

# **TOWN OF TIBURON**

## ***California***

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**Annual Financial Report  
June 30, 2013**

### **Town Council**

**Emmett O'Donnell  
Alice Fredericks  
Jim Fraser  
Frank Doyle  
Jeff Slavitz**

**Mayor  
Vice Mayor  
Member  
Member  
Member**

### **Appointed Officials**

***Town Manager*  
Margaret Curran**

***Town Treasurer*  
William Osher**

***Town Attorney*  
Ann R. Danforth**

**TOWN OF TIBURON**

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# MARCELLO & COMPANY

## CERTIFIED PUBLIC ACCOUNTANTS

2701 Cottage Way, Suite 30 / Sacramento, California 95825

### INDEPENDENT AUDITOR'S REPORT

Honorable Mayor  
Members of the Town Council  
Town of Tiburon, California

#### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Tiburon, California, as of and for the year ended June 30, 2013, which collectively comprise the Town'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 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 an opinion on these financial statements based upon our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 purposes 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 estimates made by management, as well as evaluating the overall financial statement presentation.

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

Honorable Mayor  
Members of the Town Council  
Town of Tiburon, California

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Tiburon, as of June 30, 2013, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Report on the Supplemental Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 historic 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 Matters**

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Town of Tiburon's basic financial statements. The combining nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The combining nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Marcello & Company*

Certified Public Accountants  
Sacramento, California  
October 18, 2013

**MANAGEMENT'S DISCUSSION & ANALYSIS**

*As Prepared by Management  
(unaudited)*

## Town of Tiburon Management's Discussion and Analysis

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As management of the Town of Tiburon, we offer readers of these financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2013 (FY 2013). We encourage readers to consider the information presented here in conjunction with the Town's financial statements, which follow this discussion and analysis.

### **OVERVIEW OF THE BASIC FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements, which consist of three components:

- 1) Government-wide Financial Statements
- 2) Fund Financial Statements
- 3) Notes to the Basic Financial Statements

This report also contains required and other supplementary information in addition to the Basic Financial Statements.

#### **Government-wide Financial Statements**

The Government-wide Financial Statements consist of the Statement of Net Position and the Statement of Activities. These statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to private sector businesses. They provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances.

The Statement of Net Position presents information on all of the Town'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 Town is improving or deteriorating.

The Statement of Activities presents information about how the Town'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, some of the revenue and expenses reported in this statement may result in cash flows only in future fiscal periods, such as revenue related to uncollected taxes and interest expense incurred but not paid.

#### **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 Town, like other governmental entities, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds of governmental entities are divided into three categories:

- 1) Governmental Funds
- 2) Proprietary Funds
- 3) Fiduciary Funds

# Town of Tiburon Management's Discussion and Analysis

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## Governmental Funds

Most of the Town's basic services are included in Government Funds, which focus on 1) how cash and other financial assets that can be converted readily to cash flow in and out and 2) the balances left at year-end that are available for spending. Consequently, the Government Funds statement provides a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the Government-wide Statements, there is a schedule subsequent to each Government Funds Financial Statement that reconciles it to the related Government-wide Financial Statement.

## Proprietary Funds

Services for which the Town charges customers a fee are generally reported in Proprietary Funds. Proprietary Funds, like the Government-wide Financial Statements, provide both long-term and short-term financial information. Currently the Town does not require the use of Proprietary Funds.

## Fiduciary Funds

Fiduciary Funds are used to account for resources held for the benefit of parties outside the municipality, such as assessment districts. Fiduciary Funds are not reflected in the Government-wide Financial Statements because those resources are not available to support the Town's own programs.

## Notes to the 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 follow the Basic Financial Statements.

## Required Supplementary Information

In addition to the Basic Financial Statements and accompanying Notes, this report also presents certain required supplementary information other than this discussion and analysis, concerning the Town's budgetary comparison schedule, and its schedule of funding progress for its postemployment medical benefits plan. Since the Town participates in a "Risk Pool" defined benefits pension plan, GASB does not require information for Risk Pool plans because that information only reports Risk Pool activity, and not specific activity of the Town.

## **FINANCIAL HIGHLIGHTS**

### Government-wide Financial Statement Highlights

- The Government-wide Statement of Net Position, appearing as the first statement of the Basic Financial Statements, shows that the Town's total assets exceeded total liabilities by \$53.27 million (net position). Of this amount, \$13.25 million was unrestricted net position and may be used to meet the Town's ongoing obligations to the citizens and creditors of the Town.

## Town of Tiburon Management's Discussion and Analysis

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- Town cash and investments totaled \$15.85 million, and capital assets totaled \$39.18 million on June 30, 2013, representing 28 percent and 70 percent of the Town's total assets, respectively.
- The Town's liabilities totaled approximately \$3.09 million and consist of accounts payable, refundable deposits, compensated absences and Other Post Employment Benefit (OPEB) obligations.
- The Government-wide Statement of Activities shows that total Town revenue was approximately \$10.10 million (general revenue of \$7.18 million and program revenue of \$2.90 million) compared with total expenses of approximately \$8.57 million, resulting in an increase in net position of \$1,515,480.

### **Fund Financial Statement Highlights**

- At the close of FY 2013, the combined fund balance of the Town's Governmental Funds was \$15.97 million, of which approximately \$11.14 million is General Fund. This represents a decrease of \$1,036,379 over the previous fiscal year. The combined General Fund balances accounted for \$940,509 of the total decrease. The detailed components of revenues and expenditures can be found in the accompanying Statement of Revenues, Expenditures and Change in Fund Balances on page 16.

### **Town Improvement Highlights**

- During FY 2013 the Town made a substantial investment in infrastructure and facilities. The Town completed the new Lyford Drive multi-modal parking lot. The total cost of this new facility was approximately \$1.35 million. The Town received a \$314,000 Transportation Authority of Marin grant towards the project in FY 2013.
- The Town substantially completed the new Dairy Knoll Recreation Facility on Ned's Way. The total cost of the building will be approximately \$2.35 million when completed. The Town received \$300,000 in funding from the City of Belvedere towards construction costs and shall receive \$30,000 annually towards capital costs.
- After nearly two years in the making, the Town launched its new website with substantial input from the Town's Marketing and Communications Committee. The Town also unveiled its new branding message – "*Tiburon by the Bay. Near. Perfect*".
- The Town invested nearly \$1 million in overlaying the streets in the Del Mar Valley Utility Undergrounding District. This completed the Town's ten-year effort to reconstruct all streets that are considered to be in a "failed" condition. The Town's Pavement Condition Index (PCI) as determined by the Metropolitan Transportation Committee was rated at 72, the second highest in Marin County, and above the Town Council's target goal of 70.

**Town of Tiburon  
Management's Discussion and Analysis**

**FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE**

The Town has presented its financial statements in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statement - Management's Discussion and Analysis - for State and Local Governments*.

**Net Position:**

Net position is a measure of a government's financial position and, over time, a trend of increasing or decreasing net position is an indicator of the financial health of the organization. In the case of the Town of Tiburon, assets exceeded liabilities by \$53,267,421, an increase of \$1,515,480 over the previous fiscal year. By far the largest portion (74 percent) of the Town's net position reflects its investment in capital assets, e.g., land, buildings, roadways, drainage systems, and equipment). The Town uses capital assets to provide services to its citizens. Consequently, these assets are not available for future appropriations. The Town carries no debt related to its capital assets.

A condensed presentation of the Town's Net Position is presented in the following table comparing last fiscal year to the most recently completed fiscal year:

**Statement of Net Position  
Comparison of FY 2013 and FY 2012**

	June 30		Amount Change	Percent Change
	2013	2012		
<b><u>Assets</u></b>				
Current and other assets	\$ 17,176,757	\$ 17,532,009	\$ (355,252)	-2%
Capital assets, net	39,175,663	36,357,486	2,818,177	8%
Total assets	<u>56,352,420</u>	<u>53,889,495</u>	<u>2,462,925</u>	5%
<b><u>Liabilities</u></b>				
Current and other liabilities	1,208,747	527,621	681,126	129%
Non-current liabilities	1,876,252	1,609,933	266,319	17%
Total liabilities	<u>3,084,999</u>	<u>2,137,554</u>	<u>947,445</u>	44%
<b><u>Net Position</u></b>				
Amount invested in				
capital assets	39,175,663	36,357,486	2,818,177	8%
Restricted	846,254	623,325	222,929	0%
Unrestricted	13,245,504	14,771,130	(1,525,626)	-10%
Total net position	<u>\$ 53,267,421</u>	<u>\$ 51,751,941</u>	<u>\$ 1,515,480</u>	3%

- Total assets increased by 5% or \$2.46 million.
- Capital assets increased by \$2,818,177 or 8 percent over last fiscal year. During FY 2013 the Lyford Parking Lot and Dairy Knoll Recreation building were placed into service which accounts for the majority of increase in net capital assets.

**Town of Tiburon  
Management's Discussion and Analysis**

- Total liabilities increased \$947,445 or 44 percent from the previous year. Of this increase, \$681,126 was in current liabilities, of which \$600,000 was due to the Town receiving a refundable deposit for site improvements for a three-lot subdivision off Trestle Glen. Non-current liabilities increased by \$266,319 due to an increase in the Town's Other Post Employment Benefit Obligation of \$289,478 and a decrease in compensated absences of \$23,158.

**General Government Functions**

A condensed presentation of the Town's Governmental Activities is provided in the following table, which compares the current fiscal year over the prior year:

**Statement of Activities  
Comparison of FY 2013 and 2012**

	June 30		Amount Change	Percent Change
	2013	2012		
<b><u>Revenue</u></b>				
Program revenue	\$ 2,898,747	\$ 2,290,602	\$ 608,145	27%
General revenue	7,181,309	6,548,096	633,213	10%
Total revenue	<u>10,080,056</u>	<u>8,838,698</u>	<u>1,241,358</u>	14%
<b><u>Expenses</u></b>				
General government	2,844,281	3,405,886	(561,605)	-16%
Public Safety	3,128,939	2,668,900	460,039	17%
Public works	1,333,522	1,268,534	64,988	5%
Capital improvements	-	-	-	0%
Depreciation	<u>1,257,834</u>	<u>1,176,752</u>	<u>81,082</u>	7%
Total expenses	<u>8,564,576</u>	<u>8,520,072</u>	<u>44,504</u>	1%
<b><u>Change in Net Position</u></b>				
Net Position - beginning	51,751,941	52,510,697	(758,756)	-1%
Record OPEB obligation	-	<u>(1,077,382)</u>	<u>1,077,382</u>	
Net Position - end of year	<u>\$ 53,267,421</u>	<u>\$ 51,751,941</u>	<u>\$ 1,515,480</u>	3%

- Charge for Services revenue increased by \$608,145 or 27 percent over the previous fiscal year. This was due to an increase in operating and capital grants of \$551,066, coupled with an increase in operating revenue from building and planning related permits.
- General Revenue increased by \$633,213 or 10 percent from the previous fiscal year. The largest contributing factors to this increase are property taxes (\$111,739), sales tax (\$67,698), franchise fees (\$130,489), and fines and forfeitures (\$262,665).
- Total expenses remained consistent with the previous fiscal year, increasing by one-half percent.
- Capital improvements met the threshold to be capitalized rather than expensed.

**Town of Tiburon  
Management's Discussion and Analysis**

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**FINANCIAL ANALYSIS OF THE GENERAL FUND**

**Revenue**

The general fund is the main operating fund of the Town. The general fund consists of the general operating account and 13 reserve funds. During FY 2013, the Town received general fund revenue of \$9,042,381, which represents an increase of \$1,229,297, or 16 percent over the previous fiscal year. Of this increase, \$614,000 was from grants towards Dairy Knoll and the Lyford Parking lot which are categorized under Intergovernmental revenue.

The table below compares general fund revenue by category for the fiscal years ended June 30, 2013 and 2012.

**General Fund Revenue Comparison**

	June 30		Amount Change	Percent Change
	2013	2012		
Property taxes	\$ 4,220,957	\$ 4,125,762	\$ 95,195	2%
Other taxes	1,306,463	1,191,553	114,910	10%
Franchise fees	694,330	563,841	130,489	23%
Fines and penalties	404,342	141,677	262,665	185%
Investment earnings	28,531	37,053	(8,522)	-23%
Intergovernmental	827,165	278,415	548,750	197%
Licenses and permits	908,612	967,511	(58,899)	-6%
Charge for services	479,779	383,206	96,573	25%
Other revenue	172,202	124,066	48,136	39%
	<u>9,042,381</u>	<u>7,813,084</u>	<u>1,229,297</u>	16%

- **Property Taxes.** In FY 2013 the Town realized a 2 percent increase in property tax revenue. The previous year's increase was 1 percent, which was after recording its first ever decrease in FY 2011. This confirms that assessed property values and the housing market are stabilizing.
- **Other Taxes.** Within this revenue category the Town realized increases in sales tax of 16 percent; Transient Occupancy Tax of 4 percent; and Property Transfer Tax of 15 percent. This is in addition to increases of 2 percent, 23 percent, and 25 percent, respectively in FY 2012.
- **Franchise Fees.** Franchise Fees increased 23 percent over FY 2012. The largest increase was in the accounting of refuse collection franchise fees. In addition to receiving franchise fees on debris boxes from Mill Valley Refuse and Grange Debris, the Town also retains within the General Fund Streets and Drainage Reserve \$80,000 that used to be accounted as restricted Street Impact Fees. Cable franchise fees increased during the year, yet PG&E fees decreased, probably due to lower fuel costs and conservation measures.

**Town of Tiburon  
Management's Discussion and Analysis**

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- **Fines and Permits.** Fines and Penalties increased 185 percent. This entire increase is due to construction permit penalties received from a single family construction project on Gilmartin Drive. All other categories of fines and penalties remained consistent over the previous year.
- **Investment Earnings.** Investment Earnings were down 23 percent due to the continuing decline in interest rates on investments.
- **Intergovernmental.** Intergovernmental revenue was up 197 percent over FY 2012 due to the receipt of \$300,000 from the City of Belvedere towards the Dairy Knoll project and \$314,000 from the Transportation Authority of Marin (TAM) towards the Lyford Drive multi-modal parking lot improvements.
- **License and Permits.** The Town realized a 6 percent decrease in license and permit revenue in FY 2013. Most sources of revenue within this category were consistent with the previous year.

**Expenditures**

General Fund expenditures increased by 35 percent over FY 2012. This increase is due to the combination of a \$3 million increase in Capital Project expenditures in FY 2013 and a decrease of \$790,000 in Non-Departmental Expenditures.

The two-year comparison table below illustrates the expenditure categories by department for the fiscal years ended June 30, 2013 and 2012.

**General Fund Expenditures Comparison**

	June 30		Amount Change	Percent Change
	2013	2012		
Town administration	\$ 1,232,060	\$ 1,204,082	\$ 27,978	2%
Community development	964,193	883,491	80,702	9%
Public safety	2,972,621	2,705,943	266,678	10%
Public works	1,317,348	1,253,054	64,294	5%
Legislative	26,723	34,543	(7,820)	-23%
Non-departmental	418,259	1,207,434	(789,175)	0%
Capital improvements	3,154,735	169,747	2,984,988	1758%
	<u>10,085,939</u>	<u>7,458,294</u>	<u>2,627,645</u>	35%
Excess of Revenue over (under) Expenditures	<u>\$ (1,043,558)</u>	<u>\$ 354,790</u>	<u>\$ (1,398,348)</u>	-71%

- General Fund Capital Project expenditures increased by \$2.99 million due to \$1.17 million in expenditures towards the Lyford Drive parking lot and \$1.77 million towards the Dairy Knoll project.
- In FY 2013 the Town spent \$789,175 less in Non-Department expenses. This was due to the one-time expense to pay off the CalPERS side funds in an amount of \$655,000 in FY 2012.

**Town of Tiburon  
Management's Discussion and Analysis**

- Public Safety expenses increased by \$266,678 due to a combination of increased capital equipment expenditures and the payout of compensated leave to employees who left the Town's employment.

**FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS**

The following table presents a two-year comparison of the Town's governmental funds revenue and expenditures for FY 2013 and 2012 and the amount of increase or decrease.

**Total Governmental Funds  
Comparison of FY 2013 and FY 2012**

	June 30		Amount Change	Percent Change
	2013	2012		
<b>Revenue</b>				
Property taxes	\$ 4,237,501	\$ 4,125,762	\$ 111,739	3%
Other taxes	1,392,104	1,191,553	200,551	17%
Franchise fees	694,330	563,841	130,489	23%
Fines and forfeitures	404,342	141,677	262,665	185%
Interest earnings	44,444	61,212	(16,768)	-27%
Intergovernmental	1,151,952	714,857	437,095	61%
License and permits	908,612	967,511	(58,899)	-6%
Other revenue	1,060,654	944,676	115,978	12%
Charge for services	186,117	127,611	58,506	46%
Totals	<u>10,080,056</u>	<u>8,838,700</u>	<u>1,241,356</u>	14%
<b>Expenditures</b>				
Town administration	1,233,688	1,204,082	29,606	2%
Community development	971,886	996,649	(24,763)	-2%
Public safety	2,972,621	2,705,943	266,678	10%
Public works	1,333,522	1,268,534	64,988	5%
Legislative	30,630	34,764	(4,134)	-12%
Non-departmental	505,479	1,207,434	(701,955)	-58%
Capital projects	4,071,663	955,707	3,115,956	326%
Totals	<u>11,119,489</u>	<u>8,373,113</u>	<u>2,746,376</u>	33%
Excess of Revenue over (under) Expenditures	<u>\$ (1,039,433)</u>	<u>\$ 465,587</u>	<u>\$ (1,505,020)</u>	-323%

**ECONOMIC OUTLOOK AND NEXT YEAR'S BUDGET**

The modest economic recovery that has been taking place over the past three years continues to gain steam. Management is optimistic that this recovery will continue during the current fiscal year and beyond, and that Tiburon should continue to benefit from this recovery.

## **Town of Tiburon Management's Discussion and Analysis**

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Major revenue sources that expand and contract with the national, state and local economy, such as sales tax, transient occupancy tax and building related fees, have experienced three consecutive years of increases. The local housing market continues to improve, which in turn increases the Town's largest revenue source - property taxes. Inventory of homes for sale has dropped significantly over a year ago, and demand remains strong, which should contribute to higher housing prices.

The adopted budget for FY 2013-14 calls for an operating surplus of \$93,877. As of the writing of this report, it appears the projected surplus will be substantially more than anticipated. After two years of aggressive Capital Improvement expenditures it is anticipated the Town will resume a more status quo program.

The Town continues to have a healthy long-term financial position. Staff aggressively monitors revenue and expenditures. Recently implemented strategies to reduce unfunded liabilities related to employment costs are improving the cost of providing the Town's largest expenditure – salary and benefits. The citizens of the Town are fortunate that they are able to enjoy exceptional Town services, a balanced budget, and that vital Town infrastructure continues to be maintained and improved.

### **CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the citizens, taxpayers, customers, investors, and creditors of the Town of Tiburon with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional information, contact the Town of Tiburon, Administrative Services Department, 1505 Tiburon Boulevard, Tiburon, CA 94920.

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**TOWN OF TIBURON**  
**Government-wide Financial Statements**  
**Statement of Net Position**  
**June 30, 2013**

	<b>Total Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 15,853,688
Receivables	505,549
Notes receivable	817,520
Capital assets not being depreciated	4,087,952
Capital assets, net of depreciation	<u>35,087,711</u>
Total assets	<u>56,352,420</u>
 <b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	862,250
Accrued liabilities	235,146
Deposits	111,351
Total current liabilities	<u>1,208,747</u>
Noncurrent liabilities:	
Due within one year	47,551
Due in more than one year	1,828,701
Total noncurrent liabilities	<u>1,876,252</u>
Total liabilities	<u>3,084,999</u>
 <b>NET POSITION</b>	
Invested in capital assets	39,175,663
Restricted	846,254
Unrestricted	13,245,504
Total net position	<u>\$ 53,267,421</u>

*The accompanying notes are an integral part of these financial statements*

**TOWN OF TIBURON**  
**Government-wide Financial Statements**  
**Statement of Activities**  
**Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Change in Net Assets
		Charges for Services	Operating Grants	Capital Grants	
Governmental Activities:					
General government	\$ 2,844,281	\$ 1,704,103	\$ 50,212	\$ -	\$ (1,089,966)
Public safety	3,128,939	159,098	127,465	-	(2,842,376)
Public works	1,333,522	106,065	451,804	-	(775,653)
Capital improvements	-	-	-	300,000	300,000
Depreciation	1,257,834	-	-	-	(1,257,834)
<b>Totals</b>	<b>\$ 8,564,576</b>	<b>\$ 1,969,266</b>	<b>\$ 629,481</b>	<b>\$ 300,000</b>	<b>(5,665,829)</b>

<b>General Revenue</b>	
Property taxes	4,237,501
Sales tax	526,629
Measure A sales tax	85,641
Transient occupancy tax	605,243
Gasoline taxes	222,471
Property transfer taxes	174,591
Franchise fees	694,330
Fines and forfeitures	404,342
Use of money and property	44,444
Other revenue	186,117
<b>Total general revenue</b>	<b>7,181,309</b>

**Change in Net Position** 1,515,480

**Net Position**

Beginning	51,751,941
End of year	<u>\$ 53,267,421</u>

*The accompanying notes are an integral part of these financial statements*

**FUND FINANCIAL STATEMENTS**

**TOWN OF TIBURON**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**

<b>ASSETS</b>	<b>General Fund</b>	<b>Street Impact Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
Cash and investments	\$ 10,630,795	\$ 2,293,902	\$ 2,928,991	\$ 15,853,688
Receivables	464,785	1,265	39,499	505,549
Notes receivable	800,000	-	17,520	817,520
Total assets	<u>\$ 11,895,580</u>	<u>\$ 2,295,167</u>	<u>\$ 2,986,010</u>	<u>\$ 17,176,757</u>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 419,539	\$ 442,686	\$ 25	\$ 862,250
Accrued liabilities	235,146	-	-	235,146
Deposits	101,751	-	9,600	111,351
Total liabilities	<u>756,436</u>	<u>442,686</u>	<u>9,625</u>	<u>1,208,747</u>
 <b>Fund Balances:</b>				
Nonspendable	800,000	-	17,520	817,520
Restricted	-	-	846,254	846,254
Committed	734,036	1,852,481	1,841,074	4,427,591
Assigned	5,587,012	-	269,505	5,856,517
Unassigned	4,018,097	-	2,032	4,020,129
Total fund balances	<u>11,139,144</u>	<u>1,852,481</u>	<u>2,976,385</u>	<u>15,968,010</u>
Total liabilities and fund balances	<u>\$ 11,895,580</u>	<u>\$ 2,295,167</u>	<u>\$ 2,986,010</u>	<u>\$ 17,176,757</u>

*The accompanying notes are an integral part of these financial statements*

**TOWN OF TIBURON**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**June 30, 2013**

**Total Fund Balances - Total Governmental Funds (page 14)** \$ 15,968,010

Amounts reported for Governmental Activities in  
the Statement of Net Assets are different because of;

**Capital Assets**

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

Capital assets not being depreciated	4,087,952
Capital assets, net of depreciation	35,087,711

**Long-term Obligations**

Long-term liabilities are not due and payable in  
the current period and therefore are not reported  
in the Governmental Funds Balance Sheet:

Other Post Employment Benefits Obligation	(1,366,860)
Compensated absences	(509,392)
	(1,876,252)

**Total Net Position - Governmental Activities (page 12)** \$ 53,267,421

*The accompanying notes are an integral part of these financial statements*

**TOWN OF TIBURON**  
**Statement of Revenue, Expenditures, and Change in Fund Balances**  
**Governmental Funds**  
**Year Ended June 30, 2013**

<b>REVENUE</b>	<b>General Fund</b>	<b>Street Impact Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
Property taxes	\$ 4,220,957	\$ -	\$ 16,544	\$ 4,237,501
Other taxes	1,306,463	-	85,641	1,392,104
Franchise fees	694,330	-	-	694,330
Fines and forfeitures	404,342	-	-	404,342
Use of money and property	28,531	6,493	9,420	44,444
Intergovernmental and agency	827,165	-	324,787	1,151,952
Licenses and permits	908,612	-	-	908,612
Charges for services	479,779	394,725	186,150	1,060,654
Other revenue	172,202	-	13,915	186,117
Total revenue	<u>9,042,381</u>	<u>401,218</u>	<u>636,457</u>	<u>10,080,056</u>
 <b>EXPENDITURES</b>				
Current -				
Town administration	1,232,060	-	1,628	1,233,688
Community development	964,193	-	7,693	971,886
Public safety	2,972,621	-	-	2,972,621
Public works	1,317,348	-	16,174	1,333,522
Legislative boards/commissions	26,723	-	3,907	30,630
Non-departmental	418,259	-	87,220	505,479
Capital improvement projects	3,154,735	742,669	174,259	4,071,663
Total expenditures	<u>10,085,939</u>	<u>742,669</u>	<u>290,881</u>	<u>11,119,489</u>
 Excess (Deficiency) of Revenue				
Over (Under) Expenditures	<u>(1,043,558)</u>	<u>(341,451)</u>	<u>345,576</u>	<u>(1,039,433)</u>
 Other financing sources / (uses)				
Operating transfers in	1,170,040	-	-	1,170,040
Operating transfers (out)	(1,066,986)	-	(100,000)	(1,166,986)
Total other financing sources	<u>103,054</u>	<u>-</u>	<u>(100,000)</u>	<u>3,054</u>
 <b>CHANGE IN FUND BALANCES</b>				
	(940,504)	(341,451)	245,576	(1,036,379)
Fund balances - beginning	12,079,648	2,193,932	2,730,809	17,004,389
Fund balances - end of year	<u>\$ 11,139,144</u>	<u>\$ 1,852,481</u>	<u>\$ 2,976,385</u>	<u>\$ 15,968,010</u>

*The accompanying notes are an integral part of these financial statements*

**TOWN OF TIBURON**  
**Reconciliation of the Statement of Revenue, Expenditures, and Change in**  
**Fund Balances of Governmental Funds to the Statement of Activities**  
**Year Ended June 30, 2013**

The schedule below reconciles change in fund balances reported on the Governmental Funds Statement of Revenue, Expenditures, and Change in Fund Balances, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position reported in the Statement of Activities, which is prepared on the full accrual basis;

**Change in Fund Balances - Total Governmental Funds (page 16)** \$ (1,036,379)

**Capital Assets**

Capital outlay is an expenditure in the government funds financial statements, but the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense in the Statement of Activities.

Capital outlay	4,122,329
Depreciation expense and write downs	(1,257,834)

**Long Term Debt**

Long-term obligations are reported in the Government-wide Statement of Activities, but they do not require the use of current financial resources. This amount is the net effect of these differences in the treatment of the following obligations:

Compensated absences	(23,158)
Other Postemployment benefits	(289,478)
	(312,636)

**Change in Net Position - Governmental Activities (page 13)** \$ 1,515,480

*The accompanying notes are an integral part of these financial statements*

**TOWN OF TIBURON**  
**Statement of Fiduciary Assets and Liabilities**  
**Agency Funds**  
**June 30, 2013**

	Del Mar Valley A/D	Stewart Drive A/D	Lyford Cove A/D	Other Assessment Districts	Tiburon Public Facilities Financing Authority	Peninsula Library JPA	Total Agency Funds
<b>ASSETS</b>							
Cash and investments	\$ 1,955,050	\$ 78,375	\$ 429,670	\$ 219,139	\$ 174,074	\$ 4,129	\$ 2,860,437
Cash held by trustee	-	103,868	-	-	-	-	103,868
Special assessment receivables	-	-	-	-	-	-	-
Other receivables	4,754	1,180	3,550	1,457	-	-	10,941
<b>Total assets</b>	<b>\$ 1,959,804</b>	<b>\$ 183,423</b>	<b>\$ 433,220</b>	<b>\$ 220,596</b>	<b>\$ 174,074</b>	<b>\$ 4,129</b>	<b>\$ 2,975,246</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 9,660	\$ -	\$ -	\$ -	\$ -	\$ 4,129	\$ 13,789
Special assessment commitments	-	-	-	-	-	-	-
Held in trust	-	-	-	-	-	-	-
<b>Total liabilities</b>	<b>\$ 9,660</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,129</b>	<b>\$ 13,789</b>

*The accompanying notes are an integral part of these financial statements*

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

The notes to the financial statements include a summary of significant accounting policies and other notes considered essential to fully disclose and fairly present the transactions and financial position of the Town as follows:

- Note 1 - Defining the Financial Reporting Entity
- Note 2 - Summary of Significant Accounting Policies
- Note 3 - Stewardship, Compliance and Accountability
- Note 4 - Cash and Investments
- Note 5 - Notes Receivable
- Note 6 - Capital Assets
- Note 7 - Long-term Obligations
- Note 8 - Special Assessment District Bond Obligations
- Note 9 - Interfund Transfers
- Note 10 - Defined Benefit Pension Plan
- Note 11 - Postemployment Benefits Other Than Pensions
- Note 12 - Commitments and Contingencies
- Note 13 - Risk Management
- Note 14 - Subsequent Events
- Note 15 - New Pronouncements

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 1 - Defining the Financial Reporting Entity**

The Town of Tiburon (the Town) was incorporated in 1964 under the laws of the State of California. Tiburon operates under a Council-Manager form of government. The Town provides municipal services to its citizens including police, public works, community development and general administrative support.

These financial statements present the financial status of the Town and its component unit, as discussed in the following paragraph.

The Tiburon Public Facilities Financing Authority (the Authority) was established in 1990 pursuant to a joint powers agreement between the Town and the former Tiburon Redevelopment Agency, to assist in the clearance and rehabilitation of areas determined to be in a declining condition in the Town. Although the component unit is legally separate from the Town, it is reported in the statement of fiduciary assets and liabilities, and its board consists of members of the Town Council.

The Town participates in three (3) joint power agencies through formally organized and separate entities. The financial activities of the Belvedere-Tiburon Joint Recreation Committee, the Bay Cities Joint Powers Insurance Authority ("BCJPIA") and the Association of Bay Area Governments ("ABAG") are not included in the accompanying financial statements, because they are administered by governing boards which are separate from and independent of the Town.

**Note 2 - Summary of Significant Accounting Policies**

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the Town are described below:

**A. Basis of Presentation**

In June 1999, the GASB issued Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. GASB Statement No. 34 is effective in three phases based on the public institution's total annual revenue in the fiscal year ending after June 15, 1999.

The Town adopted the provisions of this statement along with GASB Statement No. 37, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus (an amendment to GASB Statements No. 21 and No. 34)*, as of July 1, 2003. In June 2001, GASB issued Statement No. 38, *Certain Financial Statement Note Disclosures*, to reevaluate certain existing disclosure requirements in the context of reporting model statement No. 34. The Town adopted the provisions of Statement No. 38 as of July 1, 2003.

The Financial Statement presentation, required by GASB Statements No. 34, 37, and 38 provides a comprehensive, entity-wide perspective of the Town's assets, liabilities, and replaces the fund-group perspective previously required. The Town follows the primary government's "governmental activities" reporting requirements of GASB Statement No. 34 that provides a comprehensive one-line look at the Town's financial activities.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 2 - Summary of Significant Accounting Policies**

**B. Government-wide and Fund Financial Statements**

The government-wide financial statement reports information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenue, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

**Fund Accounting**

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

**Governmental Funds**

*The General Fund* is the general primary operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

*Capital Projects Funds* are used to account for revenue and expenditures restricted to the acquisition or construction of major capital facilities (other than those financed by Proprietary or Trust funds).

*Debt Service Funds* are used to account for the accumulation of resources for, and the payment of, governmental fund long-term debt, both principal and interest.

**Fiduciary Funds**

*Agency Funds* are used to account for assets administered by the Town in a trustee capacity or as an agent for other governments, primarily assessment districts. Agency Funds are custodial in nature (assets and liabilities), and do not involve measurement of results of operations.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 2 - Summary of Significant Accounting Policies**

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

Basis of accounting refers to when revenue and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of measurement made, regardless of the measurement focus applied.

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

In the fund financial statements, all Governmental Funds and Agency Funds are accounted for using the modified accrual basis of accounting. Revenue is recognized when it becomes both measurable and available to finance the expenditures of the current period (susceptible to accrual). Major revenue sources susceptible to accrual include substantially all property taxes, taxpayer-assessed taxes (such as sales and use, utility users, business license, transient occupancy, franchise fees and gas taxes), interest, special assessments levied, state and federal grants and charges for current services. Revenue from licenses, permits, fines and forfeits is recorded as received. Expenditures are recorded when the related fund liability is incurred. Fiduciary Fund revenue and expenses or expenditures (as appropriate) are recognized on the basis consistent with the fund's accounting measurement objective.

All Governmental Funds are accounted for using a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Governmental Fund operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

The government-wide financial statement is accounted for on a flow of economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their statement of net position. Private sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

**D. Cash and Investments**

Deposits in financial institutions, money market funds, and the State Treasurer's investment pool are reported as cash and investments since funds can spend cash at any time without prior notice or penalty. All investments with fiscal agents are also considered cash equivalents if they are liquid. Investments are stated at fair value.

**E. Use of Estimates**

Financial statement preparation in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 2 - Summary of Significant Accounting Policies**

F. Receivables and Payables

Property, sales, and use taxes related to the current fiscal year are accrued as revenue and accounts receivable and considered available if received within 60 days of fiscal year end. Federal and State grants are considered receivable and accrued as revenue when reimbursable costs are incurred under the accrual basis of accounting in the government-wide statement of net assets. The amount recognized as revenue under the modified accrual basis of accounting is limited to the amount that is deemed measurable and available. The Town considers these taxes available if they are received during the period when settlement of prior fiscal year accounts payable and payroll charges normally occur. Grants, entitlements or shared revenue are recorded as receivables and revenue in the general, special revenue and capital projects funds when they are received or susceptible to accrual.

Balances representing lending/borrowing transactions between funds outstanding at the end of the fiscal year are reported as either "due to/due from other funds" (amounts due within one year), "advances to/from other funds" (non-current portions of interfund lending/borrowing transactions), or "loans to/from other funds" (long-term lending/borrowing transactions as evidenced by loan agreements). Advances and loans to other funds are offset by a fund balance reserve in applicable Governmental Funds to indicate they are not available for appropriation, and are not expendable available financial resources.

G. Allowance for Doubtful Accounts

Management has elected to record bad debts using the direct write-off method. Accounting principles generally accepted in the United States of America require that the allowance method be used to reflect bad debts. However, the effect of the use of the direct write-off method is not materially different from the results that would have been obtained had the allowance method been followed.

H. Property Taxes

Property taxes - Article XIII of the California Constitution (Proposition 13) limits ad valorem taxes on real property to one percent of value plus taxes necessary to pay indebtedness approved by voters prior to July 1, 1978. The Article also established the 1975/76 assessed valuation as the base and limits annual increases to the cost of living, not to exceed two percent, for each year thereafter. Property may also be reassessed to full market value after a sale, transfer of ownership, or completion of new construction. The State is prohibited under the Article from imposing new ad valorem, sales, or transaction taxes on real property. Local government may impose special taxes (except on real property) with the approval of 66.67% of the qualified electors.

All property taxes are collected and allocated by the County of Marin to the various taxing entities. Property taxes are determined annually as of January 1 and attach as an enforceable lien on real property as of July 1. Taxes are due November 1 and February 1, and are delinquent if not paid by December 10 and April 10, respectively.

I. Capital Assets

Capital assets are reported in the government-wide statement of net position. Capital assets are stated at historical cost, when available and at estimated replacement cost when original cost was not available. Donated assets are stated at estimated market value at date of donation. The Town's policy is to capitalize all capital assets with costs exceeding a minimum threshold of \$5,000. Depreciation is recorded using the straight-line method over the estimated useful lives of the assets, which range from five to forty years.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 2 - Summary of Significant Accounting Policies**

J. Compensated Absences

Compensated absences represent the vested portion of accumulated vacation and sick leave. The Town's method of calculating the liability is in accordance with GASB Statement No. 16, except that additional accruals for salary-related payments associated with the payment of compensated absences, for example, the employer's share of pension contributions, social security and medicare taxes, have not been accrued as that amount is not considered significant or material to the financial statements taken as a whole. In governmental fund types, the cost of vacation and sick leave benefits is recognized when payments are made to employees. Upon termination, 100% of vacation leave is paid.

K. Long-term Obligations

In the government-wide financial statements, long-term debt and obligations are reported as liabilities in the applicable statement of net position. Bond premiums, issuance costs and discounts are deferred and amortized over the life of the bond. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources.

L. Net Position and Fund Balances

Net position designations are classified on the government-wide statement of net position as follows:

- Invested in capital assets, net of related debt - represents the Town's total investment in capital assets reduced by any outstanding debt used to acquire these assets.
- Restricted net position - includes resources that the Town is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.
- Unrestricted net position - represents resources derived from sources without spending restrictions, are used for transactions relating the general operations of the Town, and may be used at the discretion of those charged with governance to meet current expenses or obligations for any purpose.

Fund balance designations are classified on the governmental funds balance sheet as follows:

- Nonspendable - amounts that cannot be spent because they are either (a) legally or contractually required to be maintained intact or (b), not in spendable form such as long term notes receivable.
- Restricted - amounts that can be spent only for the *specific purposes* stipulated by constitution, external resource providers, or through enabling legislation.
- Committed - amounts that can be used only for the *specific purposes* determined by a formal action of the Town Council, to establish, modify or rescind a fund balance commitment.
- Assigned - amounts that are constrained by the government's *intent* to be used for specific purposes but do not meet the criteria to be classified as restricted or committed, as determined by a formal action or policy of the Town Council or its appointed official.
- Unassigned - the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 2 - Summary of Significant Accounting Policies (concluded)**

The Town has set aside amounts for emergency situations or revenue shortages or budgetary imbalances, commonly referred to as *revenue stabilization*. The authority to set aside those amounts generally comes from statute, ordinance, resolution, constitution or policy. Stabilization amounts may be expended with Council approval only when certain specific circumstances exist as determined by Council at that time. When expenditures are incurred for purposes for which both restricted and unrestricted amounts are available, it is the Town's policy to expend *restricted* fund balances first. When expenditures are incurred for purposes for which committed, assigned, or unassigned amounts are available, it is the Town's policy to expend *committed*, then *assigned*, then *unassigned* amounts in that order.

**M. Major Funds**

The Town's Major Funds are as follows:

*General Fund* - this fund is used to account for the general operations of the Town, and is used to account for all financial resources except those required to be accounted for in another fund.

*Street Impact Fund* - this fund is used to account for development impact fee revenue which is restricted for street expenditures.

**Note 3 - Stewardship, Compliance and Accountability**

**Budgetary Information**

The Town follows these procedures annually in establishing the budgetary data reflected in the financial statements:

1. The Town Manager submits to the Town Council a proposed draft budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
2. The Town Council reviews the proposed budget at special scheduled sessions which are open to the public. The Council also conducts a public hearing on the proposed budget to obtain comments from interested persons.
3. Prior to July 1, the budget is adopted through the passage of a resolution.
4. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various Town departments. The Town Council may amend the budget by resolution during the fiscal year. The Town Manager may authorize transfers from one object or purpose to another within the same department, and between departments within the General Fund. All appropriations lapse at year end.

**Economic Dependency**

In fiscal year 2012-13 the Town received 42% of its total revenue from one source; property taxes. Any reduction in assessed property values or reductions in the Town's property tax share due to the State's budget crisis could have serious consequences to the Town's operating budget.

**Revenue Limitations Imposed By California Proposition 218**

Proposition 218, which was approved by the voters in November 1996, regulates the Town's ability to impose, increase, and extend taxes, assessments, and fees. Any new, increased, or extended taxes, assessments, and fees subject to the provisions of Proposition 218, require voter approval before they can be implemented. Additionally, Proposition 218 provides that these taxes, assessments, and fees are subject to the voter initiative process and may be rescinded in future years by the voters.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 4 - Cash and Investments**

The Town follows the practice of pooling cash and investments of all funds except for restricted funds required to be held by outside custodians, fiscal agents or trustees under the provisions of bond indentures. Cash and investments at fiscal year end are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and investments	\$ 15,853,688
Statement of Fiduciary Net Assets	
Cash and investments	2,860,437
Cash investments with fiscal agent	103,868
	<u>\$ 18,817,993</u>
Cash and Investments are comprised of the following:	
Deposits with financial institutions:	
money market mutual funds	\$ 100,000
checking accounts	412,706
Investment with Local Agency Investment Fund	18,201,419
US Treasury money market funds	103,868
	<u>\$ 18,817,993</u>

**Investment in State Investment Pool**

The Town is a voluntary participant in the Local Agency Investment Fund (LAIF). LAIF, established in 1977, is regulated by California Government Code Section 16429 and under the day to day administration of the California State Treasurer. There is a five member Local Investment Advisory Board that is chaired by the State Treasurer. LAIF determines fair value of its investment portfolio based on market quotations for those securities where market quotations are readily available, and on amortized cost or best estimate for those securities where market value is not readily available. As of June 30, 2013, LAIF had over 2,600 participants and approximately \$21.2 billion in investments. LAIF is part of the Pooled Money Investment Account (PMIA) and under the control of the State Treasurer's Office, which is audited by the Bureau of State Audits on an annual basis. Audited financial statements of PMIA may be obtained from the California State Treasurer's web site at [www.treasurer.ca.gov](http://www.treasurer.ca.gov).

The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

**Disclosures Relating to Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is provided by the following table that shows the maturity date and yield of each investment:

		<u>Maturity / Yield</u>
State investment pool (LAIF)	\$ 18,817,993	8.1 months average maturity, 0.24% yield
US Treasury money market funds	103,868	due on demand, 0.0% yield
Money market mutual funds	100,000	due on demand, 0.10% yield

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 4 - Cash and Investments (continued)**

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the Town contains limitations on the amount that can be invested in any single issuer as follows: 5% for negotiable certificates of deposit and commercial paper, 15% for money market funds, 20% for federal agencies and US GSEs, and no limit for US Treasury Securities and LAIF. There are no investments in any single issuer that represent 5% or more of total Town investments. Nearly 97% of the Town's cash and investments at year end were invested in LAIF.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Town's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: "the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies." California law also allows financial institutions to secure Town deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At fiscal year end the Town had \$780,421 that was not covered by depository insurance but collateralized by either marketable securities, first trust deed mortgage notes, or a combination of both.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the Town's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

**Note 5 - Notes Receivable**

Notes receivable at fiscal year end consist of the following:

Current Employee	\$	800,000
Former Employee		17,520
		\$ 817,520

Current Employee

In conjunction with the October 2006 employment agreement between the Town of Tiburon and the Town Manager, the Town provided a second mortgage secured by a deed of trust on the Manager's primary residence in the amount of \$800,000. The loan is payable in monthly installments of interest only, and bears interest at the LAIF rate, up to a maximum annual rate of 5.5%. The loan shall be fully due and payable when (1) the property for which the loan is made is no longer the employee's primary residence, or (2) within two years of the employee's termination of employment. This amount is recorded as a note receivable in the Town's general fund.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 5 - Notes Receivable (continued)**

Former Employee

In June 1987, the Town loaned \$89,500 to the then Assistant Town Clerk for the purpose of assisting with the purchase of a *low-to-moderate income* residence in Tiburon. Under terms of the note collateralized by a first deed of trust, the debt is payable in monthly installments including interest at 5.55% per annum for thirty (30) years.

**Note 6 - Capital Assets**

The following is a summary of changes in the Town's capital assets as reported in the Governmental-wide financial statements:

	<u>Beginning Balance</u>	<u>Additions/ Completions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
<u>Non-depreciable Assets</u>				
Land	\$ 4,087,952	\$ -	\$ -	\$ 4,087,952
<u>Depreciable Assets</u>				
Buildings and improvements	5,784,599	-	-	5,784,599
Furniture and equipment	2,755,202	76,400	(64,000)	2,767,602
Infrastructure	49,720,326	4,063,611	-	53,783,937
	58,260,127	4,140,011	(64,000)	62,336,138
<u>Accumulated Depreciation</u>	<u>(25,990,593)</u>	<u>-</u>	<u>(1,257,834)</u>	<u>(27,248,427)</u>
Depreciable assets, net	32,269,534	4,140,011	(1,321,834)	35,087,711
Total capital assets, net	<u>\$ 36,357,486</u>	<u>\$ 4,140,011</u>	<u>\$ (1,321,834)</u>	<u>\$ 39,175,663</u>

**Note 7 - Long-term Obligations**

Changes in long-term obligations for the fiscal year were as follows:

	<u>Beginning</u>	<u>Additions</u>	<u>Reductions</u>	<u>End of Year</u>	<u>Due Within One Year</u>
Compensated Absences	\$ 532,550	\$ -	\$ (23,158)	\$ 509,392	\$ 47,551
Postemployment Benefits	\$ 1,077,382	\$ 289,478	\$ -	\$ 1,366,860	

**Note 8 - Special Assessment District Bond Obligations**

The Town acts as an agent for collection of property taxes and repayment of several special assessment improvement bonds issued for assessment districts within the Town boundary limits. Since the Town is not obligated in the event of any manner for these special assessment bonds, debt service payments, or default, the debt is not recorded in these financial statements.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 8 - Special Assessment District Bond Obligations (continued)**

The outstanding balance of Special Assessment Districts' bond obligations at fiscal year end was as follows:

Del Mar Valley Utility Underground Bonds	\$ 2,720,000
Del Mar Valley District 2010 Bonds	1,930,000
Stewart Drive District 2001 Bonds	1,060,000
Lyford Cove Utility Underground District 2005-01 Bonds	3,220,000
Lyford Cove Utility Underground District 2005 Supplemental Bonds	1,992,561
Main Street ADA Improvements (1999)	224,000

**Note 9 - Interfund Transfers**

Operating interfund transfers for the fiscal year comprise the following:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
AD Del Mar 335	\$ 2,600,000	\$ 1,258,960
AD Del Mar 436	1,258,960	2,100,000
AD Del Mar 438	-	500,000
Library JPA	-	3,054
Police Supp. Law Enforcement	-	100,000
General Fund	1,170,040	1,066,986
	<u>\$ 5,029,000</u>	<u>\$ 5,029,000</u>

**Note 10 - Defined Benefit Pension Plan**

Plan Description

The Town of Tiburon contributes to the California Public Employees Retirement System (CalPERS), an agent multiple-employer public employee defined benefit pension plan. CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and Town ordinance. Copies of CalPERS annual financial report may be obtained from their Executive Office, 400 "P" Street, Sacramento, California 95814.

Funding Status and Progress

Non-safety participants (miscellaneous plan) are required to contribute 7% of their annual covered salary, while public safety participants (safety plan) are required to contribute 9% of their annual covered salary. Town employees pay their employee member share of plan contributions. The Town is required to contribute at an actuarially determined rate. The contribution requirements of plan employees and the Town are established and may be amended by CalPERS. The current 2012-13 fiscal year employer rate was 12.032% for miscellaneous plan employees, and 23.657% for safety plan employees. The subsequent 2013-14 fiscal year employer rate is 10.238% for miscellaneous plan employees, and 20.057% for safety plan employees.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 10 - Defined Benefit Pension Plan (continued)**

Annual Pension Cost

The Town's annual pension cost of \$739,724 to CalPERS was equal to the Town's required and actual employer contributions of \$473,302, and the employee share of \$271,012. The required fiscal year 2012-13 contributions were determined as part of the June 30, 2010 actuarial valuations using the "entry age actuarial cost method."

The actuarial assumptions included:

- a 7.75% investment rate of return (net of administrative expenses).
- projected salary increases of 3.55% to 14.45% depending on age, service, and type of employment.
- an inflation rate of 3.0%.
- a payroll growth rate of 3.25%.
- individual salary growth merit scale varying by duration of employment coupled with an assumed annual inflation growth rate of 3.0% and an annual production growth of 0.25%.

The actuarial value of CalPERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a fifteen-year period (smoothed market value). The subsequent Schedule of Funding Progress shows that both cost sharing risk pool plans had unfunded liabilities as of the actuarial valuation date of the year ended June 30, 2011. Information for the years ending June 30, 2012 and 2013 have not been released by the CalPERS Plan Actuary.

Historical trend information

Three-year trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due:

Fiscal Year Ended	Combined Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2011	\$767,255	100%	\$ -0-
June 30, 2012	\$776,845	100%	\$ -0-
June 30, 2013	\$739,724	100%	\$ -0-

**Note 11 - Postemployment Benefits Other Than Pensions (OPEB)**

Plan Description

The Town provides retiree medical benefits to employees who retire from the Town at age 50 or later with at least 5 years of service and are eligible for a CalPERS pension. Eligible retirees are entitled to the minimum CalPERS medical benefit, which was \$112 per month in year 2012, and \$115 in year 2013. The amount is expected to increase annually. This benefit continues for the life of the retiree and then for the life of a surviving spouse, as applicable.

In addition, retirees with 15 or more years of Town service are eligible to receive a monthly benefit based on the monthly premium charged by CalPERS for Kaiser Permanente medical insurance at the single person rate, which was \$610.44 in year 2012, and \$668.63 in year 2013. (However, this benefit does not apply to management and mid-management employees hired after July 1, 2009, Police employees hired after July 1, 2010, or SEIU employees hired after June 1, 2011.) The benefit amount is the below percentage of the Kaiser single premium at the time of retirement. The amounts, which are paid by the Town directly to retirees, are fixed at retirement, and do not increase in subsequent years.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 11 - Postemployment Benefits Other Than Pensions (continued)**

The benefit amount does not decrease at age 65 even though Kaiser premiums may decrease substantially at that age. The benefit continues only for the life of the retiree.

15-19 years of service	50% of benefit
20-24 years of service	75% of benefit
25 or more years of service	100% of benefit

Retirees may select any retiree medical plan offered by CalPERS, including spouse or family coverage, but must incur the cost of the premiums exceeding the above benefits.

Funding Policy and Actuarial Assumptions

The annual required contributions (ARC) were determined as part of the July 1, 2011 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued.

The actuarial assumptions include (a) an investment rate of return on a pay-as-you-go basis of 4%, (b) 3.25% aggregate payroll increase, and (c) a healthcare trend of declining annual increases ranging from 7.6% in January 2012 to 5.5% starting January 2019. The actuarial methods and assumptions used include techniques that smooth the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. The Town's OPEB unfunded actuarial accrued liability is being amortized as a level percentage of the projected payroll using a closed thirty-year amortization period.

Generally accepted accounting principles permit assets to be treated as OPEB assets and deducted from the Actuarial Accrued Liability when such assets are placed in an irrevocable trust or equivalent arrangement. The Town's current contribution to this plan was \$42,500. In addition, the Town contributed \$278,012 to its OPEB GASB 45 general fund reserve. As these general fund reserve cash assets are not placed in an irrevocable trust, they do not qualify as OPEB assets for the purpose of reducing the Town net OPEB obligation. At fiscal year end the OPEB GASB 45 general fund reserve was \$734,036.

The Town has calculated and recorded the NET OPEB Obligation, representing the difference between the ARC, amortization and contributions, as presented below:

Annual required contribution (ARC)	\$ 335,990
Interest on net OPEB obligation	43,095
Adjustment to ARC	<u>(47,107)</u>
Annual OPEB cost	\$ 331,978
Contributions made	<u>(42,500)</u>
Increase in net OPEB obligation	\$ 289,478
Net OPEB obligation - beginning of year	<u>1,077,382</u>
Net OPEB obligation - end of year	<u><u>\$ 1,366,860</u></u>

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 11 - Postemployment Benefits Other Than Pensions (concluded)**

The Plan's annual required contributions and actual contributions were as follows:

<u>Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Contribution</u>	<u>Percentage of OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
6/30/2011	\$ 304,528	\$ 20,972	6.9%	\$ 797,865
6/30/2012	\$ 307,654	\$ 28,137	9.1%	\$ 1,077,382
6/30/2013	\$ 331,978	\$ 42,500	12.8%	\$ 1,366,860

**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 benefits costs between the employer and the 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 calculations.

**Note 12 - Commitments and Contingencies**

The Town receives funding from a number of federal, state and local grant programs. These programs are subject to financial and compliance review by grantors. Accordingly, the Town's compliance with applicable grant requirements will be determined at some future date. Expenditures, if any, which may be disallowed by the granting agencies cannot be determined at this time. The Town does not expect the undeterminable amounts of disallowed expenditures, if any, to materially affect the financial statements. Receipt of these federal, state and local grant revenue is not assured in the future.

The Town participates in a Joint Powers Agreement through the Marin Emergency Radio Authority (MERA) under an operating agreement dated February 1, 1999, which provides a public safety radio system to its members. The Town has committed to pay a pro-rata share of MERA's operations costs and debt service through year 2022. The Town's annual share of operating costs and debt financing for the current fiscal year were \$80,227. Future annual commitments are expected to range from \$75,000 to \$100,000.

At June 30, 2013, the Town had two ongoing construction contracts totaling over \$2.9 million, of which \$2.4 million has been paid. These projects were completed and paid in full, within four months of fiscal year end.

**Note 13 - Risk Management**

**General liability**

The Town participates in the Association of Bay Area Governments (ABAG Plan), a Joint Exercise of Power Agency. The ABAG Plan provides the Town with coverage for general liability, excess liability, public official bond, property, and crime insurance, with various deductibles. For those liability claims below \$50,000 per occurrence, the Town is self-insured. ABAG Plan members may receive rebates when so declared by ABAG. In the event excess liability claims exceed available resources, members may be required to make additional contributions. For the current fiscal year the Town paid \$108,901 for liability coverage.

The ABAG Plan is a self-insured, risk-sharing pool comprised of 29 member local agencies and cities in the San Francisco-Oakland Metropolitan Bay Area. The governing body includes one person from each member town or city, with an annual election for the executive committee positions. Financial statements may be obtained from ABAG, Post Office Box 2050, Oakland, California 94604.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 13 - Risk Management (continued)**

Workers' compensation

The Town participates in a joint powers agreement through the Bay Cities Joint Powers Insurance Authority (BCJPIA). The Town currently reports all of its workers' compensation related risk management activities in its General Fund (self-insurance reserve). Claim expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. The Town currently reports all of its risk management activities in its General Fund. 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. For the current fiscal year the Town paid \$156,699 for workers compensation coverage.

BCJPIA was created as a California Public Agency by an agreement between certain public agencies in the San Francisco Bay Area to provide workers' compensation coverage. BCJPIA is governed by a Board of Directors which is comprised of officials appointed by each member town, city, district or agency. The workers' compensation fund is self-insured for the first \$150,000 of loss per accident; excess coverage policy is provided by an outside insurance carrier up to statutory limits. Financial statements may be obtained from BCJPIA, 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

**Note 14 - Subsequent Events**

The management of the Town has reviewed the results of operations for the period from its year end June 30, 2013 through November 18, 2013, the date the draft financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying financial statements nor have any subsequent events occurred, the nature of which would require disclosure.

**Note 15 - New Pronouncements**

Governmental Accounting Standards Board Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*:

The objective of this Statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in the following pronouncements issued on or before November 30, 1989:

- Financial Accounting Standards Board (FASB) Statements and Interpretations.
- Accounting Principles Board Opinions.
- Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure.

Hereinafter, these pronouncements collectively are referred to as the "FASB and AICPA pronouncements." The provisions of this Statement have been implemented.

Governmental Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*:

The objective of this Statement is to establish Standards for reporting deferred outflows of resources, deferred inflows of resources, and net position. The new term "net position" replaces the term "net assets" in the government-wide, enterprise fund, and fiduciary fund financial statements. The provisions of this Statement have been implemented.

Governmental Accounting Standards Board Statement No. 64, *Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53*:

The objective of this Statement is to clarify whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider.

**TOWN OF TIBURON**  
**Notes to Financial Statements**  
**June 30, 2013**

**Note 15 - New Pronouncements (continued)**

This Statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. This Statement is effective for periods beginning after December 15, 2011.

Governmental Accounting Standards Board Statement No. 65, *Elements of Financial Statements*:

The Statement provides financial reporting guidelines related to the impact of the financial statement elements "deferred outflows of resources" and "deferred inflows of resources" such as changes in the determination of the major fund calculations and limiting the use of the term *deferred* in financial statement presentations. This Statement is effective for periods beginning after December 15, 2012.

Governmental Accounting Standards Board Statement No. 66, *Technical Correction 2012, an amendment of GASB Statements No. 10 and No. 62*:

This Statement affects state and local government's risk financing activities to the general fund and the internal service fund type, and modifies the specific guidance on accounting for operating lease payments that vary from a straight-line basis. This Statement is effective for periods beginning after December 15, 2012.

Governmental Accounting Standards Board Statement No. 67, *Financial Reporting for Pension Plans*:

The Statement revises existing standards of financial reporting for most pension plans. The Statement establishes a definition of a pension plan that reflects the primary activities associated with the pension arrangement – determining pensions, accumulating and managing assets dedicated for pensions, and paying benefits to plan members as they become due. This Statement is effective for periods beginning on or after June 15, 2013.

Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions*:

The Statement revises existing standards of financial reporting for most governments that provide their employees with pension benefits. The Statement establishes reporting requirements of the net pension plan liability in the government-wide financial statements, how to measure pension liabilities, and presentation of the financial information and disclosures related to the employer. This Statement is effective for periods beginning on or after June 15, 2014.

Governmental Accounting Standards Board Statement No. 69, *Government Combinations and Disposals of Government Operations*:

The Statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations, and clarifies the terms *mergers*, *acquisitions*, and *transfers of operations*. This Statement is effective for periods beginning on or after December 15, 2013.

Governmental Accounting Standards Board Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*:

The Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. This Statement is effective for periods beginning on or after June 15, 2013.

**REQUIRED SUPPLEMENTARY INFORMATION**

*(unaudited)*

**TOWN OF TIBURON**  
**Note to Required Supplementary Information**  
**Budgetary Comparison Information**  
**Year Ended June 30, 2013**

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to the close of each fiscal year, the Town Manager submits to the Town Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed revenue and expenditures.
- Public hearings are conducted at Town Council meetings to obtain taxpayer comments prior to adoption of the budget in June.
- Prior to July 1, the budget is legally adopted for all governmental fund types through Council approved resolution.
- The Town Manager is authorized to transfer budget amounts within and between funds as deemed desirable and necessary in order to meet the Town's needs; however, revisions that alter the total expenditures must be approved by the Town Council. Formal budgetary integration is employed as a management control device during the year for the governmental type funds.
- Budgets for the governmental type funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts presented are as originally adopted and as further amended by the Town Council.

Revised  
3-5-14

**TOWN OF TIBURON**  
**Budgetary Comparison Information**  
**General Fund**  
**Year Ended June 30, 2013**

<i>Resources (inflows)</i>	<u>Budget Amounts (unaudited)</u>		<u>Actual</u> Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
Property taxes	\$ 4,189,092	\$ 4,189,092	\$ 4,220,957	\$ 31,865
Other taxes	1,080,925	1,080,925	1,306,463	225,538
Franchise fees	593,587	593,587	694,330	100,743
Fines and penalties	113,500	113,500	404,342	290,842
Use of money and property	39,500	39,500	28,531	(10,969)
Intergovernmental and agency	45,500	45,500	827,165	781,665
Licenses and permits	810,250	810,250	908,612	98,362
Charges for services	290,600	290,600	479,779	189,179
Other revenue	99,785	99,785	172,202	72,417
Transfers in	1,620,242	1,620,242	1,170,040	(450,202)
Amounts Available for Appropriation	<u>8,882,981</u>	<u>8,882,981</u>	<u>10,212,421</u>	<u>1,329,440</u>
<i>Charges to Appropriations (outflow)</i>				
Town administration	1,411,067	1,411,067	1,232,060	179,007
Community development	1,017,764	1,017,764	964,193	53,571
Public safety	2,932,981	3,037,981	2,972,621	65,360
Public works	1,304,844	1,304,844	1,317,348	(12,504)
Legislative boards and commissions	41,500	41,500	26,723	14,777
Non-departmental	2,101,344	2,101,344	418,259	1,683,085
Capital improvement projects	3,365,500	3,365,500	3,154,735	210,765
Transfers out	793,000	793,000	1,066,986	(273,986)
Total Charges to Appropriations	<u>12,968,000</u>	<u>13,073,000</u>	<u>11,152,925</u>	<u>1,920,075</u>
<i>Surplus (Deficit)</i>	<u>\$ (4,085,019)</u>	<u>\$ (4,190,019)</u>	<u>\$ (940,504)</u>	<u>\$ 3,249,515</u>

**TOWN OF TIBURON**  
**Fund Balance Designations Section of the Balance Sheet**  
**Governmental Funds**  
**June 30, 2013**

<u>Fund Balances</u>	General Fund	Major Fund Tiburon Street Impact	Nonmajor Governmental Funds	Total
<b>Nonspendable:</b>				
Long-term notes receivable	\$ 800,000	\$ -	\$ 17,520	\$ 817,520
<b>Restricted for:</b>				
Cypress Hollow LLD-98	-	-	33,942	33,942
Gas tax - streets / sidewalks	-	-	800,961	800,961
Measure A sales tax - streets	-	-	11,351	11,351
Total restricted fund balances	-	-	846,254	846,254
<b>Committed to:</b>				
GASB 45 OPEB reserve	734,036	-	-	734,036
Streets	-	1,852,481	-	1,852,481
Town's LMI housing	-	-	1,060,975	1,060,975
Parks in-lieu	-	-	1,365	1,365
Open space acquisition	-	-	192,713	192,713
Planning area mitigation	-	-	181,142	181,142
Storm water run-off	-	-	7,995	7,995
Circulation system improvement	-	-	39,415	39,415
Bunch grass mitigation	-	-	130,911	130,911
Long range planning	-	-	226,558	226,558
Total committed fund balances	734,036	1,852,481	1,841,074	4,427,591
<b>Assigned:</b>				
Employee compensated leave	381,604	-	-	381,604
New public works facility	2,111,633	-	-	2,111,633
Self insurance reserve	138,004	-	-	138,004
Capital equipment reserve	391,845	-	-	391,845
Technology fund	487,062	-	-	487,062
Park development	409,833	-	-	409,833
Reserve-open space mgmt	25,141	-	-	25,141
Disaster response reserve	100,000	-	-	100,000
Streets & drainage reserve	928,984	-	-	928,984
Capital outlay reserve	612,905	-	-	612,905
Town owned housing units	-	-	259,387	259,387
Heritage & Arts project	-	-	10,118	10,118
Total assigned fund balances	5,587,011	-	269,505	5,856,516
<b>Unassigned</b>	4,018,097	-	2,032	4,020,129
<b>Total Fund Balances</b>	<u>\$ 11,139,144</u>	<u>\$ 1,852,481</u>	<u>\$ 2,976,385</u>	<u>\$ 15,968,010</u>

**TOWN OF TIBURON**  
**Required Supplementary Information**  
**Schedule of Funding Status**  
**Postemployment Benefits Other Than Pensions (unaudited)**  
**Year Ended June 30, 2013**

The Schedule of Funding Progress presents trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Trend date from the July 1, 2011 actuarial study is presented below:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio
July 1, 2008	\$ -	\$ 2,157,932	\$ 2,157,932	0%
July 1, 2011	\$ -	\$ 2,900,736	\$ 2,900,736	0%

**TOWN OF TIBURON**  
**Schedule of Funding Progress (unaudited)**  
**Defined Benefit Pension Plan**  
**CalPERS cost sharing pool**  
**Year Ended June 30, 2013**

**Pooled Report Format**

Since the Town has less than 100 active members in each plan, it is required by CalPERS to participate in a risk pool. The following actuary valuation reports the activity of the risk pool as a whole, and not the specific activity of individual members such as the Town of Tiburon. The information shown here is in compliance with GASB No. 27 for a cost-sharing multiple-employer defined benefit plan.

	<u>Actuarial Valuation Date - Year Ended</u>		
	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>
<b><u>Miscellaneous Plan - 2% at 55 Risk Pool</u></b>			
Accrued Liabilities (AL)	\$ 3,104,798,222	\$ 3,309,064,934	\$ 3,619,835,876
Actuarial Value of Assets (AVA)	\$ 2,758,511,101	\$ 2,946,408,106	\$ 3,203,214,899
Unfunded Liabilities (UL)	\$ 346,287,121	\$ 362,656,828	\$ 416,620,977
Funded Ratio (AVA/AL)	88.9%	89.0%	88.5%
Annual Covered Payroll	\$ 742,981,488	\$ 748,401,352	\$ 759,263,518
UL As a % of Payroll	46.6%	48.5%	54.9%
<b><u>Safety Plan - 3% at 55 Risk Pool</u></b>			
Accrued Liabilities (AL)	\$ 1,802,882,330	\$ 1,915,095,826	\$ 2,061,923,933
Actuarial Value of Assets (AVA)	\$ 1,520,081,328	\$ 1,628,915,283	\$ 1,759,286,797
Unfunded Liabilities (UL)	\$ 282,801,002	\$ 286,180,543	\$ 302,637,136
Funded Ratio (AVA/AL)	84.3%	85.1%	85.5%
Annual Covered Payroll	\$ 221,600,192	\$ 224,562,008	\$ 225,026,216
UL As a % of Payroll	127.6%	127.4%	134.5%

*Note - Details of the defined benefit pension plan can be found in Note 10 of the financial statements.*

**TOWN OF TIBURON**  
**General Fund**  
**Combining Balance Sheet**  
**June 30, 2013**

	General Operation	Employee Compensated Leave	Employee Housing Assistance	CalPERS Savings	New PW Facility	GASB 45 OPEB Reserve	Self Insurance Reserve
<b>ASSETS</b>							
Cash and investments	\$ 3,847,436	\$ 381,604	\$ -	\$ 86,375	\$ 2,111,633	\$ 734,036	\$ 323,004
Receivables	396,830	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Notes receivable	-	-	800,000	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 4,244,266</b>	<b>\$ 381,604</b>	<b>\$ 800,000</b>	<b>\$ 86,375</b>	<b>\$ 2,111,633</b>	<b>\$ 734,036</b>	<b>\$ 323,004</b>
<b>LIABILITIES</b>							
Accounts payable	\$ 160,647	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	50,146	-	-	-	-	-	185,000
Deposits	101,751	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>312,544</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>185,000</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	800,000	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	-	734,036	-
Assigned	-	381,604	-	-	2,111,633	-	138,004
Unassigned	3,931,722	-	-	86,375	-	-	-
<b>Total Fund Balances</b>	<b>3,931,722</b>	<b>381,604</b>	<b>800,000</b>	<b>86,375</b>	<b>2,111,633</b>	<b>734,036</b>	<b>138,004</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 4,244,266</b>	<b>\$ 381,604</b>	<b>\$ 800,000</b>	<b>\$ 86,375</b>	<b>\$ 2,111,633</b>	<b>\$ 734,036</b>	<b>\$ 323,004</b>

Capital Equip. Replace.	Technology Fund	Park Develop	Resv- Open Space Mgmt.	Disaster Response Reserve	Streets & Drainage Reserve	Capital Outlay Reserve	Totals
\$ 448,097	\$ 494,798	\$ 424,164	\$ 25,141	\$ 100,000	\$ 911,029	\$ 743,478	\$ 10,630,795
-	-	-	-	-	17,955	50,000	464,785
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	800,000
<u>\$ 448,097</u>	<u>\$ 494,798</u>	<u>\$ 424,164</u>	<u>\$ 25,141</u>	<u>\$ 100,000</u>	<u>\$ 928,984</u>	<u>\$ 793,478</u>	<u>\$ 11,895,580</u>
\$ 56,252	\$ 7,736	\$ 14,331	\$ -	\$ -	\$ -	\$ 180,573	\$ 419,539
-	-	-	-	-	-	-	235,146
-	-	-	-	-	-	-	101,751
<u>56,252</u>	<u>7,736</u>	<u>14,331</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180,573</u>	<u>756,436</u>
-	-	-	-	-	-	-	800,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	734,036
391,845	487,062	409,833	25,141	100,000	928,984	612,905	5,587,011
-	-	-	-	-	-	-	4,018,097
<u>391,845</u>	<u>487,062</u>	<u>409,833</u>	<u>25,141</u>	<u>100,000</u>	<u>928,984</u>	<u>612,905</u>	<u>11,139,144</u>
<u>\$ 448,097</u>	<u>\$ 494,798</u>	<u>\$ 424,164</u>	<u>\$ 25,141</u>	<u>\$ 100,000</u>	<u>\$ 928,984</u>	<u>\$ 793,478</u>	<u>\$ 11,895,580</u>

**TOWN OF TIBURON**  
**General Fund**  
**Combining Statement of Revenue, Expenditures and Change in Fund Balances**  
**Year Ended June 30, 2013**

	General Operation	Employee Compensated Leave	Employee Housing Assistance	CalPERS Savings	New PW Facility	GASB 45 OPEB Reserve
<b>REVENUE</b>						
Property taxes	\$ 4,220,957	\$ -	\$ -	\$ -	\$ -	\$ -
Sales taxes	526,629	-	-	-	-	-
Transient occupancy taxes	605,243	-	-	-	-	-
Real property transfer taxes	174,591	-	-	-	-	-
Franchises	622,430	-	-	-	-	-
Fines and penalties	404,342	-	-	-	-	-
Investment earnings	28,531	-	-	-	-	-
Intergovernmental and agency	75,361	-	-	-	-	-
Licenses and permits	908,612	-	-	-	-	-
Charges for services	389,642	-	-	-	-	-
Other revenue	121,491	-	-	-	-	-
<b>Total Revenue</b>	<b>8,077,829</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>						
Current -						
Town administration	1,232,060	-	-	-	-	-
Community development	958,039	6,154	-	-	-	-
Public safety	2,884,068	31,704	-	-	-	-
Public works	1,297,797	-	-	-	-	-
Legislative boards and commissions	26,723	-	-	-	-	-
Non-Departmental	309,035	-	-	-	-	-
Capital Projects	94,550	-	-	-	49,750	-
Other expenditures	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>6,802,272</b>	<b>37,858</b>	<b>-</b>	<b>-</b>	<b>49,750</b>	<b>-</b>
Excess (Deficiency) of Revenue Over (Under) Expenditures	1,275,557	(37,858)	-	-	(49,750)	-
Other Financing Sources / (Uses)						
Operating transfers in	103,054	125,000	-	86,375	200,000	278,012
Operating transfers (out)	(741,986)	-	-	-	(200,000)	-
<b>Total Other Financing Sources</b>	<b>(638,932)</b>	<b>125,000</b>	<b>-</b>	<b>86,375</b>	<b>-</b>	<b>278,012</b>
<b>CHANGE IN FUND BALANCES</b>	<b>636,625</b>	<b>87,142</b>	<b>-</b>	<b>86,375</b>	<b>(49,750)</b>	<b>278,012</b>
Fund Balances - beginning	3,295,097	294,462	800,000	-	2,161,383	456,024
Fund Balances - end of year	\$ 3,931,722	\$ 381,604	\$ 800,000	\$ 86,375	\$ 2,111,633	\$ 734,036

Self Insurance Reserve	Capital Equip. Replace.	Technology Fund	Park Develop	Reserve for Open Space Mgmt.	Disaster Response Reserve	Streets & Drainage Reserve	Capital Outlay Reserve	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,220,957
-	-	-	-	-	-	-	-	526,629
-	-	-	-	-	-	-	-	605,243
-	-	-	-	-	-	-	-	174,591
-	-	-	-	-	-	71,900	-	694,330
-	-	-	-	-	-	-	-	404,342
-	-	-	-	-	-	-	-	28,531
-	-	-	-	-	-	451,804	300,000	827,165
-	-	-	-	-	-	-	-	908,612
-	-	90,137	-	-	-	-	-	479,779
-	-	-	-	-	-	50,710	-	172,201
-	-	90,137	-	-	-	574,414	300,000	9,042,380
-	-	-	-	-	-	-	-	1,232,060
-	-	-	-	-	-	-	-	964,193
-	56,849	-	-	-	-	-	-	2,972,621
-	19,551	-	-	-	-	-	-	1,317,348
-	-	-	-	-	-	-	-	26,723
26,000	-	83,224	-	-	-	-	-	418,259
-	-	-	48,831	25,000	-	1,167,981	1,768,623	3,154,735
-	-	-	-	-	-	-	-	-
26,000	76,400	83,224	48,831	25,000	-	1,167,981	1,768,623	10,085,939
(26,000)	(76,400)	6,913	(48,831)	(25,000)	-	(593,567)	(1,468,623)	(1,043,559)
-	122,200	55,400	-	-	-	-	200,000	1,170,041
-	(50,000)	(75,000)	-	-	-	-	-	(1,066,986)
-	72,200	(19,600)	-	-	-	-	200,000	103,055
(26,000)	(4,200)	(12,687)	(48,831)	(25,000)	-	(593,567)	(1,268,623)	(940,504)
164,004	396,045	499,749	458,664	50,141	100,000	1,522,551	1,881,528	12,079,648
\$ 138,004	\$ 391,845	\$ 487,062	\$ 409,833	\$ 25,141	\$ 100,000	\$ 928,984	\$ 612,905	\$ 11,139,144

**TOWN OF TIBURON**  
**Special Revenue Funds**  
**Combining Balance Sheet**  
**June 30, 2013**

	Police Asset Forfeiture	Police Supp Law Enforcement	COPS Technical Grant	Cypress Hollow LLD-98	State Gasoline Tax
<b>ASSETS</b>					
Cash and investments	\$ -	\$ (35,681)	\$ -	\$ 33,740	\$ 800,566
Receivables	-	35,681	-	202	394
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,942</b>	<b>\$ 800,961</b>
<b>LIABILITIES</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	33,942	800,961
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,942</b>	<b>800,961</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 33,942</b>	<b>\$ 800,961</b>

State Traffic Congestion Relief	Measure A Sales Tax	CA Proposition 1B	Totals
\$ -	\$ 11,346	\$ -	\$ 809,972
-	5	-	36,282
<u>\$ -</u>	<u>\$ 11,351</u>	<u>\$ -</u>	<u>\$ 846,254</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	11,351	-	846,254
-	-	-	-
-	-	-	-
-	-	-	-
-	11,351	-	846,254
<u>\$ -</u>	<u>\$ 11,351</u>	<u>\$ -</u>	<u>\$ 846,254</u>

**TOWN OF TIBURON**  
**Special Revenue Funds**  
**Combining Statement of Revenue, Expenditures and Change in Fund Balances**  
**Year Ended June 30, 2013**

	Police Asset Forfeiture	Police Supp Law Enforcement	COPS Technical Grant	Cypress Hollow LLD-98	State Gasoline Tax
<b>REVENUE</b>					
Property taxes	\$ -	\$ -	\$ -	\$ 16,544	\$ -
Other taxes	-	-	-	-	-
Franchises	-	-	-	-	-
Fines and penalties	-	-	-	-	-
Investment earnings	-	-	-	100	1,964
Intergovernmental and agency	-	100,000	-	-	222,471
Licenses and permits	-	-	-	-	-
Charges for services	-	-	-	-	-
Other revenue	-	-	-	-	-
<b>Total Revenue</b>	<b>-</b>	<b>100,000</b>	<b>-</b>	<b>16,644</b>	<b>224,435</b>
<b>EXPENDITURES</b>					
Current -					
Town administration	-	-	-	-	1,628
Community development	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	16,174	-
Legislative boards and commissions	-	-	-	-	-
Capital improvement projects	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,174</b>	<b>1,628</b>
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	100,000	-	470	222,807
Other Financing Sources / (Uses)					
Operating transfers in	-	-	-	-	-
Operating transfers (out)	-	(100,000)	-	-	-
Other	-	-	-	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>(100,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>470</b>	<b>222,807</b>
Fund Balances - beginning	-	-	-	33,472	578,154
Fund Balances - end of year	\$ -	\$ -	\$ -	\$ 33,942	\$ 800,961

State Traffic Congestion Relief	County Measure A Sales Tax	California Prop 1B	Totals
\$ -	\$ -	\$ -	\$ 16,544
-	85,641	-	85,641
-	-	-	-
-	-	-	-
-	11	-	2,075
-	-	-	322,471
-	-	-	-
-	-	-	-
-	-	-	-
-	85,652	-	426,731
-	-	-	1,628
-	-	-	-
-	-	-	-
-	-	-	16,174
-	-	-	-
-	86,000	-	86,000
-	86,000	-	103,802
-	(348)	-	322,929
-	-	-	-
-	-	-	(100,000)
-	-	-	-
-	-	-	(100,000)
-	(348)	-	222,929
-	11,699	-	623,325
\$ -	\$ 11,351	\$ -	\$ 846,254

**TOWN OF TIBURON**  
**Capital Projects Funds**  
**Combining Balance Sheet**  
**June 30, 2013**

	State Prop 116 Waterfront	Property Development Tax	Town owned Housing Units	Heritage & Arts Project	Town's LMI Housing	Tiburon Playground Improvement	Tiburon Parks In-Lieu
<b>ASSETS</b>							
Cash and investments	\$ -	\$ -	\$ 268,863	\$ 10,116	\$ 1,060,344	\$ -	\$ 1,364
Receivables	-	-	149	2	631	2,030	1
Notes receivable	-	-	-	-	17,520	-	-
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 269,012</b>	<b>\$ 10,118</b>	<b>\$ 1,078,495</b>	<b>\$ 2,030</b>	<b>\$ 1,365</b>
<b>LIABILITIES</b>							
Accounts payable	\$ -	\$ -	\$ 25	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	-
Deposits - tenant	-	-	9,600	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>9,625</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>							
Nonspendable	-	-	-	-	17,520	-	-
Restricted	-	-	-	-	-	-	-
Committed	-	-	-	-	1,060,975	-	1,365
Assigned	-	-	259,387	10,118	-	-	-
Unassigned	-	-	-	-	-	2,030	-
<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>259,387</b>	<b>10,118</b>	<b>1,078,495</b>	<b>2,030</b>	<b>1,365</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 269,012</b>	<b>\$ 10,118</b>	<b>\$ 1,078,495</b>	<b>\$ 2,030</b>	<b>\$ 1,365</b>

Open Space Acquisition	Planning Area Mitigation	Tiburon Street Impact	Storm Water Run Off	Circulation System Improvement	Bunch Grass Mitigation	Street Frontage Improvement	Tiburon Long Range Planning	Totals
\$ 192,597	\$ 181,035	\$ -	\$ 7,991	\$ 39,415	\$ 130,844	\$ -	\$ 226,449	\$ 2,119,019
116	106	-	4	-	67	2	109	3,217
-	-	-	-	-	-	-	-	17,520
<u>\$ 192,713</u>	<u>\$ 181,141</u>	<u>\$ -</u>	<u>\$ 7,995</u>	<u>\$ 39,415</u>	<u>\$ 130,911</u>	<u>\$ 2</u>	<u>\$ 226,558</u>	<u>\$ 2,139,756</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	9,600
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	9,625
-	-	-	-	-	-	-	-	17,520
-	-	-	-	-	-	-	-	-
192,713	181,141	-	7,995	39,415	130,911	-	226,558	1,841,074
-	-	-	-	-	-	-	-	269,505
-	-	-	-	-	-	2	-	2,032
<u>192,713</u>	<u>181,141</u>	<u>-</u>	<u>7,995</u>	<u>39,415</u>	<u>130,911</u>	<u>2</u>	<u>226,558</u>	<u>2,130,131</u>
<u>\$ 192,713</u>	<u>\$ 181,141</u>	<u>\$ -</u>	<u>\$ 7,995</u>	<u>\$ 39,415</u>	<u>\$ 130,911</u>	<u>\$ 2</u>	<u>\$ 226,558</u>	<u>\$ 2,139,756</u>

**TOWN OF TIBURON**  
**Capital Projects Funds**  
**Combining Statement of Revenue, Expenditures and Change in Fund Balances**  
**Year Ended June 30, 2013**

	State Prop 116 Waterfront	Property Development Tax	Town owned Housing Units	Heritage & Arts Project	Town's LMI Housing	Tiburon Playground Improvement	Tiburon Parks In-Lieu
<b>REVENUE</b>							
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other taxes	-	-	-	-	-	-	-
Franchises	-	-	-	-	-	-	-
Fines and penalties	-	-	-	-	-	-	-
Investment earnings	-	-	689	17	4,433	-	1
Intergovernmental and agency	-	-	-	2,316	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Charges for services	-	-	93,150	-	-	-	-
Other revenue	-	-	-	-	13,503	-	-
Total Revenue	-	-	93,839	2,333	17,936	-	1
<b>EXPENDITURES</b>							
Current -							
Town administration	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Legislative boards and commissions	-	-	-	3,907	-	-	-
Non-Departmental	-	-	53,172	-	34,048	-	-
Capital improvement projects	-	-	-	-	-	-	-
Total Expenditures	-	-	53,172	3,907	34,048	-	-
Excess (Deficiency) of Revenue Over (Under) Expenditures	-	-	40,667	(1,574)	(16,112)	-	1
Other Financing Sources / (Uses)							
Operating transfers in	-	-	-	-	-	-	-
Operating transfers (out)	-	-	-	-	-	-	-
Proceeds of long-term debt	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-	-	-
<b>CHANGE IN FUND BALANCES</b>	-	-	40,667	(1,574)	(16,112)	-	1
Fund Balances - beginning	-	-	218,720	11,692	1,094,607	2,030	1,364
Fund Balances - end of year	\$ -	\$ -	\$ 259,387	\$ 10,118	\$ 1,078,495	\$ 2,030	\$ 1,365

Open Space Acquisition	Planning Area Mitigation	Tiburon Street Impact	Storm Water Run Off	Circulation System Improvement	Bunch Grass Mitigation	Street Frontage Improvement	Tiburon Long Range Planning	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
601	553	-	101	32	347	2	569	7,345
-	-	-	-	-	-	-	-	2,316
-	-	-	41,922	5,603	-	-	45,475	186,150
-	412	-	-	-	-	-	-	13,915
<u>601</u>	<u>965</u>	<u>-</u>	<u>42,023</u>	<u>5,635</u>	<u>347</u>	<u>2</u>	<u>46,044</u>	<u>209,726</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	7,693	7,693
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	3,907
-	-	-	-	-	-	-	-	87,220
-	-	-	88,259	-	-	-	-	88,259
-	-	-	<u>88,259</u>	-	-	-	<u>7,693</u>	<u>187,079</u>
601	965	-	(46,236)	5,635	347	2	38,351	22,647
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
601	965	-	(46,236)	5,635	347	2	38,351	22,647
192,112	180,177	-	54,231	33,780	130,564	-	188,207	2,107,484
<u>\$ 192,713</u>	<u>\$ 181,142</u>	<u>\$ -</u>	<u>\$ 7,995</u>	<u>\$ 39,415</u>	<u>\$ 130,911</u>	<u>\$ 2</u>	<u>\$ 226,558</u>	<u>\$ 2,130,131</u>

