

# **County of Alameda**

## **CALIFORNIA**



**2005/2006**  
**ANNUAL CONTINUING DISCLOSURE**  
**INFORMATION STATEMENT**  
**AS OF JANUARY 25, 2007**

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## INTRODUCTION

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The purpose of this document is to provide information about the County of Alameda (the "County") for the fiscal year ending June 30, 2006. The County has collected the information presented below from sources believed to be accurate. The County, however, makes no assurances about the accuracy or reliability of this information. The County does not intend that the enclosed information be relied on as specific offering information in connection with any issuance of bonds by the County. Investors may receive further documentation about the County by requesting a copy of its most recent official statement from the Municipal Securities Rulemaking

Board or a Nationally Recognized Municipal Securities Information Repository. Requests may also be directed to:

Stephen Walsh  
Finance Analyst  
County Administrator's Office  
County of Alameda  
1221 Oak Street, Suite 555  
Oakland, CA 94612  
Tel (510) 272-3844

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The County also posts general financial information on its Web site: <http://www.acgov.org>

The County reserves the right to amend or withdraw this information at anytime. This document is not intended to create disclosure requirements or a legal obligation to provide any or all items of information.

# THE COUNTY'S FINANCIAL INFORMATION

The complete audited financial statements for the County for the Fiscal Year Ended June 30, 2006 will be filed separately with the Nationally Recognized Municipal Securities Information Repositories and are hereby incorporated by reference into this Annual Information Statement. The following tables present a summary of the audited financial statements.

## General Fund Revenue and Expenditures

The following table describes General Fund revenues and expenditures by source and use for the last three fiscal years.

<b>(Numbers in \$000's)</b>			
<b>Fiscal Year Ending June 30,</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
<b>Revenues:</b>			
Taxes	\$374,461	\$416,060	\$463,209
Licenses and Permits	6,532	6,270	6,968
Fines, Forfeitures and Penalties	30,446	30,397	27,345
Use of Money & Property	19,317	9,475	15,670
State Aid	545,122	627,214	693,001
Federal Aid	224,275	221,562	255,694
Other Aid	7,252	7,754	8,649
Charges for Current Services	218,609	206,782	267,738
Other Revenue	15,691	37,350	32,373
<b>Total Revenues</b>	<b>\$1,441,705</b>	<b>\$1,562,864</b>	<b>\$1,770,647</b>
<b>Expenditures:</b>			
General Government	\$122,004	\$107,861	\$106,906
Public Protection	440,962	444,385	476,971
Public Assistance	531,396	519,732	570,284
Health & Sanitation	370,307	383,239	400,308
Public Ways & Facilities	1,728	1,614	1,446
Recreation & Cultural Services	627	493	526
Education	186	189	137
Debt Service-Bond issuance costs	-	2,272	958
Capital Outlay	4,589	9,510	5,771
<b>Total Expenditures</b>	<b>\$1,471,799</b>	<b>\$1,469,295</b>	<b>\$1,563,307</b>
<b>Revenues Over / (Under) Expenditures</b>	<b>\$(30,094)</b>	<b>\$93,569</b>	<b>\$207,340</b>
<b>Other Financing Sources (Uses):</b>			
Bond / Loan Proceeds	-	2,183	6,401
Capital Lease	-	-	26,896
Operating Transfers In	8,450	10,635	32,336
Transfers in from discretely presented component unit	-	-	-
Operating Transfers Out	(10,910)	(21,224)	(34,046)
Transfers out to discretely presented component unit	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>\$(2,460)</b>	<b>\$(8,406)</b>	<b>\$31,587</b>
Net change in fund balances	(32,554)	85,163	238,927
Fund Balances - July 1	359,861	327,307	412,470
<b>Fund Balances - June 30</b>	<b>\$327,307</b>	<b>\$412,470</b>	<b>\$651,397</b>

Source: County of Alameda Comprehensive Annual Financial Reports

General Fund Budget

The following table describes the County's adopted General Fund budgets for the last three fiscal years.

(Numbers in \$000's)			
Fiscal Year Ending June 30,	Adopted 2005 <sup>(1)</sup>	Adopted 2006 <sup>(2)</sup>	Adopted 2007 <sup>(3)</sup>
<b>Revenues</b>			
Fund Balance Available	\$18,786	\$0	\$11,864
Taxes (Property, Sales & Use, Other)	376,765	397,242	432,362
Licenses and Permits	5,632	6,165	6,402
Fines and Forfeitures	12,869	11,490	9,252
Use of Money & Property	4,716	13,751	15,334
From Other Agencies	818,030	854,271	921,432
Charge for Services	218,509	255,803	265,262
Other Revenues	46,113	33,861	32,647
Other Financing Sources	172,642	189,751	168,970
<b>Total Revenue</b>	<b>\$1,674,062</b>	<b>\$1,762,334</b>	<b>\$1,863,525</b>
<b>Expenditures</b>			
General Government	\$139,071	\$131,863	\$151,783
Public Protection	402,556	426,751	473,520
Health Care Services	461,736	492,001	512,505
Public Assistance	567,283	590,416	604,108
Non Program Financing	50,291	57,445	57,026
Contingencies/Reserves	45,144	54,687	58,325
Capital Projects	7,981	9,170	6,258
<b>Total Expenditures</b>	<b>\$1,674,062</b>	<b>\$1,762,334</b>	<b>\$1,863,525</b>

(1) Amended Budget Adopted by the Board of Supervisors October 26, 2004.

(2) Budget Adopted by the Board of Supervisors June 24, 2005.

(3) Budget Adopted by the Board of Supervisors June 23, 2006.

Source: County of Alameda, Administrator's Office.

General Fund Balance Sheet

The table below summarizes comparative General Fund balance sheet totals for the last three fiscal years.

(Numbers in \$000's)			
Fiscal Year Ending June 30,	2004	2005	2006
<b>Assets</b>			
Cash and Investments with County Treasurer	\$227,401	\$279,026	\$447,679
Cash and Investments with Fiscal Agents	54	-	20
Deposits with Others	1,354	1,777	1,499
Other receivables, net of allowance for uncollectible accounts	211,560	255,977	252,787
Due from Other Funds	20,578	56,064	63,122
Due from Component Unit	192,456	69,476	51,418
Taxes Receivable	-	-	-
Loans Receivable	1,988	1,457	1,172
<b>Total Assets</b>	<b>\$655,391</b>	<b>\$663,777</b>	<b>\$817,697</b>
<b>Liabilities</b>			
Accounts Payable & Accrued Expenses	\$162,863	\$120,325	\$87,413
Due from Other Funds	-	-	-
Deferred & Unearned Revenue	165,221	130,982	78,887
<b>Total Liabilities</b>	<b>\$328,084</b>	<b>\$251,307</b>	<b>\$166,300</b>
<b>Fund Balances</b>			
Reserved for:			
Encumbrances	\$42,903	\$52,396	\$68,858
Debt service	55	55	580
Capital projects	-	-	-
Legal restrictions	108,198	113,772	141,612
Assets not available for appropriation	2,291	2,448	2,481
<b>Total Reserved Fund Balance</b>	<b>\$153,447</b>	<b>\$168,671</b>	<b>\$213,531</b>
Total Unreserved Fund Balance	173,860	243,799	437,866
<b>Total Fund Balances</b>	<b>\$327,307</b>	<b>\$412,470</b>	<b>\$651,397</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$655,391</b>	<b>\$663,777</b>	<b>\$817,697</b>

Source: County of Alameda Comprehensive Annual Financial Reports.

## THE COUNTY'S OPERATING INFORMATION

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### Pension Plan

Currently, the County of Alameda, the Alameda County Medical Center, the Superior Court, County of Alameda, and four special districts participate in the Association. The Association is a cost-sharing multiple-employer public employee retirement system in which all the risks and costs are shared by the participating entities. Currently, the County and five special districts participate in the Association. These special districts are located in the County and are not controlled by the County's Board of Supervisors. An actuarial evaluation is performed annually for the system as a whole, and the County and special districts are required by statute to finance the estimated benefits accruing to their employees. Employers and employees share in the financing of the system, and employer contributions represented approximately 61 percent of total contributions in 2005.

All permanent full-time employees of participating entities automatically become members of the Association. Employees who are in active law enforcement, juvenile hall group counseling, or active fire suppression are Safety Members; all others are General Members.

### Insurance Coverage

The County uses a combination of self-insurance and purchased insurance programs for protection against adverse losses. Coverages include general and auto liability, medical malpractice, all risk property, flood, earthquake, workers' compensation, employer's liability, and public officials dishonesty bond and crime insurance. Self-insurance retention levels and purchased insurance levels vary by type of coverage. General and auto liability coverage, for example, includes self-insurance retention of up to \$1 million with purchased insurance coverage

The plan provides certain death, disability and service retirement benefits based on specified percentages of final average salary, in addition to annual cost-of-living adjustments after retirement.

In addition, the County has established a voluntary deferred compensation plan available to all regular County employees under which participants under 50 years of age may elect to defer up to \$15,500 of salary in any calendar year to provide for retirement, disability or death benefits. For those over 50, the deferral maximum is \$19,500 of salary in any calendar year. The County has established an investment fund for employee contributions and entered into a custodial agreement for this fund. Under the terms of the plan, the assets of the fund are managed by the County.

up to \$25 million, while employer's liability coverage includes self-insurance retention up to \$3 million with purchased insurance coverage up to \$5 million per occurrence. Amounts in excess of these limits are self-insured, but none of the insurance settlements over the past three years have exceeded the amount of insurance coverage. In addition, the County performs an annual study to ensure that the insurance program is actuarially sound.

## GENERAL LONG TERM DEBT

### Ratings

On October 9, 2001 Moody's placed a negative outlook on their ratings of all California counties long term debt, including general obligation bonds, pension obligation bonds, and lease-backed obligations. This action was triggered by the potential for an expansion of the State of California's budget deficit for fiscal 2003 and beyond as a result of the weakening of the economy

and the stock market, as well as new questions regarding the State's ability to issue power revenue bonds as planned. In August 2004, Moody's assigned an A2 rating to Alameda County's Lease Revenue Bonds (Juvenile Justice Facility) Series 2004 along with a revised outlook on Alameda County's long-term rating from negative to stable.

### Certificates of Participation (Amounts expressed in thousands)

Issue Name	Date Issued	Final Maturity	Original Par Amount	Amount Outstanding as of June 30, 2006
1989 Capital Projects – Capital Appreciation Bonds	August 15, 1989	2019	\$26,664	\$22,054
1997 Refunding and Capital Projects	December 1, 1997	2022	64,630	41,880
Certificates of Participation (Refunding and Capital Projects), Series 1998A (ALCOLINK Project)	December 1, 1998	2006	34,325	3,630
2001 Refunding Certificates	August 9, 2001	2021	148,455	136,620
<b>Total</b>			<b>\$283,554</b>	<b>\$204,184</b>

### Tobacco Settlement Asset-Backed Bonds (Amounts expressed in thousands)

Issue Name	Date Issued	Final Maturity	Original Par Amount	Amount Outstanding as of June 30, 2006
Tobacco Securitization Bonds, 2002	October 30, 2002	2042	\$220,525	\$203,380
Tobacco Securitization Bonds, 2006 – A & B	February 9, 2006	2050	51,475	52,762
Tobacco Securitization Bonds, 2006 – C	February 9, 2006	2055	16,383	16,874
<b>Total</b>			<b>\$288,383</b>	<b>\$273,016</b>

### Pension Obligation Bonds (Amounts expressed in thousands)

Issue Name	Date Issued	Final Maturity	Original Par Amount	Amount Outstanding as of June 30, 2006
1996 Bonds, Series B – Capital Appreciation Bonds	December 19, 1996	2018	\$306,863	\$558,737
<b>Total</b>			<b>\$306,863</b>	<b>\$558,737</b>

### Revenue Bonds (Amounts expressed in thousands)

Issue Name	Date Issued	Final Maturity	Original Par Amount	Amount Outstanding as of June 30, 2006
Lease Revenue Bonds (Juvenile Justice Facility)	August 5, 2004	2034 <sup>(1)</sup>	\$136,975	\$136,975
Lease Revenue Bonds, 2004 Series B (ABAG)	October 12, 2004	2012	6,095	4,635
<b>Total</b>			<b>\$143,070</b>	<b>\$141,610</b>

(1) Final maturity for fixed rate bonds is 2015.

Principal Redemptions and Payments

<b>Principal Redemptions &amp; Payments (For Fiscal Year Ending June 30, 2006)</b> <b>(Amounts in \$000's)</b>			
<b>Issue Name</b>	<b>Amount Outstanding as of June 30, 2005</b>	<b>Redemptions &amp; Payments</b>	<b>Amount Outstanding as of June 30, 2006</b>
1989 Certificates of Participation (Capital Projects)	\$23,097	\$1,043	\$22,054
1997 Certificates of Participation Refunding and Capital Projects)	44,990	3,110	41,880
Certificates of Participation (Refunding and Capital Projects), Series 1998A (ALCOLINK Project)	7,080	3,450	3,630
Refunding Certificates of Participation, Series 2001	139,525	2,905	136,620
Tobacco Securitization Bonds, 2002	206,925	3,545	203,380
Tobacco Securitization Bonds, 2006 – A & B	-	*	52,762
Tobacco Securitization Bonds, 2006 - C	-	*	16,874
1996 Pension Obligation Bonds, Series B Capital Application Bonds	564,185	**	558,737
Lease Revenue Bonds (Juvenile Justice Facility) 2004 Series A, B, and D	136,975	-	136,975
Lease Revenue Bonds, 2004 Series B (ABAG)	5,340	705	4,635
<b>Total</b>	<b>\$1,128,117</b>		<b>\$1,177,547</b>

\* Bonds issued February 9, 2006. The increase in amount outstanding reflects accretion of capital appreciation bonds, no principal payments of any scheduled until the 2002 Tobacco Bonds are paid off.

\*\* The increase in amount outstanding reflects accretion of capital appreciation bonds and payment of any scheduled principal payments.

COUNTY OF ALAMEDA DIRECT AND OVERLAPPING BONDED DEBT

2005-06 Assessed Valuation: (includes unitary utility valuation)	\$164,992,790,292	
Less Redevelopment Incremental Valuation:	<u>18,017,731,325</u>	
<b>Total Adjusted Assessed Valuation:</b>	<b>\$146,975,058,967</b>	
<b>Population</b>	<b>1,510,303</b>	
Direct	Percent Applicable	Outstanding (\$000's) As of 6/30/06
Bay Area Rapid Transit District	39.948%	\$39,948
East Bay Municipal Utility District	49.756	1,045
East Bay Municipal Utility District, Special Service District No. 1	93.735	34,218
Chabot-Las Positas Community College District	99.672	88,983
Ohlone Community College District	100.000	140,490
Peralta Community College District	100.000	199,220
San Joaquin Delta Community College District	.114	95
Alameda Unified School District	100.000	90,680
Berkeley Unified School District	100.000	204,986
Castro Valley Unified School District	100.000	72,145
Dublin Unified School District	100.000	81,685
Fremont Unified School District	100.000	211,181
Livermore Valley Joint Unified School District	99.599	100,764
New Haven Unified School District	100.000	150,901
Newark Unified School District	100.000	70,494
Oakland Unified School District	100.000	447,034
Pleasanton Unified School District	100.000	131,099
San Leandro Unified School District	100.000	46,004
Other Unified School Districts	100.000	95,500
East Bay Regional Park District	53.686	59,683
City of Alameda	100.000	10,300
City of Berkeley	100.000	67,915
City of Fremont	100.000	34,630
City of Oakland	100.000	241,159
Other Cities	100.000	7,715
Community Facilities Districts	100.000	69,225
1915 Act Bonds (Estimated)	100.000	213,717
<b>Total Gross Overlapping Tax and Assessment Debt</b>		<b>\$2,910,817</b>
Less: East Bay Municipal Utility District (100% self-supporting)		1,045
<b>Total Net Overlapping Tax and Assessment Debt</b>		<b>\$2,909,772</b>

**COUNTY OF ALAMEDA DIRECT AND OVERLAPPING BONDED DEBT  
(CONTINUED)**

<b>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</b>	<b>Percent Applicable</b>	<b>Outstanding (\$000's) As of 6/30/06</b>
Alameda County General Fund Obligations	100.000%	\$611,306
Alameda County Pension Obligations	100.000	282,078
Alameda County Office of Education Certificates of Participation	100.000	1,285
Alameda-Contra Costa Transit District Certificates of Participation	88.561	17,584
Peralta Community College District Pension Obligations	100.000	153,750
Fremont Unified School District Certificates of Participation	100.000	22,895
Hayward Unified School District Certificates of Participation	100.000	25,110
Oakland Unified School District Certificates of Participation	100.000	84,380
Pleasanton Unified School District General Fund Obligations	100.000	19,580
Other School District Certificates of Participation	Various	21,544
City of Berkeley General Fund and Pension Fund Obligations	100.000	41,370
City of Fremont General Fund Obligations	100.000	134,705
City of Hayward General Fund Obligations	100.000	42,400
City of Livermore General Fund Obligations	100.000	74,235
City of Oakland General Fund Obligations	100.000	543,814
City of Oakland Pension Obligations	100.000	341,475
Other City General Fund Obligations	100.000	138,217
<b>Total Gross Direct and Overlapping General Fund Debt</b>		<b>\$2,555,727</b>
Less: City of Hayward self-supporting obligations		4,454
<b>Total Net Direct And Overlapping General Fund Debt</b>		<b>\$2,551,273</b>
Gross Combined Total Debt		\$5,466,544 <sup>(1)</sup>
Net Combined Total Debt		\$5,461,046
State School Building Aid Repayable as of June 30, 2006 (not in thousands): \$83,673		
<b>Ratios to 2005-06 Assessed Valuation:</b>	<b>Assessed Valuation</b>	<b>Per Capita (not in Thousands)</b>
Total Gross Direct and Overlapping Tax and Assessment Debt	1.76%	\$1,927
Total Net Direct and Overlapping Tax and Assessment Debt	1.76%	1,927
<b>Ratios to Adjusted Assessed Valuation:</b>		
Combined Direct Debt (\$893,384)	0.61%	592
Gross Combined Total Debt	3.72%	3,620
Net Combined Total Debt	3.72%	3,616

(1) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

# THE COUNTY’S INVESTMENT POLICY AND INVESTMENT POOL

## County Investment Policy

The County's funds are invested by the County Treasurer. Each year, in accordance to the Government Code of the State of California Section 27133, the County Treasurer prepares an annual investment policy. The objectives of the policy in order of priority are capital preservation, liquidity, diversity and rate of return. The investment portfolio is designed to be diversified and to attain a market-average rate of return, taking into account the cash-flow characteristics and operating requirements of the County and its subdivisions.

The County's Investment Policy states that the portfolio shall strive to attain an average maturity of 18 months but not to exceed 24 months at any time. Investments are made with the intention of holding to maturity and not for the purpose of trading. However, the County Treasurer may, from time to time, swap securities in order to re-position investment holdings to current coupon issues or to realize market value profits on securities held by the portfolio.

The County Treasurer is allowed to sell securities in which actual loss from sale may be incurred under the following conditions:

- (1) To raise cash in order to meet unanticipated cash-flow needs;
- (2) To swap securities for purpose of moving to current coupon issues; and
- (3) To avoid further deterioration of the value of investments due to a rating downgrade or negative rating review of an issuer or if interest rates are anticipated to continually rise.

The County of Alameda's investment policy is reviewed by the Treasury Oversight Committee and approved by the Board of Supervisors on an annual basis.

Summary of Investment Types		
Investment Type	Maximum Investment	Maximum Maturity
Bankers Acceptance	30%	180 days
Commercial Paper	25%	270 days
Medium-Term Notes	30%	5 years
Negotiable Certificates of Deposits or Bank Notes	30%	1 year
Money Market Funds	20%	n/a
U.S. Treasury Bills, U.S. Government Notes, Federal Agency Notes, debt issues of the State of California and local agencies within the State of California	No limit	5 years
Repurchase Agreement / Reverse Repurchase Agreement	20%	90 days / 92 days
Local Agency Investment Fund (LAIF)	\$20 MM	n/a
Collateralized/FDIC-Insured Time Deposits	No limit	n/a
Others (any other legally permitted investments by specific authorizing resolution of the Alameda County Board of Supervisors)	n/a	n/a

**The County's Investment Pool**

The County Treasurer manages the County's investment pool (the "County Pool") in which certain funds of the County and 32 other participating entities within the County are invested pending disbursement. The County Treasurer is an ex-officio treasurer of some of the participating entities, such as school districts, which are legally required to deposit their cash receipts and revenues in the County Treasury. Under State law, withdrawals are allowed only to pay for expenses that have become due.

Each governing board of schools and special districts may allow, by appropriate board resolutions, certain withdrawals of non-operating funds for purposes of investing outside the County Pool. Some participating entities have used this authority to invest funds in the State's Local Agency Investment Fund (LAIF). Furthermore, the districts may, from time to time, authorize the County Treasurer to purchase separate investments (directed investments) for certain district trust funds to mature on predetermined future dates when cash would be required for disbursements.

The State legislature amended Section 53601 of the Government Code to prevent withdrawal abuses. This amendment re-

quires County Treasurers to prescribe a withdrawal policy for participating entities in order to prevent withdrawals that could threaten the Pool liquidity. The Treasurer's investment policy allows a participating entity to withdraw non-operating funds for the purpose of investing outside the County Pool once a month upon three days' prior written notice to the Treasurer. Such withdrawal by a participating entity may not exceed \$5 million at any one time. The Treasurer's investment policy is renewed annually in accordance with applicable State law.

The County Pool is accounted for by the Treasurer at book value, which is based on cost of purchase, including accrued interest included in the purchase price of an investment. The investment portfolio is not marked-to-market, but the market value of the portfolio is calculated and reported quarterly in the corresponding monthly report to the Board of Supervisors.

Of the total book value of the County Pool, over half represented the combined shares of the 32 other participating entities. Of the County's share, about half was allocable to funds held for restrictive purposes, including trust and agency funds held for the benefits of third parties.

The following table summarizes the County's investment portfolio as of June 30, 2006.

<b>Investment Type</b>	<b>Cost/Book Value</b>	<b>% Held</b>	<b>% Allowed by Section 53601</b>
LAIF	\$40,000,000	1.65%	N.A.
Bankers Acceptance	24,092,588	0.99%	30%
Collateralized Time Deposits	53,700,000	2.22%	no limit
Negotiable Certificates of Deposits	170,000,000	7.02%	30%
Commercial Paper	223,688,311	9.24%	25%
Money Market Funds	194,000,000	8.01%	20%
Federal Agency Notes & Bonds	1,179,898,547	48.72%	no limit
Federal Agency Discount Notes	165,888,026	6.85%	no limit
Medium term Notes	219,350,252	9.06%	30%
US Treasury Coupon	54,913,016	0.28%	no limit
US Treasury Discount	48,776,555	2.01%	no limit
<b>Total Investments</b>	<b>\$2,374,307,295</b>	<b>98.05%</b>	
Cash in Bank and on Hand	47,322,627	1.95%	
<b>Total Treasurer's Pool</b>	<b>\$2,421,629,922</b>	<b>100.00%</b>	

Source: County of Alameda Treasurer's Office.

# CERTIFICATES OF PARTICIPATION

## 1997 Certificates of Participation (Refunding & Capital Project)

Pursuant to an Official Statement dated December 4, 1997 the County issued \$64,630,000 County of Alameda 1997 Certificates of Participation (Refunding and Capital Projects). A portion of the proceeds of the sale of the certificates was applied to the payment of the principal, prepayment premium and interest on all of the County's outstanding 1987 Certificates of Participation and all of the County's outstanding 1992 Certificates of Participation. The County also expended a portion of the proceeds for the acquisition and construction of certain facilities and equipment to upgrade food service at certain County jail facilities. The County covenants under the Lease Agreement to take such action as may be necessary to include the lease payments and additional payments due thereunder in its annual budget and to make necessary annual appropriations therefore. For further description of the certificates reference is made to the official statement.

### CUSIPs

MATURITY DATE	CUSIP	MATURITY DATE	CUSIP
6/1/1999	010891MX4	6/1/2009	010891NH8
6/1/2000	010891MY2	6/1/2010	010891NJ4
6/1/2001	010891MZ9	6/1/2011	010891NK1
6/1/2002	010891NA3	6/1/2012	010891NL9
6/1/2003	010891NB1	6/1/2013	010891NM7
6/1/2004	010891NC9	6/1/2014	010891NN5
6/1/2005	010891ND7	6/1/2015	010891NP0
6/1/2006	010891NE5	6/1/2016	010891NQ8
6/1/2007	010891NF2	6/1/2022	010891NR6
6/1/2008	010891NG0		

### List of Participants

UNDERWRITER	
Bear, Stearns & Co. Inc.	E.J. De La Rosa & Co. Inc.
CO-SPECIAL COUNSEL	
Brown & Wood LLP	Webster & Anderson
TRUSTEE	
Karen Lei U.S. Bank Trust, National Association San Francisco, California	

### Certificate Information

PRINCIPAL OUTSTANDING AS OF JANUARY 5, 2007	
1997 Certificates of Participation (Refunding & Capital Projects)	\$41,880,000
FUND INFORMATION AS OF JANUARY 5, 2007	
Reserve Fund	\$4,701,783
Reserve Requirement	4,499,000

**Refunding Certificates of Participation, Series 2001A**

Pursuant to an Official Statement dated July 26, 2001 the County issued \$148,455,000 County of Alameda Refunding Certificates of Participation, Series 2001A. The proceeds from the sale of the certificates together with other available moneys were used to (i) advance refund the County's Certificates of Participation (1991 Financing Project), (ii) advance refund a portion of the County's 1993 Refunding Certificates of Participation (Santa Rita Jail Project) and (iii) pay at maturity or advance refund the Certificates of Participation (ABAG 35). The certificates represent proportionate interests of the owners thereof in the base rental payments to be made by the County of Alameda for the lease of the property. For further description of the certificates reference is made to the official statement.

**CUSIPs**

MATURITY DATE	CUSIP	MATURITY DATE	CUSIP
12/1/2001	010891QK8	12/1/2012	010891QW2
12/1/2002	010891QL6	12/1/2013	010891QX0
12/1/2003	010891QM4	12/1/2014	010891QY8
12/1/2004	010891QN2	12/1/2015	010891QZ5
12/1/2005	010891QP7	12/1/2016	010891RA9
12/1/2006	010891QQ5	12/1/2017	010891RB7
12/1/2007	010891QR3	12/1/2018	010891RC5
12/1/2008	010891QS1	12/1/2019	010891RD3
12/1/2009	010891QT9	12/1/2020	010891RE1
12/1/2010	010891QU6	12/1/2021	010891RF8
12/1/2011	010891QV4		

**List of Participants**

UNDERWRITER	
Morgan Stanley	Samuel A Ramirez & Co., Inc.
Henderson Capital Partners LLC	M R Beal & Co., Inc.
CO-SPECIAL COUNSEL	
Leslie M, Lava, Esq.,	Lofton De Lancie
TRUSTEE	
Karen Lei U.S. Bank National Association San Francisco, California	

**Certificate Information**

PRINCIPAL OUTSTANDING JANUARY 5, 2007	
Refunding Certificates of Participation Series 2001A	\$133,595,000
FUND INFORMATION AS OF JANUARY 5, 2007	
Reserve Fund	\$16,486,330
Reserve Requirement	16,424,693

# PENSION OBLIGATION BONDS

## 1996 Taxable Pension Obligation Bonds, Series B

Pursuant to an Official Statement dated December 12, 1996 the County issued \$306,863,185.50 County of Alameda 1996 Taxable Pension Obligation Bonds Series B. The proceeds from the bonds were issued to refund a debenture issued by the County in favor of the Alameda County Employees' Retirement Association with respect to a portion of such obligation and to refund a portion of the County's outstanding pension obligation bonds. The bonds are absolute and unconditional obligations imposed upon the County by law. For further description of the bonds reference is made to the official statement.

### CUSIPs

MATURITY DATE	CUSIP	MATURITY DATE	CUSIP
12/1/2005	011112AL3	12/1/2012	011112AT6
12/1/2006	011112AM1	12/1/2013	011112AU3
12/1/2007	011112AN9	12/1/2014	011112AV1
12/1/2008	011112AP4	12/1/2015	011112AW9
12/1/2009	011112AR2	12/1/2016	011112AX7
12/1/2010	011112AR0	12/1/2017	011112AY5
12/1/2011	011112AS8	12/1/2018	011112AZ2

### List of Participants

UNDERWRITER	
M R Beal & Company	
Grigsby & Associates, Inc.	Morgan Stanley & Company
E.J. De La Rosa & Co., Inc.	Lam Securities Investments Inc.
Henderson Capital Partners Inc.	Redwood Securities Group Inc.
CO-BOND COUNSEL	
Orrick, Herrington & Sutcliff LLP	Harris, Taylor & Bazile
TRUSTEE	
Karen Lei U.S. Bank National Association San Francisco, California	

### Bond Information

PRINCIPAL OUTSTANDING AS OF JANUARY 5, 2007	
1996 Taxable Pension Obligation Bonds, Series B	\$254,826,842.30

## REVENUE BONDS

### Lease Revenue Bonds (Juvenile Justice Facility)

Pursuant to an Official Statement dated July 27, 2004 the Alameda County Joint Powers Authority issued \$136,975,000 Lease Revenue Bonds (Juvenile Justice Facility) consisting of \$54,350,000 2004 Series A (Auction Rate Securities), \$54,350,000 2004 Series B (Auction Rate Securities), and \$28,275,000 Series D (Fixed Rate Bonds). The proceeds from the bonds were issued to finance a portion of the costs of construction of a new juvenile justice facility. The bonds are absolute and unconditional obligations imposed upon the County by law. For further description of the bonds reference is made to the official statement.

#### CUSIPs for 2004 Series D (Fixed Rate Bonds)

MATURITY DATE	CUSIP	MATURITY DATE	CUSIP
12/1/2007	010831AA3	12/1/2012	010831AF2
12/1/2008	010831AB1	12/1/2013	010831AG0
12/1/2009	010831AC9	12/1/2014	010831AH8
12/1/2010	010831AD7	12/1/2015	010831AJ4
12/1/2011	010831AE5		

#### List of Participants

UNDERWRITER	
Citigroup	Lehman Brothers
Ramirez & Co., Inc.	Jackson Securities
CO-BOND COUNSEL	
Orrick, Herrington & Sutcliff LLP	Webster & Anderson
TRUSTEE	
Sonia N. Flores The Bank of New York Trust Company, N.A. San Francisco, California	

#### Bond Information

PRINCIPAL OUTSTANDING AS OF JANUARY 5, 2007	
Lease Revenue Bonds (Juvenile Justice Facility) 2004 Series D (Fixed Rate Bonds)	\$28,275,000

**Lease Revenue Bonds, 2004 Series B**

Pursuant to an Official Statement dated September 21, 2004 the Association of Bay Area Governments issued \$6,095,000 Lease Revenue Bonds, 2004 Series B (County of Alameda). The proceeds from the bonds were issued to refund the County's Certificates of Participation (ABAG40) delivered in October 1997. The bonds evidence direct, undivided fractional interest of the Owners thereof in lease payments to be made by the County to the ABAG Finance Corporation. For further description of the certificates reference is made to the official statement.

**CUSIPs  
2004 Series B**

MATURITY DATE	CUSIP	MATURITY DATE	CUSIP
6/1/2005	07201XAT6	6/1/2009	07201XAX7
6/1/2006	07201XAU3	6/1/2010	07201XAY5
6/1/2007	07201XAV1	6/1/2011	07201XAZ2
6/1/2008	07201XAW9	6/1/2012	07201XBA6

**List of Participants**

UNDERWRITER
Henderson Capital Partners LLC
CO-BOND COUNSEL
Quint & Thimmig LLP
TRUSTEE
Karen T. Mitani Wells Fargo Bank, National Association San Francisco, California

**Bond Information**

PRINCIPAL OUTSTANDING AS OF JANUARY 5, 2007	
Lease Revenue Bonds, 2004 Series B	\$4,635,000

**DEMOGRAPHIC INFORMATION**

The County is located on the east side of San Francisco Bay and extends from Albany and Berkeley in the north to Fremont in the south. Most of the County's population is concentrated in a narrow plain between the San Francisco Bay and the East Bay Hills. The area north of Hayward is highly urbanized and includes many older residential and industrial areas. South of Hayward, there remains buildable land; however, this area is rapidly developing as the "Silicon Valley" of Santa Clara Valley expands north into southern Alameda County.

The County possesses a diverse economic base featuring a wide range of manufacturing industries (consisting of transportation, equipment, computer, food processing, fabricated metal

products, non-electrical machinery, and stone-clay-glass products). The County has one of the most diversified manufacturing sectors in Northern California. The County's fastest growing industrial sector is services, but manufacturing continues to grow. The Port of Oakland, the third largest container ship port on the West Coast, is a major economic engine in the Bay Area.

The County has become one of the leading research centers in the country with research activities at the University of California Berkeley, Lawrence Berkeley National Laboratory, Lawrence Livermore National Laboratory, and the many private biotechnology firms, which have located near the University and the Labs.

**Population Data**

The County's population on January 1, 2006 was estimated to be 1,514,909. This figure represents 4.05% of the corresponding State figure and 0.51% of the corresponding United States figure. The County's population increased 18.97% during the

two decades between 1970 and 1990. More recently the population has grown over 18.84% between 1990 and 2006. The following table illustrates the County's population growth relative to the population of State of California and the United States.

<b>As of January 1,</b>	<b>County of Alameda</b>	<b>State of California</b>	<b>United States<sup>(1)</sup></b>
1970	1,071,446	19,241,000	203,302,000
1980	1,105,379	22,689,000	226,546,000
1990	1,274,725	29,976,000	248,151,000
1995	1,362,900	32,140,000	263,835,000
1996	1,356,300	32,231,000	264,023,000
1997	1,375,900	32,609,000	267,356,070
1998	1,408,100	33,525,000	270,258,000
1999	1,438,500	33,766,000	271,626,000
2000	1,443,939	33,873,086	282,192,162
2001	1,465,000	34,431,000	285,102,075
2002	1,481,900	35,049,000	287,941,220
2003	1,487,700	35,612,000	290,788,976
2004	1,455,235	36,132,147	293,656,842
2005	1,502,703	36,981,931	296,509,061
2006 <sup>(2)</sup>	1,514,909	37,444,385	299,398,484

(1) U.S. Bureau of the Census estimate to July 1.

(2) Provisional.

Source: California State Department of Finance, U.S. Bureau of the Census

Median Personal Income

The following table shows total personal income and per capita personal income for the County of Alameda and the State of California for the period of 1995 through 2004<sup>(1)</sup>.

<b>County of Alameda and State of California Total Personal Income and Per Capita Personal Income 1995 – 2004 <sup>(1)</sup></b>			
<b>Year</b>	<b>Area</b>	<b>Total Personal Income \$ Millions</b>	<b>Per Capita Personal Income</b>
1995	County of Alameda	\$36,642	\$27,339
	State of California	\$771,470	\$24,496
1996	County of Alameda	38,759	28,672
	State of California	812,404	25,563
1997	County of Alameda	41,614	30,327
	State of California	862,114	26,759
1998	County of Alameda	44,887	32,130
	State of California	924,253	28,280
1999	County of Alameda	48,315	34,131
	State of California	989,590	29,856
2000	County of Alameda	55,972	38,624
	State of California	1,093,065	32,334
2001	County of Alameda	56,377	38,618
	State of California	1,129,868	32,655
2002	County of Alameda	55,624	37,945
	State of California	1,149,183	32,845
2003	County of Alameda	56,193	38,521
	State of California	1,184,997	33,415
2004	County of Alameda	59,420	40,920
	State of California	1,262,306	35,219

(1) Latest information available.

Source: U.S. Department of Commerce, Bureau of Economic Analysis.

**Major Employers**

Alameda County experienced significant new job growth in the 1980s and 1990s, and has begun to add new jobs following an economic slowdown in the early portion of the current decade. The County's major employers, ranked by number of employees, are included in the table below.

<b>Alameda County Ten Largest Employers</b>			
<b>Ranking</b>	<b>Employer</b>	<b>Number of Employees <sup>(1)</sup></b>	<b>Nature of Business</b>
1.	University of California, Berkeley	12,970	Education
2.	Alameda County	9,740	Local Government
3.	Oakland Unified School District	8,000	Education
4.	Lawrence Livermore National Laboratory	7,950	Research
5.	United States Postal Service Rural Carriers	6,500	Postal Carriers
6.	Kaiser Permanente Medical Group Inc.	5,450	Health Services
7.	New United Motor Manufacturing, Inc.	4,700	Industrial
8.	Kaiser Foundation Hospitals	4,340	Hospital
9.	City of Oakland	4,290	Local Government
10.	Safeway, Inc.	3,590	Retail

(1) Source: East Bay Economic Development Alliance-East Bay Employer Data (data released in April 2006 for 2004).

Labor Force, Employment and Unemployment Annual Average Statistics

The following table details labor force, employment and unemployment average statistics from 1995 to 2006 <sup>(1)</sup>.

Year	Area	Civilian Labor Force	Employment	Unemployment	Unemployment Rate
1995	Alameda County	682,700	642,300	40,400	5.9%
	California	15,474,000	14,258,000	1,216,000	7.9%
	United States	132,518,000	124,959,000	7,559,000	5.7%
1996	Alameda County	684,800	650,800	34,000	5.0%
	California	15,470,700	14,360,200	1,110,500	7.2%
	United States	133,669,000	126,610,000	7,060,000	5.3%
1997	Alameda County	703,100	672,200	30,900	4.4%
	California	15,863,000	14,890,000	973,000	6.1%
	United States	138,331,000	131,350,000	6,981,000	5.0%
1998	Alameda County	722,200	692,500	29,700	4.1%
	California	16,298,300	15,340,200	958,100	5.9%
	United States	137,976,000	131,677,000	6,299,000	4.6%
1999	Alameda County	728,800	705,000	23,200	3.2%
	California	16,653,400	15,868,200	785,200	4.7%
	United States	139,386,000	128,986,000	5,836,000	4.2%
2000	Alameda County	745,000	699,900	22,300	3.1%
	California	17,256,000	16,456,000	800,000	4.6%
	United States	141,319,000	128,986,000	5,227,000	3.7%
2001	Alameda County	776,900	717,900	49,000	6.4%
	California	17,362,300	16,435,200	927,100	5.3%
	United States	141,912,000	134,235,000	7,678,000	5.3%
2002	Alameda County	767,900	715,800	52,100	6.8%
	California	17,404,600	16,241,800	1,162,800	6.7%
	United States	142,744,000	134,466,000	8,278,000	5.8%
2003	Alameda County	750,300	699,300	51,000	6.8%
	California	17,629,300	16,455,400	1,173,900	6.7%
	United States	146,509,700	137,735,700	8,774,300	6.0%
2004	Alameda County	751,700	706,000	44,900	6.0%
	California	17,552,300	16,459,900	1,092,400	6.2%
	United States	148,289,000	148,261,000	8,027,000	5.4%
2005	Alameda County	747,800	708,900	38,900	5.2%
	California	17,810,000	16,907,000	903,000	5.1%
	United States	150,239,000	142,968,000	7,271,000	4.8%
2006 <sup>(1)</sup>	Alameda County	462,500	730,000	32,500	4.3%
	California	17,880,000	17,072,000	808,000	4.5%
	United States	152,590,000	146,014,000	6,576,000	4.3%

(1) Through November 2006.

Source: EDD, California Labor Market Information Division

**Employment by Industry**

According to a 1996 study conducted by the Association of Bay Area Governments ("ABAG"), the largest number of new jobs are expected to be created by firms classified in the service industry. Many of these jobs will be highly skilled professional, technical, and managerial positions. Other major sources of

new jobs are expected to include durable goods manufacturing and retail. The table below details the wage and salary employment by industry in Alameda County for the fiscal year ending June 30, 2006.

<b>Employment by Industry Fiscal Year ending June 30, 2006</b>		
<b>Industry <sup>(1)</sup></b>	<b>Employment (000's)</b>	<b>Percent of Total</b>
Services	405.7	38.23%
Governments	181.9	17.14%
Retail Trades	113.7	10.71%
Manufacturing	96.2	9.07%
Wholesale Trades	48.7	4.59%
Construction and Mining	82.9	7.81%
Transportation & Public Utilities	34.4	3.24%
Finance, Insurance, and Real Estate	95.9	9.04%
Agriculture	1.8	0.17%
<b>Total, All Industries</b>	<b>1,061.2</b>	<b>100.00%</b>

Note: "Total, All Industries" is not directly comparable to the "Employment" which is shown under the table titled "Labor Force Employment and Unemployment Annual Average Statistics". Total Employment by Industry data are developed based on data collected directly from employers in the Current Employment Survey or "establishment survey". It does not include the self-employed, unpaid family workers, and private household employees.

(1) Labor Force and Industry data contained in this release differ from previous information due to the U.S. Department of Labor's annual revision process.

Source: State of California Employment Development Department - Oakland -Fremont-Hayward Metro. Div. (Alameda and Contra Costa Counties)  
As of December 22, 2006.

**Assessed Valuations**

The County assesses real and personal property values and collects and distributes secured and unsecured property taxes among the County, cities, school districts and other special districts located within the County. For assessment and collection purposes, property is classified either as "secured" or "unse-

cured," and is listed accordingly on separate parts of the assessment roll. The "secured roll" contains State assessed property and property secured by a lien on real property which is sufficient, in the opinion of the Assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

<b>Fiscal Years 2002-03 through 2006-07 (Numbers in \$000's)</b>					
	<b>2002-03<sup>(1)</sup></b>	<b>2003-04<sup>(1)</sup></b>	<b>2004-05<sup>(1)</sup></b>	<b>2005-06<sup>(1)</sup></b>	<b>2006-07<sup>(2)</sup></b>
Local Secured	\$123,236,455	\$132,346,085	\$141,784,309	\$154,866,872	\$167,886,104
Utility	n/a	n/a	n/a	n/a	n/a
Unsecured	10,204,997 <sup>(3)</sup>	9,938,022 <sup>(3)</sup>	9,610,060	10,125,918	10,103,970
<b>Total</b>	<b>\$133,441,452</b>	<b>\$142,284,107</b>	<b>\$151,394,369</b>	<b>\$164,992,790</b>	<b>\$177,990,074</b>

- (1) Source: County of Alameda Auditor-Controller.
- (2) Source: California Municipal Statistics.
- (3) Includes unitary utility valuation.

Tax Levies and Collections

The following table shows the tax levies on the County's secured and unsecured roll, delinquencies and total collections, for the fiscal years 1996-97 through 2005-06.

Fiscal Years 1996-97 through 2005-06 (Numbers in \$000's)					
Secured Collections				Secured Delinquencies	
Fiscal Year	Tax Levies	Amount	Percent (%)	Amount	Percent (%)
1996-97	\$858,552	\$835,819	97.35	\$22,733	2.65
1997-98	911,546	889,418	97.57	22,128	2.43
1998-99	968,550	944,632	97.53	23,918	2.47
1999-00	1,043,408	1,022,957	98.04	20,451	1.96
2000-01	1,144,827	1,121,540	97.97	23,287	2.03
2001-02	1,266,080	1,233,851	97.45	32,229	2.55
2002-03	1,384,297	1,349,168	97.46	35,129	2.54
2003-04	1,499,290	1,469,332	98.00	29,958	2.00
2004-05	1,613,481	1,582,206	98.06	31,275	1.94
2005-06	(1)	(1)	(1)	(1)	(1)

  

Unsecured Collections				Unsecured Delinquencies	
Fiscal Year	Tax Levies	Amount	Percent (%)	Amount	Percent (%)
1996-97	\$85,738	\$82,178	95.85	\$3,560	4.15
1997-98	90,401	88,023	97.37	2,378	2.63
1998-99	97,741	95,449	97.66	2,292	2.34
1999-00	97,191	94,003	96.72	3,188	3.28
2000-01	103,444	99,555	96.24	3,889	3.76
2001-02	115,451	109,166	94.56	6,285	5.44
2002-03	115,362	110,001	95.35	5,361	4.65
2003-04	116,498	109,810	94.26	6,688	5.74
2004-05	116,528	110,296	94.65	6,232	5.35
2005-06	(1)	(1)	(1)	(1)	(1)

Source: County of Alameda Auditor-Controller.

(1) The information for the fiscal year ending June 30, 2006 will be provided at a later date with a supplement to this report.

Principal Property Taxpayers

A summary of the County's principal property taxpayers as of June 30, 2006 is presented below.

Top Taxpayers as of June 30, 2006 (Numbers in \$000's)			
Taxpayer	Industry	Secured Assessed Value	Percentage of Total Secured Value
1. Pacific Gas and Electric Company	Utility	\$1,064,114	0.69%
2. New United Motor Manufacturing, Inc.	Industrial	996,672	0.64%
3. SBC California	Utility	497,523	0.32%
4. Sun Microsystems Inc.	Computer	437,790	0.28%
5. Calwest Industrial Properties, LLC	Real Estate, Industrial	262,182	0.17%
6. SCI Limited Partnership 1	Real Estate, Industrial	246,693	0.16%
7. Chiron Corp	Biotech	233,289	0.15%
8. Bayer Healthcare, LLC	Medical	218,818	0.14%
9. Catellus Development Corporation	Real Estate	212,911	0.14%
10. Stoneridge Properties	Real Estate, Development	208,254	0.13%
<b>Total</b>		<b>\$4,378,246</b>	<b>2.82%</b>