

REQUIRED SUPPLEMENTARY INFORMATION

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**CITY OF EUREKA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 15,151,000	\$ 15,151,000	\$ 13,645,915	\$ (1,505,085)
Licenses, permits, and fees	875,950	852,450	904,913	52,463
Fines and penalties	302,000	255,500	269,986	14,486
Intergovernmental	2,481,800	2,566,669	2,336,500	(230,169)
Charges for services	3,083,357	3,524,678	3,098,116	(426,562)
Investment income	149,348	149,348	94,775	(54,573)
Other revenues	1,286,010	1,763,957	244,827	(1,519,130)
Total Revenues	23,329,465	24,263,602	20,595,032	(3,668,570)
Expenditures:				
General government-				
Council	65,887	65,887	51,427	14,460
Mayor	35,642	36,791	32,481	4,310
City Manager	340,614	340,614	359,926	(19,312)
City Clerk	179,441	182,887	141,648	41,239
Human Resources	252,029	369,720	355,261	14,459
Finance	730,791	740,425	722,693	17,732
City Attorney	253,457	310,761	310,652	109
Non-departmental	2,043,993	2,324,165	2,182,168	141,997
Public safety-				
Police	8,394,162	8,376,308	7,678,088	698,220
Fire	5,056,501	5,384,731	4,919,750	464,981
Public works-				
Engineering	1,466,452	1,561,505	1,277,478	284,027
Maintenance	1,177,140	1,163,702	973,467	190,235
Community development	558,820	558,820	517,530	41,290
Culture and recreation	2,309,600	2,324,071	2,150,235	173,836
Capital outlay	52,972	277,489	227,663	49,826
Debt service -				
Principal payments	188,143	188,143	175,690	12,453
Interest and fiscal charges	67,879	67,879	67,877	2
Total Expenditures	23,173,523	24,273,898	22,144,034	2,129,864
Excess of revenues over (under) expenditures	155,942	(10,296)	(1,549,002)	(1,538,706)
Other Financing Sources (Uses):				
Transfers in	75,000	75,000	75,000	
Transfers out	(74,430)	(151,042)	(152,024)	(982)
Total Other Financing Sources (Uses)	570	(76,042)	(77,024)	(982)
Net Changes in Fund Balance	156,512	(86,338)	(1,626,026)	(1,539,688)
Fund Balance, beginning of fiscal year	5,636,010	5,636,010	5,636,010	
Prior Period Adjustments			(78,821)	(78,821)
Fund Balance, beginning of fiscal year, restated	5,636,010	5,636,010	5,557,189	(78,821)
Fund Balance, end of fiscal year	\$ 5,792,522	\$ 5,549,672	\$ 3,931,163	\$ (1,618,509)

See Notes to Required Supplemental Information

CITY OF EUREKA
HOUSING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
Revenues:				
Intergovernmental	\$ 1,108,650	\$ 1,117,400	\$ 618,125	\$ (499,275)
Investment income	48,955	48,955	56,917	7,962
Other revenues	23,612	23,612		(23,612)
Charges for services	291,553	291,553	208,300	(83,253)
Total Revenues	1,472,770	1,481,520	883,342	(598,178)
Expenditures:				
Current:				
Community development	2,315,164	2,416,859	625,855	1,791,004
Total Expenditures	2,315,164	2,416,859	625,855	1,791,004
Excess of Revenues Over (Under) Expenditures	(842,394)	(935,339)	257,487	1,192,826
Other Financing Sources (Uses):				
Transfers in	250,000	400,000	400,000	
Transfers out		(150,000)	(150,000)	
Total Other Financing Sources (Uses)	250,000	250,000	250,000	
Net Changes in Fund Balance	(592,394)	(685,339)	507,487	1,192,826
Fund Balance, beginning of fiscal year	1,119,669	1,119,669	1,119,669	
Prior Period Adjustments			7,822	7,822
Fund Balance, beginning of fiscal year, restated	1,119,669	1,119,669	1,127,491	7,822
Fund Balance, end of fiscal year	\$ 527,275	\$ 434,330	\$ 1,634,978	\$ 1,200,648

See Notes to Required Supplemental Information

CITY OF EUREKA
LOW AND MODERATE INCOME HOUSING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Use of money and property	\$ 250,000	\$ 250,000	\$ 320,777	\$ 70,777
Other revenues	109,000	109,000	32,161	(76,839)
Total Revenues	<u>359,000</u>	<u>359,000</u>	<u>352,938</u>	<u>(6,062)</u>
Expenditures:				
Current -				
Community development	2,527,121	2,767,176	2,211,831	555,345
Total Expenditures	<u>2,527,121</u>	<u>2,767,176</u>	<u>2,211,831</u>	<u>555,345</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,168,121)</u>	<u>(2,408,176)</u>	<u>(1,858,893)</u>	<u>549,283</u>
Other Financing Sources (Uses):				
Transfers in	1,053,295	1,053,294	1,152,425	99,131
Transfers out	(250,000)	(250,000)	(250,000)	
Total Other Financing Sources (Uses)	<u>803,295</u>	<u>803,294</u>	<u>902,425</u>	
Net Changes in Fund Balance	<u>(1,364,826)</u>	<u>(1,604,882)</u>	<u>(956,468)</u>	<u>648,414</u>
Fund Balance, beginning of fiscal year	1,927,176	1,927,176	1,927,176	
Prior Period Adjustments			388,178	388,178
Fund Balance, beginning of fiscal year, restated	<u>1,927,176</u>	<u>1,927,176</u>	<u>2,315,354</u>	<u>388,178</u>
Fund Balance, end of fiscal year	<u>\$ 562,350</u>	<u>\$ 322,294</u>	<u>\$ 1,358,886</u>	<u>\$ 1,036,592</u>

See Notes to Required Supplemental Information

CITY OF EUREKA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2009

NOTE 1-SCHEDULE OF FUNDING PROGRESS - Local Employees' Retirement System (LERS)

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered payroll ((b-a)/c)
6/30/1995	\$ 1,500,695	\$ 6,955,634	\$ 5,454,939	21.6%	N/A	N/A
6/30/1996	1,486,314	6,851,822	5,365,508	21.7%	N/A	N/A
6/30/1997	1,477,862	7,013,672	5,535,810	21.1%	N/A	N/A
6/30/1998	1,177,209	6,883,361	5,706,152	17.1%	N/A	N/A
6/30/1999	1,271,710	6,178,799	4,907,089	20.6%	N/A	N/A
6/30/2000	1,426,952	6,078,866	4,651,914	23.5%	N/A	N/A
6/30/2001	1,521,478	6,648,840	5,127,362	22.9%	N/A	N/A
6/30/2002	1,310,755	6,517,915	5,207,160	20.1%	N/A	N/A
6/30/2003	1,253,920	5,749,458	4,495,538	21.8%	N/A	N/A
6/30/2004	875,905	5,599,704	4,723,796	15.6%	N/A	N/A
6/30/2005	904,323	4,985,969	4,081,646	18.1%	N/A	N/A
6/30/2006	1,284,477	4,806,301	3,521,524	26.7%	N/A	N/A
6/30/2007	849,471	4,959,400	4,109,929	17.1%	N/A	N/A
6/30/2008	634,937	4,740,136	4,105,199	13.4%	N/A	N/A

Schedule of Employer Contributions

Fiscal Year Ended June 30	Annual Required Contribution	Percentage Contributed
1996	\$ 590,693	85%
1997	590,693	69%
1998	616,275	69%
1999	616,275	24%
2000	556,724	90%
2001	556,724	90%
2002	607,686	68%
2003	607,686	74%
2004	571,992	74%
2005	(123,022)	100%
2006	(163,025)	100%
2007	(121,366)	100%
2008	(88,525)	100%
2009	(31,650)	100%

Information as of the latest actuarial valuation follows:

Valuation date	6/30/2008
Actuarial cost method	Entry Age
Amortization method	Straight Line Amortization – Closed
Remaining amortization period	15 years
Asset valuation method	Smoothed market value
Actuarial assumptions:	
Investment rate of return	6.0%
Projected salary increases	4.0%

CITY OF EUREKA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2009

NOTE 2-SCHEDULE OF FUNDING PROGRESS - Public Employees' Retirement System (PERS)

Public Employees' Retirement System (PERS) - Miscellaneous Plan
(Stand Alone - in thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Liability	Funded Ratio	Covered Payroll	UAAL as a Percentage of Payroll
6/30/2003	\$ 35,783	\$ 40,231	\$ 4,448	88.9%	\$ 7,154	62.2%
6/30/2004	37,468	43,976	6,508	85.2%	6,876	94.7%
6/30/2005	40,000	47,885	7,885	83.5%	6,675	118.1%
6/30/2006	42,704	52,023	9,319	82.1%	7,062	132.0%
6/30/2007	46,087	55,529	9,441	83.0%	7,863	120.1%
6/30/2008	49,193	59,300	10,107	83.0%	8,158	123.9%

State law authorized the creation of risk pools by PERS and required mandatory participation of small employers to help reduce large fluctuations in their contribution rates. The City of Eureka's Safety Plan is now required to participate in the risk pool. Under this pooling method, assets and liabilities of the participant employers are aggregated. As such, individual employer's retirement data is no longer available.

	Police	Fire	Miscellaneous
Valuation date	6/30/2008	6/30/2008	6/30/2008
Actuarial cost method	Entry Age	Entry Age	Entry Age
Amortization method	Level % of Payroll	Level % of Payroll	Level % of Payroll
Remaining amortization period (closed period)	14 years	14 years	28 years
Asset valuation method	smoothed market	smoothed market	smoothed market
Actuarial assumptions			
Investment rate of return	7.75%	7.75%	7.75%
Projected salary increases	3.25-14.45%	3.25-14.45%	3.25-14.45%
Inflation	3.00%	3.00%	3.00%
Payroll growth	3.25%	3.25%	3.25%

Historical trend information about the Local Employees' Retirement System (LERS) and Public Employees' Retirement System (PERS) is presented herewith as required supplementary information. This information is intended to help users assess LERS and PERS funding status, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems.

CITY OF EUREKA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2009

NOTE 2 - SCHEDULE OF FUNDING PROGRESS - (PERS) (Continued)

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Analysis of the dollar amounts of plan net assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication of LERS and PERS funding status on a going-concern basis. Analysis of this percentage over time indicates whether the system is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the system.

NOTE 3 – BUDGET TO GAAP RECONCILIATION

The General Fund, the Housing Fund and the Low and Moderate Income Housing Special Revenue Funds use the same measurement focus and basis of accounting for budgeting and financial reporting; therefore there are no entries to adjust the budget basis actual to US GAAP basis.