746,993</u> | <u>\$ 3,862,628</u> | <u>\$ 4,809,212</u> | <u>\$ 5,139,443</u> | <u>\$ 6,083,868</u> |

Notes:

Meets all standards contained in the Budget and Fiscal Policy adopted by Council. This policy can be found on page 41.

Revenues:

Sewer service fees include a growth factor of .002.

Proposed rate increases required to finance a multi-million dollar sewer main rehabilitation project & gravity connection project.

Expenditures:

Salaries and benefits have been budgeted per current labor agreements adjusted for step increases and assuming a full staffing level.

Employee benefits expenses for medical insurance and retirement reflect recent higher than CPI increases and post retirement health includes adjustment for GASB No. 45.

Non-labor operating expenditures for FY 2007 and the remainder of the 20-Year planning period, depending on the category, include increases between 2 and 3% for inflation.

Operating expenditures include internal service fund charges for vehicles, computer and office equipment, buildings, workers' compensation and liability.

Rehabilitation bond repayment per Bond Debt Service schedule including fiscal charges.

CCCSD operations payments based CCCSD's ten year assumptions, including GASB No. 45 adjustment, with a CPI applied to Fiscal Year 2017 through Fiscal Year 2026: 3% Facility and 4.9% Operations.

Includes project costs as proposed in the CIP budget.

**Sewer Enterprise
Twenty Year Projection
for the Year Ending June 30, 2007**

| | | Fee Inc \$24 | | Fee Inc \$36 | | Fee Inc \$36 | | Fee Inc \$36 | | Fee Inc \$24 |
|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | <u>2016-17</u> | <u>2017-18</u> | <u>2018-19</u> | <u>2019-20</u> | <u>2020-21</u> | <u>2021-22</u> | <u>2022-23</u> | <u>2023-24</u> | <u>2024-25</u> | <u>2025-26</u> |
| Fund Balance 7/01 | \$ 7,897,574 | \$ 8,132,268 | \$ 8,688,954 | \$ 8,357,953 | \$ 9,144,481 | \$ 8,969,143 | \$ 9,829,156 | \$ 9,642,070 | \$10,396,602 | \$ 9,995,743 |
| Add Revenues: | | | | | | | | | | |
| Sewer Service Fees | 22,808,933 | 24,214,551 | 24,262,980 | 26,351,506 | 26,404,209 | 28,497,017 | 28,554,011 | 30,651,119 | 30,712,421 | 32,133,846 |
| Sewer Connection Fees | 1,122,105 | 1,155,768 | 1,190,441 | 1,226,154 | 1,262,939 | 1,300,827 | 1,339,852 | 1,380,048 | 1,421,449 | 1,464,092 |
| Interest | 390,972 | 410,274 | 415,778 | 426,889 | 441,796 | 458,495 | 474,908 | 488,748 | 497,374 | 480,914 |
| Loan Repayment | 200,000 | | | | | | | | | |
| Total Revenues | <u>24,522,010</u> | <u>25,780,593</u> | <u>25,869,199</u> | <u>28,004,549</u> | <u>28,108,944</u> | <u>30,256,339</u> | <u>30,368,771</u> | <u>32,519,915</u> | <u>32,631,244</u> | <u>34,078,852</u> |
| Less Expenditures: | | | | | | | | | | |
| Maintenance & Operations | 4,935,426 | 5,083,489 | 5,235,994 | 5,393,074 | 5,554,866 | 5,721,512 | 5,893,157 | 6,069,952 | 6,252,051 | 6,439,613 |
| Animal Control Notes Payable | | | | | | | | | | |
| Household Hazardous Waste | 502,090 | 512,132 | 522,375 | 532,823 | 543,479 | 554,349 | 565,436 | 576,745 | 588,280 | 600,046 |
| Rehab Bond Payment-Priority 1 | 834,406 | 835,860 | 836,029 | 834,873 | 837,352 | 838,761 | 838,666 | 837,332 | 839,612 | 839,912 |
| Bond Paymnt-Gravity Connection | | | | | | | | | | |
| In Lieu of Pumping To CCCSD | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 | 780,560 |
| Payment to CCCSD: | | | | | | | | | | |
| Operations | 13,999,302 | 14,685,268 | 15,404,846 | 16,159,683 | 16,951,507 | 17,782,131 | 18,653,455 | 19,567,474 | 20,526,280 | 21,532,068 |
| Total Appropriations | <u>21,051,784</u> | <u>21,897,309</u> | <u>22,779,804</u> | <u>23,701,013</u> | <u>24,667,764</u> | <u>25,677,313</u> | <u>26,731,274</u> | <u>27,832,063</u> | <u>28,986,783</u> | <u>30,192,199</u> |
| NET INCOME(LOSS) | 3,470,226 | 3,883,284 | 3,089,395 | 4,303,536 | 3,441,180 | 4,579,026 | 3,637,497 | 4,687,852 | 3,644,461 | 3,886,653 |
| 10% Contingency Reserves | <u>1,893,473</u> | <u>1,976,876</u> | <u>2,064,084</u> | <u>2,155,276</u> | <u>2,250,637</u> | <u>2,350,364</u> | <u>2,454,661</u> | <u>2,563,743</u> | <u>2,677,833</u> | <u>2,797,168</u> |
| Reserve for Capital Projects: | | | | | | | | | | |
| City Projects | 183,833 | 189,348 | 195,028 | 200,879 | 206,905 | 213,112 | 219,505 | 226,090 | 232,873 | 239,859 |
| Capital Facility Contingency | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 | 200,000 |
| CCCSD Capital Projects | 2,851,699 | 2,937,250 | 3,025,368 | 3,116,129 | 3,209,613 | 3,305,901 | 3,405,078 | 3,507,230 | 3,612,447 | 3,720,820 |
| Total Capital Projects | <u>3,235,532</u> | <u>3,326,598</u> | <u>3,420,396</u> | <u>3,517,008</u> | <u>3,616,518</u> | <u>3,719,013</u> | <u>3,824,583</u> | <u>3,933,320</u> | <u>4,045,320</u> | <u>4,160,679</u> |
| Fund Balance 6/30 | <u>\$ 6,238,795</u> | <u>\$ 6,712,078</u> | <u>\$ 6,293,869</u> | <u>\$ 6,989,205</u> | <u>\$ 6,718,505</u> | <u>\$ 7,478,791</u> | <u>\$ 7,187,408</u> | <u>\$ 7,832,859</u> | <u>\$ 7,317,910</u> | <u>\$ 6,924,549</u> |