

City of Concord, California

Annual Continuing Disclosure Report For Fiscal Year Ended June 30, 2006



- \$9,580,000** **City of Concord Joint Powers Financing Authority Lease Revenue Bonds
(Concord Avenue Parking Structure) Series 2001**
- \$12,605,000** **City of Concord Joint Powers Financing Authority Certificates of
Participation (2004 Wastewater System Improvement Project)**
- \$72,310,000** **Redevelopment Agency of the City of Concord
(Central Concord Redevelopment Project) Tax Allocation Refunding Bonds
Series 2004**

**Submitted by the City of Concord
Finance Department**

March 30, 2007

ANNUAL CONTINUING DISCLOSURE REPORT

Attached is the annual disclosure report for the City of Concord Joint Powers Financing Authority and the Redevelopment Agency of the City of Concord for the fiscal year ending June 30, 2006. This filing relates to the following issuers:

- City of Concord Joint Powers Financing Authority Lease Revenue Bonds (Concord Avenue Parking Structure) Series 2001, in the principal amount of \$9,580,000
- City of Concord Joint Powers Financing Authority Certificates of Participation (2004 Wastewater System Improvement Project), in the principal amount of \$12,605,000
- Redevelopment Agency of the City of Concord (Central Concord Redevelopment Project) Tax Allocation Refunding Bonds Series 2004 in the principal amount of \$72,310,000

Included in the originating documents signed as part of issuing the Bonds was a Continuing Disclosure Certificate requiring the City to submit audited financial statements and certain operating data and other information to central repositories to comply with the Securities & Exchange Commission Rule 15c2-12(b)(5). The information provided in the Annual Continuing Disclosure Report speaks only as of its date and is subject to change without notice.

Discussed below is each of the required disclosures:

A. *Adopted Budget and Audited Financial Statements*

Each year the City of Concord prepares its budget for the upcoming Fiscal Year and a forward-looking Ten-Year Financial Plan. The Adopted Budget is the result of an in-depth review by the Concord City Council that includes workshops and public hearings.

In addition, the City of Concord prepares its Comprehensive Annual Financial Report (CAFR), which presents all of the City's funds and account groups and includes explanatory footnotes intended to give readers a summary of the accounting policies and disclosures applicable to the City. These statements have been audited by the City's auditors, Maze & Associates, who have rendered an opinion as to the fairness of the City's Financial Statements. The Auditor's Opinion is presented on page 1 of the Comprehensive Annual Financial Report and is an unqualified opinion, which means the City's Financial Statements are fairly presented in accordance with generally accepted accounting principles.

A copy of the City's Adopted Budget and Comprehensive Annual Financial Report for the fiscal year ended June 30, 2006 are posted on the City's Finance Department website. (<http://www.cityofconcord.org/citygov/finance/reports.htm>)

B. *Other Data*

The following data can be found in the attachments and in the Comprehensive Annual Financial Report (CAFR).

City of Concord Joint Powers Financing Authority Lease Revenue Bonds (Concord Avenue Parking Structure) Series 2001

- a. Balance in the Parking Structure Revenue Fund (Table 1)
- b. Balance in the Other Funds and Accounts Held by the City or the Trustee (Table 2)
- c. Principal amount of Bonds Outstanding (Table 3)
- d. Taxable Sales Transactions (Table 4)
- e. Taxable Transactions by Type of Business (Table 5)
- f. Adopted and Final Budgets for Unrestricted General Fund (Table 6)
- g. Summary of Revenues, Expenditures and Changes in Fund Balances (Table 7)
- h. City's Pooled Investment Portfolio (Table 8)
- i. General Fund - Tax Revenues by Source (CAFR, page 28)
- j. Assessed Value of Taxable Property (CAFR, page 96)
- k. Largest Local Secured Property Taxpayers (CAFR, page 98)
- l. Tax Levies and Collections (CAFR, page 99)

City of Concord Joint Powers Financing Authority Certificates of Participation (2004 Wastewater System Improvement Project)

- a. Ten Largest Users of the Wastewater System (Table 9)
- b. Sewer Rates (Table 10)

Redevelopment Agency of the City of Concord (Central Concord Redevelopment Project) Tax Allocation Refunding Bonds Series 2004

- a. Historical Taxable Values and Tax Increment Revenues (Table 11)
- b. Largest Fiscal Year Property Taxpayers, by Assessed Value and Revenue (Table 12)
- c. Annual Assessed Value Appeal (Table 13)
- d. Tax Revenue Collection (CAFR, page 96)

We believe that the Adopted Budget, Comprehensive Annual Financial Report, and the above disclosures present a summary of the data required under the Continuing Disclosure Certificate. If after reviewing the above documents and facts you have any remaining questions, please contact me at (925)671-3192 or via e-mail at margaret.lefebvre@ci.concord.ca.us

Yours very truly,



Margaret Lefebvre
Director of Finance

**CITY OF CONCORD
CITY OF CONCORD JOINT POWERS FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2001**

MUNICIPAL DEBT CONTINUING DISCLOSURE - SEC RULE 15c2-12(b)(5)

Table 1

BALANCE IN THE PARKING STRUCTURE REVENUE FUND

Fiscal year	Use of money and property	Principal retirement	Interest, fiscal charges and cost of issuance	Proceeds from debt issuance	Transfers, Net	Ending fund balance
2001	\$9,684	\$0	\$296,384	\$1,116,000	\$0	\$829,300
2002	14,126	0	428,808	0	331,110	745,725
2003	10,035	290,000	459,112	0	734,971	741,622
2004	3,988	300,000	447,751	0	745,337	743,196
2005	14,516	310,000	434,325	0	735,620	749,007
2006	23,822	325,000	420,539		721,679	751,969

Table 2

**BALANCE IN THE OTHER FUNDS AND ACCOUNTS
HELD BY THE CITY OR THE TRUSTEE**

Fiscal year	Use of money and property	Proceeds from debt issuance	Transfers Net	Capital outlay	Ending fund balance
2001	\$74,778	\$8,464,000	\$0	\$2,425,913	\$6,112,865
2002	145,118	0	47,120	5,618,783	686,320
2003	11,393	0	31	518,057	179,687
2004	0	0	0	0	179,687
2005	67,646	0	(247,333)	0	0
2006	0	0	0	0	0

Source: City of Concord Financial Statements

Principal Amount of Bonds Outstanding

MUNICIPAL DEBT CONTINUING DISCLOSURE SEC RULE 15c2-12(b)(5)

Table 3

<u>As of June 30</u>	<u>Principal Retired in Fiscal Year</u>	<u>Principal Outstanding</u>
2001	\$0	\$9,580,000
2002	0	9,580,000
2003	290,000	9,290,000
2004	300,000	8,990,000
2005	310,000	8,680,000
2006	325,000	8,355,000

Source: City of Concord Financial Statements

**CITY OF CONCORD
TAXABLE SALES TRANSACTIONS
CALENDAR YEAR 2005**

**MUNICIPAL DEBT CONTINUING DISCLOSURE
SEC RULE 15c2-12(b)(5)**

Table 4

<u>Calendar Year</u>	<u>Number of Permits</u>	<u>Taxable Sales Transactions</u>
1996	3,586	1,643,650,000
1997	3,455	1,759,369,000
1998	3,353	1,850,999,000
1999	3,263	2,032,919,000
2000	3,282	2,316,623,000
2001	3,281	2,230,072,000
2002	3,354	2,426,439,000
2003	3,388	2,575,981,000
2004	3,400	2,566,498,000
2005	3,651	2,641,740,100

Source: State Board of Equalization and HDL & Associates

**CITY OF CONCORD
TAXABLE TRANSACTIONS
BY TYPE OF BUSINESS
(in Thousands of Dollars)
CALENDAR YEAR 2005**

**MUNICIPAL DEBT CONTINUING DISCLOSURE
SEC RULE 15c2-12(b)(5)**

Table 5

<u>Business</u>	<u>Number of Permits</u>	<u>Sales Taxable Transactions</u>
Autos and Transportation	389	\$781,796
Building and Construction	217	371,609
Business and Industry	891	289,353
Food and Drugs	138	109,165
Fuel and Service Stations	53	115,254
General Consumer Goods	1,627	815,023
Restaurants and Hotels	332	159,524
Transfers & Unidentified	4	16
Total Outlets	<u><u>3,651</u></u>	<u><u>2,641,740</u></u>

Source: State Board of Equalization & HDL Associates

**CITY OF CONCORD
ADOPTED AND FINAL
BUDGETS FOR 2005-06 AND 2006-07 ADOPTED BUDGET FOR
UNRESTRICTED GENERAL FUND**

MUNICIPAL DEBT CONTINUING DISCLOSURE - SEC RULE 15c2-12(b)(5)

Table 6

	2005-06 Adopted General Fund Budget	2005-06 Actual General Fund Budget	2006-07 Proposed General Fund Budget
REVENUES:			
Taxes	\$53,625,727	\$53,625,727	\$58,316,695
Licenses and permits	1,326,261	1,392,881	1,550,764
Intergovernmental	874,679	876,029	930,914
Charges for current services	7,993,161	8,034,361	8,846,469
Fines and forfeitures	678,461	678,461	639,863
Use of money and property	858,136	858,136	1,118,063
Other	139,010	139,010	140,479
Total Revenues	<u>65,495,435</u>	<u>65,604,605</u>	<u>71,543,247</u>
EXPENDITURES:			
Current:			
Salaries and benefits	50,620,001	50,480,563	52,393,859
Operating expenditures	9,216,099	9,284,412	9,315,521
Fixed charges	7,258,080	8,698,676	9,493,371
Total Expenditures	<u>67,094,180</u>	<u>68,463,651</u>	<u>71,202,751</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,598,745)</u>	<u>(2,859,046)</u>	<u>340,496</u>
OTHER FINANCING SOURCES (USES):			
Transfers in	240,866	240,866	242,697
Transfers (out)	(9,846,896)	(12,181,482)	(906,658)
Total Other Financing Sources (Uses)	<u>(9,606,030)</u>	<u>(11,940,616)</u>	<u>(663,961)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(11,204,775)</u>	<u>(14,799,662)</u>	<u>(323,465)</u>
Fund balance at beginning of year	<u>11,962,405</u>	<u>23,829,102</u>	<u>9,029,440</u>
Fund balance at end of year	<u>\$757,630</u>	<u>\$9,029,440</u>	<u>\$8,705,975</u>

Source: City of Concord Financial Statements

**CITY OF CONCORD
GENERAL FUND
SUMMARY OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

MUNICIPAL DEBT CONTINUING DISCLOSURE - SEC RULE 15c2-12(b)(5)

Table 7

	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06
REVENUES:						
Taxes	\$46,470,843 (1)	\$43,116,810 (1)	\$45,827,687	\$46,721,417	\$47,698,542	\$56,102,956
Licenses and permits	1,121,128	1,772,720	1,728,767	1,540,358	1,538,066	1,671,153
Intergovernmental	9,423,451	9,502,433	9,576,061	9,123,025	9,742,965	1,403,045
Charges for current services	4,058,714	5,495,808	5,396,382	6,057,346	6,112,694	7,016,914
Fines and forfeitures	426,839	514,190	454,200	583,533	671,137	787,598
Parks and recreation	1,985,340	2,079,835	2,143,019	2,117,718	2,420,106	2,585,962
Use of money and property	2,992,093	2,446,186	1,228,700	618,363	1,166,428	1,465,897
Other	350,931	200,872	156,503	335,466	198,408	332,986
Total Revenues	66,829,339	65,128,854	66,511,319	67,097,226	69,548,346	71,366,511
EXPENDITURES:						
Current:						
General Government	8,977,434	10,006,177	10,876,499	11,659,213	8,791,670	10,331,725
Public Safety	25,426,450	26,736,545	28,687,140	29,977,656	35,442,623	36,860,686
Public Works	5,273,680	3,170,375	2,678,363	2,744,650	7,889,828	8,315,970
Building, Engineering & Neighborhood Services	2,775,650	2,092,787	1,665,332	1,307,734	1,303,665	4,691,323
Planning and Economic Development	3,386,510	3,717,847	3,907,888	4,457,583	4,946,941	1,513,787
Community & Recreation Services	9,424,367	9,664,763	11,556,586	12,615,468	5,669,750	5,767,138
Nondepartmental						
Capital outlay	1,533,044	5,743,841	7,973,788	4,403,253	0	0
Total Expenditures	56,797,135	61,132,335	67,345,596	67,165,557	64,044,477	67,480,629
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,032,204	3,996,519	(834,277)	(68,331)	5,503,869	3,885,882
OTHER FINANCING SOURCES (USES):						
Transfers in	1,530,604		5,713,804	560,018	837,530	694,061
Transfers (out)	(93,297)	1,556,452	(2,097,835)	(98,583)	(3,272,716)	(12,113,187)
Sale of fixed assets		(4,108,346)	886,435			
Total Other Financing Sources (Uses)	1,437,307	(2,551,894)	4,502,404	461,435	(2,435,186)	(11,419,126)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	11,469,511	1,444,625	3,668,127	393,104	3,068,683	(7,533,244)
Fund balance at beginning of year	21,742,763	31,007,381 (1)	32,452,006	36,120,133	36,513,237	39,581,920
Residual Equity Transfer	(2,204,893)					
Fund balance at end of year	\$31,007,381	\$32,452,006	\$36,120,133	\$36,513,237	\$39,581,920	\$32,048,676

(1) In fiscal year 2003 the City restated sales tax revenues in accordance with GASB 33.
The effect of this restatement was not carried back to years prior to fiscal year 2001.

(2) The City underwent reorganization during 2005 and 2006

Source: City of Concord Financial Statements

**CITY OF CONCORD
CITY'S POOLED INVESTMENT PORTFOLIO
June 30, 2006**

MUNICIPAL DEBT CONTINUING DISCLOSURE - SEC RULE 15c2-12(b)(5)

Table 8

Investment	Carrying Value	Percent of Portfolio	Yield/360-Day Year Equivalent
Local Agency Investment Fund	\$31,773,247	35.02%	4.636%
Money Market Fund			
- Checking Account	25,000	0.03%	4.734%
Federal Agency Issues - Coupon	55,991,930	61.71%	3.750%
Treasury Securities	999,219	1.10%	3.726%
Miscellaneous Securities - Coupon	1,950,070	2.15%	4.580%
Total Investments	\$90,739,466	100.00%	4.186%

Note: Excludes Redevelopment Agency Investments and Cash and Investments with fiscal agent

Source: City of Concord Finance Department

**CITY OF CONCORD JOINT POWERS FINANCING AUTHORITY
CERTIFICATES OF PARTICIPATION
(2004 WASTEWATER SYSTEM IMPROVEMENT PROJECT)**

Table 9

**Ten Largest Users of the Wastewater System
12 Months Through June 30, 2006**

<u>Customers</u>	<u>Type of Use</u>	<u>Percent</u>
1. Mt. Diablo Unified School District	30 School Sites	0.66%
2. Killarney Properties	300 Apartments	0.50%
3. John Muir Medical Center	Hospital	0.49%
4. U.S. Coast Guard	287 Dwelling Units	0.48%
5. Concord Family Apts LP	275 Apartments	0.46%
6. Concord Gardens Mobile Home Park	260 Mobile Homes + Rec Bldg	0.44%
7. EQR/Legacy Partners, LLC	260 Apartments	0.44%
8. Evilsizor, John L & Mary A	218 Apartments	0.36%
9. Clayton Creek Partnership	208 Apartments	0.35%
10. Concord Homes Inc.	196 Senior Apartments	0.33%

Source: City of Concord

Table 10

City of Concord Annual Sewer Service Rates FY 2005-2006 (CMC 110-32(c)) (7-1-05)*

RESIDENTIAL OWNERS		
1.	Minimum rate for any premises	\$258.00
2.	Each single-family dwelling unit	258.00
3.	Each dwelling unit in a multiple dwelling structure	258.00 per unit
4.	Mobile Home Park	258.00 per space
COMMERCIAL OWNERS—Charge based upon quantity of water used in cubic feet		
1.	Minimum rate for any premises	\$258.00
2.	Bowling Alleys	2.27/100 cu. ft.
3.	Car Washes	2.27/100 cu. ft.
4.	Health Studios and Gymnasiums	2.27/100 cu. ft.
5.	Hospitals--Convalescent	2.27/100 cu. ft.
6.	Multiple Lodging Structures (hotels, motels and rooming houses)	2.27/100 cu. ft.
7.	Laundromats and Laundries	2.27/100 cu. ft.
8.	Restaurants	4.54/100 cu. ft.
	Restaurants with pretreatment facilities approved annually	2.58/100 cu. ft.
9.	Bakeries	Determined Individually
10.	All others	2.58/100 cu. ft.
INSTITUTIONAL OWNERS		
1.	Minimum rate for any premises	\$258.00
2.	As defined in Section 110-31, except for Convalescent Hospitals	2.58/100 cu. ft.
INDUSTRIAL OWNERS—Charge based upon quantity of water used and quality of effluent		
1.	Minimum rate for any premises	\$258.00
2.	Flow/Million Gallons	2,002.00
3.	Biochemical Oxygen Demand (B.O.D.) per thousand pounds	470.00
4.	Suspended Solid (S.S.) per thousand pounds	400.00
SPECIAL DISCHARGE PERMITS, AS ISSUED BY THE DISTRICT		
1.	Charge based upon quantity of water used and quality of effluent	Determined Individually
SPECIAL CONTRACTUAL AGREEMENT		
		Determined Individually

* The charges are set by separate City Ordinance under Concord Municipal Code Section 110-32(c) and are duplicated here for ease of reference.

City of Concord
Historical Taxable Values and Tax Increment Revenues
Fiscal Years Ended June 30, 2006

Table 11

	2003-04	2004-05	2005-06
Total Assessed Values	\$1,019,724,502	\$1,055,794,165	\$1,097,447,920
Base Year Values	124,866,972	124,866,972	124,866,972
Incremental Assessed Values	<u>1,144,591,474</u>	<u>1,180,661,137</u>	<u>1,222,314,892</u>
Incremental Property Taxes	12,374,154	12,777,047	13,280,957
Less:			
Educational Revenue Augmentation	(680,729)	(1,197,780)	(1,125,875)
Tax Increment Pass Through		(520,871)	(248,711)
Tax Increment Rebate			(477,940)
Net Tax Revenues	<u>\$11,693,425</u>	<u>\$11,058,396</u>	<u>\$11,428,431</u>

Source: Redevelopment Agency

**City of Concord
Largest Fiscal Year 2005-06 Property Taxpayers
By Assessed Value and Revenue**

Table 12

<u>Property Owner</u>	<u>Primary Land Use</u>	2005-06 Assessed Value	2005-06 Projected Revenue (*)
1. Bank of America	Office Building	\$151,620,115	1,212,961
2. Chevron USA, Inc.	Office Building	95,455,636	763,645
3. Sierra Pacific Properties, Inc.	Office Building	87,425,202	699,402
4. Rreef America REIT III Corporation	Office Building	62,684,455	501,476
5. Concord Airport Plaza Associates	Office Building	55,077,105	440,617
6. Seecon Financial	Office Building	49,205,076	393,641
7. EQR/Legacy Partners LLC	Apartments	49,033,048	392,264
8. Willows Center Concord	Shopping Center	39,317,433	314,539
9. Interstate Concord LLC	Hotel	24,439,790	195,518
10. Sutter Square Associates	Office Building	23,854,757	190,838
Total		<u>\$638,112,617</u>	<u>\$5,104,901</u>

Source: California Municipal Statistics, Inc.

* Projected Revenue using 80% of 1% Basic County Wide Levy Rate