

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2022 CITY OF PLEASANTON, CALIFORNIA



CITY OF PLEASANTON
PLEASANTON, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF PLEASANTON
PLEASANTON, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Letter of Transmittal.....	i
GFOA Award	x
Listing of Public Officials	xi
Organizational Chart	xii
Regional Map	xiii
FINANCIAL SECTION	
INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION)	5
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	31
Statement of Activities	32
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	36
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position – Governmental Activities	37
Statement of Revenues, Expenditures and Changes in Fund Balances.....	38
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Government-Wide Statement of Activities – Governmental Activities	39
Proprietary Funds:	
Statement of Fund Net Position	42
Statement of Revenues, Expenses and Changes in Fund Net Position	44
Statement of Cash Flows.....	46

CITY OF PLEASANTON
PLEASANTON, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	<u>Page Number</u>
Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Position	50
Statement of Changes in Fiduciary Net Position.....	51
Index to Notes to Basic Financial Statements	53
Notes to Basic Financial Statements	55
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)	
Budgetary Information	119
Budgetary Comparison Schedules:	
General Fund.....	121
Lower Income Housing Fund	122
Miscellaneous Capital Improvement Programs Fund.....	123
Schedule of Changes in the Net Pension Liability and Related Ratios – Agent Multiple-Employer Defined Benefit Pension Plan.....	124
Schedule of Changes in the Net Pension Liability and Related Ratios – Safety (Fire) Agent Multiple-Employer Defined Benefit Pension Plan	126
Schedule of Proportionate Share of the Net Pension Liability – Cost-Sharing Multiple-Employer Defined Benefit Pension Plan	128
Schedule of Plan Contributions:	
Agent Multiple-Employer Defined Benefit Pension Plan.....	130
Safety (Fire) Agent Multiple-Employer Defined Benefit Pension Plan	132
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan	134
Schedule of Changes in Net OPEB Liability and Related Ratios – Agent Multiple-Employer Other Post-Employment Benefit Plan	137
Schedule of OPEB Contributions:	
City of Pleasanton Retiree Healthcare Plan	138
Livermore – Pleasanton Fire Department Retiree Healthcare Plan	141

CITY OF PLEASANTON
PLEASANTON, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	<u>Page Number</u>
SUPPLEMENTARY INFORMATION	
COMBINING FINANCIAL STATEMENTS, SCHEDULES AND OTHER SUPPLEMENTAL INFORMATION	
Non-Major Governmental Funds:	
Description of Non-Major Funds	147
Combining Balance Sheets.....	152
Combining Statements of Revenues, Expenditures and Changes in Fund Balances	162
Budgetary Comparison Schedules – Special Revenue Funds:	
D.A.R.E. Trust.....	171
Asset Forfeiture	172
Central Business District (CBD) Parking In-Lieu.....	173
Resource Management	174
Miscellaneous Donations	175
Landscape and Lighting Districts.....	176
Landscape Maintenance North Pleasanton Improvement District (N.P.I.D.)	177
Geologic Hazard Assessment Districts	178
Measure B Transportation Improvements	179
Gas Tax	180
HOME Program	181
Abandoned Vehicle.....	182
Urban Forestry Program.....	183
Library Trust	184
Miscellaneous Grants	185
HBPOA Maintenance District.....	186
Community Development Block Grant.....	187
Downtown Economic Loan.....	188
Community Access Television.....	189
Marilyn Murphy Kane Trail Reserve	190
Specific Plans	191
Measure F Vehicle Registration Fees.....	192
Measure BB Transportation Improvements	193
AB1379 CASp Certification and Training.....	194
Business Support Program	195
Pleasanton Garbage Service Rate Reserve.....	196
Johnson Drive Economic Development Zone.....	197

CITY OF PLEASANTON
PLEASANTON, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

	<u>Page Number</u>
COMBINING FINANCIAL SCHEDULES AND OTHER SUPPLEMENTAL INFORMATION (CONTINUED)	
Budgetary Comparison Schedules – Capital Projects Funds:	
CIP for Downtown and North Pleasanton	198
Public Facilities	199
Park Development	200
Park Capital Improvement Program	201
Street Capital Improvement Program	202
Traffic Impact	203
Traffic Impact Bernal Property	204
Budgeted Developer Projects	205
Assessment District Construction	206
Tri-Valley Transportation	207
Non-Major Enterprise Funds:	
Combining Statement of Fund Net Position	210
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	211
Combining Statement of Cash Flows	212
Internal Service Funds:	
Combining Statement of Fund Net Position	214
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	216
Combining Statement of Cash Flows	218
Custodial Funds:	
Combining Statement of Fund Net Position	222
Combining Statement of Changes in Fiduciary Net Position	223
STATISTICAL SECTION (UNAUDITED)	
Net Position by Component	228
Changes in Net Position	230
Fund Balances of Governmental Funds	234
Changes in Fund Balances – Governmental Funds	236
Assessed Value and Estimated Actual Value of Taxable Property	241

CITY OF PLEASANTON
PLEASANTON, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

TABLE OF CONTENTS

Page
Number

STATISTICAL SECTION (UNAUDITED)

Direct and Overlapping Property Tax Rates	242
Principal Property Taxpayers	244
Property Tax Levies and Collections.....	245
Ratios of Outstanding Debt by Type	248
Ratio of General Bonded Debt Outstanding	250
Direct and Overlapping Debt.....	251
Legal Debt Margin.....	252
Pledged-Revenue Coverage for the Water Fund.....	254
Demographic and Economic Statistics	256
Principal Employers	257
Full-Time and Part-Time and Limited Term Employees by Function.....	258
Operating Indicators by Function.....	260
Capital Asset Statistics by Function	262

THIS PAGE INTENTIONALLY LEFT BLANK



To the Honorable Mayor, Members of the City Council
and Citizens of the City of Pleasanton:

December 29, 2022

We are pleased to submit the Annual Comprehensive Financial Report (ACFR) for the City of Pleasanton, California, for the fiscal year ended June 30, 2022. The City of Pleasanton is required to annually publish a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited by an independent, certified public accounting firm. Pursuant to these requirements, the ACFR has been prepared in conformity with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB).

The report presents the finances of the City of Pleasanton. Management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Lance, Soll & Lunghard, LLP (LSL), a firm of licensed certified public accountants, has audited the City of Pleasanton's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Pleasanton for the fiscal year ended June 30, 2022, taken as a whole, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the City's overall financial management. LSL, the independent auditor, concluded based on the audit that there was a reasonable basis for rendering an unmodified opinion that the City of Pleasanton's financial statements for the fiscal year ending June 30, 2022, are fairly presented in conformity with GAAP. LSL's independent auditor's report is the first component presented in the financial section of this report.

The independent audit of the City's financial statements is part of a broader, federally mandated "Single Audit" designed to meet the needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the City's financial statements, but also on the City's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

GAAP requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Pleasanton's MD&A can be found immediately following the independent auditor's report in the financial section of this report.

Profile of the Government

The City of Pleasanton was incorporated on June 18, 1894. Pleasanton's history has been shaped largely by its geographic location, from its days as a stop on the transcontinental railroad to its modern-day position as a center of commerce at the intersection of interstate freeways 580 and 680. Pleasanton enjoys a rich blend of historic turn-of-the-century charm and vital modern facilities that provide the quality of life and economic well-being desired by residents and businesses. This successful balance has been achieved through Pleasanton's active and involved citizenry, strong community leadership and committed City government.

Pleasanton occupies a land area of 24.2 square miles and serves a residential population of 77,609. Pleasanton is a full-service general law city providing police, fire, sewer, water, street, parks, support services, economic development, community development (planning, building and inspection services), community services (recreation, sports, senior center, preschool, etc.) and library services. The City operates under the Council-Manager form of government, with four Council members elected by City residents for staggered four-year terms and the Mayor elected for a two-year term. The City Council appoints the City Manager and the City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and appointing department directors.

The financial statements included in this Annual Financial Report present the City (the primary government), the Housing Authority of the City of Pleasanton (Housing Authority) and the Pleasanton Joint Powers Financing Authority (PJFPA) as component units. The Housing Authority and the PJFPA are separate legal entities; however, the members of the City Council also serve as members of the boards for these entities. Therefore, financial information for the Housing Authority and the PJFPA is blended with the City's financial information.

The biennial budget serves as the foundation for the City of Pleasanton's financial planning and control. The budget process begins in January in odd numbered years with each department receiving a budget packet. The City Manager meets with each department director to discuss their budget requests and makes adjustments where necessary. Prior to July 1 (of each odd numbered year), the City Manager submits to the City Council a proposed operating budget for the coming two fiscal years. The operating budget includes proposed expenditures and the funding sources. Public hearings are conducted to obtain public input. The budget is legally adopted through passage of a Council resolution no later than June 30. A budget review, including approved additions or changes, is presented to the City Council by the City Manager at mid-year of each fiscal year (by beginning of March) and mid-term (June of each even numbered year). Any changes as a result of these reviews are legally adopted through a Council resolution.

The Council exercises budgetary control at the fund level. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund, Special Revenue Funds, Capital Projects Funds, Enterprise Funds and Internal Service Funds. The budgeted funds are adopted on a basis consistent with GAAP in the United States. Expenditures may not legally exceed budgeted appropriations at the fund level. Management does not have the authority to increase the budget without the approval of the City Council. However, the City Manager may authorize budgetary transfers from one account to another within the same fund.

Assessing the City's Economic Condition

The City's geographic location is a major factor affecting its economic position. The City is located at the intersection of two interstate freeways (I-580 and I-680), linking Pleasanton to Sacramento to the north, San Francisco/Oakland to the west, the Silicon Valley to the south and the San Joaquin Valley to the east.

The Bay Area Rapid Transit system (BART) has two stations located in the city and provides service from Pleasanton to San Francisco/Oakland and the surrounding areas. The Altamont Corridor Express (ACE) provides commuter service between the San Joaquin Valley and Silicon Valley, stopping in Pleasanton.

In addition to Pleasanton's advantageous proximity to San Francisco and Silicon Valley and its transportation access, other factors contribute to its attractiveness to businesses and their ability to attract and retain quality employees. These attributes include the low crime rate, moderate climate, well-educated and highly skilled labor pool, excellent schools, diversified housing stock, exceptional parks and recreational facilities and the hometown ambiance of the historic downtown.

Pleasanton's business community consists of nearly 57,000 employees working within more than 20 million square feet of commercial, office and industrial space throughout the city. Pleasanton boasts five distinct business parks, among them the nationally recognized Hacienda. Businesses indicate that they are attracted to Pleasanton for the quality and diversity of the regional labor force, to which Pleasanton contributes a robust base of executive, managerial, and professional people, giving employers access to a wide range of skill levels including one of the nation's largest concentrations of scientific and engineering talent. In 2022, Pleasanton had one of the highest average household incomes in the nation (in cities with populations from 65,000 to 249,999) at approximately \$235,176.

Pleasanton's economy is showing recovery from the effects of the COVID-19 pandemic based on a few key metrics:

- Median home price values in the last quarter of FY 2021/22 were \$1,625,000 which is \$90,000 or 5.9 percent greater than in the last quarter of FY 2020/21.
- The unemployment rate was 2.5 percent in June 2022, down from 5.1 percent in June 2021. However, in September 2022 the unemployment rate rose slightly to 3.1 percent, but overall remains very healthy.
- Office vacancies are 13.4 percent, which is the same rate at the close of FY 2020/21.

Commercial Office Activity

The office market has been relatively flat as the economy slowly recovers from the negative effects of the COVID-19 pandemic at the beginning of FY 2021/22 remaining steady with the previous year's 13.5 percent, but still lower than the Tri-Valley region at 14.1 percent. The office market in the Tri-Valley experienced minimal activity overall as vacant sublease space came to the market and existing leases expired with companies continuing to allow employees to work from home. Vacancy rates increased slightly as did rents for Class A from \$3.01 from last year to \$3.08 by the end of the fiscal year. While some tenants decided to retain their office footprint as employees returned to the office, other companies downsized as the hybrid work from home model continues to be prevalent.

Total Office Inventory = 12.6 M square feet

	Q2 2021	Q2 2022
Overall Vacancy Rate	13.4%	13.4%
Total Vacant Inventory	1,693,389 sq. ft.	1,694,495 sq. ft.

	Vacant Inventory (sq. ft.)		Vacancy Rate		Net Absorption (sq. ft.)		Rent Cost (per sq. ft.)	
	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022
Class A	1,074,152	1,101,287	15.8%	16.2%	(57,342)	61,656	\$3.01	\$3.08
Class B	420,519	445,622	14.6%	15.5%	8,124	(15,971)	\$2.59	\$2.56
Flex	195,263	142,677	6.6%	4.8%	65,033	2,646	\$2.55	\$2.77

Source: Colliers International

Class A Highlights:

- The continuing effects of the pandemic due to the unknown plans for employees to return to the office resulted in only three lease transactions. Purigen Biosystems renewed its lease at Britannia Business Center II, Blackline Inc. took 18,454 square feet at Hacienda Terrance, and Collaborative Solutions vacated its space to relocate in 13,837 square feet at Pleasanton Corporate Commons.
- Class A vacancy decreased somewhat, as companies looking to expand their footprint removed vacancies that had been on the market for several quarters.
- Vagaro found space to relocate its Dublin office and expand to 106,000 square feet at Rosewood Commons, returning to Pleasanton where the company was started. The software business management platform company nearly quadrupled its footprint and removed a large vacancy in the six-building campus.
- Other notable transactions to close the fiscal year included Atonarp USA Inc. signing a 10,000-square-foot lease at 5960 Inglewood Drive and Welltower NNN Group LLC purchasing 93,000 square feet at the John Muir medical building at 5860 Owens Drive.

Class B Highlights:

- Class B asking rates remained flat in the first quarter of 2022, with the only notable expansion by Tekion Corporation with 6,000 square feet at Saratoga Center bringing its footprint to 18,000 square feet.
- The purchase of four buildings at Britannia Business Center I totaling nearly 292,000 square feet of Class B and Flex property by Tarlton Properties was the most notable transaction in the first quarter of 2022. The campus was renamed Pleasanton Labs and will be positioned to accommodate users in need of lab space at a more affordable rate than the competing areas such as the Peninsula and South Bay.

Office/Flex Highlights:

- The flex space continues to be a desired product as the region attracts life science and biotech users due to the Tri-Valley area's lower asking rate.
- A notable Class B transaction was Pleasanton Unified School District's purchase of the 104,741-square-foot campus at Arroyo Center. The district plans to sell its property at 4665 Bernal Avenue.

- The fiscal year closed with Cannae Partner’s purchase of 64,000 square feet at 4480 Willow Road, Stratford School’s renewal of 46,000 square foot lease at 4576 Willow Road, ProSumnus Sleep Technologies’ renewal of 32,000 square foot space at 5860 West Las Positas Boulevard, and Pacific Office Automation’s renewal of 25,000 square feet at 4464 Willow Road.

The Tri-Valley’s office market was flat at mid-year 2020, with many tenants primarily working from home leaving office buildings vacant. Return-to-work plans continued to be uncertain most of FY 2021/22. There were no office spaces under construction the first half of the fiscal year. In the first quarter of 2022, 10X Genomics began its 381,000-square-foot expansion at 1701 Springdale Drive as the only office construction activity in the region. While companies are planning their employees’ return with a flexible hybrid work model, vacancies are anticipated to decrease and an increase in asking rates are expected as the market improves over the next several quarters.

Retail Activity

The retail industry continued to be affected by the COVID-19 pandemic and related restrictions for the majority of FY 2021/22. Alameda County health orders required face coverings to be worn indoors in public settings regardless of vaccination status, including retail stores, restaurants and bars, theaters, family entertainment centers, and conference and event centers.

Due to COVID-19 variants, the mask mandate was in effect for the first half of the fiscal year, lifted in mid-February 2022, only to be reinstated in early June. While businesses were open to patrons, masks were either required during the mask mandate or recommended when Alameda County aligned with the State and the mask mandate lifted.

Most recent sales tax data shows a strong recovery of these industries with a 20.1 percent increase in sale collections compared to the previous year. Consumer spending increased, indicating that people were more comfortable engaging in in-store shopping, as well as casual dining and getting out for leisure and entertainment activities.

At some city shopping centers, there is continued interest and investment to add new tenants and complete renovations for current and future tenants.

- The Draft Sports Pub opened at 4825 Hopyard Road and Sri Venkateswara Grocery & Kitchen added a grocery option in Hacienda at 5690 Stoneridge Drive.
- Denny’s opened its newest location in Pleasanton at the end of the first quarter in 2022 at 5331 Hopyard Road, taking over the former Specialties Café & Bakery building.
- Stoneridge Shopping Center saw some activity this year with the opening of Original Naan N Curry and Galactic Challenge.
- TP Tea, offering popular bubble tea beverages, located at 1987 Santa Rita Road was Mission Plaza’s newest addition to round out the fiscal year.

The downtown district also experienced new openings:

- Local Barbershop opened in July 2021 on Main Street, as did long-awaited Zachary’s Chicago Pizza in the Bank of America building at 337 Main Street.
- The Boardroom Pleasanton rang in the New Year in a newly constructed building located at 301 Old Bernal Avenue, providing charcuterie boards and grazing tables for customers.
- Another addition in January to downtown included Bocado: Un Petit Bistro at 320 Saint Mary Street, offering café selections and coffee drinks.

The 148,600 square foot, 40-acre Costco project in the Johnson Drive Economic Development Zone, which also includes two hotels, a drive-thru coffee shop, and other uses, was approved in July 2022, after two lawsuits challenged the project. Construction of the two hotels began in March 2022. Transportation improvements at Johnson Drive, Stoneridge Drive, and Interstate 680 began in fall 2022. Costco anticipates opening once the transportation improvements are completed, around November 2023.

In conjunction with the Housing Element update (described below), the City is undertaking a planning effort for the properties comprising the Stoneridge Shopping Center (Stoneridge Mall), known as the Stoneridge Mall Framework. In addition to identifying the appropriate locations for new high-density housing, the Stoneridge Mall Framework is expected to study and identify new opportunities for commercial development, placemaking and amenities, and other strategies to encourage new infill development around the mall that can help to ensure its long-term success and vibrancy.

General Plan Build-Out

The City's General Plan is the official document used by City decision makers and citizens to guide the long-range development of land and conservation of resources as the City grows and changes. It is the City's "constitution" for all future development, containing goals, policies and maps. The most recent General Plan was adopted in July 2009. The City's Housing Element was adopted on January 6, 2015 and certified by the State Housing and Community Development Department on January 30, 2015, which is certified through the end of January 2023. The City was well underway with the process to update the Housing Element by the end of the fiscal year. Due to a shortfall of land with suitable zoning to accommodate the City's assigned Regional Housing Need Allocation (RHNA) of 5,965 units, the Housing Element, when adopted, will identify and designate additional properties for housing at a range of densities, which will provide new opportunities for residential development in the city. The updated Housing Element will be adopted by the end of January 2023.

Several of the sites zoned for multifamily development in the prior Housing Element have projects currently under construction or nearing completion. In FY 2021/22, the following major housing development projects were under construction or completed: Lund Ranch project, a 43-lot single family development on Lund Ranch Road; and Valley Trails (Ponderosa Homes), a 36-unit single family home development at 6900 Valley Trails Drive. Entitled projects that began construction in FY 2021/22 include the aforementioned 10X Genomics project, a research and development, office and laboratory campus, with the first phase delivering a three-story, 163,500 square foot building. As noted above, two new hotels are under construction in the Johnson Drive Economic Development Zone.

Major City Sponsored Initiatives

The City is committed to providing innovative, cost-effective and responsive services to the community through which it continued to implement services and programs that are consistent with the community's mission, vision, values and strategic goals. Major programs/projects and accomplishments for FY 2021/22 include the following:

COVID-19 Business Assistance Programs

- During the pandemic, restaurants were subject to indoor dining restrictions which increased the need for expanded outdoor dining areas. The City allowed temporary pop-up dining areas which were subsequently replaced with a formal parklet program in the downtown district. In February 2022, the City Council approved an allocation of \$250,000 to fund a Downtown Parklet Grant program. Then in March 2022, the City Council approved an additional \$250,000 to fund an

Outdoor Dining Installation Grant program for restaurants located outside of the downtown district. The grant programs offer financial assistance up to 50 percent of the total cost, not to exceed \$10,000 for reimbursement of qualified expenses related to the outdoor parklet or installation.

Capital Projects

- 2021 Annual Street Resurfacing – Construction
- 2021 Annual Slurry Seal – Construction
- Downtown Transportation Corridor Parking Lot – Construction
- Downtown Parklets – Design
- Ace Train Parking Lot – Design
- Johnson Drive Economic Development Zone Right of Way – Construction
- Nevada Street Improvements – Design
- First/Sunol/Bernal Intersection Improvements – Design
- West Las Positas Boulevard Geotechnical Investigation – Completed
- Hopyard and Owens Road Intersection Improvements – Design
- Fire Station #3 – Construction
- Livermore-Pleasanton Fire Department Training Tower Repairs – Completed
- Library Roofing Replacement – Construction
- Library Lighting – Design
- Lund Ranch – Construction
- Koll Center Trash Capture – Completed
- Lift Station 7 and 8 Lighting and Ventilation Improvements – Completed
- 2021 Annual Curb and Gutter Repairs and Replacements – Construction
- 2021 Annual Water Main Improvements – Construction
- Val Vista Under Drain – Design
- Sycamore and Foothill Reservoir Residual Control System – Construction
- Annual Court Resurfacing (Pickleball Courts) – Design
- Ken Mercer Skate Park – Design
- Lions Wayside & Delucchi Park Renovation – Design
- Annual Playground Renovation – Design
- Cricket Pitch – Design

Community Policing Programs

- Alternative Response Unit
- Police Community Advisory Board

Environmental Sustainability Initiatives

- Adoption of Climate Action Plan 2.0
- Implementation of State Senate Bill 1383 to achieve reduction targets for disposal of organic waste

Long Term Financial Policies and Planning

The City’s financial policies place an emphasis on building reserves to:

- Reduce the risk of financial impacts resulting from natural disasters or other catastrophic events

- Respond to the challenges of a changing economic environment, including prolonged downturns in the local, state, or national economy
- Demonstrate continued prudent fiscal management and creditworthiness
- Ensure the City can fund capital projects without relying on issuing debt.

Consistent with the City Council policy adopted in October 2016, the City maintains a reserve at least equal to 20 percent of operating expenditures in the General Fund¹, totaling \$41.5 million as of June 30, 2022, which equals 30 percent of the budgeted FY 2022/23 operating expenditures. Of the \$41.5 million, \$17.6 million is associated with funds set aside in the Section 115 Pension Trust (details below). The City also established a Rainy Day Reserve for \$10.1 million. When accounting for this amount, the total reserve is \$51.6 million, or 38 percent of the budgeted FY 2022/23 operating expenditures. The City has a total of \$18.4 million in Water and Sewer operating reserves. Reserves are also set aside for capital projects, claims, and employee benefits in various funds.

Pension Pre-funding and Section 115 Pension Trust Fund

Over the years, the City has implemented proactive measures to fund its pension obligation including one-time lump sum payments to CalPERS and the establishment of a Pension Trust. Through June 30, 2022, the City has allocated a total of \$27.3 million to prefund pension related liabilities directly to CalPERS. In addition, in March 2018, the City established a Section 115 Pension Trust fund (Trust Fund) with PARS with an initial contribution of \$28.0 million in June 2018 and subsequent contributions of \$10.0 million in FY 2019/20 for a total of \$38.0 million.

Of the \$38.0 million, \$16.7 million was deposited into the PARS Conservative Portfolio and the balance into the PARS Capital Growth Custom Portfolio. The City's objective is to ensure there will be sufficient funds in the PARS Trust to meet the City's expected increased pension contributions associated with the City's unfunded pension liability and fully fund the liability over time. The PARS Conservative Portfolio is included in the General Fund Restricted Reserves shown on page 93 of the Annual Comprehensive Financial Report. The PARS Capital Growth Custom Portfolio is reflected in the PARS Section 115 Pension Trust Fund shown on page 215 of the Annual Comprehensive Financial Report.

The total market value as of June 30, 2022 of the City's Trust Fund is \$43.3 million: \$17.6 million in the PARS Conservative Portfolio and \$25.7 million in the PARS Capital Growth Custom Portfolio.

City Council adopted the following Section 115 Pension Trust Withdrawal Policy Guidelines to help ensure there are monies available to help the City make pension contributions when necessary:

- a. Annual CalPERS employer pension contribution rate increase (in dollars) is greater than the growth rate (in dollars) of the City's General Fund.
 - ✓ Example: the pension contribution increases by \$2.0 million from the previous year while General Fund growth is \$1.5 million.
- b. The General Fund has a structural deficit that needs to be addressed (i.e., non-discretionary expenditures exceed revenues).

¹ In November 2016, the City Council adopted a new reserve policy that requires the General Fund to maintain minimum reserves equal to 20 percent of operating expenditures and target reserves equal to 25 percent of operating expenditures. In addition, the City's reserve policy for Water and Sewer funds requires reserves equal to 30 percent of operating expenditures, target reserves of 35 percent and maximum reserves of 40 percent.

- c. General Fund reserves have been used and need to be replenished in order to maintain a reserve equal to 20 percent of General Fund expenditures.
- d. Paying off specific pension liabilities that will result in interest savings greater than interest earnings on the Trust Fund.

These prefunding contributions and the establishment of the Section 115 Pension Trust Fund demonstrate the City's commitment to address its pension related liabilities.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pleasanton for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. This was the twenty-fifth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that this current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for a certificate.

Acknowledgments

The preparation of the ACFR was made possible through the dedicated work of all members of the Finance Department. We would like to extend special thanks and acknowledgment to Diane Punzo and Tinh Lucero who were primarily responsible for managing the year-end closing of the City's books and preparing the Annual Comprehensive Financial Report. Other contributing staff include Christina Crosby, Annette Gibson, Erika Newsome, Rebecca Perry, Tam Thai, Chris Yi, and Raquel Zegarra.

The City Council should be acknowledged and thanked for its leadership and commitment to ensuring the long-term fiscal health of the City.

Respectfully submitted,



Susan Hsieh
Director of Finance



Gerry Beaudin
City Manager



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Pleasanton
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

CITY OF PLEASANTON

LISTING OF PUBLIC OFFICIALS
AS OF JUNE 30, 2022

ELECTED OFFICIALS:



Mayor
Karla Brown



Vice Mayor
Valerie Arkin



Council Member
Jack Balch



Council Member
Julie Testa



Council Member
Kathy Narum

ADMINISTRATIVE PERSONNEL:



City Manager
Gerry Beaudin



City Attorney
Daniel Sodergren



**Interim Assistant
City Manager**
Pamela Ott



Director of Finance
Susan Hsieh*



**Director of
Community
Development**
Ellen Clark



**Director of
Engineering**
Steve Kirkpatrick



**Director of
Human Resources
& Labor Relations**
Veronica Thomas



**Director of
Information
Technology**
Allen Hammond



**Director of
Library &
Recreation**
Heidi Murphy



**Director of
Operations Services**
Kathleen Yurchak



Chief of Police
David Swing



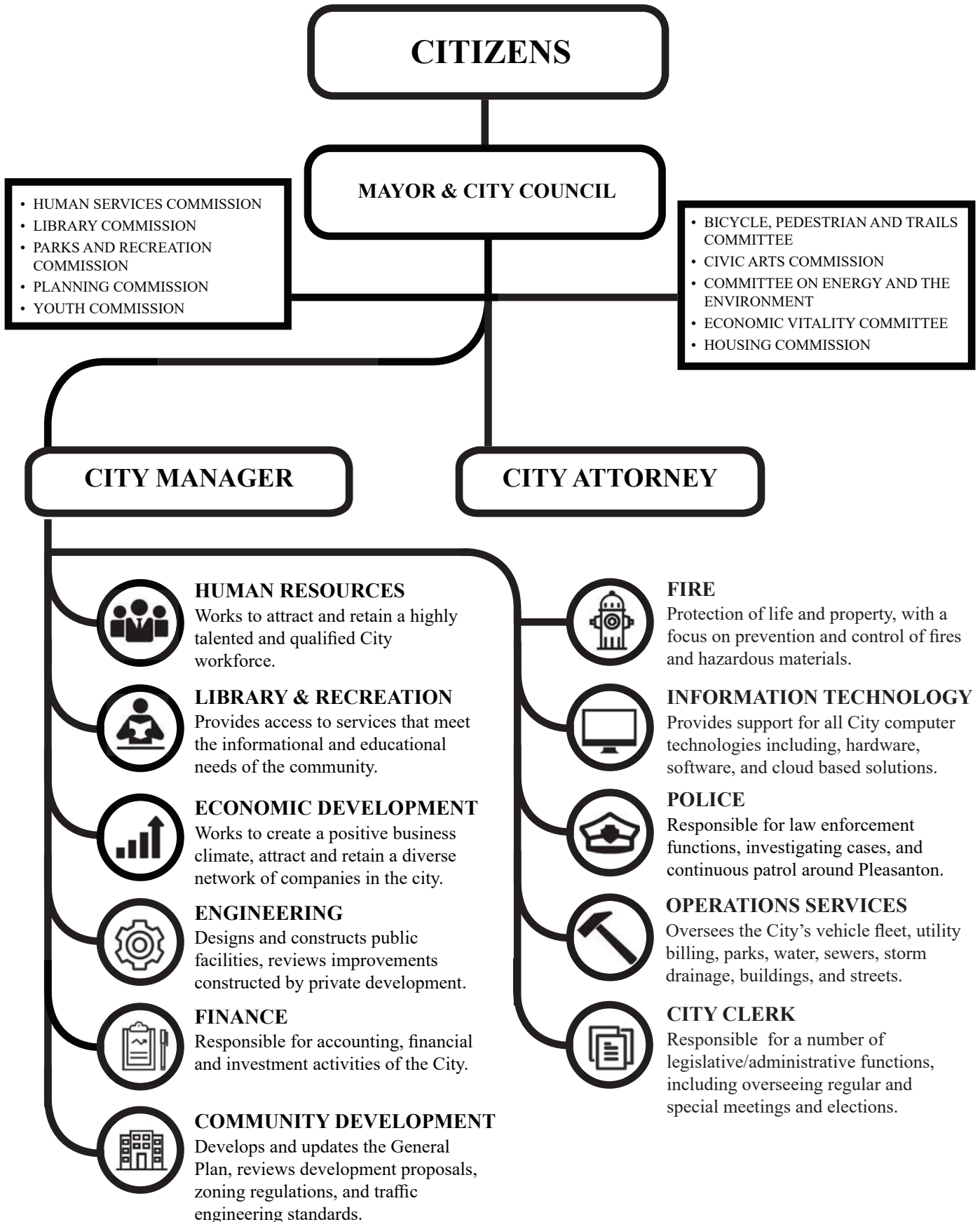
Fire Chief
Joe Testa



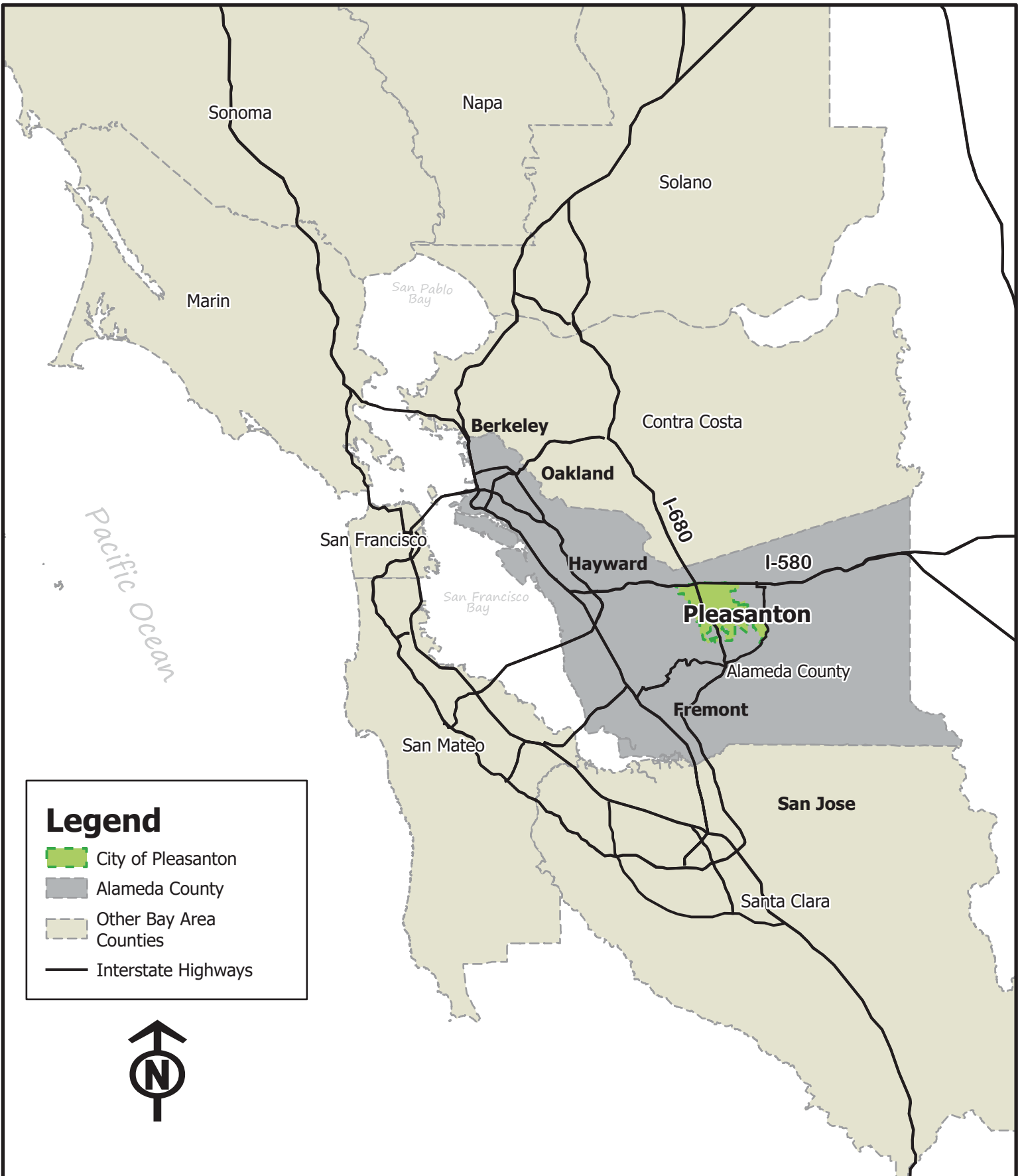
City Clerk
Jocelyn Kwong

*As of June 30, 2022, there was an Interim Director of Finance. Susan Hsieh joined the City in early FY 2022/23.

FY 2021/22 ORGANIZATION CHART



Pleasanton, California.



THIS PAGE INTENTIONALLY LEFT BLANK



INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council
City of Pleasanton, California

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pleasanton, California, (the "City") as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Change in Accounting Principle

As described in Note 1 to the financial statements, in the fiscal year ended June 30, 2022, the City adopted new accounting guidance, GASB Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management 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; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



To the Honorable Mayor and Members of the City Council
City of Pleasanton, California

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Responsibilities

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedules for the General Fund and major special revenue funds, and required pension and other post-employment benefits schedules, as listed on the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a 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 historical context. We have applied



To the Honorable Mayor and Members of the City Council
City of Pleasanton, California

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.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Lance, Soll & Lughard, LLP".

Sacramento, California
December 29, 2022

THIS PAGE INTENTIONALLY LEFT BLANK

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the City of Pleasanton's (City) Annual Comprehensive Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year ended June 30, 2022 (FY 2021/22). We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's basic financial statements, which follows this section.

FINANCIAL HIGHLIGHTS

- The City's total net position increased by \$21.5 million from FY 2020/21 of which \$22.9 million is governmental activities, primarily due to revenues exceeding expenditures offset by a decrease of \$1.4 million in business-type activities, primarily due to increased water and sewer expenses.
- Property tax revenues, the largest revenue source for the General Fund, increased by \$2.5 million from the prior fiscal year, or 3.2 percent and sales tax revenues, the second largest revenue source for the General Fund, increased by \$2.7 million, or 12.3 percent. Sales tax revenues generated from Restaurants and Hotels increased by 44.7 percent, Fuel and Service Stations increased by 43.8 percent, General Consumer Goods increased by 24.7 percent, and Autos and Transportation increased by 14.6 percent. Transient occupancy taxes increased by \$1.7 million, or 84.0 percent, due to recovery in the hospitality industry. Recreation fees increased by \$2.3 million, or 171 percent due to an increase demand for recreation programs during the spring and summer months of FY 2021/22, as a result of COVID restrictions being lifted.
- The City's governmental funds reported ending fund balances of \$157.5 million, an increase of \$5.3 million (1.0 percent) from FY 2020/21 as revenues continue to exceed expenditures. This is due to the City's conservative financial planning and policies that helps ensure there will be a year-end surplus.
- The General Fund's fund balance at fiscal year-end was \$52.2 million, of which \$22.4 million is unassigned, \$17.6 million is restricted for the PARS Section 115 Pension Trust Fund, \$11.6 million is committed for the COVID Response and Recovery Program, the Crisis Response Program, the Mobile Outreach Vehicle Program, and the Rainy Day Reserve, and \$0.5 million is non-spendable. The \$52.2 million fund balance is a \$8.4 million increase over the fund balance at the end of FY 2020/21.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of this report consists of four parts – the Independent Auditors' Report, Management's Discussion and Analysis (this portion), the basic financial statements, including the required supplementary information, and other supplemental information. The basic financial statements include two kinds of statements that present different views of the City as described below:

- The **Government-wide** financial statements provide both long-term and short-term information about the City's overall financial status.
- The **Fund** financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.
 - **Governmental fund** statements tell how general government services such as police, fire and operations services were financed in the short-term, as well as what remains for future spending.
 - **Proprietary fund** statements offer short and long-term financial information about the activities the City operates like businesses, such as water and sewer services.
 - **Fiduciary fund** statements provide information about the financial relationships in which the City acts solely as a trustee or custodian for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The City uses notes to present information in greater detail than is possible within the financial statements themselves, explain the nature of amounts reported in the financial statements and how those amounts were determined, and report certain information that does not meet the requirements for inclusion in the financial statements (such as certain contingencies). The notes are followed by required supplementary information that consists of major governmental fund budgetary comparison schedules and schedules of changes in net liabilities and related ratios and on contributions on the City's pension and retiree healthcare plans. After these required elements, we have included supplemental information consisting of combining statements that provide details about our non-major governmental funds, non-major enterprise funds, internal service funds and custodial funds.

The government-wide financial statements and the fund financial statements present different views of the City, as further described below.

Government-wide Financial Statements are designed to provide readers with a broad overview of City finances, in a manner similar to a private-sector business. The government-wide financial statements include the City (primary government) and the Housing Authority of the City of Pleasanton (Housing Authority) as a component unit. The City Council serves as the Board for the Housing Authority. Financial information for the Housing Authority is blended with the City's financial information. Although it is a legally separate entity, in substance the Housing Authority is a part of the City's operations.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information showing how the City'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 (accrual basis of accounting). Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to interest on long-term debt.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a substantial portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, community development, operations services, and community activities (parks, recreation, and library). The business-type activities of the City include water, sewer, golf, transit, storm drain, and cemetery, as well as the Housing Authority as a component unit.

Fund Financial Statements use fund accounting to segregate accounts for specific activities or objectives, including demonstrating finance-related legal compliance. All the funds of the City can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*, as described below.

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows* and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

The governmental funds focus is narrower than that of the government-wide financial statements. It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. This comparison facilitates a better understanding of the long-term impact associated with the government's near-term financing decisions. The governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains several individual governmental funds organized according to their type (general, special revenue, and capital projects). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the major funds (see Notes to Basic Financial Statements). Data from the remaining non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as supplementary information in the form of combining statements.

Proprietary funds are generally used to account for services for which the City charges customers – either outside customers or internal units of departments in the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains two types of proprietary funds, *enterprise funds* and *internal service funds*, as described below.

- *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for water, sewer, golf, transit, storm drain, cemetery, and the Housing Authority.
- *Internal service funds* are used by the City to establish reserves and account for employee benefits, public art acquisition and maintenance, replacement/renovation, liability insurance, retiree medical benefits, PARS Section 115 Trust Fund, and city enhancements. These funds serve both governmental and business-type functions and so they are allocated accordingly in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided as supplementary information in the form of *combining statements*.

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements.

Notes to Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information includes budgetary comparison schedules that have been provided for the major governmental funds to demonstrate compliance with the budget. The City adopts a two-year budget in June of every odd numbered year. An update of the second year is presented to the City Council in June preceding the start of the second year (even numbered year). Required supplementary information also includes schedules of changes in net liabilities and related ratios and on contributions on the City's pension and retiree healthcare plans. The City participates in California's Public Employees Retirement System (CalPERS) for its pension plan and provides its employees with post-retirement health care benefits (OPEB).

Supplementary Information includes information for non-major governmental, non-major enterprise, internal service, and custodial funds, and is presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

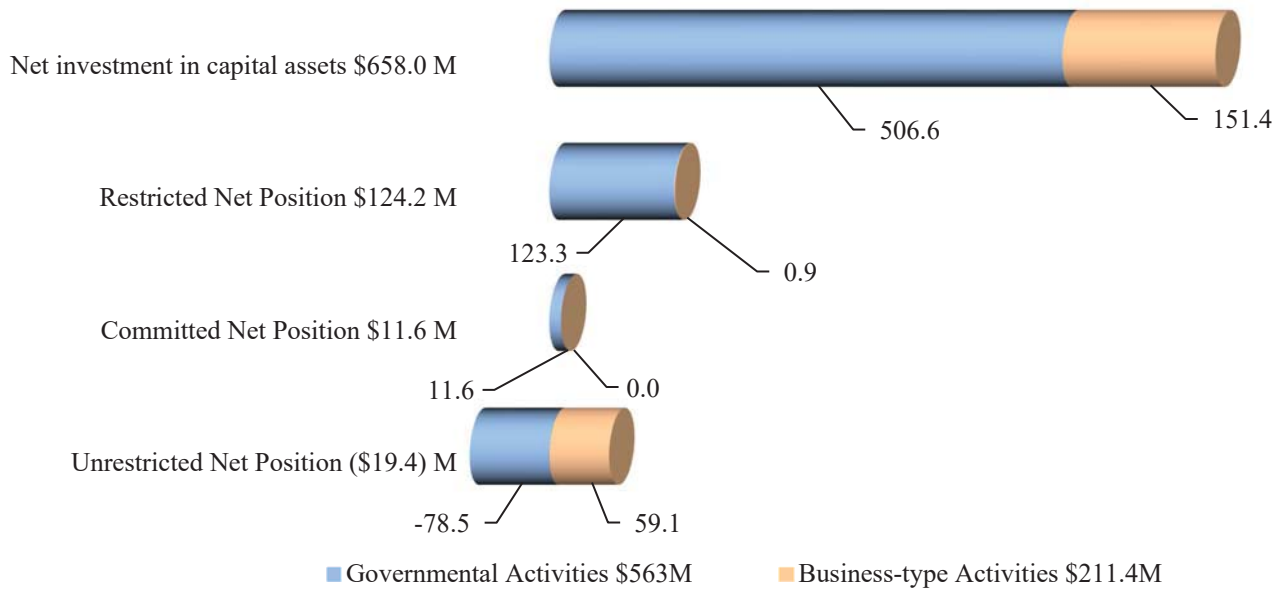
The following section provides a comparative analysis of government-wide data for FY 2020/21 and FY 2021/22. The Statement of Net Position for the two years will be discussed first, followed by a discussion of the Changes in Net Position for the two years.

The following table is a summary of the Statement of Net Position as of June 30, 2021 (2021) and June 30, 2022 (2022):

City of Pleasanton Net Position (in millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change 2021 to 2022
	2021	2022	2021	2022	2021	2022	
Assets:							
Current and other assets	\$ 261.2	\$ 264.2	\$ 85.0	\$ 64.2	\$ 346.2	\$ 328.4	0.0%
Capital assets	502.1	507.3	166.0	181.5	668.1	688.8	3.1%
Total assets	763.3	771.5	251.0	245.7	1,014.3	1,017.2	0.3%
Deferred outflows of resources	29.4	27.1	2.0	1.7	31.4	28.8	-8.3%
Liabilities:							
Other liabilities	19.5	17.2	13.3	11.8	32.8	29.0	-11.6%
Long-term liabilities	220.0	150.3	26.0	19.5	246.0	169.8	-31.0%
Total liabilities	239.5	167.5	39.3	31.3	278.8	198.8	-28.7%
Deferred inflows of resources	12.9	68.1	0.9	4.7	13.8	72.8	427.5%
Net Position:							
Net investment in capital assets	501.1	506.6	152.3	151.4	653.4	658.0	0.7%
Restricted	122.2	123.3	0.3	0.9	122.5	124.2	1.4%
Committed	-	11.6	-	-	-	11.6	0.0%
Unrestricted	(83.2)	(78.5)	60.2	59.1	(23.0)	(19.4)	-15.7%
Total net position	\$ 540.1	\$ 563.0	\$ 212.8	\$ 211.4	\$ 752.9	\$ 774.4	2.9%

Statement of Net Position as of June 30, 2022
(in millions of dollars)



Analysis of Net Position – With the consolidation of government-wide net position into one statement and the exclusion of fiduciary funds, net position serves as a useful indicator of a government’s financial position. For the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$774.4 million at the close of FY 2021/22.

The City reported positive balances in net investment in capital assets and in restricted net position for both governmental and business-type activities. Governmental activities concluded the fiscal year with a negative unrestricted net position due primarily to its share of OPEB and pension liabilities, and business-type activities reported a positive unrestricted net position at year-end. The following are the primary components of the City’s net position:

- The *net investment in capital assets* (e.g., infrastructure, land, buildings, improvements other than buildings, construction in progress, and equipment), less any related debt used to acquire assets still outstanding, is \$658.0 million (85.0 percent of the total). The City uses these capital assets to provide services to the community; consequently, these assets are not available for future spending. Although the City’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets are generally not used to liquidate these liabilities.
- The *restricted net position* of \$124.2 million (16.0 percent of the total) represents resources that are subject to external restrictions on how they may be used. Among these amounts are \$33.0 million restricted in the capital project funds for the construction of major capital projects (including improvements to streets, bridges, and bicycle and pedestrian trails and park improvements throughout the City); \$43.7 million restricted for pension funding in the PARS Section 115 Pension Trust; \$35.3 million restricted in a variety of special revenue funds to support specific City programs; \$11.8 million in the Lower Income Housing Fund for housing related projects; and the balance of \$0.4 million is restricted for transportation programs.

- The *committed net position* of \$11.6 million (1.5 percent of the total) represents resources that are constrained for a specific purpose by the government entity and designated as such by City Council, which is its highest level of decision-making authority. Committed net position at the end of FY 2021/22 was comprised of the following: the COVID Response and Recovery Project Reserve of \$0.4 million, the Crisis Response Program Reserve of \$0.8 million, the Mobile Outreach Vehicle Program Reserve of \$0.3 million, and the Rainy Day Fund Reserve of \$10.1 million.
- The *unrestricted net position* of negative \$19.4 million (-2.5 percent of the total) reflects the City's net pension and OPEB liabilities of \$95.2 million and \$6.3 million, respectively. It also includes the City's share of Livermore-Pleasanton Fire Department's (LFPD) net deficit of \$44.2 million (also reflecting LFPD's pension and OPEB liabilities), which is offset by various reserves including amounts set aside for future capital improvements in the capital projects funds, and reserves held in internal service funds to pay for retiree medical expenses, general liability claims, and repair and replacement of City facilities and equipment. Governmental activities account for \$78.5 million of the negative unrestricted net position. Business-type activities account for \$59.1 million, the majority of which is held in the utility funds for future capital projects and emergency repairs and replacement.

The following table reflects the change in net position for governmental and business-type activities for the year ended June 30:

City of Pleasanton
Changes in Net Position
(in millions of dollars)

	Governmental Activities		Business-type Activities		Total		Total % Change
	2021	2022	2021	2022	2021	2022	
Revenues:							
Program revenues:							
Charges for services	\$ 12.3	\$ 19.9	\$ 53.2	\$ 51.6	\$ 65.5	\$ 71.5	9.2%
Operating grants & contributions	8.7	6.9	0.5	0.7	9.2	7.6	-17.4%
Capital grants & contributions	9.7	9.4	-	-	9.7	9.4	-3.1%
General revenues:							
Property taxes	77.7	80.2	-	-	77.7	80.2	3.2%
Sales taxes	21.9	24.6	-	-	21.9	24.6	12.3%
All other taxes	11.1	13.5	-	-	11.1	13.5	21.2%
All other general revenues	9.9	(11.7)	2.0	2.7	11.9	(9.0)	-176.0%
Total revenues	<u>151.3</u>	<u>142.7</u>	<u>55.7</u>	<u>55.0</u>	<u>207.0</u>	<u>197.7</u>	-4.5%
Expenses:							
General government	16.7	16.2	-	-	16.7	16.2	-2.7%
Public safety	57.8	47.7	-	-	57.8	47.7	-17.4%
Community development	27.2	15.8	-	-	27.2	15.8	-41.9%
Operations services	31.5	26.9	-	-	31.5	26.9	-14.6%
Community activities	12.7	11.8	-	-	12.7	11.8	-7.1%
Water	-	-	32.0	31.7	32.0	31.7	-0.9%
Sewer	-	-	17.1	17.7	17.1	17.7	3.5%
Golf	-	-	5.1	5.5	5.1	5.5	7.8%
Other	-	-	3.1	2.8	3.1	2.8	-9.7%
Total expenses	<u>145.9</u>	<u>118.5</u>	<u>57.3</u>	<u>57.8</u>	<u>203.2</u>	<u>176.2</u>	-13.3%
Revenues over (under) expenses	<u>5.4</u>	<u>24.3</u>	<u>(1.6)</u>	<u>(2.8)</u>	<u>3.8</u>	<u>21.5</u>	466.3%
Transfer In/(Out)	(0.5)	(1.4)	0.5	1.4	-	-	0.0%
Change in net position	4.9	22.9	(1.1)	(1.4)	3.8	21.5	466.3%
Net position, beginning of year	<u>535.2</u>	<u>540.1</u>	<u>213.9</u>	<u>212.8</u>	<u>749.1</u>	<u>752.9</u>	0.5%
Net position, end of year	<u>\$ 540.1</u>	<u>\$ 563.0</u>	<u>\$ 212.8</u>	<u>\$ 211.4</u>	<u>\$ 752.9</u>	<u>\$ 774.4</u>	2.9%

Changes in Net Position

Governmental activities increased the City's net position by \$22.9 million in FY 2021/22, as a result of revenues exceeding expenses and net transfers.

Total governmental activities revenues decreased by approximately \$8.6 million over FY 2020/21.

Program Revenues - \$5.5 million increase

- Charges for services increased by \$7.6 million mainly due to large development projects, charges from fire related services, and increased recreation revenues due to more programming,
- Operating grants and contributions decreased by \$1.8 million primarily due to lower allocation from the Community Development Block Grant and funding from the CARES Act was not available in FY 2021/22.
- Capital grants and contributions remained relatively consistent with a small decrease of \$0.3 million.

General Revenues - \$14.0 million decrease

- Property tax increased by \$2.5 million in FY 2021/22 primarily due to the increase in assessed property values attributed to the continued demand for housing, additional housing units, and commercial development.
- Sales tax increased by \$2.7 million in FY 2021/22 primarily due to increases from four sectors including Restaurants and Hotels, Fuel and Service Stations, General Consumer Goods, and Auto and Transportation.
- All other taxes increased by \$2.4 million mainly due to increases in transient occupancy tax of \$1.7 million and business license tax of \$0.4 million. Reopening of the economy in FY 2021/22 helped the hospitality industry to recover as more people visited and dined out in the region.
- All other general revenues decreased by \$21.6 million mostly due to the \$25.0 million unrealized loss in market value changes in the City's investments, which was offset by an increase of \$4.1 million in miscellaneous revenues.

The City's governmental activities expenses decreased by \$27.4 million over FY 2020/21.

- Notable decreases are as follows: Community Development expenses decreased by \$11.4 million, Public Safety expenses decreased by \$10.1 million, and Operations Services expenses decreased by \$4.6 million, which are mainly attributable to the removal of a regional COVID testing site and the decrease in pension and retiree healthcare related expenditures. Investment gains from the prior fiscal year resulted in reduction in pension and OPEB liabilities. The testing site hosted in FY 2020/21 was reimbursed by a funding agency. Decreases from General Government and Community Activities were \$0.5 million and \$0.9 million, respectively.

Business-type activities net position decreased by \$1.4 million over FY 2020/21.

The City's business-type activities provide the same type of information as the proprietary fund financial statements but are presented in a more summarized format. Key changes in the business-type activities are as follows:

Program revenues decreased by \$1.4 million mainly due to a \$3.2 million decrease in water sales compared to FY 2020/21. This decrease was partially offset by an increase in sewer service revenues by \$0.2 million, an increase in golf course revenues by \$1.4 million, and an increase in transit service revenues by

\$0.2 million. The Callippe Preserve Golf Course operations saw an increase in golf rounds played, from 76,005 rounds played in FY 2020/21, to 79,752 rounds played in FY 2021/22, along with increased merchandise sales.

An analysis of key changes at the governmental funds level and proprietary funds level is provided in the following **Fund Financial Analysis** section.

FUND FINANCIAL ANALYSIS

The City uses *fund accounting* to segregate accounts for specific activities or objectives, including demonstrating finance-related legal compliance.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of resources that are available to fund services and capital project construction.

Fund Balances

In November 2016, the City Council adopted a reserve policy that requires the General Fund to maintain minimum reserves equal to 20 percent of operating expenditures and target reserves equal to 25 percent of operating expenditures. Should unforeseen and unavoidable events occur that require the expenditure of City resources beyond those provided for in the annual budget, the City Council must approve by Resolution any appropriations from unassigned fund balance. Details of the fund balance classifications are disclosed in *Note 10* in the **Notes to Basic Financial Statements**.

As of June 30, 2022, the City's governmental funds reported combined fund balances of \$157.5 million, an increase of \$5.3 million in comparison with FY 2020/21. Revenues increased overall by \$4.5 million during the fiscal year. Multiple factors contributed to the increase. Property tax revenues, the City's largest General Fund revenue source increased by \$2.5 million. Actual property tax collections across all categories of property related taxes were greater than anticipated. Sales tax revenues increased by \$2.7 million, with the primary drivers from Restaurants and Hotels, Fuel and Service Stations, General Consumer Goods and Autos and Transportation. Other taxes increased by \$2.4 million mainly due to strong recovery from hotel tax revenue and the increase in business license tax. The City also realized increases in licenses and permits, fees and other charges, and other revenues in the amounts of \$1.9 million, \$3.1 million, and \$1.6 million. These increases were mainly attributed to large development projects, fees for services provided to outside agencies, and the reopening of recreation programs after the pandemic. While there were increases in other revenue categories, use of money and property category had a \$10.0 million year-over-year decrease due to unrealized investment loss, as the stock market was volatile in FY 2021/22.

A slight decrease in overall governmental expenditures for the year of \$0.6 million over the prior fiscal year, and revenues exceeding expenditures contributed to the increase in fund balances. Expenditures for general government, public safety, and community activities increased by \$2.0 million, \$2.9 million, and \$2.5 million respectively. Community development, however, had a \$6.9 million decrease in expenditures over the prior fiscal mainly due to COVID pandemic related support services provided in the prior fiscal year of hosting a regional testing site, providing business support loans and emergency rental assistance, and ongoing occupational health support to City employees have either completely stopped or continued at a minimal capacity. Expenditures slightly decreased over the prior fiscal year in operations services (\$0.9 million) and in capital outlay (\$0.2 million).

Restricted fund balances constitute \$85.6 million of the combined governmental fund balance and are constrained for a specific purpose by external parties, constitutional provision, or enabling legislation: for example, low-income housing projects, projects funded by park development fees, and street projects funded by gas tax, Measure B and Measure BB funds. *Committed fund balances* of \$11.6 million represent amounts constrained for a specific purpose by the government entity and designated as such by its highest level of decision-making authority, which is City Council. *Assigned fund balances* of \$37.4 million represent funds to be used for City funded capital projects that have not been specifically identified or constrained by City Council. *Unassigned fund balances* of \$22.4 million consist of amounts that City officials have not classified as non-spendable, restricted, committed, or assigned.

Non-spendable fund balances of \$0.5 million represent advances to other funds and notes receivable.

The following table presents the Governmental Funds' fund balances by classification as of June 30, 2022:

GASB 54 Fund Balances:	General Fund	Lower Income Housing Fund	Miscellaneous Capital Improvement Programs Fund	Other Funds	Total
<u>Nonspendable:</u>					
Notes Receivable, Advances to Other Funds	\$ 515,007	\$ -	\$ -	\$ -	\$ 515,007
Total Nonspendable	515,007	-	-	-	515,007
<u>Restricted:</u>					
Accessibility Programs	-	-	-	83,711	83,711
Assessment District Construction	-	-	-	1,145,413	1,145,413
Asset Forfeiture	-	-	-	27,258	27,258
Budgeted Developer Projects	-	-	-	7,082,427	7,082,427
Business Support Program	-	-	-	1,556,164	1,556,164
Community Access Television	-	-	-	1,719,734	1,719,734
Downtown and North Pleasanton	-	-	-	3,127,753	3,127,753
Geological Hazard Assessment Districts	-	-	-	1,352,363	1,352,363
Grants	-	-	-	930,261	930,261
Housing	-	11,845,474	-	-	11,845,474
Johnson Drive Economic Development Zone	-	-	-	521,461	521,461
Landscape and Lighting Districts	-	-	-	387,438	387,438
Landscape Maintenance NPID	-	-	-	1,012,942	1,012,942
Library Trust	-	-	-	59,325	59,325
Marilyn Kane Trail Reserve	-	-	-	110,698	110,698
Miscellaneous Donations/Developer Contributions	-	-	-	829,836	829,836
Park Development	-	-	-	9,577,547	9,577,547
PARS Section 115 Pension Trust	17,625,110	-	-	-	17,625,110
Public Facilities Capital Improvements	-	-	-	712,764	712,764
Public Safety	-	-	-	130,292	130,292
Resource Management	-	-	-	950,228	950,228
Street Maintenance	-	-	-	12,708,364	12,708,364
Traffic Impact	-	-	-	9,196,393	9,196,393
Tri-Valley Transportation	-	-	-	2,086,051	2,086,051
Various Specific Plans	-	-	-	814,046	814,046
Total Restricted	17,625,110	11,845,474	-	56,122,468	85,593,052
<u>Committed:</u>					
COVID Response and Recovery Program Reserve	399,150	-	-	-	399,150
Crisis Response Program Reserve	800,000	-	-	-	800,000
Mobile Outreach Vehicle Program Reserve	280,000	-	-	-	280,000
Rainy Day Reserve	10,133,312	-	-	-	10,133,312
Total Committed	11,612,462	-	-	-	11,612,462
<u>Assigned:</u>					
Capital Projects	-	-	25,866,767	10,830,178	36,696,945
Other Purposes	-	-	-	710,884	710,884
Total Assigned	-	-	25,866,767	11,541,062	37,407,829
<u>Unassigned:</u>					
Total Unassigned	22,411,988	-	-	-	22,411,988
Total Fund Balances	\$ 52,164,567	\$ 11,845,474	\$ 25,866,767	\$ 67,663,530	\$ 157,540,338

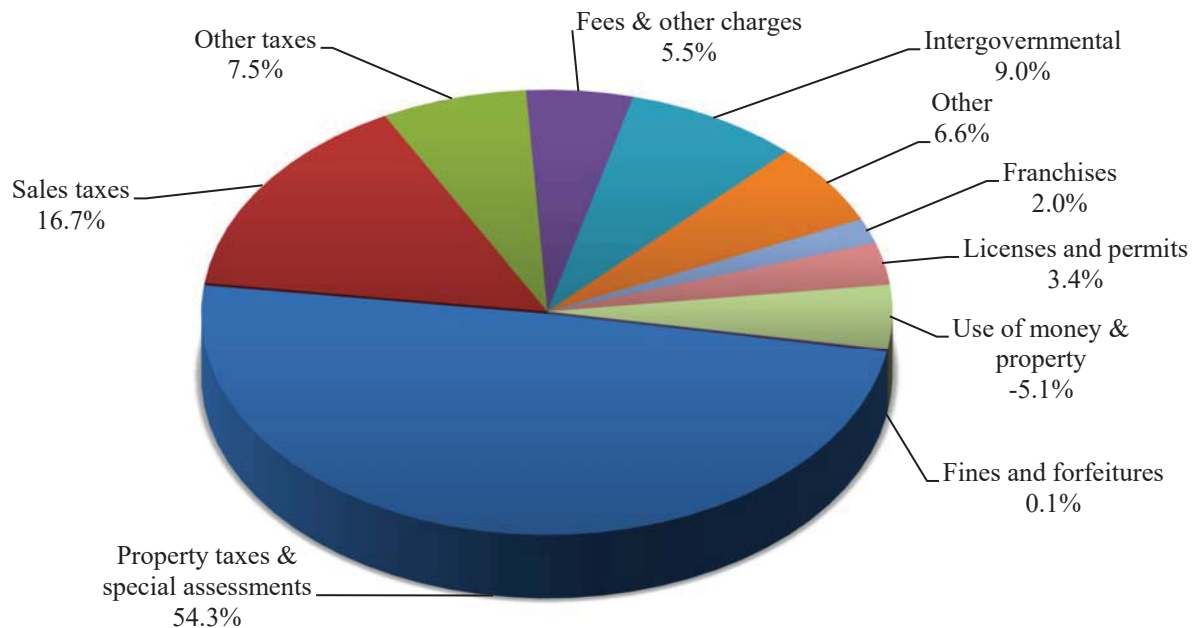
Revenues

The following table presents the FY 2021/22 revenues from various sources, as well as the increase or decrease in these revenues over FY 2020/21.

**City of Pleasanton
Revenues Classified by Source
Governmental Funds
(in millions of dollars)**

Revenues by Source	FY 2021		FY 2022		Increase/(Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	Percent
Property taxes & special assessments	\$ 77.9	54.3%	\$ 80.4	54.3%	\$ 2.5	3.3%
Sales taxes	21.9	15.3%	24.6	16.7%	2.7	12.5%
Other taxes	8.7	6.1%	11.1	7.5%	2.4	27.6%
Licenses and permits	3.1	2.2%	5.0	3.4%	1.9	61.3%
Fines and forfeitures	0.2	0.1%	0.2	0.1%	-	-
Use of money & property	2.5	1.7%	(7.5)	-5.1%	(10.0)	-400.0%
Intergovernmental	13.2	9.2%	13.3	9.0%	0.1	0.8%
Franchises	2.9	2.0%	3.0	2.0%	0.1	3.4%
Fees & other charges	5.0	3.5%	8.1	5.5%	3.1	62.0%
Other	8.1	5.6%	9.7	6.6%	1.6	19.8%
Total	\$ 143.5	100.0%	\$ 148.0	100.0%	\$ 4.5	3.1%

Revenues by Source - Governmental Funds



The following provides an explanation of significant changes in revenues by source in FY 2021/22.

- **Property taxes and special assessments** increased by \$2.5 million (3.3 percent) primarily due to the increase in assessed values. Property tax revenues account for approximately 58.0 percent of total General Fund revenues, and 54.0 percent of all governmental funds.
- **Sales taxes** increased by \$2.7 million (12.5 percent) in FY 2021/22 primarily due to increased demand for vehicles and goods, higher energy prices, and recovery from the leisure and hospitality sector.
- **Other taxes** increased by \$2.4 million (27.6 percent) during FY 2021/22 primarily due to the increase in hotel tax revenue as a result of improvement from the tourism industry.
- **Licenses and permits** increased by \$1.9 million (61.3 percent) primarily due to fees collected from large development projects.
- **Use of money and property** decreased by \$10.0 million (-400.0 percent) due to unrealized investment loss from the City’s investment portfolio and the Section 115 Pension Trust. Due to market volatility, the fair market value adjustments for FY 2021/22 were significant.
- **Fees and other charges** increased by \$3.1 million (62.0 percent) primarily due to fees collected from development projects and revenues generated from fire related services. In addition, revenues from recreation programs also increased in FY 2021/22 due to increased recreational activity as a result of COVID restrictions being lifted from the prior fiscal year.

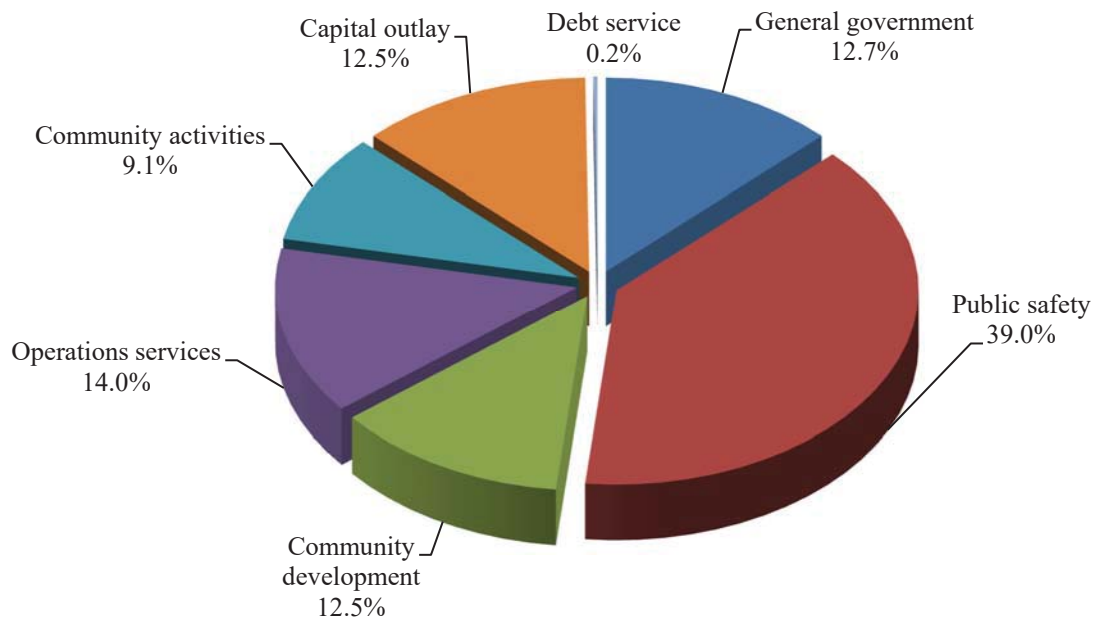
Expenditures

The following table presents expenditures by function in FY 2021/22 and the increase and decrease in expenditures as compared to FY 2020/21.

**City of Pleasanton
Expenditures Classified by Function
Governmental Funds
(in millions of dollars)**

Expenditures by Function	FY 2021		FY 2022		Increase/(Decrease)	
	Amount	% of Total	Amount	% of Total	Amount	Percent
Current:						
General government	\$ 15.9	11.2%	\$ 17.9	12.7%	\$ 2.0	12.6%
Public safety	52.1	36.8%	55.0	39.0%	2.9	5.6%
Community development	24.6	17.4%	17.7	12.5%	(6.9)	-28.0%
Operations services	20.7	14.7%	19.8	14.0%	(0.9)	-4.3%
Community activities	10.3	7.3%	12.8	9.1%	2.5	24.3%
Capital outlay	17.8	12.6%	17.6	12.5%	(0.2)	-1.1%
Debt service						
Principal and interest	0.3	0.2%	0.3	0.2%	-	-
Total	<u>\$ 141.7</u>	<u>100.0%</u>	<u>\$ 141.1</u>	<u>100.0%</u>	<u>\$ (0.6)</u>	<u>-0.4%</u>

Expenditures by Function - Governmental Funds



The following provides an explanation of significant changes in expenditures in FY 2021/22.

- Governmental expenditures decreased slightly by \$0.6 million or 0.4 percent from FY 2020/21. Large variances from the prior fiscal year occurred in general government, community development, and community activities. General government increased by 12.6 percent (\$2.0 million) mainly due to reclassifications of expenditures from the prior fiscal year. Resource Management, HOME program and Community Development Block Grant expenditures previously classified as community development type expenditures in the prior fiscal year were reclassified as general government type expenditures in FY 2021/22 to better reflect the type of activity they are related to. Expenditures were \$0.4 million, \$0.1 million and \$0.5 million, respectively. In addition, non-departmental expenditures were allocated through all expenditure categories in the prior fiscal year and were all classified as general government type expenditures in FY 2021/22. Community development decreased by 28.0 percent (\$6.9 million) due to several factors. The City spent \$4.0 million in FY 2020/21 (all reimbursed by the County of Alameda) to cover the costs of the COVID-19 testing site at the Alameda County Fairgrounds. These expenditures did not occur in FY 2021/22. Business Support Program loans to keep businesses afloat during the COVID pandemic decreased from \$1.2 million in the prior fiscal year to \$0.1 million in FY 2021/22. Community Development Block Grant expenditures of \$0.9 million in the prior year were classified as community development type expenditures; this year's expenditures were classified as general government type expenditures to more accurately reflect the type of activity. Community activities increased by 24.3 percent (\$2.5 million) due to increased recreation activity as a result of COVID restrictions being lifted. Increases were most notable in temporary salaries (\$1.0 million) and in professional and contract services (\$0.6 million). These variances were offset by a slight increase in public safety (5.6 percent) and slight decreases in operations services (4.3 percent) and capital outlay (1.1 percent).

Major Governmental Funds

The designated major *Governmental Funds* in FY 2021/22 are the General Fund, the Lower Income Housing Fund, and the Miscellaneous Capital Improvement Programs Fund.

The **General Fund** is the primary operating fund of the City which accounts for most City services, including public safety, operations services, parks and community services, library, community development, and general government.

By policy, the City maintains a reserve equal to at least 20.0 percent of annual General Fund expenditures. Also, by policy, any one-time revenues are used for one-time purposes, such as capital projects or pre-funding pension liabilities.

The City Council has allocated the City's General Funds' fund balance in conformance with GASB Statement No. 54. The City maintains the fund balance consistent with its formal financial policies.

General Fund balance increased by \$8.4 million to \$52.2 million in FY 2021/22. The surplus was mainly attributed to increases from property tax, sales tax, and hotel tax revenues and savings from vacant positions, contract services, supplies and materials. In addition, the City received \$4.3 million in one-time American Rescue Plan Act (ARPA) stimulus funds, and ARPA funds were not available in the prior fiscal year. A robust housing market led to increase in assessed value resulting in 3.2 percent year-over-year increase in property tax revenue. Year-over-year increase of 12.5 percent in sales tax revenue surpassed pre-pandemic growth trends due to increasing tourism, rising energy prices, and increasing demand for vehicles and consumer goods. As more people dined out and traveled in FY 2021/22, hotel tax revenue experienced strong growth resulting in a year-over-year increase of 84.0 percent.

Most City departments achieved budget savings, and the significant savings were from the Community Development and Operation Services Departments for \$1.3 million and \$1.2 million, respectively. Attributions and lower than anticipated contract services and other operating expenditures contributed to the overall General Fund savings.

General Fund revenues totaled \$139.0 million in FY 2021/22, an increase of \$12.4 million compared to prior fiscal year's total revenues of \$126.6 million. General Fund expenditures totaled \$120.5 million in FY 2021/22, an increase of \$5.1 million compared to prior fiscal year's total expenditures of \$115.4 million.

The following table summarizes the General Fund’s fund balance allocation, showing the beginning balances, plus changes resulting from FY 2021/22 operations and the resulting ending balances.

General Fund Reserves and Fund Balance as of June 30, 2022

	Balance June 30, 2021	Actual Additions and Deletions	Balance June 30, 2022
Nonspendable	\$ 515,007	\$ -	\$ 515,007
Restricted	18,566,740	(941,630)	17,625,110
Committed	-	11,612,462	11,612,462
Unassigned	24,653,599	(2,241,611)	22,411,988
Total Fund Balance	\$ 43,735,346	\$ 8,429,221	\$ 52,164,567

The **Lower Income Housing Fund** is funded with developer fees that are used to provide both rental and ownership affordable housing in the City through programs that subsidize rents, provide secondary financing to first time homebuyers, and provide funding to lower income housing developments. The Lower Income Housing Fee, which is paid by developers in lieu of constructing new affordable housing, amounted to \$1.3 million in FY 2021/22, a \$0.5 million increase from FY 2020/21. Though the increase is minimal, it continues to be an indication of the slow growth returning to the area. Development fees received during the fiscal year included \$0.6 million from 10X Genomics for their 381,000 square foot office expansion, \$0.2 million from Theraldson Hospitality Development, LLC for their five-story hotel development on Johnson Drive, and \$0.2 million from Toll Brothers for residential new housing construction developments. Housing loan activity was relatively quiet during the fiscal year. One \$150,000 housing rehabilitation loan was issued, and repayments of \$68,973 were received on loans issued through the City’s Pleasanton Downtown Assistance Loan Program (PDALP). Expenditures decreased slightly by \$121,636; the additional \$150,000 loan issuance was mostly offset by a decrease in Professional and Contract Services of \$254,484. The Emergency Rental Assistance Program that was provided to renters affected by the COVID-19 Pandemic in FY 2020/21 was no longer offered in FY 2021/22.

The **Miscellaneous Capital Improvement Programs (CIP) Fund** primarily receives contributions from the General Fund and Capital Facilities Fees paid by developers to be used for design and construction of facilities and infrastructure as adopted in the annual miscellaneous capital improvement program (CIP). In FY 2021/22, the fund received \$8.3 million from the General Fund and \$1.4 million from the Budgeted Developer Projects Capital Improvement Fund. The \$8.3 million from the General Fund included \$1.0 million from the General Fund year-end surplus. Capital expenditures totaled \$4.3 million, a decrease of \$1.8 million from the prior fiscal year mainly attributable to COVID workplace improvements that did not carry over into FY 2021/22. Project expenditures included \$2.2 million for the Downtown Transportation Corridor Parking Lot Improvement project, \$0.7 million for the construction of the new Fire Station #3, and \$0.6 million for the Livermore-Pleasanton Fire Department Training Tower Repairs project.

Major Proprietary Funds

The designated major *Proprietary funds* in FY 2021/22 are the Water, Sewer, Golf, and Storm Drain funds.

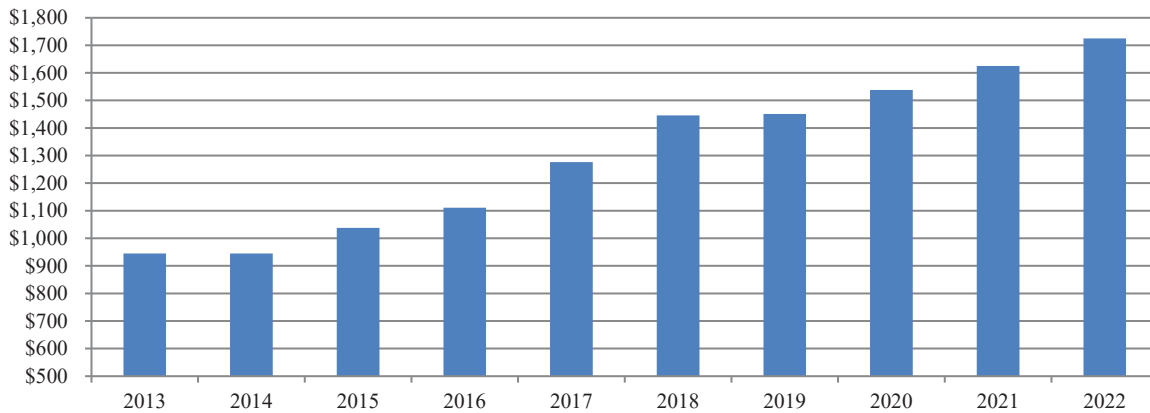
The **Water Fund’s** net position decreased by \$2.3 million. Operating revenues decreased by \$2.8 million due to the decrease in water sales over FY 2020/21, and operating expenses increased by \$1.2 million over the prior fiscal year. Increases in operating expenses were mainly attributable to increased water purchase costs compared to the prior year. The decrease in operating revenues and increases in operating expenses resulted in an operating loss of \$2.6 million.

Water Fund Reserves

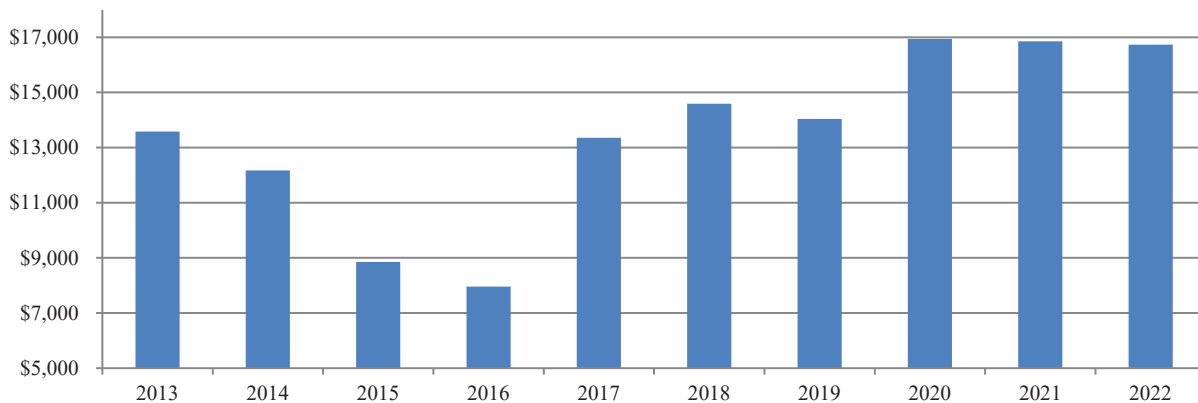
In November 2016, the City Council adopted a reserve policy that requires the Water Fund to maintain minimum reserves equal to 30.0 percent of operating expenses, target reserves of 35.0 percent, and maximum reserves of 40.0 percent. As of June 30, 2022, the Water Operating Fund had a combined reserved balance of \$9.9 million, which equals 36.4 percent of the combined Water Operating Fund's FY 2022/23 budgeted operating expenses. Should unforeseen and unavoidable events occur that require the expenditure of City resources beyond those provided for in the annual budget, the City Council must approve by Resolution any appropriations from unrestricted net position.

The City's water costs increased slightly from FY 2020/21. The graphs below depict the price increases over the last ten years in the Zone 7 treated water rates per acre-foot and the total expended by the City over that period to purchase water from Zone 7. The City's water rate ordinance requires the City to increase its water rates to offset the increase in Zone 7 water rates in order to remain fiscally solvent. The City continues to monitor the revenues and expenses of the Water Fund.

Summary of Zone 7 Treated Water Rates (\$ per acre-foot)



Summary of Water Costs (in thousands)



The **Sewer Fund's** net position decreased by \$1.4 million. Operating revenues increased by \$0.2 million and operating expenses increased by \$1.3 million, resulting in an operating loss of \$2.2 million. The increases in operating expenses were mainly attributable to increases in personnel services and materials, supplies and services of \$0.6 million and \$0.5 million, respectively. Nonoperating revenues(expenses) totaled -\$0.2 million compared to \$0.8 million in the prior fiscal year. Interest income and loss on the fair market value of investments were -\$1.3 million this fiscal year, compared to \$0.1 million from the prior year. This significant decrease was partially

offset with the City's \$0.4 million gain in equity with the Livermore-Amador Valley Water Management Agency (LAVWMA). Similar to the Water Fund, the City's sewer rate ordinance requires the City to increase its sewer rates to pass through the increase in DSRSD rates in order to remain fiscally solvent.

Sewer Operating Fund Reserves

In November 2016, the City Council adopted a reserve policy that requires the Sewer Fund to maintain minimum reserves equal to 30 percent of operating expenses, target reserves of 35 percent, and maximum reserves of 40 percent. As of June 30, 2022, the Sewer Operating Fund had a reserved balance of \$8.5 million which equals 54.3 percent of the Sewer Operating Fund's FY 2022/23 budgeted operating expenses, exceeding the maximum required reserves. Should unforeseen and unavoidable events occur that require the expenditure of City resources beyond those provided for in the annual budget, the City Council must approve by Resolution any appropriations from unrestricted net position.

The **Golf Fund's** net position increased by \$0.3 million in FY 2021/22. Charges for services increased by \$1.4 million, mainly due to increases in green fees received from more rounds of golf being played. Expenses increased by \$0.4 million due to additional management service costs based on additional activities at the golf course. Transfers out to repay the General Fund for golf debt repayment and to the Replacement and Renovation Internal Service Fund to fund repair and replacement reserves decreased by \$0.6 million over the prior fiscal year, from \$0.8 million to \$0.2 million in FY 2021/22.

The **Storm Drain Fund's** net position increased minimally by \$0.1 million in FY 2021/22. All net position categories remained relatively consistent with the prior year.

Fiduciary Funds

There were no designated major funds in the *Fiduciary Funds* in FY 2021/22.

GENERAL FUND BUDGETARY HIGHLIGHTS

The following table displays the General Fund's budget to actual variances for FY 2021/22. The Original Budget was established in June 2021 when the City adopted the two-year budget for fiscal years 2021/22 and 2022/23. The Final Budget was adopted in March 2022 when the City Council approved the FY 2021/22 Mid-year Budget. Actual revenues were greater than final budget by \$2.5 million or 1.9 percent and expenditures were less than final budget by \$4.6 million or 3.7 percent.

The fund balance of \$52.2 million is an increase of \$8.4 million over FY 2020/21. At the fiscal year-end, there was a budget surplus of \$9.3 million, excluding unrealized gains from investments. The City Council approved allocating the surplus¹ to the General Fund Reserve (\$8.1 million), the Miscellaneous Capital Improvement Programs Fund (\$0.9 million), and the Mobile Outreach Vehicle Program Reserve (\$0.3 million).

¹ The FY 2021/22 year-end budget report identified a revenue surplus of \$6.1 million or \$3.6 million more than the \$2.5 million revenue surplus identified in the following table. The \$3.6 million represents the change in the fair market value of investments at year-end in adherence to GASB Statement 31 which requires the City's investments to be carried at fair value instead of cost.

General Fund budget-to-actual variances for FY 2021/22 are reflected in more detail in the Required Supplementary Information. The following is a summary of these variances:

General Fund FY 2021/22 Budgetary Comparison

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
Revenues	\$ 131,641,838	\$ 136,489,838	\$ 139,016,693	\$ 2,526,855
Expenditures	(125,466,340)	(125,152,641)	(120,540,275)	(4,612,366)
Other Financing Sources(Uses):				
Transfers in	949,780	949,780	899,497	(50,283)
Transfers out	(4,790,521)	(11,103,070)	(10,946,694)	(156,376)
Net change in fund balance	\$ 2,334,757	\$ 1,183,907	\$ 8,429,221	\$ 7,245,314

Actual General Fund revenues exceeded final budget estimates by \$2.5 million in FY 2021/22. Actual revenues exceeded budgeted amounts most notably in development services fees (\$2.1 million) and other revenues (\$1.2 million), while revenues were less than anticipated most notably in interest income (-\$3.5 million). The increase in development fees over budget was mainly due to fees collected from the 10X Genomics development project, as well as other permit related fees. The increase in other revenues over budget is attributed to an unanticipated State and Federal reimbursement for the Livermore-Pleasanton Fire Department, as well as other citywide miscellaneous reimbursements. The interest income reduction was largely due to the GASB 31 adjustment to record changes in the fair market value of City investments at fiscal year-end.

Revenue variances are summarized below:

General Fund FY 2021/22 Revenues Budgetary Comparison

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
Property Tax	\$ 79,894,000	\$ 79,944,000	\$ 80,185,671	\$ 241,671
Sales & Use Tax	21,765,000	24,350,000	25,165,560	815,560
Hotel & Motel Tax	3,250,000	3,250,000	3,706,353	456,353
Business License Tax	4,100,000	4,800,000	5,294,430	494,430
Other Taxes	850,000	1,233,000	1,513,521	280,521
Development Services Fees	4,929,000	6,204,000	8,292,053	2,088,053
Franchise Fees	2,985,000	2,985,000	3,028,578	43,578
Recreation Fees	2,879,165	2,879,165	3,652,326	773,161
Department Service Fees	1,371,500	1,324,900	1,769,798	444,898
Other Revenues	4,689,173	3,936,496	5,103,301	1,166,805
Grants & Intergovernmental	4,519,000	5,173,277	4,385,828	(787,449)
Interest Income	410,000	410,000	(3,080,726)	(3,490,726)
Total	\$ 131,641,838	\$ 136,489,838	\$ 139,016,693	\$ 2,526,855

Actual General Fund expenditures of \$120.5 million were less than the final budget estimates by \$4.6 million (3.7 percent). The \$2.7 million savings in personnel costs is primarily due to greater than anticipated levels of vacancies in several departments, including Police, Operations Services, and Community Development Departments. Actual expenditures in the transportation and training category exceeded the budget by \$0.1 million mainly due to higher fuel costs and more employees returning to work onsite and also taking advantage of more travel and training opportunities, many of which were not offered during the pandemic. The \$0.4 million savings in

repairs and maintenance reflect reduced repair contract expenditures. The \$1.6 million savings in materials, supplies and services is mainly the result of savings in various contractual services, utilities, office supplies, and in the budget contingency account.

General Fund FY 2021/22 Expenditures Budgetary Comparison

	Original Budget	Final Budget	Actual Amount	Variance from Final Budget
Personnel Expenses	\$ 94,498,285	\$ 93,217,879	\$ 90,472,870	\$ 2,745,009
Transportation and Training	1,359,719	1,595,620	1,731,192	(135,572)
Repairs and Maintenance	5,226,036	5,504,928	5,084,729	420,199
Material, Supplies and Services	24,105,960	24,416,030	22,850,811	1,565,219
Capital Outlay	276,340	418,184	400,673	17,511
Total	\$ 125,466,340	\$ 125,152,641	\$ 120,540,275	\$ 4,612,366

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City’s investment in capital assets for its governmental and business-type activities as of June 30, 2022, was \$671.3 million (net of accumulated depreciation). This investment in capital assets includes infrastructure, land, right-of-ways, buildings, improvements other than buildings, vehicles and equipment, public art, and construction in progress. The City’s investment in capital assets (net of accumulated depreciation) increased by \$3.2 million from the prior fiscal year. Major capital asset changes during the fiscal year were as follows:

- Governmental activities net capital assets increased overall by \$5.2 million in FY 2021/22. Total capital asset additions and retirements were \$20.1 million and \$0.4 million, respectively. In addition, current year depreciation expense additions and retirements were \$14.9 million and \$0.4 million, respectively. Capital assets activity included:
 - Additions to construction in progress totaled \$15.9 million in FY 2021/22 and included the following major projects: Design/Construction of New Fire Station 3 Project (\$5.0 million), Expand Parking on Downtown Transportation Corridor Project (\$2.2 million), Foothill and Sycamore Residual Control System Project (\$1.5 million), PFAS Treatment and Wells Rehabilitation Project (\$1.4 million), and the Johnson Drive Economic Development Zone Project (\$1.0 million).
 - The following completed construction projects totaling \$6.5 million were transferred to various asset categories: Annual Streets Resurfacing/Reconstruction Project (\$3.6 million), Annual Curb and Gutter Street Resurfacing Project (\$0.9 million), Annual Playground Renovations Project (\$0.7 million), LFPD Fire Department Training Tower Repairs Project (\$0.6 million), Annual Slurry Seal Project (\$0.5 million) and Koll Center 2017 Trash Capture Project (\$0.2 million).
- Business-type activities net capital assets decreased overall by \$2.0 million in FY 2021/22. Additions in capital assets of \$7.5 million were offset by \$9.5 million from depreciation. Current year capital assets activity included:
 - Additions to construction in progress projects totaled \$5.0 million and included the PFAS Treatment and Wells Rehabilitation Project (\$1.4 million), Foothill and

Sycamore Residual Control System Project (\$1.5 million), 2022 Water Distribution System Project (\$0.8 million), the Lift Station 7 and 8 Ventilation and Lighting Improvement Project (\$0.6 million), and miscellaneous smaller projects totaling \$0.7 million.

- The following completed construction in progress projects totaled \$1.2 million and were added to the City's infrastructure during the fiscal year: Nevada Street Water Improvement Project (\$0.8 million) and Annual Trash Capture Devices Project (\$0.4 million).

For the government-wide financial statements presentation, all depreciable capital assets are depreciated from their acquisition date over their useful lives. Governmental Fund financial statements report capital asset purchases as expenditures.

Capital assets for the governmental and business-type activities are presented in the following table to illustrate changes in FY 2021/22.

City of Pleasanton							
Capital Assets							
(net of depreciation, in millions of dollars)							
	Governmental activities		Business-type activities		Total		Increase/ (Decrease)
	2021	2022	2021	2022	2021	2022	% Change
Infrastructure	\$ 114.2	\$ 112.7	\$ 113.3	\$ 109.9	\$ 227.5	\$ 222.5	-2.2%
Land	246.7	248.0	14.5	14.5	261.2	262.5	0.5%
Right-of-ways	36.3	36.4	-	-	36.3	36.4	0.3%
Buildings	54.5	53.6	19.4	18.7	73.9	72.2	-2.3%
Improvements other than buildings	27.8	25.2	7.2	5.6	35.0	30.8	-12.0%
Vehicles & equipment	12.5	12.0	7.3	7.3	19.8	19.3	-2.5%
Public Art	0.8	0.9	-	-	0.8	0.9	12.5%
Construction in progress	9.3	18.7	4.3	8.1	13.6	26.8	96.7%
Total	\$ 502.1	\$ 507.3	\$ 166.0	\$ 164.0	\$ 668.1	\$ 671.3	0.5%

Additional information about the City's capital assets can be found in *Note 5* in the **Notes to Basic Financial Statements**.

Debt Administration

Governmental activities debt decreased by \$238,275 to \$729,907 in FY 2021/22.

- The City's loan from the California Energy Commission for the LED Lighting Upgrade project decreased by \$188,275 from the normal amortization of the loan payable.
- During the year, the City made an annual payment on the HUD Section 108 loan of \$50,000 to bring the remaining balance to \$636,000.

Debt of the business-type activities decreased by \$1.4 million to \$12.6 million in FY 2021/22. The following is a summary of the City's business-type long-term debt.

- Lease payments of \$0.1 million were made on the Golf Course Financed Purchase Agreement debt.
- The City’s loan from the California Clean Water State Revolving Fund (SRF) for the Recycled Water Infrastructure Expansion project decreased by \$0.3 million from the normal amortization of the loan payable.
- Debt service payments of \$0.9 million were made on the Water Revenue Bonds, Series 2017 bonds during FY 2021/22. The bonds assist with the City’s participation in the DERWA facilities expansion project that is needed to meet recycled water demands throughout the City.

The following table compares the outstanding balances on long-term debt of the City as of June 30, 2021 and 2022:

**City of Pleasanton
Long Term Debt Outstanding**

	Governmental Activities		Business-type Activities		Total	
	2021	2022	2021	2022	2021	2022
California Energy Commission (CEC)	\$ 282,182	\$ 93,907	\$ -	\$ -	\$ 282,182	\$ 93,907
HUD Section 108 Loan	686,000	636,000	-	-	686,000	636,000
Golf Course Financed Purchase	-	-	56,665	168,879	56,665	168,879
Golf Course Note Payable	-	-	291,667	-	291,667	-
California Clean Water SRF Loan	-	-	9,917,013	9,577,757	9,917,013	9,577,757
Water Revenue Bonds, Series 2017	-	-	3,720,000	2,820,000	3,720,000	2,820,000
TOTAL	\$ 968,182	\$ 729,907	\$ 13,985,345	\$ 12,566,636	\$ 14,953,527	\$ 13,296,543

Additional information about the City’s long-term obligations can be found in *Note 6* in the **Notes to Basic Financial Statements**.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

Pleasanton’s economy is showing recovery from the effects of the COVID-19 pandemic. The unemployment rate was 2.5 percent in June 2022, down from 5.1 percent in June 2021. The office vacancy rate was 13.4 percent in FY 2021/22 and remained unchanged from the prior fiscal year. Sales tax revenue experienced strong growth in FY 2021/22 due to the reopening of the economy. Hotel tax revenue also experienced strong recovery in FY 2021/22, and the improvement is expected to continue into FY 2022/23. Home values in Pleasanton continue to appreciate leading to steady increase in property tax revenue.

Overall, the General Fund anticipates modest revenue growth in FY 2022/23. The FY 2022/23 budget provides resources to fund a wide range of city services and programs. Resources are also allocated to support the City’s infrastructure and community priorities. The FY 2022/23 budget includes approximately \$4.3 million in American Rescue Plan Act (ARPA) stimulus funds. Funds will be used to support important city services such as public safety, community services, operations services, and economic development. The City received close to \$8.6 million in ARPA funds, and approximately half of the allocation was spent in FY 2021/22. While the City’s financial outlook is positive in the near term, factors such as inflation, housing market, and recession may impact the economy and city operations. City staff will monitor the key economic indicators closely and implement budget strategies if necessary.

Additional details on the economy of the City are discussed in the accompanying Transmittal Letter.

REQUEST FOR INFORMATION

This financial report is designed to provide our residential and business community, taxpayers, customers, investors, and creditors with a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, P.O. Box 520, Pleasanton, California 94566.

BASIC FINANCIAL STATEMENTS

THIS PAGE INTENTIONALLY LEFT BLANK

GOVERNMENT-WIDE FINANCIAL STATEMENTS

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF PLEASANTON

STATEMENT OF NET POSITION
JUNE 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Current assets:			
Cash and investments (Note 2)	\$ 176,375,880	\$ 54,560,360	\$ 230,936,240
Restricted cash and investments (Note 2)	43,293,783	438,935	43,732,718
Receivables (net):			
Accounts	3,081,738	8,646,566	11,728,304
Taxes	7,600,327	-	7,600,327
Grants	81,471	-	81,471
Interest	2,499,244	142,514	2,641,758
Lease (Note 7)	7,157,495	-	7,157,495
Notes and loans (Note 3)	24,344,335	-	24,344,335
Internal balances (Note 1h)	(288,467)	288,467	-
Inventory and prepaid expenses	-	147,382	147,382
Total current assets	<u>264,145,806</u>	<u>64,224,224</u>	<u>328,370,030</u>
Noncurrent assets:			
Net investment in LAVWMA (Note 9c)	-	17,516,886	17,516,886
Capital assets (Note 5):			
Nondepreciable	303,843,930	22,589,723	326,433,653
Depreciable, net	203,485,415	141,393,742	344,879,157
Total noncurrent assets	<u>507,329,345</u>	<u>181,500,351</u>	<u>688,829,696</u>
Total Assets	<u>771,475,151</u>	<u>245,724,575</u>	<u>1,017,199,726</u>
Deferred Outflows of Resources:			
Related to pensions (Note 11)	23,483,061	1,328,980	24,812,041
Related to OPEB (Note 12)	3,634,206	358,794	3,993,000
Total Deferred Outflows of Resources	<u>27,117,267</u>	<u>1,687,774</u>	<u>28,805,041</u>
Liabilities:			
Current liabilities:			
Accounts payable	6,810,762	8,538,298	15,349,060
Accrued payroll	2,401,893	294,858	2,696,751
Accrued interest	1,015	89,677	90,692
Refundable deposits	1,064,240	642,103	1,706,343
Unearned revenue	4,619,615	893,647	5,513,262
Compensated absences - due within one year (Note 1k)	510,172	-	510,172
Long-term debt - due within one year (Note 6)	143,907	1,314,039	1,457,946
Claims liability - due within one year (Note 8)	1,721,336	-	1,721,336
Total current liabilities	<u>17,272,940</u>	<u>11,772,622</u>	<u>29,045,562</u>
Noncurrent liabilities - due in more than one year:			
Compensated absences (Note 1k)	4,305,492	-	4,305,492
Long-term debt (Note 6)	586,000	11,252,597	11,838,597
Claims liability (Note 8)	7,949,523	-	7,949,523
Net deficit in LPPFD (Note 9g)	44,214,835	-	44,214,835
Net pension liability (Note 11)	87,511,874	7,695,970	95,207,844
Net OPEB liability (Note 12)	5,666,071	585,929	6,252,000
Total noncurrent liabilities	<u>150,233,795</u>	<u>19,534,496</u>	<u>169,768,291</u>
Total Liabilities	<u>167,506,735</u>	<u>31,307,118</u>	<u>198,813,853</u>
Deferred Inflows of Resources:			
Related to pensions (Note 11)	37,553,515	2,347,575	39,901,090
Related to OPEB (Note 12)	23,403,151	2,388,849	25,792,000
Related to leases (Note 7)	7,106,813	-	7,106,813
Total Deferred Inflows of Resources	<u>68,063,479</u>	<u>4,736,424</u>	<u>72,799,903</u>
Net Position:			
Net investment in capital assets	506,599,438	151,416,829	658,016,267
Restricted for:			
Pension funding	43,293,783	-	43,293,783
Capital projects	32,928,348	-	32,928,348
Transportation	-	448,318	448,318
Special projects	35,250,220	-	35,250,220
Community development projects	11,845,474	-	11,845,474
Committed for:			
General reserves	11,612,462	-	11,612,462
Unrestricted (deficit)	<u>(78,507,521)</u>	<u>59,503,660</u>	<u>(19,003,861)</u>
Total Net Position	<u>\$ 563,022,204</u>	<u>\$ 211,368,807</u>	<u>\$ 774,391,011</u>

CITY OF PLEASANTON

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 16,238,327	\$ 3,096,280	\$ 101,401	\$ -
Public safety	47,661,010	3,076,866	5,271,217	-
Community development	15,839,480	9,644,065	752,574	2,919,531
Operations services	26,926,085	391,991	650,720	6,294,564
Community activities	11,765,188	3,709,110	79,463	174,616
Interest on long-term debt	22,089	-	-	-
Total Governmental Activities	118,452,179	19,918,312	6,855,375	9,388,711
Business-Type Activities:				
Water	31,712,223	28,915,523	-	-
Sewer	17,695,297	15,989,841	-	-
Golf	5,533,360	5,981,897	-	-
Storm Drain	2,087,642	524,912	-	-
Transit	392,660	-	691,016	-
Cemetery	356,262	203,420	-	-
Total Business-Type Activities	57,777,444	51,615,593	691,016	-
Total Primary Government	\$ 176,229,623	\$ 71,533,905	\$ 7,546,391	\$ 9,388,711

General Revenues:

- Taxes:
 - Property
 - Sales taxes
 - Franchise taxes
 - Business licenses taxes
 - Transient occupancy taxes
 - Other taxes
- Use of money and property (loss on investment)
- Miscellaneous
- Gain (loss) on sale of capital assets

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position at Beginning of Year

Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (13,040,646)	\$ -	\$ (13,040,646)
(39,312,927)	-	(39,312,927)
(2,523,310)	-	(2,523,310)
(19,588,810)	-	(19,588,810)
(7,801,999)	-	(7,801,999)
(22,089)	-	(22,089)
(82,289,781)	-	(82,289,781)
-	(2,796,700)	(2,796,700)
-	(1,705,456)	(1,705,456)
-	448,537	448,537
-	(1,562,730)	(1,562,730)
-	298,356	298,356
-	(152,842)	(152,842)
-	(5,470,835)	(5,470,835)
(82,289,781)	(5,470,835)	(87,760,616)
80,185,672	-	80,185,672
24,554,367	-	24,554,367
3,028,577	-	3,028,577
5,294,430	-	5,294,430
3,706,353	-	3,706,353
1,506,516	-	1,506,516
(12,797,952)	(2,770,311)	(15,568,263)
926,486	5,457,714	6,384,200
158,205	-	158,205
(1,386,071)	1,386,071	-
105,176,583	4,073,474	109,250,057
22,886,802	(1,397,361)	21,489,441
540,135,402	212,766,168	752,901,570
\$ 563,022,204	\$ 211,368,807	\$ 774,391,011

THIS PAGE INTENTIONALLY LEFT BLANK

GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as general government, public safety, community development, operations services and community activities.

Lower Income Housing Fund is a special revenue fund used to account for and report the proceeds of housing in-lieu fees paid by developers of residential, commercial, and office property, as well as revenue from the repayment of housing loans. These revenues are used to provide financial assistance toward meeting the affordable housing guidelines detailed in the housing element of the City's General Plan.

Miscellaneous Capital Improvement Programs Fund is a capital projects fund that receives contributions from the General Fund to be used for design and construction of facilities and infrastructure as adopted in the annual miscellaneous capital improvement program.

CITY OF PLEASANTON

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

	General Fund	Special Revenue Funds Lower Income Housing Fund	Capital Project Funds Miscellaneous Capital Improvement Programs Fund	Non-major Governmental Funds	Total Governmental Funds
Assets:					
Pooled cash and investments	\$ 36,244,314	\$ 11,725,899	\$ 26,301,485	\$ 68,459,758	\$ 142,731,456
Receivables:					
Accounts	2,087,696	249,000	-	485,066	2,821,762
Taxes	6,474,511	-	-	1,125,816	7,600,327
Notes and loans	15,007	20,212,318	5,728	4,111,282	24,344,335
Accrued interest	119,853	1,724,487	49,630	521,499	2,415,469
Grants	-	-	-	81,471	81,471
Leases	476,483	6,681,012	-	-	7,157,495
Due from other funds	188,555	-	-	-	188,555
Advances to other funds	500,000	-	-	-	500,000
Restricted assets:					
Cash and investments	17,625,110	-	-	-	17,625,110
Total Assets	\$ 63,731,529	\$ 40,592,716	\$ 26,356,843	\$ 74,784,892	\$ 205,465,980
Liabilities:					
Accounts payable	\$ 3,273,532	\$ 157,097	\$ 484,348	\$ 1,817,909	\$ 5,732,886
Accrued liabilities	2,378,985	8,746	-	14,162	2,401,893
Unearned revenues	4,384,755	-	-	234,860	4,619,615
Deposits payable	1,064,240	-	-	-	1,064,240
Due to other funds	-	-	-	172,055	172,055
Advances from other funds	-	-	-	430,987	430,987
Total Liabilities	11,101,512	165,843	484,348	2,669,973	14,421,676
Deferred Inflows of Resources:					
Related to leases	465,450	6,641,363	-	-	7,106,813
Unavailable revenues	-	21,940,036	5,728	4,451,389	26,397,153
Total Deferred Inflows of Resources	465,450	28,581,399	5,728	4,451,389	33,503,966
Fund Balances:					
Nonspendable	515,007	-	-	-	515,007
Restricted	17,625,110	11,845,474	-	56,122,468	85,593,052
Committed	11,612,462	-	-	-	11,612,462
Assigned	-	-	25,866,767	11,541,062	37,407,829
Unassigned	22,411,988	-	-	-	22,411,988
Total Fund Balances	52,164,567	11,845,474	25,866,767	67,663,530	157,540,338
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 63,731,529	\$ 40,592,716	\$ 26,356,843	\$ 74,784,892	\$ 205,465,980

CITY OF PLEASANTON

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES
JUNE 30, 2022**

Fund balances of governmental funds	\$ 157,540,338
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.	496,639,284
Notes and lease receivables are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the fund financial statements.	26,397,153
Internal service funds are used by management to charge the costs of employee benefits, public art acquisition and maintenance, assessment district administration, equipment replacement/ renovation and self-insurance programs to individual departments or to other governments. The assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included in governmental activities in the Statement of Net Position.	(72,609,829)
Certain liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the Governmental Fund Financial Statements:	
Note payable to California Energy Commission	(93,907)
HUD Section 108 Loan	(636,000)
Net investment (deficit) in LPFD	(44,214,835)
	<hr/>
Net Position of Governmental Activities	<u>\$ 563,022,204</u>

CITY OF PLEASANTON

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General Fund	Special Revenue Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
		Lower Income Housing Fund	Miscellaneous Capital Improvement Programs Fund		
Revenues:					
Taxes	\$ 115,858,531	\$ -	\$ -	\$ -	\$ 115,858,531
Assessments	-	-	-	212,095	212,095
Licenses and permits	4,983,302	-	-	-	4,983,302
Intergovernmental	4,385,828	-	-	8,878,430	13,264,258
Franchises	3,028,577	-	-	-	3,028,577
Charges for services	1,769,799	214,238	-	-	1,984,037
Use of money and property (investment loss)	(3,162,088)	162,288	(959,548)	(3,522,187)	(7,481,535)
Fines and forfeitures	212,613	-	-	16,900	229,513
Plan check fees	3,104,813	-	-	-	3,104,813
Contributions	16,764	-	39,000	374,368	430,132
Development fees	210,943	1,289,543	-	1,539,832	3,040,318
Miscellaneous	8,607,611	87,846	11,991	600,152	9,307,600
Total Revenues	139,016,693	1,753,915	(908,557)	8,099,590	147,961,641
Expenditures:					
Current:					
General government	16,633,152	-	-	1,247,954	17,881,106
Public safety	54,994,491	-	-	46,070	55,040,561
Community development	16,116,550	1,068,495	126,836	364,093	17,675,974
Operations services	19,683,602	-	-	161,399	19,845,001
Community activities	12,711,807	-	-	69,195	12,781,002
Capital outlay	400,673	-	4,015,061	13,189,375	17,605,109
Debt service:					
Principal	-	-	188,275	50,000	238,275
Interest	-	-	2,354	19,735	22,089
Total Expenditures	120,540,275	1,068,495	4,332,526	15,147,821	141,089,117
Excess (Deficiency) of Revenues Over Expenditures	18,476,418	685,420	(5,241,083)	(7,048,231)	6,872,524
Other Financing Sources (Uses):					
Transfers in	899,497	-	9,683,069	418,295	11,000,861
Transfers out	(10,946,694)	-	-	(1,616,552)	(12,563,246)
Total Other Financing Sources (Uses)	(10,047,197)	-	9,683,069	(1,198,257)	(1,562,385)
Net Change in Fund Balances	8,429,221	685,420	4,441,986	(8,246,488)	5,310,139
Fund Balances, Beginning of Year	43,735,346	11,160,054	21,424,781	75,910,018	152,230,199
Fund Balances, End of Year	\$ 52,164,567	\$ 11,845,474	\$ 25,866,767	\$ 67,663,530	\$ 157,540,338

CITY OF PLEASANTON

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Net change in fund balances - total governmental funds	\$	5,310,139
Amounts reported for governmental activities in the Statement of Activities and Changes in Net Position were different because:		
Governmental funds report acquisition of capital assets as part of capital outlay expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets were allocated over their estimated useful lives as depreciation expense.		
Capital outlay	\$	19,223,446
Loss on disposal of assets		(48,807)
Depreciation (net of internal service funds of \$2,149,078)		<u>(12,741,402)</u>
		6,433,237
Loans receivable are not considered available revenue and are classified as deferred inflows of resources in the governmental funds.		(78,379)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long term liabilities in the Statement of Net Position.		
Note payable to California Energy Commission		188,275
HUD Section 108 Loan		50,000
Gains in the equity investment in LPFD is a revenue in the governmental funds, but the gains decrease the net investment deficit in the Statement of Net Position.		50,945
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities in the statement of net position.		<u>10,932,585</u>
Change in Net Position of Governmental Activities	\$	<u>22,886,802</u>

THIS PAGE INTENTIONALLY LEFT BLANK

PROPRIETARY FUND FINANCIAL STATEMENTS

Water Fund – accounts for the operation and maintenance of the City’s water utility, a self-supporting activity, which provides services on a user-charge basis to residences and businesses.

Sewer Fund – accounts for the operation and maintenance of the City’s sewer collection system and related facilities. It is a self-supporting activity, which provides services on a user-charge basis to residences and businesses.

Golf Fund – accounts for the daily operation and maintenance of the City’s golf course, Callippe Preserve Golf Course. The City currently contracts with Pleasanton Golf, LLC (CourseCo, Inc.) to manage and maintain the golf course and its facilities. This fund also accounts for golf course capital assets, accumulation of funds for payment of golf debt service, and reimbursement for infrastructure expenses necessitated by the development of the golf course.

Storm Drain Fund – accounts for the operation and maintenance of the City’s storm system. The revenue source for this fund is the urban runoff annual assessment fee levied on property owners beginning in FY 1992/93 and a subsidy from the General Fund. The expenses accounted for in this fund are for the federally mandated program to reduce pollutants to the Bay and other expenses related to maintaining the City’s storm drain system.

CITY OF PLEASANTON

STATEMENT OF FUND NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf	Storm Drain
Assets:				
Current:				
Cash and investments (Note 2)	\$ 25,800,576	\$ 23,319,583	\$ 2,748,869	\$ 1,129,957
Restricted cash (Note 2)	438,935	-	-	-
Receivables (net):				
Accounts	5,461,671	3,010,369	34,643	1,114
Interest	72,989	66,259	-	377
Inventory and prepaid expenses	-	-	147,382	-
Total Current Assets	31,774,171	26,396,211	2,930,894	1,131,448
Noncurrent:				
Net investment in joint venture (Note 9c)	-	17,516,886	-	-
Advances to other funds (Note 4)	-	-	-	-
Capital assets (Note 5):				
Nondepreciable	6,920,907	2,956,566	12,434,327	216,173
Depreciable, net	75,924,087	37,873,279	7,171,639	19,566,719
Total Noncurrent Assets	82,844,994	58,346,731	19,605,966	19,782,892
Total Assets	114,619,165	84,742,942	22,536,860	20,914,340
Deferred Outflows of Resources:				
Related to pensions (Note 11)	853,875	337,754	-	137,351
Related to OPEB (Note 12)	245,663	84,429	-	28,702
Total Deferred Outflows of Resources	1,099,538	422,183	-	166,053
Liabilities:				
Current:				
Accounts payable	4,979,769	3,056,888	439,347	53,008
Payroll payable	192,338	77,000	-	22,804
Accrued interest	88,765	-	912	-
Advances from other funds (Note 4)	-	-	-	-
Refundable deposits	329,025	-	313,078	-
Unearned revenues	-	57,337	373,419	-
Due to other funds (Note 4)	-	-	-	-
Accrued compensated absences (Note 1k)	-	-	-	-
Claims payable (Note 8)	-	-	-	-
Financed purchases payable (Note 6b)	-	-	54,922	-
Loan payable (Note 6b)	339,117	-	-	-
Bonds payable (Note 6b)	920,000	-	-	-
Total Current Liabilities	6,849,014	3,191,225	1,181,678	75,812
Noncurrent:				
Accrued compensated absences (Note 1k)	-	-	-	-
Claims payable (Note 8)	-	-	-	-
Financed purchases payable (Note 6b)	-	-	113,957	-
Loan payable (Note 6b)	9,238,640	-	-	-
Bonds payable (Note 6b)	1,900,000	-	-	-
Net pension liability (Note 11)	4,944,692	1,955,890	-	795,388
Net OPEB liability (Note 12)	373,379	160,445	-	52,105
Total Noncurrent Liabilities	16,456,711	2,116,335	113,957	847,493
Total Liabilities	23,305,725	5,307,560	1,295,635	923,305
Deferred Inflows of Resources:				
Related to pensions (Note 11)	1,508,326	596,624	-	242,625
Related to OPEB (Note 12)	1,553,559	628,746	-	206,544
Total Deferred Inflows of Resources	3,061,885	1,225,370	-	449,169
Net Position (Deficit):				
Net investment in capital assets	70,447,237	40,829,845	19,437,087	19,782,892
Restricted for transportation	-	-	-	-
Unrestricted (Deficit)	18,903,856	37,802,350	1,804,138	(74,973)
Total Net Position (Deficit)	\$ 89,351,093	\$ 78,632,195	\$ 21,241,225	\$ 19,707,919

Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with the business-type activities.

Net Position per Statement of Net Position - Proprietary Funds

Prior years' accumulated adjustment to reflect the consolidation of internal service funds activities related to the enterprise funds

Current years' adjustments to reflect the consolidation of internal service activities related to enterprise funds

Net Position per Statement of Net Position

Business-Type Activities - Enterprise Funds		Governmental Activities
Other		Internal Service Funds
Non-major Enterprise Funds	Total	
\$ 1,561,375	\$ 54,560,360	\$ 33,644,424
-	438,935	25,668,673
138,769	8,646,566	259,976
2,889	142,514	83,775
-	147,382	-
1,703,033	63,935,757	59,656,848
-	17,516,886	-
-	-	430,987
61,750	22,589,723	842,101
858,018	141,393,742	9,847,960
919,768	181,500,351	11,121,048
2,622,801	245,436,108	70,777,896
-	1,328,980	23,483,061
-	358,794	3,634,207
-	1,687,774	27,117,268
9,286	8,538,298	1,077,876
2,716	294,858	-
-	89,677	1,015
500,000	500,000	-
-	642,103	-
462,891	893,647	-
1,150	1,150	15,350
-	-	510,172
-	-	1,721,336
-	54,922	-
-	339,117	-
-	920,000	-
976,043	12,273,772	3,325,749
-	-	4,305,492
-	-	7,949,523
-	113,957	-
-	9,238,640	-
-	1,900,000	-
-	7,695,970	87,511,874
-	585,929	5,666,071
-	19,534,496	105,432,960
976,043	31,808,268	108,758,709
-	2,347,575	37,553,515
-	2,388,849	23,403,151
-	4,736,424	60,956,666
919,768	151,416,829	10,690,061
448,318	448,318	25,668,673
278,672	58,714,043	(108,178,945)
\$ 1,646,758	\$ 210,579,190	\$ (71,820,211)

\$ 210,579,190

(1,126,773)

1,916,390

\$ 211,368,807

CITY OF PLEASANTON

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf	Storm Drain
Operating Revenues:				
Charges for services	\$ 28,915,523	\$ 15,989,841	\$ 5,981,897	\$ 524,912
Miscellaneous	1,155,375	3,914	-	176,768
Total Operating Revenues	30,070,898	15,993,755	5,981,897	701,680
Operating Expenses:				
Personnel services & OPEB adjustment	4,702,640	2,240,816	-	583,810
Transportation	99,757	44,990	-	2,683
Repairs and maintenance	469,637	327,273	469,890	36,623
Materials, supplies and services	23,384,404	12,839,448	3,521,681	528,942
Depreciation (Note 5)	4,045,210	2,748,470	1,538,525	1,118,031
Total Operating Expenses	32,701,648	18,200,997	5,530,096	2,270,089
Operating Income (Loss)	(2,630,750)	(2,207,242)	451,801	(1,568,409)
Nonoperating Revenues (Expenses):				
Grants	137,982	1,720	-	-
Intergovernmental	-	-	-	-
Interest income & loss on fair market value of investments	(1,422,497)	(1,301,166)	15,958	(6,460)
Interest (expense)	(231,060)	-	(3,264)	-
Gain on disposal of capital assets	-	-	-	-
Equity interest in gain from joint ventures	-	1,102,343	-	-
Total Nonoperating Revenues (Expenses)	(1,515,575)	(197,103)	12,694	(6,460)
Income (Loss) Before Transfers	(4,146,325)	(2,404,345)	464,495	(1,574,869)
Capital contributions received	1,571,424	862,670	-	585,220
Transfers in	316,201	127,964	-	1,100,000
Transfers out	-	-	(208,094)	-
Changes in Net Position	(2,258,700)	(1,413,711)	256,401	110,351
Net Position (Deficit):				
Beginning of Year	91,609,793	80,045,906	20,984,824	19,597,568
End of Fiscal Year	\$ 89,351,093	\$ 78,632,195	\$ 21,241,225	\$ 19,707,919

Reconciliation of Changes in Net Position to the Statement of Activities:

Changes in Net Position, per the Statement of Revenues,
 Expenses and Changes in Fund Net Position - Proprietary Funds
 Adjustment to reflect the consolidation of current fiscal year
 internal service funds activities related to enterprise funds
Changes in Net Position of Business-Type Activities per Statement of Activities

Business-Type Activities - Enterprise Funds		Governmental Activities	
Other Non-major Enterprise Funds	Total	Internal Service Funds	
\$ 203,420	\$ 51,615,593	\$ 9,395,189	
-	1,336,057	72,271	
203,420	52,951,650	9,467,460	
104,060	7,631,326	(16,499,516)	
217	147,647	-	
32,575	1,335,998	333,323	
573,314	40,847,789	5,653,701	
46,514	9,496,750	2,149,078	
756,680	59,459,510	(8,363,414)	
(553,260)	(6,507,860)	17,830,874	
58,843	198,545	-	
492,471	492,471	-	
(56,146)	(2,770,311)	(5,316,417)	
-	(234,324)	-	
-	-	158,205	
-	1,102,343	-	
495,168	(1,211,276)	(5,158,212)	
(58,092)	(7,719,136)	12,672,662	
-	3,019,314	-	
50,000	1,594,165	1,069,314	
-	(208,094)	(893,000)	
(8,092)	(3,313,751)	12,848,976	
1,654,850	213,892,941	(84,669,187)	
\$ 1,646,758	\$ 210,579,190	\$ (71,820,211)	

\$ (3,313,751)

1,916,390
\$ (1,397,361)

CITY OF PLEASANTON

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf	Storm Drain
Cash Flows from Operating Activities:				
Cash receipts from customers	\$ 30,431,280	\$ 15,985,142	\$ 6,016,956	\$ 703,455
Cash payments to suppliers	(25,472,641)	(13,678,618)	(3,928,898)	(612,918)
Cash payments to or on behalf of employees	(5,407,776)	(2,289,028)	-	(411,444)
Cash payments to joint ventures	-	(131)	-	-
Claims paid	-	-	-	-
Net Cash Provided (Used) by Operating Activities	(449,137)	17,365	2,088,058	(320,907)
Cash Flows from Non-Capital Financing Activities:				
Interfund receipts	316,201	127,964	-	1,100,000
Interfund payments	-	-	(208,094)	-
Repayment received from other funds	-	-	-	-
Repayment made to other funds	-	-	-	-
Advance from other funds	-	-	-	-
Intergovernmental receipts	137,982	1,720	-	-
Net Cash Provided (Used) by Non-Capital Financing Activities	454,183	129,684	(208,094)	1,100,000
Cash Flows from Capital and Related Financing Activities:				
Proceeds from financed purchases	-	-	-	-
Capital grants and contributions	1,571,424	-	-	-
Acquisition of capital assets	(4,793,306)	(1,532,751)	-	(454,104)
Principal payments on capital debt	(1,239,256)	-	(330,726)	-
Interest paid on capital debt	(175,620)	-	(2,350)	-
Cash contribution	-	862,670	-	-
Payments for funds held in trust	-	-	-	(187,471)
Proceeds from sales of capital assets	-	-	-	-
Net Cash Used by Capital and Related Financing Activities	(4,636,758)	(670,081)	(333,076)	(641,575)
Cash Flows from Investing Activities:				
Interest & loss on fair market value of investments	(1,402,575)	(1,284,779)	17,339	(5,965)
Net Cash Provided (Used) by Investing Activities	(1,402,575)	(1,284,779)	17,339	(5,965)
Net Increase (Decrease) in Cash and Cash Equivalents	(6,034,287)	(1,807,811)	1,564,227	131,553
Cash and Cash Equivalents at Beginning of Year	32,273,798	25,127,394	1,184,642	998,404
Cash and Cash Equivalents at End of Year	\$ 26,239,511	\$ 23,319,583	\$ 2,748,869	\$ 1,129,957
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ (2,630,750)	\$ (2,207,242)	\$ 451,801	\$ (1,568,409)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	4,045,210	2,748,470	1,538,525	1,118,031
Changes in pension related items	(195,930)	(55,615)	-	(29,499)
Changes in OPEB related items	(549,307)	(102,041)	-	146,197
Net investment in joint ventures	-	(131)	-	-
(Increase) decrease in accounts receivable, net	344,342	(65,950)	(16,916)	1,775
Increase in inventory and prepaids	-	-	(38,491)	-
Increase (decrease) in accounts payable and other accrued expenses	(1,518,843)	(364,866)	101,164	10,607
Increase (decrease) in accrued liabilities	40,101	7,403	-	391
Decrease in due to other governments	-	-	-	-
Increase in deposits payable	16,040	-	38,506	-
Increase in unearned revenue	-	57,337	13,469	-
Decrease in claims payable	-	-	-	-
Decrease in employee benefits payable	-	-	-	-
Total Adjustments	2,181,613	2,224,607	1,636,257	1,247,502
Net Cash Provided (Used) by Operating Activities	\$ (449,137)	\$ 17,365	\$ 2,088,058	\$ (320,907)
Non-Cash Investing, Capital, and Financing Activities:				
Gain on disposition of capital assets	\$ -	\$ -	\$ -	\$ -
Donation of capital assets	-	-	-	585,361
Financed purchase acquisition of capital assets	-	-	151,273	-

Business-Type Activities - Enterprise Funds		Governmental Activities
Other Non-major Enterprise Funds	Total	Internal Service Funds
\$ 321,816	\$ 53,458,649	\$ 9,228,338
(653,236)	(44,346,311)	(5,759,074)
(105,034)	(8,213,282)	(4,218,404)
-	(131)	-
-	-	(104,402)
(436,454)	898,925	(853,542)
50,000	1,594,165	176,314
-	(208,094)	-
(25,629)	(25,629)	15,350
-	-	-
-	-	150,968
551,314	691,016	-
575,685	2,051,458	342,632
-	-	-
-	1,571,424	-
-	(6,780,161)	(946,655)
-	(1,569,982)	-
-	(177,970)	-
-	862,670	-
-	(187,471)	-
-	-	158,205
-	(6,281,490)	(788,450)
(55,971)	(2,731,951)	(5,288,926)
(55,971)	(2,731,951)	(5,288,926)
83,260	(6,063,058)	(6,588,286)
1,478,115	61,062,353	65,901,383
\$ 1,561,375	\$ 54,999,295	\$ 59,313,097
\$ (553,260)	\$ (6,507,860)	\$ 17,830,874
46,514	9,496,750	2,149,078
-	(281,044)	(12,625,289)
-	(505,151)	(7,741,379)
-	(131)	-
(36,935)	226,316	(239,122)
-	(38,491)	-
-	(1,771,938)	227,950
(47,130)	765	-
(972)	(972)	-
-	54,546	-
155,329	226,135	-
-	-	(104,402)
-	-	(351,252)
116,806	7,406,785	(18,684,416)
\$ (436,454)	\$ 898,925	\$ (853,542)
\$ -	\$ -	\$ 158,205
-	585,361	-
-	151,273	-

THIS PAGE INTENTIONALLY LEFT BLANK

FIDUCIARY FUND FINANCIAL STATEMENTS

Private-Purpose Trust Funds – accounts for the Pleasanton Township County Water District (P.T.C.W.D.) #3 Trust Fund. The Trust received money in 1973 from the P.T.C.W.D. #3 and the funds may be used in the future to maintain the private road that serves the City's water tanks.

Custodial Funds - Custodial funds report fiduciary activities that are not held in a trust or equivalent arrangement.

CITY OF PLEASANTON

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2022

	Private - Purpose Trust Fund	Custodial Funds
Assets:		
Pooled cash and investments	\$ 337,249	\$ 8,907,281
Receivables:		
Accounts	6,175	108,720
Taxes	-	445,854
Accrued interest	910	21,849
Total Assets	344,334	9,483,704
Liabilities:		
Accounts payable	36	1,442,019
Long-term liabilities:		
Due in one year		
Claims liabilities	-	1,920,000
Due in more than one year		
Claims liabilities	-	7,679,000
Total Liabilities	36	11,041,019
Net Position (Deficit):		
Restricted for other government agencies	344,298	148,755
Restricted for retiree insurance	-	65,810
Restricted for Pleasanton Downtown Association	-	35,154
Restricted for Livermore Share	-	(1,807,034)
Total Net Position (Deficit)	\$ 344,298	\$ (1,557,315)

CITY OF PLEASANTON

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2022

	Private - Purpose Trust Fund	Custodial Funds
Additions:		
Contributions:		
Retired employees	\$ -	\$ 609,007
Taxes	-	77,952
Intergovernmental	-	9,295,176
Interest and change on fair value of investments	(17,823)	(428,941)
Miscellaneous	1,125	1,617
Total Additions	(16,698)	9,554,811
Deductions:		
Retiree benefits	-	559,954
Contractual services	20,887	9,982,695
Total Deductions	20,887	10,542,649
Changes in Fiduciary Net Position	(37,585)	(987,838)
Net Position (Deficit)		
Beginning of the Year	381,883	(569,477)
End of the Year	\$ 344,298	\$ (1,557,315)

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF PLEASANTON

**INDEX TO NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

	<u>Page Number</u>
Note 1: Summary of Significant Accounting Policies	55
Note 2: Cash and Investments	64
Note 3: Notes Receivable	70
Note 4: Interfund Transactions	76
Note 5: Capital Assets	78
Note 6: Long-Term Liabilities	79
Note 7: Leases Receivable	85
Note 8: Risk Management	86
Note 9: Investment in Joint Ventures and Membership in Insurance Pool	87
Note 10: Net Position/Fund Balances	91
Note 11: Defined Benefit Pension Plan	95
Note 12: Post-Employment Health Care Benefits	107
Note 13: Commitments and Contingencies	116

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies

The basic financial statements of the City of Pleasanton (City) have been prepared in conformity with generally accepted accounting principles (GAAP) 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 most significant of the City's accounting policies are described below.

a. Reporting Entity

The City of Pleasanton (City) was incorporated on June 18, 1894, and operates under a Council-Manager form of government. The City Council consists of five elected members. The following services are provided by the City to its citizens: police, fire, operations services, water, sewer, economic development, parks and recreation, planning and community development, general administration, library, golf and cemetery.

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance, part of the City's operations, and data from these units are combined with data of the City. Each blended component unit has a June 30 year-end. The City had no discretely presented component units. The following entities are reported as blended component units of the City as the component units' governing bodies are the same as the governing body of the City and management of the primary government has operational responsibility for the component units:

Housing Authority of the City of Pleasanton, California (Housing Authority) - The Housing Authority was established in 1943. The purpose of the Housing Authority is to advocate for housing units and services for low and moderate income families. In accordance with Section 2.36 of the Municipal Code, the Pleasanton City Council serves as the Board of Directors for the Housing Authority of the City of Pleasanton.

Pleasanton Joint Powers Financing Authority - In June 1993, the Pleasanton Joint Powers Financing Authority (PJFPA) was formed by a Joint Exercise of Powers Agreement between the City of Pleasanton and the Housing Authority. The PJFPA is a blended component unit of the City and the financial operations of the PJFPA are included in the City of Pleasanton's financial statements.

b. Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, and expenditures or expenses as appropriate. Governmental 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.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

Government-Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These government-wide financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities and Changes in Net Position presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating contributions and grants
- Capital contributions and grants

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities and Changes in Net Position, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out
- Interfund charges

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are recorded when received in cash, except that revenues subject to accrual (generally 90 days after year-end, with the exception of property tax for which the accrual period is 60 days after year-end) are recognized when due. The primary revenue sources which have been treated as susceptible to accrual by the City are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The City reports the following major governmental funds:

The *General Fund* – is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as general government, public safety, community development, operations services and community activities.

The *Lower Income Housing Fund* – is a special revenue fund used to account for and report the proceeds of housing in-lieu fees paid by developers of residential, commercial, and office property, as well as revenue from the repayment of housing loans. These revenues are used to provide financial assistance towards meeting the affordable housing guidelines detailed in the housing element of the City’s General Plan.

The *Miscellaneous Capital Improvement Programs Fund* – is a capital projects fund that receives contributions from the General Fund to be used for the purchase of equipment or the construction of facilities and infrastructure as adopted in the annual miscellaneous capital improvement program.

Proprietary Fund Financial Statements

Proprietary Fund Financial Statements include a Statement of Fund Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and non-major funds aggregated.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental and business-type activities in the government-wide financial statements as appropriate.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Fund Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in a proprietary fund are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The City reports the following major enterprise funds:

The Water Fund – accounts for the operation and maintenance of the City’s water utility, a self-supporting activity, which provides services on a user-charge basis to residences and businesses.

The Sewer Fund – accounts for the operation and maintenance of the City’s sewer collection system and related facilities. It is a self-supporting activity, which provides services on a user-charge basis to residences and businesses.

The Golf Fund – accounts for the daily operation and maintenance of the City’s golf course, Callippe Preserve Golf Course. The City currently contracts with Pleasanton Golf, LLC (CourseCo, Inc.) to manage and maintain the golf course and its facilities. This fund also accounts for golf course capital assets, accumulation of funds for payment of golf debt service, and reimbursement for infrastructure expenses necessitated by the development of the golf course.

The Storm Drain Fund – accounts for the operation and maintenance of the City’s storm system. The revenue source for this fund is the urban runoff annual assessment fee levied on property owners beginning in FY 1992/93 and a subsidy from the General Fund. The expenses accounted for in this fund are for the federally mandated program to reduce pollutants to the Bay and other expenses related to maintaining the City’s storm drain system.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

The City also reports the following types of funds:

Internal Service Funds – account for the City’s employee benefits, public art acquisition and maintenance, equipment replacement and renovations provided to City departments or to other governments, and self-insurance programs – workers’ compensation and general liability on a cost-reimbursement basis.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City’s fiduciary funds represent custodial funds and a private purpose trust fund. Custodial funds report fiduciary activities that are not held in a trust or equivalent arrangement. The private purpose trust fund is accounted for using the economic resources measurement focus. The fiduciary funds are accounted for using the accrual basis of accounting.

The City reports the following fiduciary funds:

The Private-Purpose Trust Funds – accounts for the P.T.C.W.D. #3 Trust Fund. The Trust received money in 1973 from the Pleasanton Township County Water District #3 and the funds may be used in the future to maintain the private road that serves the City’s water tanks.

The Custodial Funds – report fiduciary activities that are not held in a trust or equivalent arrangement. These activities include retiree insurance, downtown merchant improvements, asset forfeitures, miscellaneous agencies, and the Livermore share only of the Livermore-Pleasanton Fire Department activities.

c. Cash, Cash Equivalents and Investments

The City pools its available cash for investment purposes. The City’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

The City participates in the Local Agency Investment Fund (LAIF), an investment pool managed by the State of California which invests a portion of the pooled funds in Structured Notes and Asset-backed Securities. LAIF’s investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-backed Securities are subject to market risk due to change in interest rates.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

For purposes of the statement of cash flows of the proprietary funds types, cash and cash equivalents include all investments, as the City operates an internal cash management pool which maintains the general characteristics of a demand deposit account.

d. Restricted Cash and Investments

Restricted cash and investments include amounts held by fiscal agents for the redemption of bonded debt and for acquisition and construction of capital projects, for deposits held for others within the enterprise funds, and for amounts held in an irrevocable trust for pension activities.

e. Receivables

During the course of normal operations, the City carries various receivable balances that are shown net of allowances for doubtful accounts for taxes, interest, services, utilities and special assessments. The City maintains allowances for doubtful accounts of \$30,000 in the Water Fund and \$20,000 in the Sewer Fund.

f. Notes Receivable

For the purposes of the governmental fund financial statements, expenditures related to long-term notes arising from subsidy programs are charges to operations upon funding and the notes are recorded with an offset to an unavailable revenue account under the deferred inflows of resources section. For the purposes of the government-wide financial statements, long-term loans are not offset by unavailable revenue accounts.

g. Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position or balance sheet will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position or balance sheet will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time.

h. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans).

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

Advances between funds, reported in the fund financial statements, are classified as nonspendable fund balance in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

i. Inventory

Inventory held for resale at the City's Callippe Golf Course is valued at the lower of cost or market; cost is determined using the moving average costing method for the golf shop merchandise. Inventory supplies at the golf course restaurant is valued at cost, using the first-in first-out costing method.

j. Capital Assets

The City's assets are capitalized at historical cost or estimated historical cost. City policy has set the capitalization threshold for reporting general capital assets at \$5,000, for CIP projects at \$50,000, and for reporting infrastructure (streets, water, sewer and storm drains) at \$100,000. All streetlights and traffic signals are included. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value when received. Depreciation is recorded on a straight-line basis over the useful lives of the assets as follows:

Machinery and Equipment	5-20 years
Infrastructure	20-40 years
Buildings and Improvements	20-50 years

The City has included the value of all infrastructure in the current Basic Financial Statements. Capital assets that meet the definition of a major infrastructure network or extend the life of existing infrastructure networks are capitalized as infrastructure. Infrastructure networks include: roads, bridges, water, sewer, drainage systems and lighting systems.

k. Compensated Absences

Accumulated unpaid vacation and compensatory time is accrued in and liquidated from the Employee Benefits Internal Service Fund using the accrual basis of accounting. Sick leave with pay is granted to all eligible employees.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

Sick leave is not considered a right which employees may use at their discretion, but is allowed only for specific purposes as explained in the City’s personnel policies. The City accrues accumulated unpaid compensated absences when earned by the employee.

	Governmental Activities
Balance June 30, 2021	\$ 5,166,916
Additions	37,960
Payments	389,212
Balance June 30, 2022	<u>\$ 4,815,664</u>
Due within one year	<u>\$ 510,172</u>

The City records both an asset funded by the operating funds and a liability in its Employee Benefits Internal Service Fund to recognize the financial effect of unused vacation and other compensated leaves.

l. Long-Term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities and business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized in the period in which they occur.

In the fund financial statements, governmental funds 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. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

m. Interest Payable

In the government-wide financial statements, interest payable on long-term debt is recognized when the liability is incurred for governmental activities and business-type activities.

In the fund financial statements, proprietary fund types recognize the interest payable when the liability is incurred.

n. Property Taxes

Property taxes are levied based on a fiscal year (July 1 – June 30). The property tax assessments are formally due on November 1 and February 1, and become delinquent as of December 10 and April 10, respectively. Taxes become a lien on the property effective January 1 of the preceding year.

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1: Summary of Significant Accounting Policies (Continued)

o. Use of Restricted and Unrestricted Net Position/Fund Balance

When an expense is incurred for purposes for which both restricted and unrestricted net position and fund balance are available, the City's policy is to apply restricted net position or fund balance first.

p. Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the disclosures of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

q. Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

r. Implementation of New Governmental Accounting Standards Board (GASB) Pronouncements

During the year ended June 30, 2022, the City adopted the following new accounting standard issued by the Governmental Accounting Standards Board (GASB):

GASB Statement No. 87 Leases enhances usefulness and comparability of financial statements among governments by requiring lessees and lessors to report leases using a single model.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 1: Summary of Significant Accounting Policies (Continued)

This statement requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases and recognizes inflows or outflows of resources based on the payment provisions of the lease contracts. In GASB Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources.

	Impact to Beginning Net Position for Fiscal Year Ended June 30, 2022
Lease receivable	\$ 7,402,413
Deferred inflow of resources	(7,402,413)
	<u>\$ -</u>

Note 2: Cash and Investments

The City maintains a cash and investments pool, which includes cash balances and authorized investments of all funds, that is available for use by all funds.

The following is a summary of pooled cash and investments at June 30, 2022:

	Government - Wide Statement of Net Position		Fiduciary Funds	Total
	Governmental Activities	Business Type Activities	Statement of Net Position	
Cash and Investments	\$ 176,375,880	\$ 54,560,360	\$ 9,244,530	\$ 240,180,770
Restricted Cash and Investments	43,293,783	438,935	-	43,732,718
Total Cash and Investments	\$ 219,669,663	\$ 54,999,295	\$ 9,244,530	\$ 283,913,488

Restricted Cash and Investments includes the \$43,293,783 PARS Trust, which is the City's Section 115 Pension Trust Fund (see Note 11a) and the \$438,935 debt service reserve related to the Water Revenue Bonds Series 2017 (see Note 6b).

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 2: Cash and Investments (Continued)

At June 30, 2022, the City’s pooled cash and investments consisted of the following:

	Fair Value at June 30, 2022
Deposits:	
Cash on Hand	\$ 7,625
Restricted Cash	438,935
Deposits with Banks	<u>13,060,248</u>
Total Deposits	<u>13,506,808</u>
Investments	
US Government Agencies	151,737,495
Medium-Term Corporate Notes	39,393,358
Non-Negotiable Certificates of Deposit	519,165
California Local Agency Investment Fund	34,549,389
Supranationals	913,490
PARS Trust - Mutual Funds	<u>43,293,783</u>
Total Investments	<u>270,406,680</u>
Total City Treasury	<u>\$ 283,913,488</u>

a. Deposits

As of June 30, 2022, the book value of the City’s cash with banks and petty cash was \$13,506,808 and the associated bank balances were \$19,414,311. The difference between the bank balance and the City’s carrying amount represents outstanding checks and deposits in transit. Of the bank balance, \$1,138,911 was covered by federal depository insurance and \$18,997,798 was collateralized by the pledging financial institutions as required by Section 53652 of the California Government Code. The California Government Code requires California banks to secure a City’s deposits by pledging government securities with a value of 110 percent of a City’s deposits, or by pledging first trust deed mortgage notes having a value of 150 percent of a City’s total deposits.

b. Investments

Under the provisions of the City’s investment policy, and in accordance with Section 53601 of the California Government Code and Section 115 of the Internal Revenue Code, the City may invest or deposit in the following:

- Banker’s acceptances
- Commercial paper
- Local Agency Investment Fund
- Mutual funds
- Medium-term corporate notes
- Money market funds
- Negotiable certificates of deposit
- Repurchase agreements
- Securities of the Federal government or its agencies
- Supranational Organizations Securities
- PARS Section 115 Pension Trust Fund (See Note 11a)

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 2: Cash and Investments (Continued)

GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, requires that the City’s investments be carried at fair value instead of cost. Accordingly, the City adjusts the carrying value of its investments to reflect their fair value at each fiscal year-end and the effects of these adjustments are included in income for that fiscal year. Changes in fair value at the fiscal year ended June 30, 2022, from the fiscal year ended June 30, 2021, amounted to an unrealized loss of \$18,529,606.

c. Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from interest rates, the City's investment policy limits investments to a maximum maturity of five years. At June 30, 2022, the City had the following investment maturities:

Investment Type	Investment Maturities		
	Less than a year	1 - 5 Years	Total
US Government Agencies			
Non-callable	\$ 1,994,260	\$ 2,775,570	\$ 4,769,830
Callable	-	146,967,665	146,967,665
Medium-Term Corporate Notes	9,667,071	29,726,287	39,393,358
Non-Negotiable Certificates of Deposit	257,958	261,207	519,165
Supranationals	-	913,490	913,490
California Local Agency Investment Fund	34,549,389	-	34,549,389
PARS Section 115 Pension Trust Fund - Mutual Funds	43,293,783	-	43,293,783
Total	\$ 89,762,461	\$ 180,644,219	\$ 270,406,680

During the year, the City held callable notes. Callable notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options. They are issued by corporations and by government-sponsored enterprises such as the Federal National Mortgage Association (FNMA) and the Federal Home Loan Bank (FHLB). These securities could be called prior to maturity, depending on changes in interest rates. As of June 30, 2022, the City held \$146,967,665 in callable government agencies, which amounted to 65 percent of total investments, excluding the PARS Section 115 Pension Trust Fund.

d. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 2: Cash and Investments (Continued)

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Investments by Fair Value Level:			
U.S. Governmental Agencies			
Non-callable	\$ -	\$ 4,769,830	\$ 4,769,830
Callable	-	146,967,665	146,967,665
U.S. Treasury Notes	-	39,393,358	39,393,358
Medium-Term Corporate Notes	-	913,490	913,490
Subtotal	<u>\$ -</u>	<u>\$ 192,044,343</u>	192,044,343
Investments Reported at Cost:			
Non-Negotiable Certificates of Deposit			519,165
Investments Exempt from Fair Value Hierarchy:			
California Local Agency Investment Fund			34,549,389
PARS Section 115 Pension Trust Fund - Mutual Funds			<u>43,293,783</u>
Total Investments			<u>\$ 270,406,680</u>

U.S. Treasury notes, classified in Level 1 of the fair value hierarchy, are valued using unadjusted quoted prices in an active market for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. U.S. Government agency securities and medium-term corporate notes, classified in Level 2 of the fair value hierarchy, are valued using matrix pricing techniques maintained by various pricing vendors. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. These prices are obtained from various pricing sources by our custodian bank.

e. Credit Risk

Excluding the PARS Section 115 Pension Trust Fund, the City's policy, consistent with State law, limits investments in corporate notes to notes rated "A" or better by a nationally recognized statistical rating organization, including Moody's Investor's Service and Standard & Poor's.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 2: Cash and Investments (Continued)

The City's investments are rated by the nationally recognized rating organizations, and as of June 30, 2022, the ratings, as well as the percentage of credit risk expressed on a percentage basis, are as follows:

	<u>Moody's</u>	<u>Standard & Poor's</u>	<u>Percentage</u>
U.S. Government Agencies:			
Federal Farm Credit Bank	Aaa	AA +	5.90%
Freddie Mac	Aaa	AA+	7.31%
Federal Home Loan Bank	Aaa	AA +	48.61%
Federal National Mortgage Association	Aaa	AA +	4.99%
Medium-Term Corporate Notes:			
3M Company	A1	A+	0.85%
Apple, Inc.	Aa1	AA +	5.41%
Berkshire Hathaway Inc.	Aa2	AA	0.66%
Bank of New York Mellon	A1	A	0.88%
CitiBank NA	Aa3	A+	0.44%
JPMorgan Chase Bank NA	NR	A+	1.18%
Microsoft Inc.	Aaa	AAA	1.53%
PACCAR Financial Corp.	A1	A+	0.57%
Toyota Motor Credit Corp.	Aa3	AA +	2.84%
Truist Bank	A2	A	0.83%
Exxon Mobil Corp	Aa1	AA	2.16%
Supranationals:			
International Finance Corp	Aaa	AAA	0.40%

Concentration of Credit Risk – The City's Policy has the same maturity limits as the California Government Code. The City is allowed to purchase mutual funds up to 20 percent of the value of the portfolio. There are no specified maximum percentages for U.S. Treasury Obligations, U.S. Agencies, and the external investment pool (California Local Agency Investment Fund). The City is in compliance with these provisions of the Policy.

Investments in the securities of any individual issuers, other than U.S. Treasury Securities, mutual funds and the California Local Agency Investment Fund, that represent 5 percent or more of the City's total investments are as follows as of June 30, 2022:

<u>U.S. Government Agencies</u>	<u>Amount Invested</u>	<u>Percentage of Investments</u>
Federal Farm Credit Bank	\$ 16,390,247	5.90%
Federal Home Loan Bank	107,215,664	48.61%
Freddie Mac	17,850,681	7.31%
Apple, Inc.	16,194,736	5.41%

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 2: Cash and Investments (Continued)

For investments, custodial risk is the risk that in the event of failure of a depository financial institution or a counter party (e.g., broker-dealer) to a transaction, the City will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The City's investments, with the exception of money market funds, certificates of deposit and LAIF, are held in the name of the City for safekeeping by a third-party custodian, Bank of New York Mellon (BNYM). BNYM is a registered member of the Federal Reserve Bank. The City's PARS Trust is held by a third-party custodian, U.S. Bank. Securities held on the City's behalf by its third-party custodian are not at risk or commingled with other entities' securities, therefore removing the custodial risk for the City.

f. External Investment Pool

As of June 30, 2022, the City had \$34,549,389 invested in the California Local Agency Investment Fund (LAIF), a State of California external investment pool. LAIF is part of the Pooled Money Investment Account (PMIA). The PMIA began in 1955 and oversight is provided by the Pooled Money Investment Board (PMIB) and a State in-house Investment Committee. The PMIB members are the State Treasurer, Director of Finance, and the State Controller. The LAIF determines the 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 fair value is not readily available.

At June 30, 2022, 67.77 percent of LAIF's portfolio was invested in government guaranteed U.S. Treasuries, and 1.88 percent of LAIF's portfolio was invested in Structured Notes and Asset-Backed Securities. These investments included the following:

Structured Notes are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMS) or credit card receivables.

The fair value of LAIF was calculated by applying a factor of 0.987125414 to total investments held by LAIF. The fair value of the City's position in the pool is substantially equivalent to the value of the pool share. At June 30, 2022, these investments matured on an average of 311 days. Separate financial statements for the PMIB may be obtained from the California State Treasurer's Office, 915 Capitol Mall, Sacramento, California 95814.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 3: Notes Receivable

The following table summarizes the notes receivable outstanding as of June 30, 2022. A brief description of the funding sources for the housing loans are included in the table below. Detail for all housing loans and miscellaneous loans follow.

City Loans				
	Lower Income			
<u>Housing Loans:</u>	Housing Fund	HOME Fund	CDBG Fund	Amount
Low Income Housing Project Loans	\$ 3,248,062	\$ 160,000	\$ -	\$ 3,408,062
Affordable Housing/Rehabilitation Home Loans	438,256	1,153,987	435,742	2,027,985
Senior Housing Project Loans	16,526,000	450,000	-	16,976,000
Total Housing Loans	<u>\$ 20,212,318</u>	<u>\$ 1,763,987</u>	<u>\$ 435,742</u>	<u>22,412,047</u>
<u>Miscellaneous Loans:</u>				
Valley Business Park Loan				5,728
Sewer Connection Fee Loan				15,007
Hacienda Business Park LED Project Loan				52,149
Business Support Program Loans				1,292,900
Hacienda Business Park Owners Association Loan				566,504
Total Miscellaneous Loans				<u>1,932,288</u>
Total Loans				<u><u>\$ 24,344,335</u></u>

Housing Loans

The City has loaned funds to private developers, individuals, and corporations for the development of affordable housing for seniors and low income residents. Funding for these loans are as follows:

Lower Income Housing Fund – Through its Lower Income Housing Fund (LIHF), the City provides loans to private developers and individuals for the development and rehabilitation of affordable housing for seniors and low income residents. Programs within the LIHF include the Pleasanton Down Payment Assistance Loan Program (PDALP), the Housing Rehabilitation Program (HRP), and the Pleasanton Homeownership Assistance Program (PHAP).

HOME Fund – Through its membership in the Alameda County HOME Consortium, the City receives an annual allocation of federal funds through the HOME Investment Partnership Program (HOME). The City receives its annual allocation based on a formula administered by the County of Alameda. The City has allocated its HOME funds primarily to agencies and programs that provide housing to low-income persons and households. HOME funds of \$139,254 were received in FY 2021/22.

CDBG Fund – As an "entitlement city" with a population greater than 50,000, the City receives an annual allocation of federal funds directly from the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) Program. The City makes its CDBG funds available annually for application by agencies that provide housing and services to low income persons and households. CDBG funds of \$577,496 were received in FY 2021/22.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 3: Notes Receivable (Continued)

A detailed summary of each housing-related loan is presented below:

- Tri-Valley REACH, Inc. Loans – Beginning in January 1992, the City has entered into a series of agreements with REACH, Inc. (formerly HOUSE, Inc.), a local nonprofit agency, to provide funding to purchase below-market priced homes in Pleasanton for developmentally disabled adults who can live independently with supportive services. These loans do not include interest payments and no repayment of principal is due as long as REACH, Inc. owns the property and continues to use it for the intended purpose. Total REACH, Inc. loans outstanding as of June 30, 2022, were \$1,147,531. Of this amount, \$1,034,967 is funded by the HOME Program, \$65,000 is funded from the City's Lower Income Housing Fund, and \$47,564 is funded by the CDBG Program.

The five REACH, Inc. loans currently outstanding are summarized in the following table:

<u>Date of Loan</u>	<u>Loan Amount</u>	<u>Funding Sources</u>
January 1992	\$ 75,000	HOME Program
January 1997	201,440	HOME Program; Lower Income Housing Fund
August 2006	476,091	HOME Program; CDBG Program
February 2009	195,000	HOME Program
May 2010	200,000	HOME Program
Total	<u>\$ 1,147,531</u>	

- Case Avenue Associates – In 1996, the City loaned \$766,063 to Case Avenue Associates to finance the construction of the Promenade Apartments, a mixed income rental housing development of very low income, low income and market rate units. This loan was to finance the construction of the low income and very low income units in the project and was comprised of two components: \$636,063 funded by the Lower Income Housing Fund (LIHF), and \$130,000 funded through the City's allocation of HOME Program funds. Both loans are reported in the LIHF. The \$636,063 portion did not bear interest through 2007. Beginning in 2008, interest accrues at 2 percent and is payable from available cash flow from the project. Any interest not paid due to insufficient cash flow is deferred until the first year cash flow is available. All deferred interest and principal are due in full on the date of maturity, April 1, 2051. The \$130,000 HOME portion bears no interest, and principal is to be paid in full on the date of maturity, April 1, 2051. Interest outstanding on the LIHF funded portion of the loan at June 30, 2022, was \$9,272. The principal amounts outstanding at June 30, 2022, for the LIHF funded and the HOME funded portions were \$636,063 and \$130,000, respectively.
- Promenade Housing Associates – In 1996, the City loaned \$231,999 to Promenade Housing Associates to finance the construction of the Promenade Apartments, a mixed income rental housing development of very low income, low income and market rate units. This loan was to finance the construction of affordable units in the project and was comprised of two components: \$101,999 funded by the Lower Income Housing Fund (LIHF), and \$130,000 funded through the City's allocation of HOME Program funds.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 3: Notes Receivable (Continued)

Both loans are reported in the LIHF. The \$101,999 portion did not bear interest through 2007. Beginning in 2008, interest accrues at 2 percent and is payable from available cash flow from the project. Any interest not paid due to insufficient cash flow is deferred until the first year cash flow is available. All deferred interest and principal are due in full on the date of maturity, April 1, 2051. The \$130,000 HOME portion bears no interest and principal is to be paid in full on the date of maturity, April 1, 2051. Interest outstanding on the LIHF funded portion of the loan at June 30, 2022, was \$1,486. The principal amounts outstanding at June 30, 2022, for the LIHF funded and the HOME funded portions were \$101,999 and \$130,000, respectively.

- Pleasanton Homeownership Assistance Program – As part of the Pleasanton Homeownership Assistance Program (PHAP) developed by the City to provide affordable housing opportunities for households of low and moderate income, loans are provided to eligible low and moderate income homebuyers for second mortgages and down payment assistance. In 2004, the City created the Down Payment Assistance (DPA) Program and amortized payments are made on half of the loan for the first ten years while payments are partially deferred for ten years on the other half. The DPA Program was revamped to the Pleasanton Downtown Assistance Loan Program (PDALP) in October 2020, which provides increased loan amounts of up to \$100,000 and includes a shared appreciation repayment calculation. During FY 2021/22, the City received loan repayments totaling \$68,973. The outstanding amount due to the City for these types of loans as of June 30, 2022, was \$193,666.
- Kottinger Gardens Phase 1 Associates, L.P. (Affiliated Corporation with MidPen Housing Corporation) – On November 12, 2013, the City approved a Disposition, Development and Loan Agreement with MidPen Housing Corporation that provided for a \$10,000,000 loan from the City's Lower Income Housing Fund (LIHF) for the development of the Kottinger Place affordable senior housing project. During FY 2014/15, the City appropriated an additional \$3,750,000 from the LIHF for this project, increasing the project funding to \$13,750,000. A total of \$11,174,640 was drawn from this loan. Payments are to be made from excess distributable cash with the entire principal and interest due in November 2070. The principal and interest outstanding at June 30, 2022 were \$11,174,640 and \$1,063,038, respectively.

Also, during FY 2014/15, the City provided a separate predevelopment loan of \$450,000 for the predevelopment costs of the Kottinger Place project. The loan was funded through the City's HOME Program. Interest accrues on the principal amount at 3 percent per annum. Payments are to be made from excess distributable cash with the entire principal and interest due in October 2071. The principal and interest outstanding at June 30, 2022 were \$450,000 and \$94,432, respectively.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 3: Notes Receivable (Continued)

- Kottinger Gardens Phase 2 Associates, L.P. – On December 1, 2017, the City executed a Secured Promissory Note with Kottinger Gardens Phase 2 Associates, L.P. for \$2,861,360, funded from the City's Lower Income Housing Fund, for the development of the Pleasanton Gardens affordable senior housing project. Interest accrues on the principal amount at 3 percent per annum. Payments are to be made from excess distributable cash with the entire principal and interest due in December 2074. The principal and interest outstanding at June 30, 2022 were \$2,861,360 and \$395,557, respectively.
- BLP Partnership, Inc. – In 2005, the City loaned \$2,490,000 to BLP Partnership, Inc. for the predevelopment and construction of the Parkview assisted living facility. The loan requires an annual interest only payment of 10 percent (\$249,000) for 55 years or until the loan is paid in full. Annual payments are based on the availability of surplus cash from the operation of the facility according to a "waterfall of payments" provision in the loan agreement, and any unpaid amounts are accrued to be paid from surplus cash in subsequent years. At maturity, on September 1, 2060, any unpaid principal and interest will be forgiven. Consequently, the City has recorded the accrued unpaid interest in an allowance for doubtful accounts in its Lower Income Housing Fund. During FY 2021/22, BLP paid the City \$249,000 representing a portion of the accrued unpaid interest. As of June 30, 2022, the accrued unpaid interest in the allowance for doubtful accounts was \$1,372,399 and the principal amount outstanding was \$2,490,000.
- Regional Affordable Housing Projects – The City has also allocated HOME funding via loans and grants to several regional affordable housing projects that have been deemed to provide a benefit to Pleasanton residents due to the unique populations they serve. There are three affordable housing loans outstanding which include: \$80,000 to Housing Alliance for the construction of Lorenzo Creek apartments (28 units of rental housing in Castro Valley for homeless individuals and families with disabilities); \$30,000 to the Deaf Senior Retirement Corporation for the construction of the Fremont Oak Gardens (50 units of rental housing in Fremont for very low income deaf seniors); and \$50,000 to Affordable Housing Associates for the construction of the Carmen Avenue apartments (30 units of rental housing in Livermore for families that were formerly homeless and have special needs). All three loans are deferred, and the Fremont Oak Gardens and Carmen Avenue loans bear no interest. The Housing Alliance loan is subject to 3 percent interest, and payments are deferred for 15 years. Starting March 2021, payments are subject to available cash flow as determined by Alameda County (the lead agency in the multi-jurisdictional funding agreement). Interest outstanding on the Housing Alliance loan at June 30, 2022, was \$39,000. The principal amount outstanding for all three loans at June 30, 2022, was \$160,000.
- Housing Rehabilitation Program – The Housing Rehabilitation Program (HRP) provides financial assistance for the improvement of properties occupied by very low or low income homeowners. These loans accrue 3 percent simple interest. Principal and interest are deferred for thirty years or until such time the property is sold or ceases to be the principal residence of the borrower. The program was revamped in August 2020, with a maximum loan amount of \$150,000 that is deferred for 30 years at

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 3: Notes Receivable (Continued)

1 percent interest, with the accrued interest capped at 50 percent of the loan. The majority of loans issued through the HRP have been funded using CDBG funds, with the exception of several loans that have been funded with HOME funds and Lower Income Housing funds. The City currently contracts with Amerinational Community Services to service the City's HRP loan portfolio. The City issued an additional \$150,000 loan during the fiscal year. The outstanding principal and interest amounts of these loans funded by CDBG funds as of June 30, 2022, were \$388,177 and \$172,786, respectively. The outstanding principal and interest amounts of these loans funded by HOME funds as of June 30, 2022, were \$119,020 and \$33,890, respectively. The outstanding principal and interest amounts on these loans funded by Lower Income Housing funds as of June 30, 2022 were \$179,590 and \$2,923, respectively.

- Sunflower Irby, LLC – On April 13, 2018, the City executed a \$250,000 loan agreement with Sunflower Irby, LLC to provide pre-development funding for the construction of Sunflower Hill, a 31-unit affordable rental housing development for special needs residents. On March 18, 2019, the City executed a \$2,250,000 loan agreement with Sunflower Irby, LLC, which superseded in its entirety the April 13, 2018 loan agreement, and included \$2,000,000 for construction of the housing development. The loan, funded from the Lower Income Housing Fund, accrues simple annual interest of 3 percent. The entire balance of the loan, together with accrued interest, is payable in full in May 2076. The principal and interest outstanding as of June 30, 2022, were \$2,250,000 and \$221,114, respectively.
- Eden Housing/Ridge View Commons Associates – In 1988, the City loaned \$4,000,000 to Eden Housing, Inc. for the development of Ridge View Commons, a rental housing development for low and very low income seniors. Funding for this loan came from a Department of Housing and Urban Development (HUD) grant through the Housing Development Grant (HODAG) program. This loan bears interest of 5 percent per annum and both principal and interest are payable only to the extent that surplus cash is available. In 1999, the City loaned \$2,250,000 from the Lower Income Housing Fund to Ridgeview Commons Associates, a California Limited Partnership affiliated with Eden Housing, Inc., for this same housing project. In FY 2009/10, the City loaned an additional \$225,000 to Ridgeview Commons Associates to buy out the financial interests of the limited partner (Chevron USA, Inc.) in this project. This loan, totaling \$2,475,000, bears interest of 5.5 percent per annum and is payable only to the extent that surplus cash is available. Due to the contingent nature of the loan repayments, the City has recorded an allowance for doubtful accounts in its Lower Income Housing Fund for both the entire principal and interest.

Miscellaneous Loans are as follows:

- Valley Business Park Loan – In 2018, the City loaned \$48,000 to the Valley Business Park Owners Association for the renovation of three median islands on Valley Avenue just east of Santa Rita Road. The loan was funded from the City's Capital Improvement Plan Reserve (CIPR). There are fifty (50) monthly loan payments, due on the first of each month, commencing on November 1, 2018. Payments include interest of 1.9 percent based on the Local Agency Investment Fund (LAIF) rate at the time of loan issuance. The outstanding amount as of June 30, 2022, was \$5,728.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 3: Notes Receivable (Continued)

- Sewer Connection Fee Loans – Loans are granted to restaurant owners to finance sewer connection fees. The loan program was adopted in 1989 to encourage restaurants to locate in the downtown area. In 1997, the City expanded the loan program to restaurants outside downtown Pleasanton. The outstanding amount as of June 30, 2022, was \$15,007.
- Hacienda Business Park LED Project Loan – In 2015, the City loaned \$251,668 to the Hacienda Business Park Owners Association (HBPOA) for their share of the City LED Street Light Retrofit Capital Improvement Project. There are twenty-one (21) semi-annual payments due on the loan; each payment is due by June 22 and December 22 of each year. The interest rate adjusts annually based on the Local Agency Investment Fund interest calculated each January 2. The outstanding amount as of June 30, 2022, was \$52,149.
- Business Support Program Loans – Due to the COVID-19 pandemic, in 2020, the City established a program to provide loans to local small businesses. Eligible businesses included those that are independently or locally owned, have a physical location in Pleasanton, were in good standing with the City and employ between 2-25 employees. Loan amounts were \$2,900 for businesses located in the downtown district, and \$2,500 for those outside of the downtown area. In 2021, the City increased the eligible loan amounts to \$10,000 (\$10,800 for downtown) for micro-enterprise businesses employing 2-10 employees and \$20,000 (\$21,600 for downtown) for businesses employing 11-25 employees. The loans are interest free. Repayment will commence once the local emergency has been lifted by action of the City Council and will be payable over 36 months. During FY 2019/20, the City provided 61 loans totaling \$161,700. With the additional funding in FY 2020/21, the City provided 54 new loans and increased the funding for 46 of the previously 61 funded loans. During FY 2021/22, an additional \$20,000 loan was provided. The total outstanding amount as of June 30, 2022, was \$1,292,900.
- Hacienda Business Park Owners Association Landscape Renovation Loan – In 2019, the City loaned \$732,548 to the Hacienda Business Park Owners Association (HBPOA) for a landscape renovation project on the 833-acre property known as Hacienda Business Park. There are one hundred twenty (120) monthly payments due the first of each month commencing January 1, 2020. The interest rate on the loan is set at an annual rate of compounded interest of 2.72 percent. The outstanding amount as of June 30, 2022, was \$566,504.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 4: Interfund Transactions

a. Interfund Receivables/Payables

The composition of interfund balances as of June 30, 2022, is as follows:

Due to/from Other Funds

As of June 30, 2022, the General Fund provided \$130,113 to the HOME Program Special Revenue Fund, \$41,942 to the HBPOA Maintenance District Special Revenue Fund, \$1,150 to the Transit Fund Enterprise Fund and \$15,350 to the Retiree Insurance Reserve Internal Service Fund. These transactions represent short-term transfers to funds with negative cash balances at June 30, 2022.

<u>Due From Other Funds</u>	<u>Due to Other Funds</u>	<u>Amount</u>
General Fund	Non-Major Governmental Funds	\$ 172,055
General Fund	Non-Major Enterprise Funds	1,150
General Fund	Internal Service Funds	15,350
		<u>\$ 188,555</u>

Long-Term Advances

On April 17, 2015, the Replacement/Renovation Internal Service Fund advanced \$2,000,000 to the Park Capital Improvement Program Capital Projects Fund to be used for costs associated with the Bernal Community Park Phase II Lighted Multi-Purpose Sports Fields project. The advance was scheduled to be repaid through private fundraising efforts within ten years after the park's opening date of October 6, 2016. However, due to the COVID-19 Pandemic and the Alameda County Shelter-in-Place (SIP) Order in mid-March 2020, the City granted a two-year payment reprieve and a two-year repayment extension to the sports groups and members of the Play Bernal Fundraising Campaign. The repayment date has been extended to October 2028. The outstanding amount as of June 30, 2022, was \$430,987.

On June 7, 2017, the City Council approved an advance from the General Fund to the Cemetery Enterprise Fund totaling \$500,000. In FY 2018/19, the funding was advanced to the Cemetery Fund to help establish the Pleasanton Pioneer Master Plan Implementation Reserve Fund. The General Fund currently provides a \$50,000 subsidy to the Cemetery Fund. Once the Cemetery operating revenues are sufficient to cover operating expenses without requiring a subsidy, the Cemetery Fund will begin to repay the interfund loan. As of June 30, 2022, the entire amount was outstanding.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 4: Interfund Transactions (Continued)

b. Transfers In/Out

Transfers in/out for the year ended June 30, 2022, were as follows:

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred	
General Fund	Internal Service Funds	\$ 826,000	(E)
	Golf Enterprise Fund	31,780	(C)
	Non-Major Governmental Funds	41,717	(A), (C)
Miscellaneous Capital Improvement Programs Fund	General Fund	8,278,177	(C), (D)
	Non-Major Governmental Funds	1,404,892	(D)
Water Enterprise Fund	General Fund	271,481	(B)
	Internal Service Funds	43,000	(E)
	Non-Major Governmental Funds	1,720	(C)
Sewer Enterprise Fund	General Fund	103,964	(B)
	Internal Service Funds	24,000	(E)
Storm Drain Enterprise Fund	General Fund	1,100,000	(D), (F)
Non-Major Governmental Funds	General Fund	250,072	(D)
	Non-Major Governmental Funds	168,223	(D)
Non-Major Enterprise Funds	General Fund	50,000	(F)
Internal Service Funds	General Fund	893,000	(C)
	Golf Enterprise Fund	176,314	(D)
Total Interfund Transfers		\$ 13,664,340	

- (A) Transfers to fund operation expenditures
- (B) Transfers to fund senior and low income discounts
- (C) Transfers to fund partial loan repayments
- (D) Transfers to fund capital improvement projects
- (E) Transfers to return excess funds to sources
- (F) Transfers to subsidize operations

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 5: Capital Assets

Capital asset activity for the year ended June 30, 2022, was as follows:

Governmental Activities:	Balance June 30, 2021	Additions	Retirements and Adjustments	Transfers	Balance June 30, 2022
Nondepreciable assets:					
Land	\$ 246,654,500	\$ 1,302,251	\$ -	\$ -	\$ 247,956,751
Right-of-ways	36,354,674	-	-	-	36,354,674
Public art	844,017	9,001	-	-	853,018
Construction in progress	9,318,679	15,859,698	-	(6,498,890)	18,679,487
Total nondepreciable assets	<u>293,171,870</u>	<u>17,170,950</u>	<u>-</u>	<u>(6,498,890)</u>	<u>303,843,930</u>
Depreciable assets:					
Infrastructure	312,583,379	1,565,894	-	4,982,476	319,131,749
Buildings	88,180,564	-	-	633,744	88,814,308
Improvements other than buildings	79,084,289	-	-	-	79,084,289
Machinery and equipment	31,251,734	929,548	(111,169)	882,670	32,952,783
Vehicles	15,337,190	503,709	(289,416)	-	15,551,483
Total depreciable assets	<u>526,437,156</u>	<u>2,999,151</u>	<u>(400,585)</u>	<u>6,498,890</u>	<u>535,534,612</u>
Less accumulated depreciation:					
Infrastructure	198,376,071	8,059,284	-	-	206,435,355
Buildings	33,741,108	1,492,098	-	-	35,233,206
Improvements other than buildings	51,324,810	2,573,717	-	-	53,898,527
Machinery and equipment	22,786,266	1,401,216	(111,168)	-	24,076,314
Vehicles	11,282,240	1,364,165	(240,610)	-	12,405,795
Total accumulated depreciation	<u>317,510,495</u>	<u>14,890,480</u>	<u>(351,778)</u>	<u>-</u>	<u>332,049,197</u>
Net depreciable assets	<u>208,926,661</u>	<u>(11,891,329)</u>	<u>(48,807)</u>	<u>6,498,890</u>	<u>203,485,415</u>
Governmental activities capital assets, net	<u>\$ 502,098,531</u>	<u>\$ 5,279,621</u>	<u>\$ (48,807)</u>	<u>\$ -</u>	<u>\$ 507,329,345</u>
Business-Type Activities:					
Nondepreciable assets:					
Land	\$ 14,512,340	\$ -	\$ -	\$ -	\$ 14,512,340
Construction in progress	4,276,058	4,992,739	-	(1,191,414)	8,077,383
Total nondepreciable assets	<u>18,788,398</u>	<u>4,992,739</u>	<u>-</u>	<u>(1,191,414)</u>	<u>22,589,723</u>
Depreciable assets:					
Infrastructure	300,078,771	2,183,900	-	835,414	303,098,085
Buildings	38,485,864	92,261	-	-	38,578,125
Improvements other than buildings	31,991,425	-	-	-	31,991,425
Machinery and equipment	16,100,227	247,893	(30,043)	356,000	16,674,077
Vehicles	680,144	-	-	-	680,144
Total depreciable assets	<u>387,336,431</u>	<u>2,524,054</u>	<u>(30,043)</u>	<u>1,191,414</u>	<u>391,021,856</u>
Less accumulated depreciation:					
Infrastructure	186,766,580	6,476,459	-	-	193,243,039
Buildings	19,038,349	878,257	139	-	19,916,745
Improvements other than buildings	24,832,643	1,542,485	-	-	26,375,128
Machinery and equipment	8,922,111	583,816	(30,043)	-	9,475,884
Vehicles	601,585	15,733	-	-	617,318
Total accumulated depreciation	<u>240,161,268</u>	<u>9,496,750</u>	<u>(29,904)</u>	<u>-</u>	<u>249,628,114</u>
Net depreciable assets	<u>147,175,163</u>	<u>(6,972,696)</u>	<u>(139)</u>	<u>1,191,414</u>	<u>141,393,742</u>
Business-Type activities capital assets, net	<u>\$ 165,963,561</u>	<u>\$ (1,979,957)</u>	<u>\$ (139)</u>	<u>\$ -</u>	<u>\$ 163,983,465</u>

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 5: Capital Assets (Continued)

Depreciation expense was charged to various governmental functions as follows:

<u>Governmental Activities</u>	<u>Total</u>
General government	\$ 5,154
Public safety	492,694
Community development	1,340,878
Operations services	9,688,235
Community activities	<u>1,214,441</u>
Total Governmental Functions	12,741,402
Internal Service Funds	<u>2,149,078</u>
Total Governmental Activities	<u>\$ 14,890,480</u>

Depreciation expense was charged to various business-type functions as follows:

<u>Business-Type Activities</u>	<u>Total</u>
Water	\$ 4,045,210
Sewer	2,748,470
Golf	1,538,525
Transit	15,026
Storm Drain	1,118,031
Cemetery	<u>31,488</u>
Total Business-Type Activities	<u>\$ 9,496,750</u>

Note 6: Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

<u>Description</u>	<u>Balance June 30, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>	<u>Due in More Than One Year</u>
Governmental Activities - Direct Placement						
California Energy Commission (CEC), 1.0%, due 2022	\$ 282,182	\$ -	\$ 188,275	\$ 93,907	\$ 93,907	\$ -
Governmental Activities- Direct Borrowing						
HUD Section 108 Loan, variable rate, due 2035	686,000	-	50,000	636,000	50,000	586,000
Total Governmental Activity Debt	<u>\$ 968,182</u>	<u>\$ -</u>	<u>\$ 238,275</u>	<u>\$ 729,907</u>	<u>\$ 143,907</u>	<u>\$ 586,000</u>

<u>Description</u>	<u>Balance June 30, 2021</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2022</u>	<u>Due Within One Year</u>	<u>Due in More Than One Year</u>
Business-type Activities - Direct Borrowing						
Golf Course Financed Purchase Agreement	\$ 56,665	\$ 151,273	\$ 39,059	\$ 168,879	\$ 54,922	\$ 113,957
Golf Course Notes Payable	291,667	-	291,667	-	-	-
California Clean Water SRF Loan	9,917,013	-	339,256	9,577,757	339,117	9,238,640
Business-type Activities - Bonds						
Water Revenue Bonds, Series 2017	3,720,000	-	900,000	2,820,000	920,000	1,900,000
Total Business-type Activity Debt	<u>\$ 13,985,345</u>	<u>\$ 151,273</u>	<u>\$ 1,569,982</u>	<u>\$ 12,566,636</u>	<u>\$ 1,314,039</u>	<u>\$ 11,252,597</u>

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 6: Long-Term Liabilities (Continued)

a. Governmental Activities

California Energy Commission (CEC) Loan

On June 7, 2013, the City entered into an agreement with the California Energy Resources Conservation and Development Commission to borrow up to \$2,755,000 for the LED Street Light Retrofit Capital Improvement Project. Loan funds totaled \$1,716,976 and were disbursed to the City on a reimbursement basis based on eligible invoices paid. Interest accrues at 1 percent per annum on the unpaid principal, computed from each disbursement date. Principal and interest payments began on December 22, 2016 and continues on each June 22 and December 22 of each year until the loan is paid in full. Loan payments are made from the Miscellaneous Capital Improvement Programs Capital Project Fund. The outstanding balance at June 30, 2022, was \$93,907.

The City's outstanding notes from direct placement related to governmental activities of \$93,907 are secured with collateral of the promissory note. Additionally, the direct placement related to governmental activities contain a provision that in an event of default, the lender may declare the promissory note evidencing this loan to be immediately due and payable if the City is unable to make payments. Furthermore, the direct placement related to governmental activities contain a provision of termination related to (1) if the City is in breach of the terms or covenants in the agreement, (2) significant change in Energy Commission or State policy where the work or product being funded would not be supported by the Energy Commission, (3) reorganization to a business entity unsatisfactory to the energy commission and (4) that the Energy Commission may terminate the agreement without cause upon giving thirty days advance notice in writing to the City.

Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	Direct Placement		
	California Energy Commission (CEC)		
	Principal	Interest	Total
2023	\$ 93,907	\$ 471	\$ 94,378
Total	\$ 93,907	\$ 471	\$ 94,378

HUD Section 108 Loan

On August 28, 2015, the City entered into an agreement with the U.S. Department of Housing and Urban Development to borrow up to \$1,250,000. The City used these funds to reimburse Axis Community Health, Inc. for construction costs of their new health clinic. In FY 2015/16, the City requested an advance of \$950,000 on this loan. Principal payments are due August 1 of each year. Loan payments are made from the Community Development Block Grant Special Revenue Fund. The outstanding balance at June 30, 2022, was \$636,000.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6: Long-Term Liabilities (Continued)

The City's outstanding notes from direct borrowing related to governmental activities of \$636,000 are secured with collateral for a second priority lien on the real property on nine parcels beginning at a point on the northwestern line of Railroad Avenue. Additionally, the direct borrowing related to governmental activities contain a provision that in an event of default, all right, title, and interest of the City in and to the guaranteed loan funds and guaranteed loan funds investment accounts shall immediately vest in the Secretary of Housing and Urban Development for use in making payment on the note. Furthermore, the direct borrowing related to governmental activities contain a subjective provision clause that allows the lender to accelerate payment of the principal amount.

Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	Direct Borrowing		
	HUD Section 108 Loan		
	Principal	Interest	Total
2023	\$ 50,000	\$ 18,455	\$ 68,455
2024	50,000	17,164	67,164
2025	50,000	15,843	65,843
2026	50,000	14,491	64,491
2027	50,000	13,092	63,092
2028-2032	250,000	42,973	292,973
2033-2035	136,000	6,464	142,464
Total	<u>\$ 636,000</u>	<u>\$ 128,482</u>	<u>\$ 764,482</u>

b. Business-Type Activities

Golf Course Finance Purchase Agreement

On February 10, 2016, the City entered into a finance purchase agreement (Master Agreement) with U.S. Bancorp Government Leasing and Finance, Inc. (U.S. Bancorp) for golf course maintenance equipment (Property Schedule No.1). The cost of the financed equipment was \$321,373. The City makes quarterly payments of \$16,830 over a finance period of 60 months, including interest payments at a rate of 1.78 percent. At the end of the term, the equipment becomes the property of the City.

On November 7, 2016, the City entered into a finance purchase agreement with Yamaha Motor Finance for golf course maintenance equipment. The cost of the financed equipment was \$12,319. The City makes monthly payments of \$287 over a finance period of 48 months, including interest payments at a rate of 5.98 percent. At the end of the term, the equipment becomes the property of the City.

On August 8, 2018, the City entered into a finance purchase agreement with U.S. Bancorp Government Leasing and Finance, Inc. for golf course maintenance equipment (Property Schedule No. 2). This is an addendum to the Master Agreement with U.S. Bancorp dated February 10, 2016. The cost of the financed equipment was \$119,597.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6: Long-Term Liabilities (Continued)

The City makes quarterly payments of \$6,603 over a finance period of 60 months, including interest payments at a rate of 3.86 percent. At the end of the term, the property becomes the property of the City.

On September 16, 2021, the City entered into a finance purchase agreement with U.S. Bancorp Government Leasing and Financing for golf course maintenance equipment (Property Schedule No. 3). This is an addendum to the Master Agreement with U.S. Bancorp dated February 10, 2016. The cost of the financed equipment was \$151,273. The City makes quarterly payments of \$7,954 over a finance period of 60 months, including interest payments at a rate of 1.94 percent. At the end of the term, the property becomes the property of the City.

Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	Direct Borrowing		
	Golf Course Financed Purchase		
	Principal	Interest	Total
2023	\$ 54,922	\$ 3,309	\$ 58,231
2024	36,492	1,929	38,421
2025	30,537	1,281	31,818
2026	31,134	684	31,818
2027	15,794	115	15,909
Total	<u>\$ 168,879</u>	<u>\$ 7,318</u>	<u>\$ 176,197</u>

The City’s outstanding notes from direct borrowings related to business-type activities of \$168,879 are secured by a lien on the financed equipment. The agreements contain (1) a provision that in an event of default, the timing of repayment of outstanding amounts become immediately due, and (2) lessor may require the City to return any or all of the property.

Golf Course Loan Payable

On May 1, 2020, the Golf Course received loan proceeds in the amount of \$291,667 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides loans to qualifying businesses for amounts up to 2.5 times the average monthly payroll expenses of the qualifying business. The loans and accrued interest are forgivable after twenty-four weeks as long as the borrower uses the loan proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the twenty-four week period.

On August 25, 2021, the total proceeds of the PPP Loan were forgiven as authorized by Section 1106 of the CARES Act. As such, the balance is \$0 as of June 30, 2022.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6: Long-Term Liabilities (Continued)

California Clean Water State Revolving Fund (SRF) Loan

In June 2015, the City entered into an agreement with the California State Water Resources Control Board for State Revolving Fund project financing in the amount of \$19,875,720 to fund the City of Pleasanton Recycled Water Project. The loan is secured by and payable solely from net revenues from the ownership or operation of the City's Water Enterprise. The agreement was amended in September 2015 to reduce the project funding to \$11,317,177. The project was completed in October 2016 and the City had drawn a total of \$11,088,917. The loan bears annual interest of 1.0 percent, and principal and interest payments are due October 31 of each year. The outstanding balance at June 30, 2022, was \$9,577,757.

Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	Direct Borrowing		
	California Clean Water SRF Loan		
	Principal	Interest	Total
2023	\$ 339,117	\$ 95,778	\$ 434,895
2024	342,508	92,386	434,894
2025	345,934	88,961	434,895
2026	349,393	85,502	434,895
2027	352,887	82,008	434,895
2028-2032	1,818,079	356,395	2,174,474
2033-2037	1,910,818	263,655	2,174,473
2038-2042	2,008,290	166,185	2,174,475
2043-2047	2,110,731	63,741	2,174,472
Total	<u>\$ 9,577,757</u>	<u>\$ 1,294,611</u>	<u>\$ 10,872,368</u>

The City's outstanding note from direct borrowings related to business-type activities of \$9,577,757 is secured by a lien on and pledge of the Water Enterprise Fund, net water revenues and any water reserve fund. In addition, the agreement contains a subjective acceleration clause that allows the lender to accelerate payment of the entire principal.

Water Revenue Bonds, Series 2017

In February 2017, the City issued \$7,100,000 of Water Revenue Bonds, Series 2017 to finance certain improvements for the expansion of the municipal recycled water system of the City. The bonds bear interest at 2.15 percent with interest payments made semi-annually on February 1 and August 1, commencing August 1, 2017. Principal payments are due annually on February 1, commencing February 1, 2018. The Bonds are payable solely from net water revenues. The outstanding balance at June 30, 2022, was \$2,820,000.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 6: Long-Term Liabilities (Continued)

The Bonds are payable from any source of available water funds of the City. The bond covenants contain a provision that in an event of default, upon the written request of not less than fifty-one percent of the original purchasers of the bonds, may declare the principal and interest accrued to be due and payable immediately. Additionally, the bonds outstanding contain a subjective acceleration clause that allows the lender to accelerate payments and the principal amount to become due and payable immediately.

Annual debt service requirements to maturity are as follows:

For the Year Ending June 30	Bonds		
	Water Revenue Bonds, Series 2017		
	Principal	Interest	Total
2023	\$ 920,000	\$ 60,630	\$ 980,630
2024	940,000	40,850	980,850
2025	960,000	20,640	980,640
Total	<u>\$ 2,820,000</u>	<u>\$ 122,120</u>	<u>\$ 2,942,120</u>

c. Debt Without City Commitment

Conduit Debt

In 2003, the City issued a Multifamily Housing Revenue Bond for the Busch Senior Housing Apartments project financing in the amount of \$13,360,000. The apartments are required to be occupied in part by low or moderate income families and are restricted exclusively for seniors. The bonds had a final maturity date of June 15, 2037 but were paid off in full on July 15, 2020.

In September 2005, the City issued Variable Rate Demand Certificates of Participation (COP) for the Pleasanton Assisted Living Project (The Parkview) financing in the amount of \$19,700,000. The COPs have a final maturity date of November 1, 2040. The assisted living facility is owned and operated by BLP Partnership, Inc. and payments on the COP debt will be made by the corporation from revenues derived from the operation of the facility. The City is not obligated in any manner for repayment of the COPs. Accordingly, the COPs are not reported as a liability in the accompanying basic financial statements.

The aggregate amount of conduit debt outstanding as of June 30, 2022, was \$15,650,292.

d. Legal Debt Limit

As of June 30, 2022, the City's debt limit based on the legal debt margin (15 percent of 25 percent of the City's assessed valuation subject to taxation) was \$1,019,926,792.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 6: Long-Term Liabilities (Continued)

e. Arbitrage and Debt Covenant Compliance

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations pertain to the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the U.S. Treasury at least every five years. The City has evaluated each bond issued subject to the arbitrage rebate requirements and has determined that no arbitrage liability exists at June 30, 2022.

As of June 30, 2022, the City was in compliance with all bond covenants as they pertain to reserve and sinking fund requirements.

Note 7: Leases Receivable

For the year ended June 30, 2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Effective July 1, 2021, the City implemented GASB 87 impacting the leases with Case Avenue Associates for land, and cell towers with T-Mobile, Verizon Wireless, and AT&T. Upon implementation, the leases had 384, 89, 132, and 30 months remaining, respectively. An initial lease receivable was recorded in the amount of \$6,855,601, \$206,373, \$267,363, and \$73,076, respectively. The City recognized \$279,246 of lease revenue in total during the year and has a balance in lease receivable of \$7,123,167 at June 30, 2022. As of the date thereon, the City had a balance of \$34,328 of short-term lease receivable that is not subject to GASB 87 implementation.

Principal and Interest Expected to Maturity		
Governmental Activities		
Year ending June 30,	Principal	Interest
2023	\$ 282,611	\$ 19,342
2024	315,350	18,314
2025	259,048	16,286
2026	263,231	14,950
2027	265,402	13,566
Thereafter	5,737,525	130,169
Total	<u>\$ 7,123,167</u>	<u>\$ 212,627</u>

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 8: Risk Management

The City is exposed to various risks of loss related to third party personal injuries and/or damage to property, employment practices liability, workers' compensation claims, and damage to or destruction of City property and vehicles. The City has a self-retained limit for these various risks as shown below in the table. Over the City's self-retained limits, the City has coverage through a number of risk sharing public entity pools. For example, general liability claims over \$250,000 are covered through the Bay Cities Joint Powers Insurance Authority (BCJPIA) and the California Affiliated Risk Management Authority (CARMA). Similarly, employment practices liability claims between \$75,000 and \$1,000,000 are covered through the Employment Risk Management Authority (ERMA) and claims between \$1,000,000 and \$3,000,000 through Beazley Insurance, a Lloyd Company. In the opinion of City management, premiums paid to BCJPIA (which in turn pays premiums to others including CARMA and ERMA, depending on the risk involved) represent the best available estimate of the ultimate cost of its participation in these various risk sharing pools.

The City's self-insured retained limits and maximum coverage for its significant risk sharing public entity pools are as follows:

Coverage	Self-Insured Retained Limit	Maximum Coverage	Maximum Coverage Through
General Liability	\$ 250,000	\$ 28,500,000	BCJPIA/CARMA
Employment Practices Liability	75,000	1,000,000	ERMA/Beazley Insurance, a Lloyd Company
Workers' Compensation	N/A	Up to Statutory Limit	BCJPIA/LAWCX
All Risk Property	10,000	Up to Replacement Cost	BCJPIA/APIP
Auto Physical Damage	Various	Up to Replacement Cost	BCJPIA/APIP
Cyber Liability	100,000	25,000,000	APIP
Commercial Crime Bond	10,000	1,000,000	FDCM/GAIC

Within the past three fiscal years, all claims that have settled have been within the maximum coverage.

The City accounts for and finances its uninsured risks of loss and liability insurance premiums in a Self Insurance Retention Fund and its Workers' Compensation Program in an Employee Benefits Fund. Both funds are classified as Internal Service Funds.

The Workers' Compensation Program makes payments needed to pay prior and current year claims and to establish a reserve for future losses. The net position of the Workers' Compensation Program at June 30, 2022, had a negative balance of \$4,351,507 reflecting an increase in claims liability from the prior year. The claims liability of \$8,854,000 is reported as claims payable as of June 30, 2022. Payments in future years from funds of the City participating in the Workers' Compensation Program are anticipated to recover the full cost of the claims liability.

In the Self Insurance Retention Internal Service Fund, at June 30, 2022, reserves of \$2,393,852 are reported in net position and claims liabilities of \$816,859 are reported as claims payable.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 8: Risk Management (Continued)

The Workers' Compensation Program claims liabilities in the Employee Benefits Fund and the general and employment practices claims liabilities in the Self Insurance Retention Fund are based on the results of actuarial studies and include IBNR claims amounts. Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts and other economic and social factors.

The aggregate change in the balance of claims liabilities for the internal service funds were as follows:

	June 30,	
	2022	2021
Unpaid claims, beginning of year	\$ 9,221,261	\$ 10,193,688
Incurred claims and changes in estimates	2,955,477	1,471,099
Claim payments	(2,505,879)	(2,443,526)
Unpaid claims, end of year	<u>\$ 9,670,859</u>	<u>\$ 9,221,261</u>
Current portion	<u>\$ 1,721,336</u>	<u>\$ 1,627,217</u>

Note 9: Investment in Joint Ventures and Membership in Insurance Pool

The City participates in nine joint venture activities through formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued.

a. Bay Cities Joint Powers Insurance Authority

The City is a member of Bay Cities Joint Powers Insurance Authority (BCJPIA). BCJPIA was created in 1986 to develop effective risk management programs to reduce the amount and frequency of losses, to provide for pooled self-insurance among member agencies and to jointly purchase and provide administrative and other services including, but not limited to claims adjusting, data processing, risk management, loss prevention, accounting services, actuarial services, and legal services in connection with the program. BCJPIA consists of fifteen cities, four towns, one fire authority and one police authority all located within the metropolitan Bay Area.

The City's proportionate share of BCJPIA's net position depends on a number of factors as there are inflows into the City's account with BCJPIA based on premium deposits and interest earned and there are outflows for expenditures for matters such as administration, claims handling, incurred losses and a reserve for claims incurred but not yet reported (IBNR). Accordingly, it is difficult to ascertain what the City's proportionate share is at any given time.

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 9: Investment in Joint Ventures and Membership in Insurance Pool (Continued)

Nevertheless, if there is excess equity in the City's account for a program year that is five years old and for which there are no longer any outstanding claims for that program year, the BCJPIA Board of Directors may declare a dividend and distribute such dividend to the member entities based on what is in each member's equity account. Financial statements for BCJPIA may be obtained from BCJPIA 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

b. Local Agency Workers' Compensation Excess Joint Powers Authority

In 2010, the City joined the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX). LAWCX was formed on July 1, 1992 as a state-wide joint powers authority to self-insure and pool excess workers' compensation losses. LAWCX was established for California self-insured workers' compensation joint powers authorities, individual agencies and special districts. LAWCX is governed by a Board of Directors with a representative from each member entity. Financial statements for LAWCX may be obtained from LAWCX, 1750 Creekside Oaks Drive, Suite 200, Sacramento, California 95833.

c. Livermore-Amador Valley Waste Management Agency

The Livermore-Amador Valley Waste Management Agency (LAVWMA) was formed in 1974. LAVWMA operates the export pipeline connecting with the East Bay Discharge Authority's systems and discharges treated wastewater into San Francisco Bay. The current members of the Agency are Dublin San Ramon Services District (DSRSD), the City of Livermore, and the City of Pleasanton. Sewer revenue bonds issued by LAVWMA are being repaid with user charges assessed to member agencies.

The City accounts for its investment in LAVWMA by the equity method in the Sewer Enterprise Fund. The City records its share of earnings and losses in the Proprietary Funds Statement of Revenues, Expenses and Changes in Fund Net Position as "Equity interest in gain (loss) from joint ventures," and the carrying value of the City's investment in LAVWMA is recorded in the Proprietary Funds Statement of Fund Net Position as "Net investment in joint ventures." The City's equity interest in LAVWMA was \$17,516,886 as of June 30, 2022. Financial statements for LAVWMA may be obtained from DSRSD, 7051 Dublin Boulevard, Dublin, California 94568.

d. Pleasanton Joint Powers Financing Authority

In June 1993, the Pleasanton Joint Powers Financing Authority (PJPFA) was formed by a Joint Exercise of Powers Agreement between the City of Pleasanton and the Housing Authority. The PJPFA has facilitated lease financings (through the issuance of Certificates of Participation) for many of the City's public buildings and infrastructure. The PJPFA issued \$7,100,000 of Water Revenue Bonds during FY 2016/17 (see Note 6b). The outstanding balance at June 30, 2022, was \$2,820,000. The PJPFA is a blended component unit of the City and the financial operations of the PJPFA are included in the City of Pleasanton's financial statements.

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 9: Investment in Joint Ventures and Membership in Insurance Pool (Continued)

e. Livermore-Amador Valley Transit Authority

The Livermore-Amador Valley Transit Authority (LAVTA) was formed in 1985 by a joint exercise of powers agreement between the County of Alameda and the cities of Dublin, Livermore and Pleasanton to provide transportation services within the cities' limits and portions of the unincorporated County. LAVTA operates under the name "Wheels." Financial statements for LAVTA may be obtained from LAVTA, 1362 Rutan Court, Suite 100, Livermore, California 94551.

f. Tri-Valley Transportation Council

The Tri-Valley Transportation Council (TVTC) was formed in 1991 by a joint exercise of powers agreement between the cities of Dublin, Livermore, Pleasanton and San Ramon, the Town of Danville and the Counties of Alameda and Contra Costa for the purposes of preparing a transportation plan and providing transportation facilities within the Tri-Valley area. Financial statements for TVTC may be obtained from the City of Dublin, Attn: TVTC Administrator, 100 Civic Plaza, Dublin, CA 94568.

g. Livermore-Pleasanton Fire Department

On December 3, 1996, the cities of Pleasanton and Livermore signed a Joint Powers Agreement (JPA) to form a joint fire department, Livermore-Pleasanton Fire Department (LPPFD), covering both cities. On February 12, 2018, the cities signed an amended and restated JPA that, among other things, reinforced the joint obligation to fund retirement benefits including unfunded liabilities. Fire protection services are provided by the City of Pleasanton employees under the joint power agreement. The LPPFD prepares its budget, including contributions required from each City, to fund operating and capital needs for the year. In January 2013, the City of Livermore began functioning as Treasurer for LPPFD. The City of Pleasanton's share of LPPFD's costs is approximately 50 percent. The City accounts for its investment in LPPFD by the equity method in the Governmental Activities in the Statement of Net Position. During the year ended June 30, 2022, the City contributed \$22,746,601 to LPPFD representing its share of costs. The City's estimated equity/(deficit) interest in LPPFD was (\$44,214,835) as of June 30, 2021.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 9: Investment in Joint Ventures and Membership in Insurance Pool (Continued)

The City's portion of financial information of the LPFD for the fiscal year ended June 30, 2021 was summarized as follows:

	<u>Total</u>
Assets	
Current	\$ 6,498,893
Noncurrent	603,945
Total assets	<u>7,102,838</u>
Deferred outflows of resources	
Related to pensions	6,228,103
Related to OPEB	1,596,500
Total deferred outflows of resources	<u>7,824,603</u>
Liabilities	
Current	2,850,436
Noncurrent:	
Other long-term liabilities	4,393,605
Net pension liability	41,967,417
Net OPEB liability	8,060,000
Total Liabilities	<u>57,271,458</u>
Deferred inflows of resources	
Related to pensions	684,818
Related to OPEB	1,186,000
Total deferred inflows of resources	<u>1,870,818</u>
Net position	<u>\$ (44,214,835)</u>
Revenues	\$ 23,138,345
Expenses	23,087,401
	50,945
Net position - beginning of the year	<u>(44,265,779)</u>
Net position - end of the year	<u>\$ (44,214,835)</u>

The City records its share of earnings and losses in the Livermore-Pleasanton Fire Department Custodial Fund and the carrying value of the City's investment in LPFD is recorded in the Statement of Net Position as "Net Deficit in LPFD". The information related to pension and OPEB are of measurement date June 30, 2020. Financial statements for LPFD may be obtained from the City of Livermore at 1052 South Livermore Avenue, Livermore, California 94550.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 9: Investment in Joint Ventures and Membership in Insurance Pool (Continued)

h. East Bay Regional Communications System Authority

In 2007, the City joined the East Bay Regional Communications System Authority (EBRCSA). The EBRCSA was formed to govern the regional communications system servicing Alameda and Contra Costa Counties, as well as many cities and special districts within the East Bay. Currently, there are forty-three agencies consisting of both counties, thirty cities, six special districts, three colleges, Dublin-San Ramon Services District and the California Department of Transportation, serving a population of over 2.5 million people. The EBRCSA is governed by a twenty-three member board of directors selected from participating counties, cities and districts. Financial statements for EBRCSA may be obtained from EBRCSA, 4985 Broder Boulevard, Dublin, California 94568.

i. Alameda County Transportation Commission

The Alameda County Transportation Commission (Alameda CTC) was formed in 2010 as a result of the merger between the Alameda County Congestion Management Agency (ACCMA) and the Alameda County Transportation Improvement Agency (ACTIA) to more cost effectively plan and deliver transportation programs in Alameda County. Members include the fourteen cities in Alameda County, the five County Board of Supervisors, the Bay Area Rapid Transit District and AC Transit. Financial statements for Alameda CTC may be obtained from Alameda CTC, 1111 Broadway, Suite 800, Oakland, California 94607.

Note 10: Net Position/Fund Balances

a. Net Position

The government-wide and business-type activities financial statements utilize a net position presentation. Net position is categorized as: net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position

This category represents net position subject to external restrictions imposed by creditors, grantors, contributors, laws or regulations of governments and restrictions imposed by law through constitutional provisions or enabling legislation.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 10: Net Position/Fund Balances (Continued)

Unrestricted Net Position

This category represents the net position of the City, not restricted for any project or other purpose.

b. Fund Balance

In the fund financial statements, governmental funds report five classifications of fund balance as follows:

Nonspendable – amounts that cannot be spent due to not being in a spendable form (long-term assets, prepaid expenses, inventory) or are legally or contractually required to be maintained intact.

Restricted – amounts constrained for a specific purpose by external parties, constitutional provision, or enabling legislation.

Committed – amounts constrained for a specific purpose by the governmental entity and designated as such by City Council, which is its highest level of decision-making authority.

Assigned – amounts set aside for a specific purpose by a governing board or official that has been delegated the authority to assign amounts.

Unassigned – portion of a fund that is not classified as nonspendable, restricted, committed, or assigned. The General Fund is the only fund that reports a positive unassigned fund balance amount.

On June 21, 2011, the City Council adopted Resolution No. 11-463 classifying the City's fund balances in conformance with Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund balance commitments may be established only by formal action (either resolution or ordinance, as each is equally binding) of the City Council, the City's highest level of decision-making authority. Commitments may be modified or rescinded only by the City Council taking the same formal action that established the commitment originally.

Assignment of fund balances to specific purposes may be established, modified, or rescinded by the City Council or the City's Director of Finance. Resolution No. 11-463 designated the Director of Finance as the City official to determine and define the amounts of those components of fund balance that are classified as "Assigned Fund Balance." When an expense is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, the City's policy is to apply committed fund balance first, followed by assigned fund balance and then unassigned fund balance. The General Fund is the only fund that reports a positive unassigned fund balance amount.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 10: Net Position/Fund Balances (Continued)

The City has earmarked a portion of the unassigned fund balance to meet the City’s operating reserve policy. In November of 2016, the City Council adopted the policy that requires the General Fund to maintain minimum reserves equal to 20 percent of operating expenses and target reserves equal to 25 percent of operating expenses. The City’s objective is to utilize General Fund operating reserves to cover revenue shortfalls that would likely occur after a natural disaster. The target level of reserves equal three months of operating expenses that will ensure the City can continue to make payroll and cover other operating expenses while the City recovers from the event.

As of June 30, 2022, fund balances are composed of the following:

GASB 54 Fund Balances:	General Fund	Lower Income Housing Fund	Miscellaneous Capital Improvement Programs Fund	Non-Major Governmental Funds	Total
Nonspendable:					
Notes Receivable, Advances to Other Funds	\$ 515,007	\$ -	\$ -	\$ -	\$ 515,007
Total Nonspendable	<u>515,007</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>515,007</u>
Restricted:					
Accessibility Programs	-	-	-	83,711	83,711
Assessment District Construction	-	-	-	1,145,413	1,145,413
Asset Forfeiture	-	-	-	27,258	27,258
Budgeted Developer Projects	-	-	-	7,082,431	7,082,431
Business Support Program	-	-	-	1,556,164	1,556,164
Community Access Television	-	-	-	1,719,735	1,719,735
CIP for Downtown & North Pleasanton	-	-	-	3,127,752	3,127,752
Geological Hazard Assessment Districts	-	-	-	1,352,364	1,352,364
Grants	-	-	-	930,261	930,261
Housing	-	11,845,474	-	-	11,845,474
Johnson Drive Economic Development Zone	-	-	-	521,461	521,461
Landscape and Lighting Districts	-	-	-	387,436	387,436
Landscape Maintenance NPID	-	-	-	1,012,943	1,012,943
Library Trust	-	-	-	59,325	59,325
Marilyn Kane Trail Reserve	-	-	-	110,698	110,698
Miscellaneous Donations/Developer Contributions	-	-	-	829,835	829,835
Park Development	-	-	-	9,577,545	9,577,545
PARS Section 115 Pension Trust	17,625,110	-	-	-	17,625,110
Public Facilities Capital Improvements	-	-	-	712,765	712,765
Public Safety	-	-	-	130,292	130,292
Resource Management	-	-	-	950,227	950,227
Street Maintenance	-	-	-	12,708,362	12,708,362
Traffic Impact	-	-	-	9,196,392	9,196,392
Tri-Valley Transportation	-	-	-	2,086,051	2,086,051
Various Specific Plans	-	-	-	814,047	814,047
Total Restricted	<u>17,625,110</u>	<u>11,845,474</u>	<u>-</u>	<u>56,122,468</u>	<u>85,593,052</u>
Committed					
COVID Response and Recovery Reserve	399,150	-	-	-	399,150
Crisis Response Program Reserve	800,000	-	-	-	800,000
Mobile Outreach Vehicle Reserve	280,000	-	-	-	280,000
General Reserve	10,133,312	-	-	-	10,133,312
Total Committed	<u>11,612,462</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,612,462</u>
Assigned:					
Capital Projects	-	-	25,866,767	10,830,180	36,696,947
Other Purposes	-	-	-	710,882	710,882
Total Assigned	<u>-</u>	<u>-</u>	<u>25,866,767</u>	<u>11,541,062</u>	<u>37,407,829</u>
Unassigned:					
Total Unassigned	<u>22,411,988</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,411,988</u>
Total Fund Balances	<u>\$ 52,164,567</u>	<u>\$ 11,845,474</u>	<u>\$ 25,866,767</u>	<u>\$ 67,663,530</u>	<u>\$ 157,540,338</u>

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 10: Net Position/Fund Balances (Continued)

c. Deficit Fund Balances and Deficit Net Position

At June 30, 2022, the following funds had a deficit fund balance or deficit net position:

- Employee Benefits Internal Service Fund \$106,158,538
- Retiree Insurance Reserve Internal Service Fund \$25,251,064

The Employee Benefits Internal Service Fund finished FY 2021/22 with a net position deficit of \$106,158,538 as shown in the Internal Service Funds Combining Statement of Fund Net Position. This net position deficit is primarily due to the recording of the net pension liability required by GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The City will continue to make the required contributions each year based on the 30 year CalPERS payment amortization schedule. As described in Note 11a Funding Policy, in March 2018, the City established a Section 115 Pension Trust (Section 115 Trust) with an initial contribution of \$28.0 million. The fair value of the Section 115 Trust at June 30, 2022, was \$43.3 million. The City intends to use the Section 115 Trust to help make future pension contributions under the following conditions:

- Annual CalPERS employer pension contribution rate increase (in dollars) is greater than the growth rate of the City's General Fund.
- The General Fund has a structural deficit that needs to be addressed (i.e. non-discretionary expenditures exceed revenues).
- General Fund reserves have been used and need to be replenished in order to maintain a reserve equal to 20 percent of General Fund expenditures.
- Paying off specific pension liabilities that will result in interest savings greater than interest earnings on the Section 115 Trust.

The Retiree Insurance Reserve Internal Service Fund finished FY 2021/22 with a net position deficit of \$25,251,064 as shown in the Internal Service Funds Combining Statement of Fund Net Position. This net position deficit is primarily due to the recording of the net OPEB liability as a result of the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*. As described in Note 12b Funding Policy, in April of 2011, the City established an OPEB irrevocable Trust (OPEB Trust). The City has been annually contributing to the OPEB Trust to pre-fund the City's amortized 30-year unfunded OPEB liability. As of June 30, 2022, the OPEB Trust had a balance of \$82.0 million. The City will use the OPEB Trust to fund future OPEB benefit payments.

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan

The City participates in the following Pension Plans administered by the California Public Employees Retirement System (CalPERS):

1. ***Agent Multiple-Employer Defined Benefit Pension Plans*** (Agent Multiple) for its Miscellaneous and Safety Fire employees.

An agent multiple-employer plan is one in which the assets of the participating government employers are pooled for investment purposes but separate accounts are maintained for each individual employer.

2. ***Cost-Sharing Multiple-Employer Defined Benefit Pension Plan*** (Cost Sharing) for its Safety Police employees.

A cost-sharing multiple-employer defined benefit pension plan is a plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay benefits of the employees of any employer that provides pensions through the plan.

a. General Information about the Pension Plans and Summary of Balances by Plan

Plan Descriptions – All qualified permanent employees are eligible to participate in the City’s separate Safety (Police) cost-sharing plan, Safety (Fire) agent multiple-employer defined benefit pension plan, and Miscellaneous (all other) agent multiple-employer defined benefit pension plan that are administered by CalPERS.

The Miscellaneous and Safety Fire Plans are agent multiple-employer defined benefit pension plans which act as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

As discussed in Note 9g, the City is a member of a Joint Powers Agreement (JPA), along with the City of Livermore, of the Livermore-Pleasanton Fire Department (LFPD). The employees of the LFPD are the City of Pleasanton’s employees, however, as agreed to in the JPA, the City shares the Safety Fire Plan affiliated with the LFPD with the City of Livermore with a share of 50 percent. As there is a special funding arrangement with the City of Livermore, the City of Pleasanton only records its 50 percent share of the collective net pension liability and related deferred inflows/outflows, which is included in its Net Investment (Deficit) in LFPD on the Governmental Activities Statement of Net Position, using the equity method of accounting. Information specific to the City’s share of net pension liability and deferred outflows/inflows are included in Note 11d.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

The City’s Safety Police Plan is a cost-sharing multiple-employer defined benefit pension plan administered by CalPERS since the plan has less than 100 active members, commonly referred to as risk pool. The City has two retirement benefit tiers in the Safety Police Plan and a PEPRA classification. Tier 1 is for employees hired prior to January 1, 2013. Tier 2 is for employees hired on or after January 1, 2013. PEPRA is for employees new to CalPERS hired on or after January 1, 2013.

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Below is a summary of the deferred outflows of resources, net pension liabilities and deferred inflows of resources, by plan:

	Deferred Outflows of Resources	Net Pension Liability/ Proportionate Share of Net Pension Liability	Deferred Inflows of Resources	Pension Expense
Miscellaneous	\$ 12,981,264	\$ 75,173,007	\$ (22,930,718)	\$ 5,985,777
Safety (Police)	11,830,777	20,034,837	(16,970,372)	(26,030,698)
Total	\$ 24,812,041	\$ 95,207,844	\$ (39,901,090)	\$ (20,044,921)

Each plan is discussed in detail below.

Funding Policy – In March 2018, the City established a Section 115 Pension Trust Fund with Public Agency Retirement Services (PARS). PARS, the trust administrator, partners with U.S. Bank and HighMark Capital Management to provide trustee and investment advisory services, respectively. This trust was established to set aside moneys to meet the City’s future pension contributions or unfunded liabilities. The fair value on the account at June 30, 2022, was \$43.3 million. Financial statements of PARS may be obtained from PARS, 4350 Von Karman Avenue, Suite 100, Newport Beach, California 92660.

b. Miscellaneous Plan

Benefits Provided – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees, and their beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment, age and the average of the final one year of compensation for Tier 1 members and the average of the final three years’ of compensation for PEPRA members. Members with at least five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law

The plan's provisions and benefits in effect at June 30, 2022, are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Tier 1</u>	<u>PEPRA</u>
Benefit Formula	2.7% @ 55	2.0% @ 62 ¹
Benefit Vesting Schedule	5 Years Service	5 Years Service
Benefit Payment	Monthly For Life	Monthly For Life
Retirement Age	50-55	52-67
Monthly Benefits, as a % of Eligible Compensation	2% to 2.7%	1% to 2.5%
Required Employee Contribution Rates	7.62%	7.00%
Required Employer Contribution Rates	12.54%	12.54%

¹ Newly hired Misc Employees will be enrolled in the 2% @ 62 formula, dependent on the individual's eligibility, as per, AB 340.

Employees Covered – At June 30, 2022, the following employees were covered by the benefit terms of the Miscellaneous Plan:

	<u>Miscellaneous</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	403
Inactive Employees Entitled to but not yet Receiving Benefits	234
Active Employees	<u>335</u>
Total	<u><u>972</u></u>

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of change in the rate. Funding contributions for the plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees.

Net Pension Liability – The City's net pension liability for the Miscellaneous Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

Changes in the Net Pension Liability – The changes in the Net Pension Liability for the Miscellaneous Plan are as follows:

	Miscellaneous		
	Total Pension Liability	Plan Fiduciary Net Position	Net Position Liability/(Asset)
Balance at June 30, 2020 Measurement Date	\$ 308,284,562	\$ 202,816,187	\$ 105,468,375
Changes in the year:			
Service cost	5,876,564	-	5,876,564
Interest on the total pension liability	21,730,715	-	21,730,715
Differences between actual and expected experience	702,330	-	702,330
Contribution - employer	-	10,488,757	(10,488,757)
Contribution - employee	-	2,341,839	(2,341,839)
Net investment income	-	45,976,982	(45,976,982)
Benefit payments, including refunds of employee contributions	-	(15,998,179)	-
Administrative expense	-	(202,601)	202,601
Net income	12,311,430	42,606,798	(30,295,368)
Balance at June 30, 2021 Measurement Date	\$ 320,595,992	\$ 245,422,985	\$ 75,173,007

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for the Miscellaneous Plan, calculated using the discount rate for the Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1- percentage point lower or 1- percentage point higher than the current rate:

	Miscellaneous
1% Decrease	6.15%
Net Pension Liability	\$ 115,926,089
Current Discount Rate	7.15%
Net Pension Liability	\$ 75,173,007
1% Increase	8.15%
Net Pension Liability	\$ 41,268,121

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension – Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings on investments – 5 year straight-line amortization.

All other amounts – Straight-line amortization over the average expected remaining services lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

For the year ended June 30, 2022, the City recognized pension expense of \$5,985,777 for the Miscellaneous Plan. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 11,363,532	\$ -
Changes in assumptions	-	-
Differences between assumptions expected and actual	1,617,732	-
Net differences between projected and actual earnings on plan investments	-	22,930,718
Total	<u>\$ 12,981,264</u>	<u>\$ 22,930,718</u>

The \$11,363,532 reported as deferred outflows of resources related to contributions subsequent to the measurement date for the Miscellaneous Plan will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	Annual Amortization
2023	\$ (4,522,911)
2024	(5,014,743)
2025	(5,454,670)
2026	<u>(6,320,662)</u>
Total	<u>\$ (21,312,986)</u>

Actuarial assumptions and information regarding the discount rate are discussed in Note 11e.

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

c. Safety (Police) Plan

Benefits Provided – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees, and their beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment, age and the average of the final one year of compensation for Tier 1 members and the average of the final three years’ of compensation for Tier 2 and PEPRA members. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after ten years of service. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The plan’s provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Safety (Police) Plan		
	Tier 1	Tier 2	PEPRA
Benefit Formula	3% @ 50	3% @ 55 ¹	2.7% @ 62 ¹
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payment	Monthly For Life	Monthly For Life	Monthly For Life
Retirement Age	50	50-55	50-57
Monthly Benefits, as a % of Eligible Compensation	3%	2.4% to 3%	2% to 2.7%
Required Employee Contribution Rates	9%	9%	13%
Required Employer Contribution Rates	23.71%	20.64%	13.13%

¹ Newly hired Safety (Police) Employees will be enrolled in the 3% @ 55 or 2.7% @ 57 formula, dependent on the individual's eligibility, as per, AB 340.

Beginning in FY 2016/17, CalPERS collects employer contributions for the cost-sharing plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund. The City’s required contribution for the unfunded liability and side fund was \$4,906,207 in FY 2021/22.

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of change in the rate. Funding contributions for the plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

For the year ended June 30, 2022, the contributions recognized as part of pension expense for the plan were as follows:

	<u>Safety (Police)</u>
Contributions - employer	<u>\$ 4,906,207</u>

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – As of June 30, 2022, the City reported net pension liabilities for its proportionate shares of the net pension liability of the plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
Safety (Police)	<u>\$ 20,034,837</u>

The City's net pension liability for the plan is measured as the proportionate share of net pension liability. The net pension liability of the plan is measured as of June 30, 2021, and the total pension liability for the plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the plan as of June 30, 2020 and 2021 was as follows:

	<u>Safety (Police)</u>
Proportion - June 30, 2020	0.59305%
Proportion - June 30, 2021	<u>0.57087%</u>
Change - Increase (Decrease)	-0.02218%

For the year ended June 30, 2022, the City recognized pension revenue of \$7,475,817 for the Safety (Police) Plan. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Safety (Police)</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to the measurement date	\$ 4,906,207	\$ -
Changes in assumptions	-	-
Differences between expected and actual experience	3,422,935	-
Net differences between projected and actual earnings on plan investments	-	11,924,580
Change in employer's proportion and differences between the employer's contribution and the employer's proportionate share of contributions	-	5,045,792
Adjustment due to difference in proportions	<u>3,501,635</u>	<u>-</u>
Total	<u>\$ 11,830,777</u>	<u>\$ 16,970,372</u>

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

The \$4,906,207 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	Annual Amortization
2023	\$ (2,026,017)
2024	(2,155,331)
2025	(2,582,976)
2026	(3,281,478)
Total	<u>\$ (10,045,802)</u>

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents the City’s proportionate share of the net pension liability for the plan, calculated using the discount rate for the plan, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.15%
Net Pension Liability	\$ 44,309,141
Current Discount Rate	7.15%
Net Pension Liability	\$ 20,034,837
1% Increase	8.15%
Net Pension Liability	\$ 96,497

Actuarial assumptions and information regarding the discount rate are discussed in Note 11e.

d. LPFD Safety (Fire) Plan

As discussed in Notes 9g and 11a, the employees of the LPFD are the City of Pleasanton’s employees, however, as agreed to in the JPA, the City shares equally the Safety Fire Plan affiliated with the LPFD with the City of Livermore, therefore the following tables show only the City of Pleasanton’s 50 percent share. As there is a special funding arrangement with the City of Livermore, the City of Pleasanton only records its 50 percent share of the net pension liability and related deferred inflows/outflows, which is included in its Net Investment (Deficit) in LPFD on the Governmental Activities Statement of Net Position, using the equity method of accounting.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

Benefits Provided – CalPERS provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees, and their beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment, age and the average of the final one year of compensation for Tier 1 and Tier 2 members and the average of the final three years’ of compensation for Tier 3 and PEPRA members. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after ten years of service. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

	Safety (Fire) Plan		
	Tier 1	Tier 2	PEPRA
Benefit Formula	3% @ 50	3% @ 55 ¹	2.7% @ 62 ¹
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payment	Monthly For Life	Monthly For Life	Monthly For Life
Retirement Age	50	50-55	50-57
Monthly Benefits, as a % of Eligible Compensation	3%	2.4% to 3%	2% to 2.7%
Required Employee Contribution Rates	9%	9%	11.25%
Required Employer Contribution Rates	19.17%	19.17%	19.17%

¹ Newly hired Safety (Police) Employees will be enrolled in the 3% @ 55 or 2.7% @ 57 formula, dependent on the individual's eligibility, as per, AB 340.

Employees Covered – At June 30, 2022, the following employees were covered by the benefit terms of the Safety (Fire) Plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	125
Inactive Employees Entitled to but not yet Receiving Benefits	58
Active Employees	120
Total	<u>303</u>

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of change in the rate. Funding contributions for the plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rates of employees.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

Net Pension Liability – The City’s net pension liability for the Safety (Fire) Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each plan is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021, using standard update procedures.

Changes in the Net Pension Liability – The changes in the Net Pension Liability for the Safety (Fire) Plan (City of Pleasanton only) is as follows:

	Safety (Fire)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Position Liability/(Asset)
Balance at June 30, 2020 Measurement Date	\$ 120,331,499	\$ 78,364,082	\$ 41,967,417
Changes in the year:			
Service cost	2,299,227	-	2,299,227
Interest on the total pension liability	8,398,822	-	8,398,822
Differences between actual and expected experience	(826,742)	-	(826,742)
Contribution - employer	-	4,208,908	(4,208,908)
Contribution - employee	-	1,037,801	(1,037,801)
Net investment income	-	17,836,256	(17,836,256)
Benefit payments, including refunds of employee contributions	(6,376,662)	(6,376,662)	-
Administrative expense	-	(78,281)	78,281
Net income	3,494,645	16,628,022	(13,133,377)
Balance at June 30, 2021 Measurement Date	\$ 123,826,144	\$ 94,992,104	\$ 28,834,040

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City of Pleasanton for the Safety (Fire) Plan, calculated using the discount rate for the Plans, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

1% Decrease	6.15%
Net Pension Liability	\$ 43,864,117
Current Discount Rate	7.15%
Net Pension Liability	\$ 28,834,040
1% Increase	8.15%
Net Pension Liability	\$ 16,244,966

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pension – Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

The amortization period differs depending on the source of the gain or loss:

Difference between projected and actual earnings on investments – 5 year straight-line amortization.

All other amounts – Straight-line amortization over the average expected remaining services lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

For the year ended June 30, 2022, the City recognized pension expense of \$2,002,030 for the Safety (Fire) Plan. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Safety (Fire)	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 4,340,543	\$ -
Changes in assumptions	-	20,652
Differences between expected and actual experience	274,093	878,880
Net differences between projected and actual earnings on plan investments	-	8,913,265
Total	\$ 4,614,636	\$ 9,812,797

The \$4,340,543 reported as deferred outflows of resources related to contributions subsequent to the measurement date for the Safety (Fire) Plan (City of Pleasanton only) will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	Safety (Fire)
Year Ending June 30	Annual Amortization
2023	\$ (2,336,492)
2024	(2,297,990)
2025	(2,340,300)
2026	(2,563,922)
Total	\$ (9,538,704)

Actuarial assumptions and information regarding the discount rate are discussed in Note 11e.

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

e. Information Common to the Miscellaneous and Safety Plans

Actuarial Assumptions – The total pension liabilities in the June 30, 2021, actuarial valuations were determined using the following actuarial assumptions for the Miscellaneous and Safety Plans:

	Miscellaneous & Safety
Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry - Age Normal Cost Method in Accordance with the Requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	Varies by Entry Age and Service
Mortality	Derived using CalPERS Membership Data for all Funds ¹
Post Retirement Benefit Increase	The lesser of Contract COLA or 2.5% until Purchasing Power applies, 2.5% thereafter

¹ The mortality table used was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for each Plan was 7.15 percent. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from plan members in the Public Employees Retirement Fund (PERF) will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, each Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans in the PERF. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability for each Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years.

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 11: Defined Benefit Pension Plan (Continued)

Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by the Board effective July 1, 2014.

Asset Class	New Strategic Allocation	Real Return Years 1-10(b)	Real Return Years 11+(c)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	-	-0.92%
Total	100.00%		

(a) In the CalPERS ACFR, fixed income is included in Global Debt Securities; Liquidity is included in short-term investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.0% used for this period.

(c) An expected inflation of 2.92% used for this period.

Pension Plan Fiduciary Net Position - Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

Note 12: Post-Employment Health Care Benefits

a. Plan Description and Benefits Provided

Through its post-employment health care plan, the City provides post-retirement health care benefits, in accordance with certain employee agreements, to all employees who retire directly from the City. The plan benefit provisions and obligations to contribute are established, or may be amended, by City Council action. The effective date and benefit varies based upon the employee's classification and related memorandum of understanding (MOU).

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 12: Post-Employment Health Care Benefits (Continued)

PCEA/AFSCME Local 955 (Pleasanton City Employees' Association) MOU

- For PCEA employees who service retired before 7/1/2012, the City shall pay 4 percent for each year of service of the City's contribution toward the monthly premium for employee and one dependent at the rate of the lowest cost HMO early retiree plan. Retirees will retire with the same retiree benefit co-pay and plan design as provided to retirees on 6/30/2011.
- For PCEA employees who were hired prior to 6/1/2011 and retire after 7/1/2012, the City shall pay 4 percent for each year of service of the City's contribution toward the monthly premium for employee and one dependent. The City's contribution for retiree medical is established as the same dollar contribution paid for active employees at the employee plus one rate of the lowest cost HMO early retiree plan.
- If hired after 6/1/2011, the City shall pay for each year of service equivalent to 4 percent of the City's contribution toward the monthly premium for single coverage. The City's contribution for the retiree medical is established as the same dollar contribution paid for active employees at the single rate of the lowest cost HMO early retiree plan. Retiree health benefits will cease once the employee becomes Medicare eligible.

POA (Police Officer's Association) MOU

- For POA employees who retired prior to 7/1/2009, the City shall pay for each year of service with the City of Pleasanton 4 percent of the monthly premium for employee and one dependent of the City's current Kaiser S-1 Health Plan.
- For POA employees who were hired prior to 1/1/2009 and retire on or after 7/1/2009, the City shall pay for each year of service with the City of Pleasanton 4 percent of the monthly premium for employee and one dependent of the City's lowest cost HMO health plan. Effective July 1st of each year of the agreement, the monthly contribution paid by the City shall be increased by the same dollar increase in medical insurance as is provided to active employees as set forth in Section 14.1 of the agreement up to the lowest cost HMO two-party rate.
- If hired after 1/1/2009 and retired from service, the City shall provide the following benefit: Employees who service retire prior to the completion of 20 years of full-time service shall receive 4 percent for each year of service of the single plan rate for the lowest cost HMO. Employees who retire after the completion of the 20 years of full time service will receive 4 percent for each year of service of the two-party rate for the lowest cost HMO.
- For all employees who are hired on or after January 1, 2012, and retire from service, the City shall provide the following benefit: Commencing upon the date of hire, the employee will be credited with 4 percent for each year of service of the single plan rate for the lowest cost HMO. Upon reaching Medicare eligibility age, the City's contribution toward the medical premium shall cease.

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 12: Post-Employment Health Care Benefits (Continued)

IAFF (International Association of Firefighters) MOU

- For IAFF employees who retired prior to 1/1/2008, the City shall pay for each year of service 4 percent of the monthly premium for employee and one dependent of the City's current Kaiser Health Plan coverage.
- For IAFF employees who were hired before 7/1/2012 and retire after 1/1/2008, the City shall pay 4 percent for each year of service of the City's contribution toward the monthly premium for employee and one dependent. The City's contribution for retiree medical is established as the same dollar contribution paid for active employees at the employee plus one rate of the lowest cost HMO early retiree plan.
- If hired on or after 7/1/2012, the City shall pay for each year of service equivalent to 4 percent of the City's contribution toward the monthly premium for single coverage. The City's contribution for retiree medical is established as the same dollar contribution paid for active employees at the single rate of the lowest cost HMO early retiree plan. Retiree health benefits will cease once the employee becomes Medicare eligible.

Management and Confidential MOU

- For Management and Confidential employees hired before 1/1/2009, who retired prior to 7/1/2009, the City shall pay for each year of service 4 percent of the monthly premium for the employee and one dependent of the City's current Kaiser early retiree (under age 65) health plan rate.
- Managers hired prior to 1/1/2009 who work a minimum of five years as full-time managers with the City of Pleasanton are eligible to count prior years of service completed with another PERS municipal agency toward service requirements for retiree medical benefits. Employees hired before 1/1/2009 who promote to management positions may count prior years of service completed with another PERS municipal agency for the retiree medical benefit.
- For Management and Confidential employees who were hired prior to 1/21/2009 and retire on a service retirement from the City of Pleasanton, the City shall pay 4 percent for each year of service of the City's contribution toward the monthly premium for employee and one dependent. For all service retirements the formula accelerates beginning with 10 years of service (10 years = 75%, 15 years = 80%, 20 years = 90%, 25 years = 100%). Managers hired prior to 1/1/2009 who work a minimum of five years as a full-time manager with the City of Pleasanton are eligible to count prior years of service completed with another PERS municipal agency toward service requirements for retiree medical benefits.

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 12: Post-Employment Health Care Benefits (Continued)

- If hired on or after 1/21/2009, the City shall pay 4 percent for each year of service of the City’s contribution toward the monthly premium for single coverage. For all service retirements, the formula accelerates beginning with 10 years of service (10 years = 75%, 15 years = 80%, 20 years = 90%, 25 years = 100%). The City’s contribution for retiree medical is established as the same dollar contribution paid for active employees at the single rate of the lowest cost HMO early retiree plan. Retiree health benefits including reimbursements will cease once employees become Medicare eligible.

In the case where the employee eligible for two-party coverage is deceased, the amount the City is obligated to pay shall be reduced by one half (1/2). If a spouse remarries, the obligations by the City shall terminate. Domestic Partners shall be treated in the same manner as spouses for continuation of benefits.

For all employees mentioned above who retire for disability, the City shall pay a percentage of the monthly premium in accordance with the applicable MOU.

The City allows retirees to participate in the early retiree medical plan, which at the time of retirement has the same premium rates as active employees. Because the rate is a “blended rate,” payments for the active employees include an implied subsidy of what would normally be a higher rate for retirees if the retirees were enrolled in a stand-alone health plan. The premium rate paid by a retiree depends on the retiree’s former classification, years of service, and the formula specified in the applicable MOU.

Employees Covered by Benefit Terms – Membership in the plans consisted of the following at the measurement date of June 30, 2021:

	<u>Non-Fire</u>	<u>Fire</u>
Active Plan Members	348	120
Inactive employees or beneficiaries currently receiving benefit payments	345	101
Inactive employees entitled to but not yet receiving benefit payments	<u>40</u>	<u>7</u>
Total	<u><u>733</u></u>	<u><u>228</u></u>

b. Funding Policy

In April 2011, the City established an Other Post Employment Health Benefit (OPEB) irrevocable trust, the City of Pleasanton Group Account, with the California Employer’s Retiree Benefit Trust Program (CERBT) administered by the California Public Employees’ Retirement System (CalPERS) as an agent multiple-employer plan. This trust is used to accumulate resources to fund future benefits, however, it does not represent the activities of the plan. Financial statements of CERBT are included in the CalPERS Annual Comprehensive Financial Report (ACFR). Copies of the CalPERS ACFR may be obtained from the CalPERS Executive Office – 400 P Street, Sacramento, California 95814.

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 12: Post-Employment Health Care Benefits (Continued)

c. Net OPEB Liability

Actuarial Methods and Assumptions – The City’s net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, that was rolled forward using standard update procedures to determine the June 30, 2022 total OPEB liability as of June 30, 2022, based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation	2.50%
Payroll Growth	Aggregate - 3%
Mortality, Retirement, Disability, Termination	Merit - CalPERS 2000-2019 experience study
Mortality Improvement	Post-retirement mortality projected fully generational with Scale MP-2021
Medical Trend	Non-Medicare - 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years
Healthcare Participation for Future Retirees	Current actives - 100% Current retirees - 100% if in payment status - 30% will re-elect at age 65 if not currently in payment

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59.00%	4.56%
Fixed Income	25.00%	0.78%
TIPS	5.00%	-0.08%
Commodities	3.00%	1.22%
REITS	8.00%	4.06%
Total	<u>100.00%</u>	

Assumed Long-Term Rate of Inflation - 2.50%

Assumed Long-Term Net Rate of Return, Rounded - 6.25%

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 12: Post-Employment Health Care Benefits (Continued)

Discount Rate – The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

d. City of Pleasanton Retiree Healthcare Plan Changes in Net OPEB Liability

The changes in the net OPEB liability for the City of Pleasanton Retiree Healthcare Plan is as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/Asset (c) = (a) - (b)
Balance at June 30, 2021	\$ 83,436,000	\$ 51,208,000	\$ 32,228,000
Changes Recognized for the Measurement:			
Service Cost	1,453,000	-	1,453,000
Interest	5,589,000	-	5,589,000
Difference Between Expected and Actual	(14,053,000)	-	(14,053,000)
Changes of Assumptions	(696,000)	-	(696,000)
Contributions From the Employer	-	4,210,000	(4,210,000)
Net Investment Income	-	14,078,000	(14,078,000)
Benefit Payments and Refunds	(4,185,000)	(4,185,000)	-
Administrative Expenses	-	(19,000)	19,000
Balance at June 30, 2022	<u>\$ 71,544,000</u>	<u>\$ 65,292,000</u>	<u>\$ 6,252,000</u>

Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued plan financial report that may be obtained from CERBT. The benefit payments and refunds include implied subsidy benefit payments in the amount of \$3,985,000.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City for the City of Pleasanton Retiree Healthcare Plan, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current discount rate:

Plan's Net OPEB Liability/Asset		
Discount Rate -1% (5.25%)	Current Discount Rate (6.25%)	Discount Rate +1% (7.25%)
<u>\$ 15,115,000</u>	<u>\$ 6,252,000</u>	<u>\$ 1,121,000</u>

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 12: Post-Employment Health Care Benefits (Continued)

The following presents the net OPEB liability of the City for the City of Pleasanton Retiree Healthcare Plan, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Plan's Net OPEB Liability/Asset		
Healthcare Cost Trend		
Decrease 1%	Rates	Increase 1%
\$ (1,661,000)	\$ 6,252,000	\$ 15,812,000

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the City recognized OPEB income of \$8,434,000, a reduction in expense for the City of Pleasanton Retiree Healthcare Plan. At June 30, 2022, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$ 3,993,000	\$ -
Differences between expected and actual experience	-	16,152,000
Changes in assumptions	-	2,027,000
Net difference between projected and actual earnings on plan investments	-	7,613,000
Total	<u>\$ 3,993,000</u>	<u>\$ 25,792,000</u>

The \$3,993,000 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Measurement Period Ended	Annual Amortization
June 30	
2023	\$ (7,784,000)
2024	(7,692,000)
2025	(5,005,000)
2026	(5,017,000)
2027	(294,000)
Total	<u>\$ (25,792,000)</u>

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 12: Post-Employment Health Care Benefits (Continued)

e. Livermore-Pleasanton Fire Department Retiree Healthcare Plan

As discussed in Note 9g, the City is a member of a Joint Powers Agreement (JPA), along with the City of Livermore, of the Livermore-Pleasanton Fire Department (LPFD). The employees of the LPFD are the City of Pleasanton's employees, however, as agreed to in the JPA, the City equally shares the Safety Fire Plan affiliated with the LPFD with the City of Livermore. As there is a special funding arrangement with the City of Livermore, the City of Pleasanton only records its 50 percent share of the collective net OPEB liability and related deferred inflows/outflows, which is included in its Net Investment (Deficit) in LPFD on the Governmental Activities Statement of Net Position, using the equity method of accounting.

The changes in the net OPEB liability for the Livermore-Pleasanton Fire Department (LPFD) (City of Pleasanton only) Retiree Healthcare Plan is as follows:

	Increase (Decrease)		Net OPEB Liability/Asset (c) = (a) - (b)
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	
Balance at June 30, 2021	\$ 19,349,000	\$ 11,289,000	\$ 8,060,000
Changes Recognized for the Measurement Period:			
Service Cost	374,000	-	374,000
Interest	1,305,000	-	1,305,000
Difference Between Expected and Actual experience	(4,038,500)	-	(4,038,500)
Changes of Assumptions	136,000	-	136,000
Contributions From the Employer	-	1,010,500	(1,010,500)
Net Investment Income	-	3,111,000	(3,111,000)
Benefit Payments and Refunds	(772,000)	(772,000)	-
Administrative Expenses	-	(4,500)	4,500
Net Changes	<u>(2,995,500)</u>	<u>3,345,000</u>	<u>(6,340,500)</u>
Balance at June 30, 2022	<u>\$ 16,353,500</u>	<u>\$ 14,634,000</u>	<u>\$ 1,719,500</u>

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the City's portion of the net OPEB liability for the LPFD Retiree Healthcare Plan, as well as what City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage- point lower (5.25%) or 1-percentage-point higher (7.25%) than the current discount rate:

Plan's Net OPEB Liability/Asset		
Discount Rate -1% (5.25%)	Current Discount Rate (6.25%)	Discount Rate +1% (7.25%)
<u>\$ 3,835,500</u>	<u>\$ 1,719,500</u>	<u>\$ (37,000)</u>

CITY OF PLEASANTON

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022

Note 12: Post-Employment Health Care Benefits (Continued)

The following presents the City's portion of the net OPEB liability for the LPFD Retiree Healthcare Plan, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Plan's Net OPEB Liability/Asset		
Decrease 1%	Healthcare Cost Trend Rates	Increase 1%
\$ (180,000)	\$ 1,719,500	\$ 4,018,000

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the City recognized OPEB income of \$338,000 for the LPFD Retiree Healthcare Plan. At June 30, 2022, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions subsequent to measurement date	\$ 957,500	\$ -
Changes in assumptions	420,000	207,000
Differences between assumptions expected and actual experience	-	4,118,000
Net differences between projected and actual earnings on plan investments	-	1,687,000
Total	<u>\$ 1,377,500</u>	<u>\$ 6,012,000</u>

The \$957,500 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Measurement Period Ended June 30	Annual Amortization
2023	\$ (1,203,500)
2024	(1,184,500)
2025	(1,194,000)
2026	(1,186,000)
2027	(638,500)
Thereafter	(185,500)
Total	<u>\$ (5,592,000)</u>

CITY OF PLEASANTON

**NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2022**

Note 13: Commitments and Contingencies

a. Animal Shelter

The County of Alameda owns and operates the East County Animal Shelter. The facility was placed in service during FY 1995/96. The cities of Pleasanton, Dublin and Livermore and the County of Alameda (County) entered into an agreement under which the County constructed the animal shelter on County property. The cities pay their pro rata share of the debt service and operating costs based on their usage of the animal shelter. The City's share of FY 2021/22 debt service and operating costs for the facility was \$225,860. The debt service was fully repaid by the County as of June 30, 2022.

b. Lawsuits in the Normal Course of Business

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's risk sharing programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

c. LAVWMA Bonds

The City has recorded an investment in joint venture for its participation in the Livermore-Amador Valley Water Management Agency (LAVWMA). LAVWMA issued \$105,345,000 of the 2011 Sewer Revenue Refunding Bonds (2011 Bonds) on September 28, 2011, to refinance the costs of improvements to the wastewater disposal system, including the Export Pipeline Expansion/Rehabilitation Project originally constructed with bonds issued in 2001. The 2011 Bonds are secured by the pledge of the net revenues of the Agency. The City's contribution to debt service is limited to sewer connection fees collected on behalf of LAVWMA.

d. Construction Commitments

The City had several outstanding or planned construction projects as of June 30, 2022. These projects are evidenced by contractual commitments with consultants and contractors, and include the following major projects:

<u>Project Description</u>	<u>Amount</u>
Annual Street Resurfacing and Preventative Maintenance	\$ 3,316,272
PFAS Treatment & Wells Rehabilitation Project	2,343,394
Library Roof Replacement	2,249,020
Total	<u>\$ 7,908,686</u>

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF PLEASANTON

REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2022

Budgetary Information

Budgetary Information

The following procedures are performed by the City in establishing the budgetary data reflected in the basic financial statements:

1. Prior to July 1 of every odd numbered year, the City Manager submits to the City Council a proposed two-year operating budget for the subsequent two fiscal years. The operating budget includes proposed expenditures and projected revenues.
2. Public hearings are conducted to obtain public comments.
3. The budget is legally adopted through passage of a Council resolution.
4. The transfer of budgeted amounts between funds must be approved by the City Council.
5. A budget review is presented to the City Council by the City Manager mid-year and approved.
6. A budget review is presented to the City Council by the City Manager for the second year of the two-year budget and approved.
7. After adoption, the budget is transferred to the general ledger for staff to manage expenses and revenues against the budget.
8. The budgeted funds are adopted on a basis consistent with generally accepted accounting principles in the United States.
9. Expenditures may not legally exceed budgeted appropriations at the fund level. Management does not have the authority to amend the budget without the approval of the City Council. However, the City Manager may authorize transfers from one account to another within the same fund.

Excess of Expenditures Over Appropriations

Expenditures exceeded appropriations in the Abandoned Vehicle Fund, the Miscellaneous Donations Fund, the Business Support Fund, and the Pleasanton Garbage Service Rate Reserve Fund by \$7,148, \$112,577, \$95,000, and \$17,040, respectively.

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 43,735,346	\$ 43,735,346	\$ 43,735,346	\$ -
Resources (Inflows):				
Taxes	109,849,000	113,569,000	115,858,531	2,289,531
Licenses and permits	2,860,500	3,353,500	4,983,302	1,629,802
Intergovernmental	4,518,000	5,172,777	4,385,828	(786,949)
Charges for services	1,371,500	1,324,900	1,769,799	444,899
Use of money and property	410,000	410,000	(3,162,088)	(3,572,088)
Fines and forfeitures	309,500	200,000	212,613	12,613
Contributions	9,700	4,200	16,764	12,564
Development fees	358,500	218,500	210,943	(7,557)
Miscellaneous	7,250,138	6,612,461	8,607,611	1,995,150
Transfers in	949,780	949,780	899,497	(50,283)
Franchises	2,985,000	2,985,000	3,028,577	43,577
Plan check fees	1,720,000	2,640,000	3,104,813	464,813
Amounts Available for Appropriation	176,326,964	181,175,464	183,651,536	2,476,072
Charges to Appropriation (Outflow):				
General government	18,950,224	17,495,041	16,633,152	861,889
Public safety	55,582,849	54,661,194	54,994,491	(333,297)
Community development	17,538,332	17,403,575	16,116,550	1,287,025
Operation services	19,948,071	20,947,075	19,683,602	1,263,473
Community activities	13,170,524	13,227,572	12,711,807	515,765
Capital outlay	276,340	418,184	400,673	17,511
Transfers out	4,790,521	11,103,070	10,946,694	156,376
Total Charges to Appropriations	130,256,861	135,255,711	131,486,969	3,768,742
Budgetary Fund Balance, June 30	\$ 46,070,103	\$ 45,919,753	\$ 52,164,567	\$ 6,244,814

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
LOWER INCOME HOUSING FUND
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 11,160,054	\$ 11,160,054	\$ 11,160,054	\$ -
Resources (Inflows):				
Charges for services	-	-	214,238	214,238
Use of money and property	440,000	380,000	162,288	(217,712)
Development fees	3,311,285	3,311,285	1,289,543	(2,021,742)
Miscellaneous	160,000	160,000	87,846	(72,154)
Amounts Available for Appropriations	15,071,339	15,011,339	12,913,969	(2,097,370)
Charges to Appropriation (Outflow):				
Community development	991,042	1,279,688	1,068,495	211,193
Total Charges to Appropriations	991,042	1,279,688	1,068,495	211,193
Budgetary Fund Balance, June 30	\$ 14,080,297	\$ 13,731,651	\$ 11,845,474	\$ (1,886,177)

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
 MISCELLANEOUS CAPITAL IMPROVEMENT PROGRAMS FUND
 YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 21,424,781	\$ 21,424,781	\$ 21,424,781	\$ -
Resources (Inflows):				
Use of money and property	57,979	57,979	(959,548)	(1,017,527)
Contributions	-	-	39,000	39,000
Miscellaneous	-	-	11,991	11,991
Transfers in	2,775,000	8,137,549	9,683,069	1,545,520
Amounts Available for Appropriations	24,257,760	29,620,309	30,199,293	578,984
Charges to Appropriation (Outflow):				
Community development	-	-	126,836	(126,836)
Capital outlay	4,710,250	21,642,314	4,015,061	17,627,253
Debt service:				
Principal retirement	-	-	188,275	(188,275)
Interest and fiscal charges	-	-	2,354	(2,354)
Total Charges to Appropriations	4,710,250	21,642,314	4,332,526	17,309,788
Budgetary Fund Balance, June 30	\$ 19,547,510	\$ 7,977,995	\$ 25,866,767	\$ 17,888,772

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Miscellaneous Plan
Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Years**
Schedule of Changes in the Net Pension Liability and Related Ratios

Measurement Period	2015	2016	2017	2018
Measurement Date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Total Pension Liability				
Service cost	\$ 4,784,381	\$ 4,620,237	\$ 4,642,360	\$ 5,161,399
Interest on total pension liability	16,162,509	16,848,783	17,579,426	18,145,556
Changes in assumptions	-	(4,043,655)	-	14,750,758
Differences between expected and actual experience	-	(1,853,569)	(600,717)	(892,842)
Benefit payments, including refunds of employee contributions	(9,911,617)	(10,532,758)	(12,124,179)	(12,579,145)
Net change in total pension liability	11,035,273	5,039,038	9,496,890	24,585,726
Total Pension Liability-beginning	218,063,744	229,099,017	234,138,055	243,634,945
Total Pension Liability-ending (a)	\$ 229,099,017	\$ 234,138,055	\$ 243,634,945	\$ 268,220,671
Plan Fiduciary Net Position				
Contributions-employer	\$ 6,912,621	\$ 12,476,826	\$ 7,313,803	\$ 6,881,221
Contributions-employee	1,956,863	1,936,755	1,841,400	2,201,929
Net investment income	23,466,228	3,697,901	995,694	18,392,392
Other miscellaneous income	-	-	-	-
Benefit payments	(9,911,617)	(10,532,758)	(12,124,179)	(12,579,145)
Plan to plan resource movement	-	47	-	-
Administrative expense	-	(185,591)	(100,483)	(240,366)
Net change in plan fiduciary net position	22,424,095	7,393,180	(2,073,765)	14,656,031
Plan Fiduciary Net Position-beginning	135,058,277	157,482,372	164,875,552	162,801,787
Plan Fiduciary Net Position-ending (b)	\$ 157,482,372	\$ 164,875,552	\$ 162,801,787	\$ 177,457,818
Net pension liability-ending (a) - (b)	\$ 71,616,645	\$ 69,262,503	\$ 80,833,158	\$ 90,762,853
Plan fiduciary net position as a percentage of the total pension liability	68.74%	70.42%	66.82%	66.16%
Covered payroll	\$ 24,742,104	\$ 25,009,403	\$ 25,673,931	\$ 25,556,540
Net pension liability as a percentage of covered payroll	289.45%	276.95%	314.85%	355.15%
Changes of Assumptions				
Accounting Discount Rate	7.50%	7.65%	7.65%	7.15%
				Demographic and inflation rate were changed

Notes to Schedule:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Measurement Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

**Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only eight years are shown.

2019	2020	2021	2022
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
\$ 5,553,995	\$ 5,641,356	\$ 5,723,859	\$ 5,876,564
18,845,304	20,052,323	20,882,221	21,730,715
(1,677,841)	-	-	-
939,844	6,305,281	568,594	702,330
(13,377,947)	(14,355,824)	(15,037,274)	(15,998,179)
10,283,355	17,643,136	12,137,400	12,311,430
268,220,671	278,504,026	296,147,162	308,284,562
\$ 278,504,026	\$ 296,147,162	\$ 308,284,562	\$ 320,595,992
\$ 7,497,182	\$ 8,420,069	\$ 9,500,835	\$ 10,488,757
2,169,969	2,216,373	2,374,586	2,341,839
15,054,343	12,305,193	9,803,632	45,976,982
(525,132)	437	-	-
(13,377,947)	(14,355,824)	(15,037,274)	(15,998,179)
(437)	-	-	-
(276,528)	(134,160)	(276,948)	(202,601)
10,541,450	8,452,088	6,364,831	42,606,798
177,457,818	187,999,268	196,451,356	202,816,187
\$ 187,999,268	\$ 196,451,356	\$ 202,816,187	\$ 245,422,985
\$ 90,504,758	\$ 99,695,806	\$ 105,468,375	\$ 75,173,007
67.50%	66.34%	65.79%	76.55%
\$ 27,648,324	\$ 28,396,120	\$ 29,392,271	\$ 30,000,660
327.34%	351.09%	358.83%	250.57%
7.15%	7.15%	7.15%	7.15%

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Safety (Fire) Plan
Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Years**
Schedule of Changes in the Net Pension Liability and Related Ratios
During the Measurement Period

Measurement Period Measurement Date	2015 June 30, 2014	2016 June 30, 2015	2017 June 30, 2016	2018 June 30, 2017
Total Pension Liability				
Service cost	\$ 3,647,581	\$ 3,440,755	\$ 3,675,812	\$ 4,380,642
Interest on total pension liability	13,303,540	13,761,314	14,305,583	14,640,730
Changes in assumptions	-	(3,164,073)	-	11,484,814
Differences between expected and actual experience	-	(1,720,368)	(250,882)	(1,709,382)
Benefit payments, including refunds of employee contributions	(9,192,267)	(9,722,438)	(10,185,743)	(10,503,998)
Net change in total pension liability	7,758,854	2,595,190	7,544,770	18,292,806
Total Pension Liability-beginning	180,152,886	187,911,740	190,506,930	198,051,700
Total Pension Liability-ending (a)	\$ 187,911,740	\$ 190,506,930	\$ 198,051,700	\$ 216,344,506
Plan Fiduciary Net Position				
Contributions-employer	\$ 4,539,230	\$ 4,930,309	\$ 5,361,714	\$ 6,071,682
Contributions-employee	1,168,645	1,221,550	1,391,002	1,551,969
Net investment income	19,743,524	2,855,434	671,305	14,098,740
Other miscellaneous income	-	-	-	-
Benefit payments	(9,192,267)	(9,722,438)	(10,185,743)	(10,503,998)
Plan to plan resource movement	-	(285)	-	-
Administrative expense	-	(146,155)	(79,149)	(187,549)
Net change in plan fiduciary net position	16,259,132	(861,585)	(2,840,871)	11,030,844
Plan Fiduciary Net Position-beginning	114,471,993	130,731,125	129,869,540	127,028,669
Plan Fiduciary Net Position-ending (b)	\$ 130,731,125	\$ 129,869,540	\$ 127,028,669	\$ 138,059,513
Net pension liability-ending (a) - (b)	\$ 57,180,615	\$ 60,637,390	\$ 71,023,031	\$ 78,284,993
City Share (50%)	\$ 28,590,308	\$ 30,318,696	\$ 35,511,515	\$ 39,142,496
Plan fiduciary net position as a percentage of the total pension liability	69.57%	68.17%	64.14%	63.81%
Covered payroll	\$ 13,543,667	\$ 13,131,650	\$ 14,128,499	\$ 15,376,607
Net pension liability as a percentage of covered payroll	422.19%	461.77%	502.69%	509.12%
Changes in Assumptions				
Accounting Discount Rate	7.50%	7.65%	7.65%	7.15%

Notes to Schedule:

Benefit Changes: The figures above include any liability impact that may have resulted from voluntary benefit changes that occurred after the June 30, 2019 valuation. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Measurement Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

**Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only eight years are shown.

2019	2020	2021	2022
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
\$ 4,233,715	\$ 4,160,503	\$ 4,298,858	\$ 4,598,453
15,101,959	15,816,781	16,332,352	16,797,644
(592,040)	-	-	-
(1,188,776)	2,043,232	(711,914)	(1,653,484)
(10,928,666)	(11,760,936)	(12,486,579)	(12,753,324)
6,626,192	10,259,580	7,432,717	6,989,289
216,344,506	222,970,698	233,230,278	240,662,995
\$ 222,970,698	\$ 233,230,278	\$ 240,662,995	\$ 247,652,284
\$ 6,172,990	\$ 6,628,841	\$ 7,673,223	\$ 8,417,815
1,765,387	1,764,603	1,916,617	2,075,602
11,736,933	9,564,819	7,564,086	35,672,512
(408,545)	340	-	-
(10,928,666)	(11,760,936)	(12,486,579)	(12,753,324)
(340)	-	-	-
(215,135)	(104,319)	(214,671)	(156,562)
8,122,624	6,093,348	4,452,676	33,256,043
138,059,513	146,182,137	152,275,485	156,728,161
\$ 146,182,137	\$ 152,275,485	\$ 156,728,161	\$ 189,984,204
\$ 76,788,561	\$ 80,954,793	\$ 83,934,834	\$ 57,668,080
\$ 38,394,281	\$ 40,477,397	\$ 41,967,417	\$ 28,834,040
65.56%	65.29%	65.12%	76.71%
\$ 14,858,791	\$ 13,095,633	\$ 14,331,483	\$ 14,700,412
516.79%	618.18%	585.67%	392.29%
7.15%	7.15%	7.15%	7.15%

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

Safety (Police) Plan
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Years**
Schedule of Proportionate Share of Net Pension Liability
During the Measurement Period

Measurement Period	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Measurement Date	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Safety (Police)				
Plan's proportion of the Net Pension Liability (Asset)	0.62067%	0.55410%	0.57268%	0.51615%
Plan's proportion share of the Net Pension Liability (Asset)	<u>\$ 23,281,243</u>	<u>\$ 22,831,189</u>	<u>\$ 29,660,239</u>	<u>\$ 30,840,762</u>
Plan's Covered Payroll	\$ 7,810,882	\$ 7,564,225	\$ 7,525,351	\$ 9,064,484
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a percentage of its Covered Payroll	298.06%	301.83%	394.14%	340.24%
Plan's Proportionate Share of the Fiduciary Net Position as a percentage of the Plan's Total Pension Liability	0.57572%	0.57730%	0.55691%	0.55955%

**Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only eight years are shown.

2019	2020	2021	2022
June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
0.53134%	0.55787%	0.59305%	0.57087%
<u>\$ 31,176,806</u>	<u>\$ 34,825,255</u>	<u>\$ 39,511,056</u>	<u>\$ 20,034,837</u>
\$ 8,659,767	\$ 9,205,257	\$ 9,457,832	\$ 9,911,984
360.02%	378.32%	417.76%	202.13%
0.56826%	0.56027%	0.53708%	0.61158%

**REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022**

**Miscellaneous Plan
Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Years**
Schedule of Plan Contributions**

Fiscal Year Ended June 30	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarial Determined Contribution	\$ 6,476,826	\$ 7,326,646	\$ 6,884,294	\$ 7,475,803
Contribution in relation to the Actuarially Determined Contribution	(12,476,826)	(7,326,646)	(6,884,294)	(7,475,803)
Contribution Deficiency (Excess)	<u>\$ (6,000,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 25,009,403	\$ 25,673,931	\$ 25,556,540	\$ 27,648,324
Contributions as a percentage of covered payroll	49.80%	28.54%	26.94%	27.04%

Notes to Schedule:

Valuation date June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method
Amortization method

Entry age normal cost method
Level dollar amount, a summary of the current policy is provided in the table below:

Driver	Source				
	(Gain)/Loss		Assumption/ Method Change	Benefit Change	Golden Handshake
	Investment	Non-investment			
Amortization Period	30 years	30 Years	20 Years	20 Years	5 Years
Escalation Rate					
- Active Plans	2.750%	2.750%	2.750%	2.750%	2.750%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	5	5	0	0
Ramp Down	5	5	5	0	0

Asset valuation method
Inflation
Salary increases
Payroll growth
Investment rate of return
Retirement age

Market Value
2.50%
Varies by Entry Age and Service
2.75%
7.00%, net of pension plan investment expenses, including inflation.
The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.

Mortality

The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of scale MP-2016 published by the Society of Actuaries.

Notes to Schedule:

Benefit Changes: There were no changes to benefit terms that applied to all members of the Public Agency Pool. The figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2020 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

**Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only eight years are shown.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 8,273,189	\$ 9,358,934	\$ 10,435,995	\$ 11,363,532
(8,273,189)	(9,358,934)	(10,435,995)	(11,363,532)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 28,396,120	\$ 29,392,271	\$ 30,000,660	\$ 31,102,972
29.13%	31.84%	34.79%	36.54%

CITY OF PLEASANTON

**REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022**

**Safety (Fire) Plan
Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Years**
Schedule of Plan Contributions**

Fiscal Year Ended June 30	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarial Determined Contribution	\$ 4,880,354	\$ 5,390,058	\$ 6,313,962	\$ 6,009,558
Contribution in relation to the Actuarially Determined Contribution (City of Livermore's Share)	(2,440,177)	(2,695,029)	(3,156,981)	(3,004,779)
Contribution in relation to the Actuarially Determined Contribution (City of Pleasanton's Share)	(2,440,177)	(2,695,029)	(3,156,981)	(3,004,779)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 13,131,650	\$ 14,128,499	\$ 15,376,607	\$ 14,858,791
Contributions as a percentage of covered payroll	18.58%	19.08%	20.53%	20.22%

Notes to Schedule:

Valuation date June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method
Amortization method

Entry age normal cost method
Level dollar amount, a summary of the current policy is provided in the table below:

Driver	Source				
	(Gain)/Loss		Assumption/ Method Change	Benefit Change	Golden Handshake
	Investment	Non-investment			
Amortization Period	30 years	30 Years	20 Years	20 Years	5 Years
Escalation Rate					
- Active Plans	2.750%	2.750%	2.750%	2.750%	2.750%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	5	5	0	0
Ramp Down	5	5	5	0	0

Asset valuation method
Inflation
Salary increases
Payroll growth
Investment rate of return
Retirement age

Market Value
2.50%
Varies by Entry Age and Service
2.75%
7.00%, net of pension plan investment expenses, including inflation.
The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015

Mortality

The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of scale MP-2016 published by the Society of Actuaries

**Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only eight years are shown.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	6,117,340 (3,058,670)	\$ 7,679,832 (3,839,916)	\$ 8,310,958 (4,155,479)	\$ 8,681,086 (4,340,543)
	(3,058,670)	(3,839,916)	(4,155,479)	(4,340,543)
<u>\$</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$	13,095,633	\$ 14,331,483	\$ 14,700,412	\$ 14,425,605
	23.36%	26.79%	28.27%	30.09%

CITY OF PLEASANTON

REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED JUNE 30, 2022

Safety (Police) Plan
Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Years**
Schedule of Plan Contributions

Fiscal Year Ended June 30	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Actuarial Determined Contribution	\$ 2,638,355	\$ 1,599,423	\$ 3,542,737	\$ 2,516,591
Contribution in relation to the Actuarially Determined Contribution	<u>(7,138,355)</u>	<u>(3,190,123)</u>	<u>(6,159,217)</u>	<u>(2,516,591)</u>
Contribution Deficiency (Excess)	<u>\$ (4,500,000)</u>	<u>\$ (1,590,700)</u>	<u>\$ (2,616,480)</u>	<u>\$ -</u>
Covered payroll	\$ 7,564,225	\$ 7,525,351	\$ 9,064,484	\$ 8,659,767
Contributions as a percentage of covered payroll	94.37%	42.39%	67.95%	29.06%

**Historical information is required only for measurement periods for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only eight years are shown.

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 3,321,452	\$ 3,699,768	\$ 4,329,030	\$ 4,906,207
<u>(3,321,452)</u>	<u>(3,699,768)</u>	<u>(4,329,030)</u>	<u>(4,906,207)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 9,205,257	\$ 9,457,832	\$ 9,911,984	\$ 10,299,900
36.08%	39.12%	43.67%	47.63%

THIS PAGE INTENTIONALLY LEFT BLANK

REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022

CITY OF PLEASANTON RETIREE HEALTHCARE PLAN
Schedule of Changes in the Net OPEB Liability and Related Ratios
Agent Multiple-Employer Plan
Last 10 Years**

Measurement Period	2018	2019	2020	2021	2022
Measurement Date	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Total OPEB Liability					
Service cost	\$ 1,677,000	\$ 1,727,000	\$ 1,779,000	\$ 1,433,000	\$ 1,453,000
Interest on the total OPEB liability	5,673,000	5,939,000	6,193,000	5,500,000	5,589,000
Differences between expected and actual experiences	-	-	(12,135,000)	-	(14,053,000)
Changes in assumptions	-	-	(1,540,000)	(1,419,000)	(696,000)
Benefit payments	(3,285,000)	(3,670,000)	(4,201,000)	(4,254,000)	(4,185,000)
Net change in total OPEB liability	4,065,000	3,996,000	(9,904,000)	1,260,000	(11,892,000)
Total OPEB liability - beginning	84,019,000	88,084,000	92,080,000	82,176,000	83,436,000
Total OPEB liability - ending (a)	88,084,000	92,080,000	82,176,000	83,436,000	71,544,000
OPEB Plan Fiduciary Net Position					
Contribution - employer	5,898,000	4,800,000	5,521,000	5,413,000	4,210,000
Net investment income	3,662,000	3,211,000	2,753,000	1,798,000	14,078,000
Benefit payments	(3,285,000)	(3,670,000)	(4,201,000)	(4,254,000)	(4,185,000)
Administrative expense	(19,000)	(75,000)	(9,000)	(24,000)	(19,000)
Net change in plan fiduciary net position	6,256,000	4,266,000	4,064,000	2,933,000	14,084,000
Plan fiduciary net position - beginning	33,689,000	39,945,000	44,211,000	48,275,000	51,208,000
Plan fiduciary net position - ending (b)	39,945,000	44,211,000	48,275,000	51,208,000	65,292,000
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ 48,139,000	\$ 47,869,000	\$ 33,901,000	\$ 32,228,000	\$ 6,252,000
Plan fiduciary net position as a percentage of the total OPEB liability	45.35%	48.01%	58.75%	61.37%	91.26%
Covered-employee payroll	\$ 37,661,000	\$ 39,630,000	\$ 40,367,000	\$ 42,264,000	\$ 44,216,000
Net OPEB liability as a percentage of covered-employee payroll	127.82%	120.79%	83.98%	76.25%	14.14%

**Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

**REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2022**

**CITY OF PLEASANTON RETIREE HEALTHCARE PLAN
Schedule of Contributions
Agent Multiple-Employer Plan
Last 10 Years****

	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially Determined Contribution	\$ 4,971,000	\$ 5,368,000	\$ 5,480,000
Contribution in Relation to the Actuarially Determined Contributions	(4,800,000)	(5,521,000)	(5,413,000)
Contribution Deficiency (Excess)	\$ 171,000	\$ (153,000)	\$ 67,000
Covered-employee payroll	\$ 39,630,000	\$ 40,367,000	\$ 42,264,000
Contributions as a percentage of covered-employee payroll	12.11%	13.68%	12.81%

Notes to Schedule:

Methods and assumptions used to determine contributions:

Valuation Date	June 30, 2015	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry Age Normal, Level Percentage of Pay	Entry Age Normal, Level Percentage of Pay	Entry Age Normal, Level Percentage of Pay
Amortization Method	Level Percentage of pay 21-year fixed period for 2017/18	Level Percentage of pay 20-year fixed period for 2018/19	Level Percentage of pay 19-year fixed period for 2019/20
Amortization Period	Investment gains and losses spread over 5- year rolling period	Investment gains and losses spread over 5- year rolling period	Investment gains and losses spread over 5- year rolling period
Asset Valuation Method	7.25%	6.75%	6.75%
Discount Rate	3.00%	2.75%	2.75%
General Inflation	Non-Medicare - 7.0% for 2017/18, decreasing to an ultimate rate of 5.6% in 2020/21	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076
Medical Trend	Medicare - 7.2% for 2017/18, decreasing to an ultimate rate of 5.6% in 2020/21	Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076	Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076
Mortality	CalPERS 1997-2011 experience study	CalPERS 1997-2015 experience study	CalPERS 1997-2015 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-14 with 15 year convergence in 2022	Mortality projected fully generational with Scale MP-2017	Mortality projected fully generational with Scale MP-2017

**Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years information will be displayed up to 10 years as information becomes available.

2021		2022	
\$	3,991,000	\$	4,066,000
	(4,210,000)		(3,993,000)
\$	(219,000)	\$	73,000
<hr/>		<hr/>	
\$	44,216,000	\$	45,835,000
	9.52%		8.71%

June 30, 2019	June 30, 2019
Entry Age Normal, Level	Entry Age Normal, Level
Percentage of Pay	Percentage of Pay
Level Percentage of pay	Level Percentage of pay
18-year fixed period for	17-year fixed period for
2020/21	2021/22
Investment gains and losses	Investment gains and losses
spread over 5- year rolling	spread over 5- year rolling
period	period
6.75%	6.75%
2.75%	2.75%
Non-Medicare - 7.25% for	Non-Medicare - 7.25% for
2021, decreasing to an	2021, decreasing to an
ultimate rate of 4% in 2076	ultimate rate of 4% in 2076
Medicare - 6.3% for 2021,	Medicare - 6.3% for 2021,
decreasing to an ultimate rate	decreasing to an ultimate rate
of 4% in 2076	of 4% in 2076

CalPERS 1997-2015	CalPERS 1997-2015
experience study	experience study
Mortality projected fully	Mortality projected fully
generational with Scale	generational with Scale
MP-2019	MP-2019

THIS PAGE INTENTIONALLY LEFT BLANK

REQUIRED SUPPLEMENTARY INFORMATION
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS

CITY OF PLEASANTON
LIVERMORE-PLEASANTON FIRE DEPARTMENT RETIREE HEALTHCARE PLAN
Schedule of Changes in the Net OPEB Liability and Related Ratios
Agent Multiple-Employer Plan (1)

Measurement Period	2018	2019	2020	2021	2022
Measurement Date	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Total OPEB Liability					
Service cost	\$ 772,000	\$ 795,000	\$ 819,000	\$ 738,000	\$ 748,000
Interest on the total OPEB liability	2,281,000	2,405,000	2,525,000	2,535,000	2,610,000
Differences between expected and actual experiences	-	-	(2,710,000)	-	(8,077,000)
Changes in assumptions	-	-	1,151,000	(602,000)	272,000
Benefit payments	(1,160,000)	(1,341,000)	(1,544,000)	(1,570,000)	(1,544,000)
Net change in total OPEB liability	1,893,000	1,859,000	241,000	1,101,000	(5,991,000)
Total OPEB liability - beginning	33,604,000	35,497,000	37,356,000	37,597,000	38,698,000
Total OPEB liability - ending (a)	35,497,000	37,356,000	37,597,000	38,698,000	32,707,000
Plan Fiduciary Net Position					
Contribution - employer	2,379,000	2,110,000	2,298,000	2,241,000	2,021,000
Net investment income	1,555,000	1,378,000	1,198,000	798,000	6,222,000
Benefit payments	(1,160,000)	(1,341,000)	(1,544,000)	(1,570,000)	(1,544,000)
Administrative expense	(8,000)	(32,000)	(4,000)	(10,000)	(9,000)
Net change in plan fiduciary net position	2,766,000	2,115,000	1,948,000	1,459,000	6,690,000
Plan fiduciary net position - beginning	14,290,000	17,056,000	19,171,000	21,119,000	22,578,000
Plan fiduciary net position - ending (b)	17,056,000	19,171,000	21,119,000	22,578,000	29,268,000
Net OPEB Liability/(Assets) - ending (a) - (b)	\$ 18,441,000	\$ 18,185,000	\$ 16,478,000	\$ 16,120,000	\$ 3,439,000
City Share (50%)	\$ 9,220,500	\$ 9,092,500	\$ 8,239,000	\$ 8,060,000	\$ 1,719,500
Plan fiduciary net position as a percentage of the total OPEB liability	48.05%	51.32%	56.17%	58.34%	89.49%
Covered-employee payroll	\$ 19,761,000	\$ 21,285,000	\$ 21,990,000	\$ 22,179,000	\$ 23,584,000
Net OPEB liability as a percentage of covered-employee payroll	93.32%	85.44%	74.93%	72.68%	14.58%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

CITY OF PLEASANTON

REQUIRED SUPPLEMENTARY INFORMATION
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS

CITY OF PLEASANTON
LIVERMORE-PLEASANTON FIRE DEPARTMENT RETIREE HEALTHCARE PLAN
Schedule of Contributions
Agent Multiple-Employer Plan*

Fiscal Year	2018	2019	2020
Actuarially Determined Contribution	\$ 2,143,000	\$ 2,216,000	\$ 2,267,000
Contribution in Relation to the Actuarially Determined Contributions (City of Livermore's Share)	(1,055,000)	(1,149,000)	(1,120,500)
Contribution in Relation to the Actuarially Determined Contributions (City of Pleasanton's Share)	(1,055,000)	(1,149,000)	(1,120,500)
Contribution Deficiency (Excess)	\$ 33,000	\$ (82,000)	\$ 26,000
Covered-employee payroll	\$ 21,285,000	\$ 21,990,000	\$ 22,179,000
Contributions as a percentage of covered-employee payroll	9.91%	10.45%	10.10%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation Date	June 30, 2015	June 30, 2017	June 30, 2017
Actuarial Cost Method	Entry Age Normal, Level Percentage of Pay	Entry Age Normal, Level Percentage of Pay	Entry Age Normal, Level Percentage of Pay
Amortization Method	Level Percentage of pay	Level Percentage of pay	Level Percentage of pay
Amortization Period	21-year fixed period for 2017/18	20-year fixed period for 2018/19	19-year fixed period for 2019/20
Asset Valuation Method	Investment gains and losses spread over 5- year rolling period	Investment gains and losses spread over 5- year rolling period	Investment gains and losses spread over 5- year rolling period
Discount Rate	7.25%	6.75%	6.75%
General Inflation	3.00%	2.75%	2.75%
Medical Trend	Non-Medicare - 7.0% for 2017/18, decreasing to an ultimate rate of 5.6% in 2020/21 Medicare - 7.2% for 2017/18, decreasing to an ultimate rate of 5.6% in 2020/21	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076
Mortality	CalPERS 1997-2011 experience study	CalPERS 1997-2015 experience study	CalPERS 1997-2015 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-14 with 15 year convergence in 2022	Mortality projected fully generational with Scale MP-2017	Mortality projected fully generational with Scale MP-2017

*Fiscal year 2018 was the 1st year of implementation, therefore only five years are shown.

2021		2022	
\$	2,032,000	\$	2,078,000
	(1,010,500)		(957,500)
	(1,010,500)		(957,500)
\$	11,000	\$	163,000
<hr/>			
\$	23,584,000	\$	24,605,000
	8.57%		7.78%

June 30, 2019	June 30, 2019
Entry Age Normal, Level Percentage of Pay	Entry Age Normal, Level Percentage of Pay
Level Percentage of pay	Level Percentage of pay
18-year fixed period for 2020/21	17-year fixed period for 2021/22
Investment gains and losses spread over 5- year rolling period	Investment gains and losses spread over 5- year rolling period
6.75%	6.75%
2.75%	2.75%
Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4% in 2076	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4% in 2076
Medicare - 6.3% for 2021, decreasing to an ultimate rate of 4% in 2076	Medicare - 6.3% for 2021, decreasing to an ultimate rate of 4% in 2076
CalPERS 1997-2015 experience study	CalPERS 1997-2015 experience study
Mortality projected fully generational with Scale MP-2019	Mortality projected fully generational with Scale MP-2019

THIS PAGE INTENTIONALLY LEFT BLANK

SUPPLEMENTARY INFORMATION

THIS PAGE INTENTIONALLY LEFT BLANK

NON-MAJOR SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted, assigned or committed to expenditure for specified purposes other than debt service or capital projects.

D.A.R.E. Trust

The Drug Abuse Resistance Education (D.A.R.E.) fund accounts for private donations made to specifically enhance the City's D.A.R.E. program.

Asset Forfeiture

This fund accounts for the proceeds from assets forfeited as a result of investigations of criminal offenses, generally narcotics related. In accordance with the Health and Safety Code Section 11489, the funds must be used for law enforcement and prosecution efforts.

Central Business District (CBD) Parking In-Lieu

This fund accounts for fees collected from developers in the downtown area in lieu of providing required parking. The City will use this money to build downtown parking structures in the future.

Resource Management

This fund accounts for Measure D revenues from Alameda County as well as other mitigation revenues. The City has developed a variety of recycling programs in accordance with state and county requirements.

Miscellaneous Donations

This fund is used to account for donations made to the City for equipment or to enhance services in accordance with the donor's requests.

Landscape and Lighting Districts

Residents of five different subdivisions (Ponderosa 84-1, Windsor 93-1, Bond 93-2, Moller 95-1 and Oak Tree Farms 94-1) participate in landscape maintenance districts that pay to maintain and repair designated landscaped and open space areas. It is administered by the City but paid for by the homeowners through annual assessments placed on their property tax bills.

Landscape Maintenance North Pleasanton Improvement District (N.P.I.D.)

This fund accounts for the portion of the N.P.I.D. #3 funds that have been designated for the temporary maintenance of freeway on-ramps landscape.

Geologic Hazard Assessment Districts

Residents of four different subdivisions (Lemoine, Laurel Creek, Moller and Oak Tree Farm) participate in assessment districts that will pay for any landslide repairs and related geologic work. It is administered by the City but paid for by the homeowners through annual assessments placed on their property tax bills.

Measure B Transportation Improvements

This fund accounts for moneys received from voter-approved Measure B which is to be used for street construction, repair, and maintenance and for bicycle and pedestrian safety projects.

Gas Tax

The City receives its share of gas tax from the State and uses the funds to construct, reconstruct and maintain streets throughout the City as designated in the annual capital improvement program.

NON-MAJOR SPECIAL REVENUE FUNDS (CONTINUED)

HOME Program

The HOME Investment Partnerships Program (HOME) is funded through a federal grant from the U.S. Department of Housing and Urban Development. The City receives its annual formula allocation and the funds must be used for housing projects that benefit lower income persons.

Abandoned Vehicle

The City receives funds from a vehicle registration surcharge for abatement of abandoned vehicles. The funds are used to cover the costs associated with the handling of abandoned vehicles.

Urban Forestry Program

This fund was created to promote conservation and public education in regard to Pleasanton's street trees, park trees and trees on private property. Revenue sources include donations and fines assessed for damaging heritage trees.

Library Trust

This fund was established in FY 2000/01 to account for donations made to the library. Funds will be expended for equipment and enhanced services in accordance with donor's requests.

Miscellaneous Grants

This fund includes various grant revenues, including funding for the Used Oil program, law enforcement expenditures and literacy programs.

HBPOA Maintenance District

This fund receives revenue from the Hacienda Business Park Owners Association to maintain the traffic signals within their business park. The City administers the maintenance contracts.

Community Development Block Grant

The Community Development Block Grant (CDBG) program is funded through a federal grant from the U.S. Department of Housing and Urban Development. CDBG funds must be used for projects and activities that benefit at least 70 percent lower income persons. Eligible projects include capital improvements, housing rehabilitation, public services, and economic development activities.

Downtown Economic Loan

This fund was established in FY 1995/96 to provide design and other assistance to downtown merchants to improve their facades. Proposed expenditures in the future will be loans to merchants.

Community Access Television

Under City Ordinance No. 2013, Section 6.54.060 of the Pleasanton Municipal Code, the City collects one percent (1%) of gross revenues from Cable Operators to support PEG (public, educational and governmental) channel facilities. This fund accounts for collection of PEG revenues and the capital expenditures related to PEG channel facilities.

Marilyn Murphy Kane Trail Reserve

This fund accounts for the unspent portion of a donation received for the construction of the Marilyn Murphy Kane Trail. The remaining funds will be spent on design and construction services to install additional trees along the Marilyn Murphy Kane Trail on the City's Bernal property.

NON-MAJOR SPECIAL REVENUE FUNDS

Specific Plans

Under Government Code Section 65450-65457, the City has established specific plans to develop policies, programs, and regulations for implementing its general plan in site-specific areas. Fees collected under these plans for the construction of infrastructure in these specific areas of the City are accounted for in this fund. This fund currently consists of the Happy Valley Specific Plan, the Vineyard Avenue Corridor Specific Plan, and the Stoneridge Drive Specific Plan.

Measure F Vehicle Registration Fees

This fund accounts for moneys received from voter approved Measure F which is to be used for repair and maintenance of local streets and roads and the improvement of traffic flow, public transportation, and bicyclist, pedestrian, and driver safety.

Measure BB Transportation Improvements

This fund accounts for moneys received from voter-approved Measure BB which is to be used for transportation priorities that includes streets and roads improvements, bicycle/pedestrian enhancements, and transit related projects.

AB1379 CASp Certification and Training

This fund accounts for the fees collected from business license applicants as mandated by Assembly Bill No. 1379 and are to be used for increased certified access specialist (CASp) training and certification within the City and to facilitate compliance with construction-related accessibility requirements.

Business Support Program

This fund accounts for the loans provided to independently or locally owned micro-enterprises, restaurants and retail businesses located in Pleasanton to assist them in remaining solvent during the COVID-19 emergency.

Pleasanton Garbage Service Rate Reserve

This fund accounts for the Rate Reserve Calculation proceeds received from Pleasanton Garbage Services (PGS) during FY 2019/20, as per the Rate Reserve Agreement, dated March 20, 2018, between the City and PGS. The funds will be allocated to future projects at a later date.

Johnson Drive Economic Development Zone

This fund was established in FY 2021/22 for transportation related projects within the Johnson Drive Economic Development Zone (JDEDZ). Funding for these projects will come from fees collected from future developers at the time they pull permits to develop their property within the JDEDZ.

THIS PAGE INTENTIONALLY LEFT BLANK

NON-MAJOR CAPITAL PROJECTS FUNDS

Capital Projects Funds account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by Proprietary and Special Revenue Funds.

CIP for Downtown and North Pleasanton

This fund was set up in FY 2007/08 to account for the purchase of land and to construct parking facilities and other improvements in the Downtown Area and in North Pleasanton.

Public Facilities

This fund receives revenues from developers of properties. The moneys are used for the purchase of equipment or construction of facilities related to the new property development as adopted in the annual miscellaneous capital improvement program.

Park Development

This fund receives revenues from developers of properties and the funds may only be used for the design, development, and construction of new parks within the City.

Park Capital Improvement Program

This fund is used to account for the construction, reconstruction, and maintenance of City parks as adopted in the annual parks capital improvement program.

Street Capital Improvement Program

This fund receives contributions from the General Fund to be used for the construction, reconstruction and maintenance of City streets as adopted in the annual streets capital improvement program.

Traffic Impact

This fund receives revenues from developers of commercial and residential properties. The funds may only be used for traffic and street improvements.

Traffic Impact Bernal Property

This fund was set up in FY 2000/01. A percentage of the traffic impact fees collected from developers were deposited in this fund and used for the construction of the Bernal interchange. This fund is no longer in use since the projects have been completed. Fund balance was transferred to the Traffic Impact Fund in FY 2020/21.

Budgeted Developer Projects

This fund receives revenue from developers for specific capital improvement projects.

Assessment District Construction

This fund includes the construction funds of Assessment District NPID 1 and Assessment District Stoneridge Business Center. Projects funded by this fund include street and intersection improvements.

Tri-Valley Transportation

The City, as a member of the Tri-Valley Transportation Council, collects a fee from developers to finance projects to reduce traffic related impacts caused by future developments.

CITY OF PLEASANTON

COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2022

	<u>Special Revenue Funds</u>			
	<u>D.A.R.E. Trust</u>	<u>Asset Forfeiture</u>	<u>CBD Parking In-Lieu</u>	<u>Resource Management</u>
Assets:				
Pooled cash and investments	\$ 17,848	\$ 27,186	\$ 681,108	\$ 937,982
Receivables:				
Accounts	-	-	-	56,630
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	48	72	1,828	1,979
Grants	-	-	-	-
Total Assets	<u>\$ 17,896</u>	<u>\$ 27,258</u>	<u>\$ 682,936</u>	<u>\$ 996,591</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 36,980
Accrued liabilities	-	-	-	9,383
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,363</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted	17,896	27,258	-	950,228
Assigned	-	-	682,936	-
Total Fund Balances	<u>17,896</u>	<u>27,258</u>	<u>682,936</u>	<u>950,228</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 17,896</u>	<u>\$ 27,258</u>	<u>\$ 682,936</u>	<u>\$ 996,591</u>

CITY OF PLEASANTON

COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Miscellaneous Donations	Landscape and Lighting Districts	Landscape Maintenance N.P.I.D.	Geologic Hazard Assessment Districts
Assets:				
Pooled cash and investments	\$ 379,175	\$ 404,478	\$ 1,009,379	\$ 1,359,382
Receivables:				
Accounts	42,681	298	872	498
Taxes	-	-	-	-
Notes and loans	-	-	52,149	-
Accrued interest	295	1,090	2,691	3,653
Grants	-	-	-	-
Total Assets	\$ 422,151	\$ 405,866	\$ 1,065,091	\$ 1,363,533
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 18,428	\$ -	\$ 11,170
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	-	18,428	-	11,170
Deferred Inflows of Resources:				
Unavailable revenues	-	-	52,149	-
Total Deferred Inflows of Resources	-	-	52,149	-
Fund Balances:				
Restricted	422,151	387,438	1,012,942	1,352,363
Assigned	-	-	-	-
Total Fund Balances	422,151	387,438	1,012,942	1,352,363
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 422,151	\$ 405,866	\$ 1,065,091	\$ 1,363,533

CITY OF PLEASANTON

COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2022

	<u>Special Revenue Funds</u>			
	<u>Measure B Transportation Improvements</u>	<u>Gas Tax</u>	<u>HOME Program</u>	<u>Abandoned Vehicle</u>
Assets:				
Pooled cash and investments	\$ 2,016,546	\$ 4,548,366	\$ -	\$ 102,858
Receivables:				
Accounts	-	-	139,254	9,164
Taxes	10,487	604,152	-	-
Notes and loans	-	-	1,763,987	-
Accrued interest	5,071	11,160	167,321	374
Grants	-	-	-	-
Total Assets	<u>\$ 2,032,104</u>	<u>\$ 5,163,678</u>	<u>\$ 2,070,562</u>	<u>\$ 112,396</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 190,199	\$ 473,533	\$ 8,707	\$ -
Accrued liabilities	-	-	434	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	130,113	-
Advances from other funds	-	-	-	-
Total Liabilities	<u>190,199</u>	<u>473,533</u>	<u>139,254</u>	<u>-</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	1,931,308	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>1,931,308</u>	<u>-</u>
Fund Balances:				
Restricted	1,841,905	4,690,145	-	112,396
Assigned	-	-	-	-
Total Fund Balances	<u>1,841,905</u>	<u>4,690,145</u>	<u>-</u>	<u>112,396</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,032,104</u>	<u>\$ 5,163,678</u>	<u>\$ 2,070,562</u>	<u>\$ 112,396</u>

CITY OF PLEASANTON

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

Special Revenue Funds

	Urban Forestry Program	Library Trust	Miscellaneous Grants	HBPOA Maintenance District
Assets:				
Pooled cash and investments	\$ 406,726	\$ 59,325	\$ 675,824	\$ -
Receivables:				
Accounts	-	-	59,053	63,148
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	959	-	2,327	-
Grants	-	-	-	-
Total Assets	\$ 407,685	\$ 59,325	\$ 737,204	\$ 63,148
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 2,791	\$ 21,206
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	104,295	-
Due to other funds	-	-	-	41,942
Advances from other funds	-	-	-	-
Total Liabilities	-	-	107,086	63,148
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted	407,685	59,325	630,118	-
Assigned	-	-	-	-
Total Fund Balances	407,685	59,325	630,118	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 407,685	\$ 59,325	\$ 737,204	\$ 63,148

CITY OF PLEASANTON

COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2022

	<u>Special Revenue Funds</u>			
	<u>Community Development Block Grant</u>	<u>Downtown Economic Loan</u>	<u>Community Access Television</u>	<u>Marilyn Murphy Kane Trail Reserve</u>
Assets:				
Pooled cash and investments	\$ 85,371	\$ 27,873	\$ 1,663,002	\$ 110,402
Receivables:				
Accounts	38,019	-	-	-
Taxes	-	-	52,328	-
Notes and loans	435,742	-	-	-
Accrued interest	172,786	75	4,404	296
Grants	81,471	-	-	-
Total Assets	<u>\$ 813,389</u>	<u>\$ 27,948</u>	<u>\$ 1,719,734</u>	<u>\$ 110,698</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 69,951	\$ -	\$ -	\$ -
Accrued liabilities	4,345	-	-	-
Unearned revenues	130,565	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	<u>204,861</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:				
Unavailable revenues	608,528	-	-	-
Total Deferred Inflows of Resources	<u>608,528</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted	-	-	1,719,734	110,698
Assigned	-	27,948	-	-
Total Fund Balances	<u>-</u>	<u>27,948</u>	<u>1,719,734</u>	<u>110,698</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 813,389</u>	<u>\$ 27,948</u>	<u>\$ 1,719,734</u>	<u>\$ 110,698</u>

CITY OF PLEASANTON

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Specific Plans	Measure F Vehicle Registration Fees	Measure BB Transportation Improvements	AB1379 CASp Certification and Training
Assets:				
Pooled cash and investments	\$ 811,821	\$ 489,022	\$ 2,374,013	\$ 83,491
Receivables:				
Accounts	-	59,480	-	-
Taxes	-	-	458,849	-
Notes and loans	-	-	-	-
Accrued interest	2,225	1,199	5,625	220
Grants	-	-	-	-
Total Assets	\$ 814,046	\$ 549,701	\$ 2,838,487	\$ 83,711
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 117,500	\$ 45,405	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	-	-	-
Total Liabilities	-	117,500	45,405	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted	814,046	432,201	2,793,082	83,711
Assigned	-	-	-	-
Total Fund Balances	814,046	432,201	2,793,082	83,711
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 814,046	\$ 549,701	\$ 2,838,487	\$ 83,711

CITY OF PLEASANTON

COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2022

	Special Revenue Funds			Capital Projects Funds	
	Business Support Program	Pleasanton Garbage Service Rate Reserve	Johnson Drive Economic Development Zone	CIP for Downtown and North Pleasanton	Public Facilities
Assets:					
Pooled cash and investments	\$ 1,552,000	\$ 3,242,470	\$ 520,066	\$ 3,122,199	\$ 1,335,745
Receivables:					
Accounts	-	-	-	-	-
Taxes	-	-	-	-	-
Notes and loans	1,292,900	-	-	566,504	-
Accrued interest	4,164	8,703	1,395	8,363	5,034
Grants	-	-	-	-	-
Total Assets	\$ 2,849,064	\$ 3,251,173	\$ 521,461	\$ 3,697,066	\$ 1,340,779
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ 2,809	\$ 628,015
Accrued liabilities	-	-	-	-	-
Unearned revenues	-	-	-	-	-
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Total Liabilities	-	-	-	2,809	628,015
Deferred Inflows of Resources:					
Unavailable revenues	1,292,900	-	-	566,504	-
Total Deferred Inflows of Resources	1,292,900	-	-	566,504	-
Fund Balances:					
Restricted	1,556,164	3,251,173	521,461	3,127,753	712,764
Assigned	-	-	-	-	-
Total Fund Balances	1,556,164	3,251,173	521,461	3,127,753	712,764
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,849,064	\$ 3,251,173	\$ 521,461	\$ 3,697,066	\$ 1,340,779

CITY OF PLEASANTON

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022

(CONTINUED)

	<u>Capital Projects Funds</u>			
	<u>Park Development</u>	<u>Park Capital Improvement Program</u>	<u>Street Capital Improvement Program</u>	<u>Traffic Impact</u>
Assets:				
Pooled cash and investments	\$ 9,555,900	\$ 1,315,420	\$ 9,947,006	\$ 9,240,183
Receivables:				
Accounts	-	15,969	-	-
Taxes	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	25,690	2,904	26,875	25,004
Grants	-	-	-	-
Total Assets	<u>\$ 9,581,590</u>	<u>\$ 1,334,293</u>	<u>\$ 9,973,881</u>	<u>\$ 9,265,187</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 4,043	\$ 50	\$ 46,959	\$ 68,794
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Advances from other funds	-	430,987	-	-
Total Liabilities	<u>4,043</u>	<u>431,037</u>	<u>46,959</u>	<u>68,794</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted	9,577,547	-	-	9,196,393
Assigned	-	903,256	9,926,922	-
Total Fund Balances	<u>9,577,547</u>	<u>903,256</u>	<u>9,926,922</u>	<u>9,196,393</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 9,581,590</u>	<u>\$ 1,334,293</u>	<u>\$ 9,973,881</u>	<u>\$ 9,265,187</u>

CITY OF PLEASANTON

COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2022

	<u>Capital Projects Funds</u>				
	<u>Traffic Impact Bernal Property</u>	<u>Budgeted Developer Projects</u>	<u>Assessment District Construction</u>	<u>Tri-Valley Transportation</u>	<u>Total Non-Major Governmental Funds</u>
Assets:					
Pooled cash and investments	\$ -	\$ 7,114,076	\$ 1,162,839	\$ 2,080,676	\$ 68,459,758
Receivables:					
Accounts	-	-	-	-	485,066
Taxes	-	-	-	-	1,125,816
Notes and loans	-	-	-	-	4,111,282
Accrued interest	-	19,090	3,204	5,375	521,499
Grants	-	-	-	-	81,471
Total Assets	\$ -	\$ 7,133,166	\$ 1,166,043	\$ 2,086,051	\$ 74,784,892
Liabilities, Deferred Inflows of Resources, and Fund Balances:					
Liabilities:					
Accounts payable	\$ -	\$ 50,739	\$ 20,630	\$ -	\$ 1,817,909
Accrued liabilities	-	-	-	-	14,162
Unearned revenues	-	-	-	-	234,860
Due to other funds	-	-	-	-	172,055
Advances from other funds	-	-	-	-	430,987
Total Liabilities	-	50,739	20,630	-	2,669,973
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	-	4,451,389
Total Deferred Inflows of Resources	-	-	-	-	4,451,389
Fund Balances:					
Restricted	-	7,082,427	1,145,413	2,086,051	56,122,468
Assigned	-	-	-	-	11,541,062
Total Fund Balances	-	7,082,427	1,145,413	2,086,051	67,663,530
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 7,133,166	\$ 1,166,043	\$ 2,086,051	\$ 74,784,892

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	<u>Special Revenue Funds</u>			
	<u>D.A.R.E. Trust</u>	<u>Asset Forfeiture</u>	<u>CBD Parking In-Lieu</u>	<u>Resource Management</u>
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property (investment loss)	(936)	(1,373)	(35,704)	(39,054)
Intergovernmental	-	663	-	363,849
Development fees	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	<u>(936)</u>	<u>(710)</u>	<u>(35,704)</u>	<u>324,795</u>
Expenditures:				
Current:				
General government	-	-	-	512,669
Public safety	-	-	-	-
Community development	-	-	-	-
Operation services	-	-	-	-
Community activities	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>512,669</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(936)</u>	<u>(710)</u>	<u>(35,704)</u>	<u>(187,874)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(936)	(710)	(35,704)	(187,874)
Fund Balances (Deficit), Beginning of Year	18,832	27,968	718,640	1,138,102
Fund Balances, End of Year	<u>\$ 17,896</u>	<u>\$ 27,258</u>	<u>\$ 682,936</u>	<u>\$ 950,228</u>

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Miscellaneous Donations	Landscape and Lighting Districts	Landscape Maintenance N.P.I.D.	Geologic Hazard Assessment Districts
Revenues:				
Assessments	\$ -	\$ 129,631	\$ -	\$ 82,464
Fines and forfeitures	-	-	-	-
Use of money and property (investment loss)	(5,963)	(21,514)	(52,572)	(71,520)
Intergovernmental	-	-	-	-
Development fees	-	-	-	-
Contributions	157,852	-	-	-
Miscellaneous	-	11,560	15,274	1,268
Total Revenues	151,889	119,677	(37,298)	12,212
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	141,136	5,940	39,388
Operation services	-	-	-	-
Community activities	1,109	-	-	-
Capital outlay	9,000	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	10,109	141,136	5,940	39,388
Excess (Deficiency) of Revenues Over Expenditures	141,780	(21,459)	(43,238)	(27,176)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(150,968)	-	-	-
Total Other Financing Sources (Uses)	(150,968)	-	-	-
Net Change in Fund Balances	(9,188)	(21,459)	(43,238)	(27,176)
Fund Balances (Deficit), Beginning of Year	431,339	408,897	1,056,180	1,379,539
Fund Balances, End of Year	\$ 422,151	\$ 387,438	\$ 1,012,942	\$ 1,352,363

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	<u>Special Revenue Funds</u>			
	<u>Measure B Transportation Improvements</u>	<u>Gas Tax</u>	<u>HOME Program</u>	<u>Abandoned Vehicle</u>
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property (investment loss)	(99,122)	(219,588)	-	(7,416)
Intergovernmental	1,026,453	3,406,034	139,254	37,148
Development fees	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	1,965	-	-
Total Revenues	927,331	3,188,411	139,254	29,732
Expenditures:				
Current:				
General government	-	-	139,254	-
Public safety	-	-	-	37,148
Community development	-	7,500	-	-
Operation services	-	-	-	-
Community activities	-	-	-	-
Capital outlay	962,248	3,141,184	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	962,248	3,148,684	139,254	37,148
Excess (Deficiency) of Revenues Over Expenditures	(34,917)	39,727	-	(7,416)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(34,917)	39,727	-	(7,416)
Fund Balances (Deficit), Beginning of Year	1,876,822	4,650,418	-	119,812
Fund Balances, End of Year	\$ 1,841,905	\$ 4,690,145	\$ -	\$ 112,396

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

Special Revenue Funds

	Urban Forestry Program	Library Trust	Miscellaneous Grants	HBPOA Maintenance District
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	16,900	-	-	-
Use of money and property (investment loss)	(19,045)	-	(45,473)	-
Intergovernmental	-	-	1,465,456	-
Development fees	-	-	-	-
Contributions	216,516	-	-	-
Miscellaneous	2,600	-	4,814	130,256
Total Revenues	216,971	-	1,424,797	130,256
Expenditures:				
Current:				
General government	-	185	-	-
Public safety	-	-	8,922	-
Community development	28,785	-	-	-
Operation services	-	-	-	130,256
Community activities	-	-	68,086	-
Capital outlay	-	-	20,257	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	28,785	185	97,265	130,256
Excess (Deficiency) of Revenues Over Expenditures	188,186	(185)	1,327,532	-
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	(25,000)	-	-	-
Total Other Financing Sources (Uses)	(25,000)	-	-	-
Net Change in Fund Balances	163,186	(185)	1,327,532	-
Fund Balances (Deficit), Beginning of Year	244,499	59,510	(697,414)	-
Fund Balances, End of Year	\$ 407,685	\$ 59,325	\$ 630,118	\$ -

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	<u>Special Revenue Funds</u>			
	<u>Community Development Block Grant</u>	<u>Downtown Economic Loan</u>	<u>Community Access Television</u>	<u>Marilyn Murphy Kane Trail Reserve</u>
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property (investment loss)	-	(1,461)	(86,071)	(5,788)
Intergovernmental	577,496	-	-	-
Development fees	-	-	-	-
Contributions	-	-	-	-
Miscellaneous	44,524	-	210,057	-
Total Revenues	622,020	(1,461)	123,986	(5,788)
Expenditures:				
Current:				
General government	552,285	-	43,561	-
Public safety	-	-	-	-
Community development	-	-	-	-
Operation services	-	-	-	-
Community activities	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	50,000	-	-	-
Interest and fiscal charges	19,735	-	-	-
Total Expenditures	622,020	-	43,561	-
Excess (Deficiency) of Revenues Over Expenditures	-	(1,461)	80,425	(5,788)
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	(1,461)	80,425	(5,788)
Fund Balances (Deficit), Beginning of Year	-	29,409	1,639,309	116,486
Fund Balances, End of Year	\$ -	\$ 27,948	\$ 1,719,734	\$ 110,698

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

	Special Revenue Funds			
	Specific Plans	Measure F Vehicle Registration Fees	Measure BB Transportation Improvements	AB1379 CASp Certification and Training
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property (investment loss)	(43,466)	(22,865)	(109,489)	(4,347)
Intergovernmental	-	348,011	1,514,066	-
Development fees	16,182	-	-	-
Contributions	-	-	-	-
Miscellaneous	-	-	-	35,635
Total Revenues	(27,284)	325,146	1,404,577	31,288
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	4,304
Operation services	-	-	-	-
Community activities	-	-	-	-
Capital outlay	-	450,000	734,698	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	450,000	734,698	4,304
Excess (Deficiency) of Revenues Over Expenditures	(27,284)	(124,854)	669,879	26,984
Other Financing Sources (Uses):				
Transfers in	4,614	-	-	-
Transfers out	(17,631)	-	-	-
Total Other Financing Sources (Uses)	(13,017)	-	-	-
Net Change in Fund Balances	(40,301)	(124,854)	669,879	26,984
Fund Balances (Deficit), Beginning of Year	854,347	557,055	2,123,203	56,727
Fund Balances, End of Year	\$ 814,046	\$ 432,201	\$ 2,793,082	\$ 83,711

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	Special Revenue Funds			Capital Projects Funds	
	Business Support Program	Pleasanton Garbage Service Rate Reserve	Johnson Drive Economic Development Zone	CIP for Downtown and North Pleasanton	Public Facilities
Revenues:					
Assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-	-
Use of money and property (investment loss)	(80,634)	(169,988)	(26,586)	(146,671)	(104,712)
Intergovernmental	-	-	-	-	-
Development fees	-	-	548,047	-	169,942
Contributions	-	-	-	-	-
Miscellaneous	4,600	-	-	67,002	-
Total Revenues	(76,034)	(169,988)	521,461	(79,669)	65,230
Expenditures:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Community development	120,000	17,040	-	-	-
Operation services	-	-	-	-	-
Community activities	-	-	-	-	-
Capital outlay	-	-	-	78,223	2,920,895
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	120,000	17,040	-	78,223	2,920,895
Excess (Deficiency) of Revenues Over Expenditures	(196,034)	(187,028)	521,461	(157,892)	(2,855,665)
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
Net Change in Fund Balances	(196,034)	(187,028)	521,461	(157,892)	(2,855,665)
Fund Balances (Deficit), Beginning of Year	1,752,198	3,438,201	-	3,285,645	3,568,429
Fund Balances, End of Year	\$ 1,556,164	\$ 3,251,173	\$ 521,461	\$ 3,127,753	\$ 712,764

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

(CONTINUED)

Capital Projects Funds

	Park Development	Park Capital Improvement Program	Street Capital Improvement Program	Traffic Impact
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Fines and forfeitures	-	-	-	-
Use of money and property (investment loss)	(498,207)	(55,490)	(521,554)	(486,829)
Intergovernmental	-	-	-	-
Development fees	-	-	-	691,052
Contributions	-	-	-	-
Miscellaneous	-	-	70,597	-
Total Revenues	(498,207)	(55,490)	(450,957)	204,223
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Operation services	-	-	-	-
Community activities	-	-	-	-
Capital outlay	294,760	77,143	1,690,442	1,397,373
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	294,760	77,143	1,690,442	1,397,373
Excess (Deficiency) of Revenues Over Expenditures	(792,967)	(132,633)	(2,141,399)	(1,193,150)
Other Financing Sources (Uses):				
Transfers in	-	400,968	5,235	-
Transfers out	-	(7,318)	(88)	-
Total Other Financing Sources (Uses)	-	393,650	5,147	-
Net Change in Fund Balances	(792,967)	261,017	(2,136,252)	(1,193,150)
Fund Balances (Deficit), Beginning of Year	10,370,514	642,239	12,063,174	10,389,543
Fund Balances, End of Year	\$ 9,577,547	\$ 903,256	\$ 9,926,922	\$ 9,196,393

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	<u>Capital Projects Funds</u>				Total Non-Major Governmental Funds
	Traffic Impact Bernal Property	Budgeted Developer Projects	Assessment District Construction	Tri-Valley Transportation	
Revenues:					
Assessments	\$ -	\$ -	\$ -	\$ -	\$ 212,095
Fines and forfeitures	-	-	-	-	16,900
Use of money and property (investment loss)	-	(370,868)	(62,799)	(105,082)	(3,522,187)
Intergovernmental	-	-	-	-	8,878,430
Development fees	-	-	-	114,609	1,539,832
Contributions	-	-	-	-	374,368
Miscellaneous	-	-	-	-	600,152
Total Revenues	-	(370,868)	(62,799)	9,527	8,099,590
Expenditures:					
Current:					
General government	-	-	-	-	1,247,954
Public safety	-	-	-	-	46,070
Community development	-	-	-	-	364,093
Operation services	-	-	31,143	-	161,399
Community activities	-	-	-	-	69,195
Capital outlay	-	1,391,209	21,943	-	13,189,375
Debt service:					
Principal retirement	-	-	-	-	50,000
Interest and fiscal charges	-	-	-	-	19,735
Total Expenditures	-	1,391,209	53,086	-	15,147,821
Excess (Deficiency) of Revenues Over Expenditures	-	(1,762,077)	(115,885)	9,527	(7,048,231)
Other Financing Sources (Uses):					
Transfers in	-	7,478	-	-	418,295
Transfers out	-	(1,415,547)	-	-	(1,616,552)
Total Other Financing Sources (Uses)	-	(1,408,069)	-	-	(1,198,257)
Net Change in Fund Balances	-	(3,170,146)	(115,885)	9,527	(8,246,488)
Fund Balances (Deficit), Beginning of Year	-	10,252,573	1,261,298	2,076,524	75,910,018
Fund Balances, End of Year	\$ -	\$ 7,082,427	\$ 1,145,413	\$ 2,086,051	\$ 67,663,530

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
D.A.R.E. TRUST
YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 18,832	\$ 18,832	\$ 18,832	\$ -
Resources (Inflows):				
Use of money and property	200	200	(936)	(1,136)
Contributions	1,000	1,000	-	(1,000)
Amounts Available for Appropriations	20,032	20,032	17,896	(2,136)
Charges to Appropriation (Outflow):				
Public safety	5,000	5,000	-	5,000
Total Charges to Appropriations	5,000	5,000	-	5,000
Budgetary Fund Balance, June 30	\$ 15,032	\$ 15,032	\$ 17,896	\$ 2,864

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 ASSET FORFEITURE
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 27,968	\$ 27,968	\$ 27,968	\$ -
Resources (Inflows):				
Intergovernmental	-	-	663	663
Use of money and property	100	100	(1,373)	(1,473)
Miscellaneous	3,500	3,500	-	(3,500)
Amounts Available for Appropriations	31,568	31,568	27,258	(4,310)
Charges to Appropriation (Outflow):				
Public safety	7,000	7,000	-	7,000
Total Charges to Appropriations	7,000	7,000	-	7,000
Budgetary Fund Balance, June 30	\$ 24,568	\$ 24,568	\$ 27,258	\$ 2,690

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 CBD PARKING IN-LIEU
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 718,640	\$ 718,640	\$ 718,640	\$ -
Resources (Inflows):				
Use of money and property	9,000	9,000	(35,704)	(44,704)
Development fees	14,500	14,500	-	(14,500)
Amounts Available for Appropriations	742,140	742,140	682,936	(59,204)
Budgetary Fund Balance, June 30	\$ 742,140	\$ 742,140	\$ 682,936	\$ (59,204)

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
RESOURCE MANAGEMENT
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,138,102	\$ 1,138,102	\$ 1,138,102	\$ -
Resources (Inflows):				
Intergovernmental	249,000	249,000	363,849	114,849
Use of money and property	14,500	14,500	(39,054)	(53,554)
Amounts Available for Appropriations	1,401,602	1,401,602	1,462,897	61,295
Charges to Appropriation (Outflow):				
General government	720,405	720,382	512,669	207,713
Total Charges to Appropriations	720,405	720,382	512,669	207,713
Budgetary Fund Balance, June 30	\$ 681,197	\$ 681,220	\$ 950,228	\$ 269,008

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
MISCELLANEOUS DONATIONS
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 431,339	\$ 431,339	\$ 431,339	\$ -
Resources (Inflows):				
Use of money and property	1,800	1,000	(5,963)	(6,963)
Contributions	241,000	6,000	157,852	151,852
Amounts Available for Appropriations	674,139	438,339	583,228	144,889
Charges to Appropriation (Outflow):				
Public safety	2,000	2,000	-	2,000
Community activities	6,500	6,500	1,109	5,391
Capital outlay	40,000	40,000	9,000	31,000
Transfers out	-	-	150,968	(150,968)
Total Charges to Appropriations	48,500	48,500	161,077	(112,577)
Budgetary Fund Balance, June 30	\$ 625,639	\$ 389,839	\$ 422,151	\$ 32,312

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
LANDSCAPE AND LIGHTING DISTRICTS
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 408,897	\$ 408,897	\$ 408,897	\$ -
Resources (Inflows):				
Assessments	129,947	129,947	129,631	(316)
Use of money and property	2,600	2,600	(21,514)	(24,114)
Miscellaneous	11,559	11,559	11,560	1
Amounts Available for Appropriations	553,003	553,003	528,574	(24,429)
Charges to Appropriation (Outflow):				
Community development	196,940	196,940	141,136	55,804
Total Charges to Appropriations	196,940	196,940	141,136	55,804
Budgetary Fund Balance, June 30	\$ 356,063	\$ 356,063	\$ 387,438	\$ 31,375

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
LANDSCAPE MAINTENANCE N.P.I.D.
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,056,180	\$ 1,056,180	\$ 1,056,180	\$ -
Resources (Inflows):				
Use of money and property	14,000	14,000	(52,572)	(66,572)
Miscellaneous	15,534	15,534	15,274	(260)
Amounts Available for Appropriations	1,085,714	1,085,714	1,018,882	(66,832)
Charges to Appropriation (Outflow):				
Community development	23,500	23,500	5,940	17,560
Total Charges to Appropriations	23,500	23,500	5,940	17,560
Budgetary Fund Balance, June 30	\$ 1,062,214	\$ 1,062,214	\$ 1,012,942	\$ (49,272)

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 GEOLOGIC HAZARD ASSESSMENT DISTRICTS
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,379,539	\$ 1,379,539	\$ 1,379,539	\$ -
Resources (Inflows):				
Assessments	82,615	82,615	82,464	(151)
Use of money and property	17,100	17,100	(71,520)	(88,620)
Miscellaneous	1,229	1,229	1,268	39
Amounts Available for Appropriations	1,480,483	1,480,483	1,391,751	(88,732)
Charges to Appropriation (Outflow):				
Community development	68,982	75,612	39,388	36,224
Total Charges to Appropriations	68,982	75,612	39,388	36,224
Budgetary Fund Balance, June 30	\$ 1,411,501	\$ 1,404,871	\$ 1,352,363	\$ (52,508)

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
MEASURE B TRANSPORTATION IMPROVEMENTS
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,876,822	\$ 1,876,822	\$ 1,876,822	\$ -
Resources (Inflows):				
Intergovernmental	1,139,713	1,139,713	1,026,453	(113,260)
Use of money and property	5,063	5,063	(99,122)	(104,185)
Amounts Available for Appropriations	3,021,598	3,021,598	2,804,153	(217,445)
Charges to Appropriation (Outflow):				
Capital outlay	1,240,000	2,765,085	962,248	1,802,837
Total Charges to Appropriations	1,240,000	2,765,085	962,248	1,802,837
Budgetary Fund Balance, June 30	\$ 1,781,598	\$ 256,513	\$ 1,841,905	\$ 1,585,392

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
GAS TAX
YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 4,650,418	\$ 4,650,418	\$ 4,650,418	\$ -
Resources (Inflows):				
Intergovernmental	3,612,693	3,612,693	3,406,034	(206,659)
Use of money and property	9,024	9,024	(219,588)	(228,612)
Miscellaneous	-	-	1,965	1,965
Amounts Available for Appropriations	<u>8,272,135</u>	<u>8,272,135</u>	<u>7,838,829</u>	<u>(433,306)</u>
Charges to Appropriation (Outflow):				
Community development	-	-	7,500	(7,500)
Capital outlay	4,205,000	8,139,869	3,141,184	4,998,685
Total Charges to Appropriations	<u>4,205,000</u>	<u>8,139,869</u>	<u>3,148,684</u>	<u>4,991,185</u>
Budgetary Fund Balance, June 30	<u>\$ 4,067,135</u>	<u>\$ 132,266</u>	<u>\$ 4,690,145</u>	<u>\$ 4,557,879</u>

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 HOME PROGRAM
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	201,187	201,686	139,254	(62,432)
Amounts Available for Appropriations	201,187	201,686	139,254	(62,432)
Charges to Appropriation (Outflow):				
General government	201,094	201,686	139,254	62,432
Total Charges to Appropriations	201,094	201,686	139,254	62,432
Budgetary Fund Balance, June 30	\$ 93	\$ -	\$ -	\$ -

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 ABANDONED VEHICLE
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 119,812	\$ 119,812	\$ 119,812	\$ -
Resources (Inflows):				
Intergovernmental	30,000	30,000	37,148	7,148
Use of money and property	2,500	2,500	(7,416)	(9,916)
Amounts Available for Appropriations	152,312	152,312	149,544	(2,768)
Charges to Appropriation (Outflow):				
Public safety	30,000	30,000	37,148	(7,148)
Total Charges to Appropriations	30,000	30,000	37,148	(7,148)
Budgetary Fund Balance, June 30	\$ 122,312	\$ 122,312	\$ 112,396	\$ (9,916)

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
URBAN FORESTRY PROGRAM
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 244,499	\$ 244,499	\$ 244,499	\$ -
Resources (Inflows):				
Use of money and property	7,000	7,000	(19,045)	(26,045)
Fines and forfeitures	-	12,000	16,900	4,900
Contributions	10,000	85,000	216,516	131,516
Miscellaneous	500	500	2,600	2,100
Amounts Available for Appropriations	261,999	348,999	461,470	112,471
Charges to Appropriation (Outflow):				
Community development	39,500	39,500	28,785	10,715
Capital outlay	200,000	200,000	-	200,000
Transfers out	25,000	25,000	25,000	-
Total Charges to Appropriations	264,500	264,500	53,785	210,715
Budgetary Fund Balance, June 30	\$ (2,501)	\$ 84,499	\$ 407,685	\$ 323,186

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 LIBRARY TRUST
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 59,510	\$ 59,510	\$ 59,510	\$ -
Amounts Available for Appropriations	59,510	59,510	59,510	-
Charges to Appropriation (Outflow):				
General government	-	-	185	(185)
Total Charges to Appropriations	-	-	185	(185)
Budgetary Fund Balance, June 30	\$ 59,510	\$ 59,510	\$ 59,325	\$ (185)

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
MISCELLANEOUS GRANTS
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (697,414)	\$ (697,414)	\$ (697,414)	\$ -
Resources (Inflows):				
Intergovernmental	5,505,000	9,456,461	1,465,456	(7,991,005)
Use of money and property	21,152	21,152	(45,473)	(66,625)
Miscellaneous	-	-	4,814	4,814
Amounts Available for Appropriations	4,828,738	8,780,199	727,383	(8,052,816)
Charges to Appropriation (Outflow):				
Public safety	7,223	24,167	8,922	15,245
Community activities	-	-	68,086	(68,086)
Capital outlay	555,000	6,954,926	20,257	6,934,669
Total Charges to Appropriations	562,223	6,979,093	97,265	6,881,828
Budgetary Fund Balance, June 30	\$ 4,266,515	\$ 1,801,106	\$ 630,118	\$ (1,170,988)

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 HBPOA MAINTENANCE DISTRICT
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Miscellaneous	140,000	140,000	130,256	(9,744)
Amounts Available for Appropriations	140,000	140,000	130,256	(9,744)
Charges to Appropriation (Outflow):				
Operation services	140,000	140,000	130,256	9,744
Total Charges to Appropriations	140,000	140,000	130,256	9,744
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	418,976	704,274	577,496	(126,778)
Miscellaneous	-	-	44,524	44,524
Amounts Available for Appropriations	418,976	704,274	622,020	(82,254)
Charges to Appropriation (Outflow):				
General government	182,303	468,525	552,285	(83,760)
Capital outlay	210,538	210,538	-	210,538
Debt service:				
Principal retirement	25,211	25,211	50,000	(24,789)
Interest and fiscal charges	-	-	19,735	(19,735)
Total Charges to Appropriations	418,052	704,274	622,020	82,254
Budgetary Fund Balance, June 30	\$ 924	\$ -	\$ -	\$ -

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
DOWNTOWN ECONOMIC LOAN
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 29,409	\$ 29,409	\$ 29,409	\$ -
Resources (Inflows):				
Use of money and property	500	500	(1,461)	(1,961)
Amounts Available for Appropriations	29,909	29,909	27,948	(1,961)
Budgetary Fund Balance, June 30	\$ 29,909	\$ 29,909	\$ 27,948	\$ (1,961)

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY ACCESS TELEVISION
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,639,309	\$ 1,639,309	\$ 1,639,309	\$ -
Resources (Inflows):				
Use of money and property	25,000	25,000	(86,071)	(111,071)
Miscellaneous	250,000	250,000	210,057	(39,943)
Amounts Available for Appropriations	1,914,309	1,914,309	1,763,295	(151,014)
Charges to Appropriation (Outflow):				
General government	43,561	43,561	43,561	-
Capital outlay	150,000	150,000	-	150,000
Total Charges to Appropriations	193,561	193,561	43,561	150,000
Budgetary Fund Balance, June 30	\$ 1,720,748	\$ 1,720,748	\$ 1,719,734	\$ (1,014)

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
 MARILYN MURPHY KANE TRAIL RESERVE
 YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 116,486	\$ 116,486	\$ 116,486	\$ -
Resources (Inflows):				
Use of money and property	1,379	1,379	(5,788)	(7,167)
Amounts Available for Appropriations	<u>117,865</u>	<u>117,865</u>	<u>110,698</u>	<u>(7,167)</u>
Charges to Appropriation (Outflow):				
Capital outlay	-	25,000	-	25,000
Total Charges to Appropriations	<u>-</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Budgetary Fund Balance, June 30	<u>\$ 117,865</u>	<u>\$ 92,865</u>	<u>\$ 110,698</u>	<u>\$ 17,833</u>

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
SPECIFIC PLANS
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 854,347	\$ 854,347	\$ 854,347	\$ -
Resources (Inflows):				
Use of money and property	9,689	9,689	(43,466)	(53,155)
Developer participation	-	-	16,182	16,182
Transfers in	-	-	4,614	4,614
Amounts Available for Appropriations	864,036	864,036	831,677	(32,359)
Charges to Appropriation (Outflow):				
Capital outlay	-	133,902	-	133,902
Transfers out	-	-	17,631	(17,631)
Total Charges to Appropriations	-	133,902	17,631	116,271
Budgetary Fund Balance, June 30	\$ 864,036	\$ 730,134	\$ 814,046	\$ 83,912

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
MEASURE F VEHICLE REGISTRATION FEES
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 557,055	\$ 557,055	\$ 557,055	\$ -
Resources (Inflows):				
Intergovernmental	362,135	362,135	348,011	(14,124)
Use of money and property	1,889	1,889	(22,865)	(24,754)
Amounts Available for Appropriations	921,079	921,079	882,201	(38,878)
Charges to Appropriation (Outflow):				
Capital outlay	450,000	800,000	450,000	350,000
Total Charges to Appropriations	450,000	800,000	450,000	350,000
Budgetary Fund Balance, June 30	\$ 471,079	\$ 121,079	\$ 432,201	\$ 311,122

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
 MEASURE BB TRANSPORTATION IMPROVEMENTS
 YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,123,203	\$ 2,123,203	\$ 2,123,203	\$ -
Resources (Inflows):				
Intergovernmental	1,009,966	1,009,966	1,514,066	504,100
Use of money and property	3,518	3,518	(109,489)	(113,007)
Amounts Available for Appropriations	3,136,687	3,136,687	3,527,780	391,093
Charges to Appropriation (Outflow):				
Capital outlay	1,220,000	2,737,232	734,698	2,002,534
Total Charges to Appropriations	1,220,000	2,737,232	734,698	2,002,534
Budgetary Fund Balance, June 30	\$ 1,916,687	\$ 399,455	\$ 2,793,082	\$ 2,393,627

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
 AB1379 CASp CERTIFICATION AND TRAINING
 YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 56,727	\$ 56,727	\$ 56,727	\$ -
Resources (Inflows):				
Use of money and property	500	500	(4,347)	(4,847)
Miscellaneous	-	31,000	35,635	4,635
Amounts Available for Appropriations	57,227	88,227	88,015	(212)
Charges to Appropriation (Outflow):				
Community development	-	8,900	4,304	4,596
Total Charges to Appropriations	-	8,900	4,304	4,596
Budgetary Fund Balance, June 30	\$ 57,227	\$ 79,327	\$ 83,711	\$ 4,384

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
BUSINESS SUPPORT PROGRAM
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,752,198	\$ 1,752,198	\$ 1,752,198	\$ -
Resources (Inflows):				
Use of money and property	-	20,000	(80,634)	(100,634)
Miscellaneous	-	5,000	4,600	(400)
Amounts Available for Appropriation	1,752,198	1,777,198	1,676,164	(101,034)
Charges to Appropriation (Outflow):				
Community development	-	25,000	120,000	(95,000)
Total Charges to Appropriations	-	25,000	120,000	(95,000)
Budgetary Fund Balance, June 30	\$ 1,752,198	\$ 1,752,198	\$ 1,556,164	\$ (196,034)

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 PLEASANTON GARBAGE SERVICE RATE RESERVE
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,438,201	\$ 3,438,201	\$ 3,438,201	\$ -
Resources (Inflows):				
Use of money and property	-	-	(169,988)	(169,988)
Amounts Available for Appropriation	3,438,201	3,438,201	3,268,213	(169,988)
Charges to Appropriation (Outflow):				
Community development	-	-	17,040	(17,040)
Total Charges to Appropriations	-	-	17,040	(17,040)
Budgetary Fund Balance, June 30	\$ 3,438,201	\$ 3,438,201	\$ 3,251,173	\$ (187,028)

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
JOHNSON DRIVE ECONOMIC DEVELOPMENT ZONE
YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Use of money and property	-	-	(26,586)	(26,586)
Development fees	-	-	548,047	548,047
Amounts Available for Appropriation	<u>-</u>	<u>-</u>	<u>521,461</u>	<u>521,461</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 521,461</u>	<u>\$ 521,461</u>

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
CIP FOR DOWNTOWN AND NORTH PLEASANTON
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,285,645	\$ 3,285,645	\$ 3,285,645	\$ -
Resources (Inflows):				
Use of money and property	48,534	48,534	(146,671)	(195,205)
Miscellaneous	-	-	67,002	67,002
Amounts Available for Appropriations	3,334,179	3,334,179	3,205,976	(128,203)
Charges to Appropriation (Outflow):				
Capital outlay	1,000,000	1,000,000	78,223	921,777
Total Charges to Appropriations	1,000,000	1,000,000	78,223	921,777
Budgetary Fund Balance, June 30	\$ 2,334,179	\$ 2,334,179	\$ 3,127,753	\$ 793,574

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
PUBLIC FACILITIES
YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 3,568,429	\$ 3,568,429	\$ 3,568,429	\$ -
Resources (Inflows):				
Use of money and property	-	-	(104,712)	(104,712)
Developer participation	1,369,980	1,369,980	169,942	(1,200,038)
Amounts Available for Appropriations	<u>4,938,409</u>	<u>4,938,409</u>	<u>3,633,659</u>	<u>(1,304,750)</u>
Charges to Appropriation (Outflow):				
Capital outlay	114,750	5,319,040	2,920,895	2,398,145
Total Charges to Appropriations	<u>114,750</u>	<u>5,319,040</u>	<u>2,920,895</u>	<u>2,398,145</u>
Budgetary Fund Balance, June 30	<u>\$ 4,823,659</u>	<u>\$ (380,631)</u>	<u>\$ 712,764</u>	<u>\$ 1,093,395</u>

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 PARK DEVELOPMENT
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,370,514	\$ 10,370,514	\$ 10,370,514	\$ -
Resources (Inflows):				
Use of money and property	97,901	97,901	(498,207)	(596,108)
Amounts Available for Appropriations	10,468,415	10,468,415	9,872,307	(596,108)
Charges to Appropriation (Outflow):				
Capital outlay	300,000	8,921,056	294,760	8,626,296
Total Charges to Appropriations	300,000	8,921,056	294,760	8,626,296
Budgetary Fund Balance, June 30	\$ 10,168,415	\$ 1,547,359	\$ 9,577,547	\$ 8,030,188

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
 PARK CAPITAL IMPROVEMENT PROGRAM
 YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 642,239	\$ 642,239	\$ 642,239	\$ -
Resources (Inflows):				
Use of money and property	6,877	6,877	(55,490)	(62,367)
Transfers in	250,000	250,000	400,968	150,968
Amounts Available for Appropriations	899,116	899,116	987,717	88,601
Charges to Appropriation (Outflow):				
Capital outlay	250,000	1,105,444	77,143	1,028,301
Transfers out	-	-	7,318	(7,318)
Total Charges to Appropriations	250,000	1,105,444	84,461	1,020,983
Budgetary Fund Balance, June 30	\$ 649,116	\$ (206,328)	\$ 903,256	\$ 1,109,584

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
STREET CAPITAL IMPROVEMENT PROGRAM
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 12,063,174	\$ 12,063,174	\$ 12,063,174	\$ -
Resources (Inflows):				
Use of money and property	81,172	81,172	(521,554)	(602,726)
Miscellaneous	-	-	70,597	70,597
Transfers in	-	-	5,235	5,235
Amounts Available for Appropriations	12,144,346	12,144,346	11,617,452	(526,894)
Charges to Appropriation (Outflow):				
Capital outlay	750,000	11,678,450	1,690,442	9,988,008
Transfers out	-	-	88	(88)
Total Charges to Appropriations	750,000	11,678,450	1,690,530	9,987,920
Budgetary Fund Balance, June 30	\$ 11,394,346	\$ 465,896	\$ 9,926,922	\$ 9,461,026

CITY OF PLEASANTON

BUDGETARY COMPARISON SCHEDULE
 TRAFFIC IMPACT
 YEAR ENDED JUNE 30, 2022

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,389,543	\$ 10,389,543	\$ 10,389,543	\$ -
Resources (Inflows):				
Use of money and property	14,123	14,123	(486,829)	(500,952)
Development fees	3,121,047	3,121,047	691,052	(2,429,995)
Amounts Available for Appropriations	13,524,713	13,524,713	10,593,766	(2,930,947)
Charges to Appropriation (Outflow):				
Capital outlay	4,050,000	18,683,863	1,397,373	17,286,490
Total Charges to Appropriations	4,050,000	18,683,863	1,397,373	17,286,490
Budgetary Fund Balance, June 30	\$ 9,474,713	\$ (5,159,150)	\$ 9,196,393	\$ 14,355,543

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
TRAFFIC IMPACT BERNAL PROPERTY
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Use of money and property	24,000	24,000	-	(24,000)
Amounts Available for Appropriations	24,000	24,000	-	(24,000)
Charges to Appropriation (Outflow):				
Transfers out	828,103	828,103	-	828,103
Total Charges to Appropriations	828,103	828,103	-	828,103
Budgetary Fund Balance, June 30	\$ (804,103)	\$ (804,103)	\$ -	\$ 804,103

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
BUDGETED DEVELOPER PROJECTS
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,252,573	\$ 10,252,573	\$ 10,252,573	\$ -
Resources (Inflows):				
Use of money and property	27,542	27,542	(370,868)	(398,410)
Transfers in	-	-	7,478	7,478
Amounts Available for Appropriations	10,280,115	10,280,115	9,889,183	(390,932)
Charges to Appropriation (Outflow):				
Capital outlay	-	8,168,000	1,391,209	6,776,791
Transfers out	-	-	1,415,547	(1,415,547)
Total Charges to Appropriations	-	8,168,000	2,806,756	5,361,244
Budgetary Fund Balance, June 30	\$ 10,280,115	\$ 2,112,115	\$ 7,082,427	\$ 4,970,312

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
ASSESSMENT DISTRICT CONSTRUCTION
YEAR ENDED JUNE 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,261,298	\$ 1,261,298	\$ 1,261,298	\$ -
Resources (Inflows):				
Use of money and property	563	563	(62,799)	(63,362)
Amounts Available for Appropriations	1,261,861	1,261,861	1,198,499	(63,362)
Charges to Appropriation (Outflow):				
Operation services	-	-	31,143	(31,143)
Capital outlay	-	1,234,052	21,943	1,212,109
Total Charges to Appropriations	-	1,234,052	53,086	1,180,966
Budgetary Fund Balance, June 30	\$ 1,261,861	\$ 27,809	\$ 1,145,413	\$ 1,117,604

CITY OF PLEASANTON

**BUDGETARY COMPARISON SCHEDULE
 TRI-VALLEY TRANSPORTATION
 YEAR ENDED JUNE 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 2,076,524	\$ 2,076,524	\$ 2,076,524	\$ -
Resources (Inflows):				
Use of money and property	5,374	5,374	(105,082)	(110,456)
Developer participation	292,239	292,239	114,609	(177,630)
Amounts Available for Appropriations	<u>2,374,137</u>	<u>2,374,137</u>	<u>2,086,051</u>	<u>(288,086)</u>
Charges to Appropriation (Outflow):				
Capital outlay	-	1,852,517	-	1,852,517
Total Charges to Appropriations	<u>-</u>	<u>1,852,517</u>	<u>-</u>	<u>1,852,517</u>
Budgetary Fund Balance, June 30	<u>\$ 2,374,137</u>	<u>\$ 521,620</u>	<u>\$ 2,086,051</u>	<u>\$ 1,564,431</u>

THIS PAGE INTENTIONALLY LEFT BLANK

NON-MAJOR ENTERPRISE FUNDS

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs (including depreciation) of providing goods and services to the general public on a continuing basis be recovered through user charges.

Transit

This fund receives revenue from Metropolitan Transportation Commission grants, and Measure B and Measure BB sales tax. This fund provides transit service to seniors and the disabled in Pleasanton.

Cemetery

This fund accounts for the operations of the Pleasanton Pioneer Cemetery. The City currently contracts with Graham-Hitch Mortuary for cemetery management, sales and burial coordination. The Cemetery Fund is supported by an operating subsidy contribution from the General Fund.

Housing Authority

This fund represents the activities of the Pleasanton Housing Authority. The purpose is to provide and maintain the maximum number of housing units and services for low and moderate income families at rents they can afford.

CITY OF PLEASANTON

COMBINING STATEMENT OF FUND NET POSITION
 NON-MAJOR ENTERPRISE FUNDS
 JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Transit	Cemetery	Housing Authority	Total
Assets:				
Current:				
Cash and investments	\$ 361,607	\$ 843,533	\$ 356,235	\$ 1,561,375
Receivables (net):				
Accounts	116,272	22,497	-	138,769
Interest	648	2,241	-	2,889
Total Current Assets	478,527	868,271	356,235	1,703,033
Noncurrent:				
Capital assets:				
Nondepreciable	-	10,000	51,750	61,750
Depreciable, net	58,113	799,905	-	858,018
Total Noncurrent Assets	58,113	809,905	51,750	919,768
Total Assets	536,640	1,678,176	407,985	2,622,801
Liabilities:				
Current:				
Accounts payable	294	8,992	-	9,286
Payroll payable	1,487	1,229	-	2,716
Advances from other funds	-	500,000	-	500,000
Due to other funds	1,150	-	-	1,150
Unearned revenues	27,278	435,613	-	462,891
Total Current Liabilities	30,209	945,834	-	976,043
Total Liabilities	30,209	945,834	-	976,043
Net Position:				
Net investment in capital assets	58,113	809,905	51,750	919,768
Restricted for transportation	448,318	-	-	448,318
Unrestricted (Deficit)	-	(77,563)	356,235	278,672
Total Net Position	\$ 506,431	\$ 732,342	\$ 407,985	\$ 1,646,758

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 NON-MAJOR ENTERPRISE FUNDS
 YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			Total
	Transit	Cemetery	Housing Authority	
Operating Revenues:				
Sales and service charges	\$ -	\$ 203,420	\$ -	\$ 203,420
Total Operating Revenues	-	203,420	-	203,420
Operating Expenses:				
Personnel services	66,639	37,421	-	104,060
Transportation	217	-	-	217
Repairs and maintenance	32,575	-	-	32,575
Materials, supplies and services	285,961	287,353	-	573,314
Depreciation expense	15,026	31,488	-	46,514
Total Operating Expenses	400,418	356,262	-	756,680
Operating Loss	(400,418)	(152,842)	-	(553,260)
Nonoperating Revenues (Expenses):				
Grants	58,843	-	-	58,843
Intergovernmental	492,471	-	-	492,471
Interest income & loss on fair market value of investments	(12,477)	(43,669)	-	(56,146)
Total Nonoperating Revenues (Expenses)	538,837	(43,669)	-	495,168
Income (Loss) Before Transfers	138,419	(196,511)	-	(58,092)
Transfers in	-	50,000	-	50,000
Changes in Net Position	138,419	(146,511)	-	(8,092)
Net Position:				
Beginning of Year	368,012	878,853	407,985	1,654,850
End of Fiscal Year	\$ 506,431	\$ 732,342	\$ 407,985	\$ 1,646,758

CITY OF PLEASANTON

COMBINING STATEMENT OF CASH FLOWS
 NON-MAJOR ENTERPRISE FUNDS
 YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			Total
	Transit	Cemetery	Housing Authority	
Cash Flows from Operating Activities:				
Cash received from (paid to) customers and users	\$ (9,657)	\$ 331,473	\$ -	\$ 321,816
Cash paid to suppliers for goods and services	(341,522)	(311,714)	-	(653,236)
Cash paid to others	(67,790)	(37,244)	-	(105,034)
Net Cash Used by Operating Activities	(418,969)	(17,485)	-	(436,454)
Cash Flows from Non-Capital Financing Activities:				
Intergovernmental funds received	551,314	-	-	551,314
Interfund receipts	-	50,000	-	50,000
Repayment made to other funds	(25,629)	-	-	(25,629)
Net Cash Provided by Non-Capital Financing Activities	525,685	50,000	-	575,685
Cash Flows from Investing Activities:				
Loss on fair market value of investments	(12,522)	(43,449)	-	(55,971)
Net Cash Used by Investing Activities	(12,522)	(43,449)	-	(55,971)
Net Increase (Decrease) in Cash and Cash Equivalents	94,194	(10,934)	-	83,260
Cash and Cash Equivalents at Beginning of Year	267,413	854,467	356,235	1,478,115
Cash and Cash Equivalents at End of Year	\$ 361,607	\$ 843,533	\$ 356,235	\$ 1,561,375
Reconciliation of Operating Loss to Net Cash Used by Operating Activities:				
Operating loss	\$ (400,418)	\$ (152,842)	\$ -	\$ (553,260)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:				
Depreciation	15,026	31,488	-	46,514
Increase in accounts receivable	(36,935)	-	-	(36,935)
Decrease in accounts payable	(22,769)	(24,361)	-	(47,130)
Increase (decrease) in payroll payable	(1,151)	179	-	(972)
Increase in unearned revenue	27,278	128,051	-	155,329
Total Adjustments to Net Cash Used by Operating Activities	(18,551)	135,357	-	116,806
Net Cash Used by Operating Activities	\$ (418,969)	\$ (17,485)	\$ -	\$ (436,454)

INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods or services provided by a department for other departments on a cost-reimbursement basis.

Employee Benefits

This fund accounts for unemployment insurance benefit costs and accrued unused employee vacation leave. Revenues come from benefit accrual charges placed on all City operating programs. This fund also includes the accounting for workers' compensation benefits and the majority of the City's Net Pension Liability.

Public Art Acquisition and Maintenance

This fund is to provide a source of public funding for the design, selection, acquisition, purchase, renovation, conservation, and installation of City-owned public art.

Replacement / Renovation

This fund charges various user departments based on usage of equipment, vehicles, and facilities and uses the money to replace or renovate these items.

Self Insurance Retention

This fund pays insurance premiums and claims that fall under the City's various limits.

Retiree Insurance Reserve

This fund is establishing reserves for future medical insurance obligations for retirees.

PARS Section 115

This fund is to provide additional annual payments to PERS that are needed to offset the impact of smoothing or negative amortization of the City's Unfunded Pension Liability.

City Enhancement

This fund is to provide for unplanned and traditionally unfunded priority projects that arise such as employee workplace enhancement and miscellaneous emergency renovation projects which are not part of the City's Repair and Replacement Plan.

CITY OF PLEASANTON

COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

	<u>Governmental Activities - Internal Service Funds</u>			
	<u>Employee Benefits</u>	<u>Public Art Acquisition and Maintenance</u>	<u>Replacement/ Renovation</u>	<u>Self Insurance Retention</u>
Assets:				
Current:				
Cash and investments	\$ 9,874,543	\$ 198,207	\$ 20,026,364	\$ 3,220,673
Restricted cash and investments	-	-	-	-
Receivables:				
Accounts	7,013	1,393	50,570	-
Accrued interest	24,233	509	53,098	5,145
Total Current Assets	9,905,789	200,109	20,130,032	3,225,818
Noncurrent:				
Advances to other funds	-	-	430,987	-
Capital assets - nondepreciable	-	367,893	474,208	-
Capital assets - net of accumulated depreciation	-	3,067	9,844,893	-
Total Noncurrent Assets	-	370,960	10,750,088	-
Total Assets	9,905,789	571,069	30,880,120	3,225,818
Deferred Outflows of Resources:				
Related to pensions	23,483,061	-	-	-
Related to OPEB	-	-	-	-
Total Deferred Outflows of Resources	23,483,061	-	-	-
Liabilities:				
Current:				
Accounts payable	812,335	-	249,750	15,107
Accrued interest	-	-	-	-
Due to other funds	-	-	-	-
Accrued compensated absences	510,172	-	-	-
Claims payable	1,395,000	-	-	326,336
Total Current Liabilities	2,717,507	-	249,750	341,443
Noncurrent:				
Accrued compensated absences	4,305,492	-	-	-
Net pension liability	87,511,874	-	-	-
Net OPEB liability	-	-	-	-
Claims payable	7,459,000	-	-	490,523
Total Noncurrent Liabilities	99,276,366	-	-	490,523
Total Liabilities	101,993,873	-	249,750	831,966
Deferred Inflows of Resources:				
Related to pensions	37,553,515	-	-	-
Related to OPEB	-	-	-	-
Total Deferred Inflows of Resources	37,553,515	-	-	-
Net Position:				
Net investment in capital assets	-	370,960	10,319,101	-
Restricted	-	-	-	-
Unrestricted (Deficit)	(106,158,538)	200,109	20,311,269	2,393,852
Total Net Position	\$ (106,158,538)	\$ 571,069	\$ 30,630,370	\$ 2,393,852

CITY OF PLEASANTON

COMBINING STATEMENT OF FUND NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022

	<u>Governmental Activities - Internal Service Funds</u>			
	<u>Retiree Insurance Reserve</u>	<u>PARS Section 115</u>	<u>City Enhancement</u>	<u>Total</u>
Assets:				
Current:				
Cash and investments	\$ -	\$ -	\$ 324,637	\$ 33,644,424
Restricted cash and investments	-	25,668,673	-	25,668,673
Receivables:				
Accounts	201,000	-	-	259,976
Accrued interest	-	-	790	83,775
Total Current Assets	201,000	25,668,673	325,427	59,656,848
Noncurrent:				
Advances to other funds	-	-	-	430,987
Capital assets - nondepreciable	-	-	-	842,101
Capital assets - net of accumulated depreciation	-	-	-	9,847,960
Total Noncurrent Assets	-	-	-	11,121,048
Total Assets	201,000	25,668,673	325,427	70,777,896
Deferred Outflows of Resources:				
Related to pensions	-	-	-	23,483,061
Related to OPEB	3,634,207	-	-	3,634,207
Total Deferred Outflows of Resources	3,634,207	-	-	27,117,268
Liabilities:				
Current:				
Accounts payable	684	-	-	1,077,876
Accrued interest	1,015	-	-	1,015
Due to other funds	15,350	-	-	15,350
Accrued compensated absences	-	-	-	510,172
Claims payable	-	-	-	1,721,336
Total Current Liabilities	17,049	-	-	3,325,749
Noncurrent:				
Accrued compensated absences	-	-	-	4,305,492
Net pension liability	-	-	-	87,511,874
Net OPEB liability	5,666,071	-	-	5,666,071
Claims payable	-	-	-	7,949,523
Total Noncurrent Liabilities	5,666,071	-	-	105,432,960
Total Liabilities	5,683,120	-	-	108,758,709
Deferred Inflows of Resources:				
Related to pensions	-	-	-	37,553,515
Related to OPEB	23,403,151	-	-	23,403,151
Total Deferred Inflows of Resources	23,403,151	-	-	60,956,666
Net Position:				
Net investment in capital assets	-	-	-	10,690,061
Restricted	-	25,668,673	-	25,668,673
Unrestricted (Deficit)	(25,251,064)	-	325,427	(108,178,945)
Total Net Position	\$ (25,251,064)	\$ 25,668,673	\$ 325,427	\$ (71,820,211)

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds			
	Employee Benefits	Public Art Acquisition and Maintenance	Replacement/Renovation	Self Insurance Retention
Operating Revenues:				
Sales and service charges	\$ 2,077,189	\$ 50,000	\$ 2,350,000	\$ 1,350,000
Miscellaneous	22,000	-	5,986	44,285
Total Operating Revenues	2,099,189	50,000	2,355,986	1,394,285
Operating Expenses:				
Personnel services & OPEB adjustment	(12,051,402)	-	-	-
Repairs and maintenance	-	-	333,323	-
Materials, supplies and services	1,723,692	11,273	1,813,443	2,094,767
Depreciation expense	-	1,600	2,147,478	-
Total Operating Expenses	(10,327,710)	12,873	4,294,244	2,094,767
Operating Income (Loss)	12,426,899	37,127	(1,938,258)	(700,482)
Nonoperating Revenues:				
Interest income & loss on fair market value of investments	(471,846)	(9,712)	(1,039,129)	(102,629)
Gain on disposal of capital assets	-	-	158,205	-
Total Nonoperating Revenues	(471,846)	(9,712)	(880,924)	(102,629)
Income (Loss) Before Transfers	11,955,053	27,415	(2,819,182)	(803,111)
Transfers in	-	-	176,314	-
Transfers out	-	-	-	-
Changes in Net Position	11,955,053	27,415	(2,642,868)	(803,111)
Net Position (Deficit):				
Beginning of Year	(118,113,591)	543,654	33,273,238	3,196,963
End of Fiscal Year	\$ (106,158,538)	\$ 571,069	\$ 30,630,370	\$ 2,393,852

CITY OF PLEASANTON

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds			
	Retiree Insurance Reserve	PARS Section 115	City Enhancement	Total
Operating Revenues:				
Sales and service charges	\$ 3,468,000	\$ -	\$ 100,000	\$ 9,395,189
Miscellaneous	-	-	-	72,271
Total Operating Revenues	3,468,000	-	100,000	9,467,460
Operating Expenses:				
Personnel services & OPEB adjustment	(4,448,114)	-	-	(16,499,516)
Repairs and maintenance	-	-	-	333,323
Materials, supplies and services	10,526	-	-	5,653,701
Depreciation expense	-	-	-	2,149,078
Total Operating Expenses	(4,437,588)	-	-	(8,363,414)
Operating Income (Loss)	7,905,588	-	100,000	17,830,874
Nonoperating Revenues:				
Interest income & loss on fair market value of investments	15,784	(3,693,413)	(15,472)	(5,316,417)
Gain on disposal of capital assets	-	-	-	158,205
Total Nonoperating Revenues	15,784	(3,693,413)	(15,472)	(5,158,212)
Income (Loss) Before Transfers	7,921,372	(3,693,413)	84,528	12,672,662
Transfers in	893,000	-	-	1,069,314
Transfers out	(893,000)	-	-	(893,000)
Changes in Net Position	7,921,372	(3,693,413)	84,528	12,848,976
Net Position (Deficit):				
Beginning of Year	(33,172,436)	29,362,086	240,899	(84,669,187)
End of Fiscal Year	\$ (25,251,064)	\$ 25,668,673	\$ 325,427	\$ (71,820,211)

CITY OF PLEASANTON

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	Governmental Activities - Internal Service Funds			
	Employee Benefits	Public Art Acquisition and Maintenance	Replacement/ Renovation	Self Insurance Retention
Cash Flows from Operating Activities:				
Cash receipts from customers	\$ 2,111,637	\$ 50,000	\$ 2,305,416	\$ 1,394,285
Cash payments to suppliers	(1,384,225)	(11,273)	(2,214,921)	(2,080,202)
Cash payments to or on behalf of employees	(925,139)	-	-	-
Claims paid	-	-	-	(104,402)
Net Cash Provided (Used) by Operating Activities	(197,727)	38,727	90,495	(790,319)
Cash Flows from Non-Capital Financing Activities:				
Interfund receipts	-	-	176,314	-
Repayment received from other funds	-	-	-	-
Advance from other funds	-	-	150,968	-
Net Cash Provided by Non-Capital Financing Activities	-	-	327,282	-
Cash Flows from Capital and Related Financing Activities:				
Acquisition of capital assets	-	(9,000)	(937,655)	-
Proceeds from sales of capital assets	-	-	158,205	-
Net Cash Used by Capital and Related Financing Activities	-	(9,000)	(779,450)	-
Cash Flows from Investing Activities:				
Loss on fair market value of investments	(469,068)	(9,977)	(1,022,403)	(98,389)
Net Cash Used by Investing Activities	(469,068)	(9,977)	(1,022,403)	(98,389)
Net Increase (Decrease) in Cash and Cash Equivalents	(666,795)	19,750	(1,384,076)	(888,708)
Cash and Cash Equivalents at Beginning of Year	10,541,338	178,457	21,410,440	4,109,381
Cash and Cash Equivalents at End of Year	\$ 9,874,543	\$ 198,207	\$ 20,026,364	\$ 3,220,673
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 12,426,899	\$ 37,127	\$ (1,938,258)	\$ (700,482)
Adjustments to Reconcile Operating Income (Loss) Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	1,600	2,147,478	-
Changes in pension related items	(12,625,289)	-	-	-
Changes in OPEB related items	-	-	-	-
(Increase) decrease in accounts receivable, net	12,448	-	(50,570)	-
Increase (decrease) in accounts payable and other accrued expenses	339,467	-	(68,155)	14,565
Decrease in claims payable	-	-	-	(104,402)
Decrease in employee benefits payable	(351,252)	-	-	-
Total Adjustments	(12,624,626)	1,600	2,028,753	(89,837)
Net Cash Provided (Used) by Operating Activities	\$ (197,727)	\$ 38,727	\$ 90,495	\$ (790,319)
Non-Cash Investing, Capital, and Financing Activities:				
Gain on disposition of capital assets	\$ -	\$ -	\$ 158,205	\$ -

CITY OF PLEASANTON

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022**

	<u>Governmental Activities - Internal Service Funds</u>			
	<u>Retiree Insurance Reserve</u>	<u>PARS Section 115</u>	<u>City Enhancement</u>	<u>Total</u>
Cash Flows from Operating Activities:				
Cash receipts from customers	\$ 3,267,000	\$ -	\$ 100,000	\$ 9,228,338
Cash payments to suppliers	(68,453)	-	-	(5,759,074)
Cash payments to or on behalf of employees	(3,293,265)	-	-	(4,218,404)
Claims paid	-	-	-	(104,402)
Net Cash Provided (Used) by Operating Activities	(94,718)	-	100,000	(853,542)
Cash Flows from Non-Capital Financing Activities:				
Interfund receipts	-	-	-	176,314
Repayment received from other funds	15,350	-	-	15,350
Advance from other funds	-	-	-	150,968
Net Cash Provided by Non-Capital Financing Activities	15,350	-	-	342,632
Cash Flows from Capital and Related Financing Activities:				
Acquisition of capital assets	-	-	-	(946,655)
Proceeds from sales of capital assets	-	-	-	158,205
Net Cash Used by Capital and Related Financing Activities	-	-	-	(788,450)
Cash Flows from Investing Activities:				
Loss on fair market value of investments	19,851	(3,693,413)	(15,527)	(5,288,926)
Net Cash Used by Investing Activities	19,851	(3,693,413)	(15,527)	(5,288,926)
Net Increase (Decrease) in Cash and Cash Equivalents	(59,517)	(3,693,413)	84,473	(6,588,286)
Cash and Cash Equivalents at Beginning of Year	59,517	29,362,086	240,164	65,901,383
Cash and Cash Equivalents at End of Year	\$ -	\$ 25,668,673	\$ 324,637	\$ 59,313,097
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	\$ 7,905,588	\$ -	\$ 100,000	\$ 17,830,874
Adjustments to Reconcile Operating Income (Loss) Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	-	-	2,149,078
Changes in pension related items	-	-	-	(12,625,289)
Changes in OPEB related items	(7,741,379)	-	-	(7,741,379)
(Increase) decrease in accounts receivable, net	(201,000)	-	-	(239,122)
Increase (decrease) in accounts payable and other accrued expenses	(57,927)	-	-	227,950
Decrease in claims payable	-	-	-	(104,402)
Decrease in employee benefits payable	-	-	-	(351,252)
Total Adjustments	(8,000,306)	-	-	(18,684,416)
Net Cash Provided (Used) by Operating Activities	\$ (94,718)	\$ -	\$ 100,000	\$ (853,542)
Non-Cash Investing, Capital, and Financing Activities:				
Gain on disposition of capital assets	\$ -	\$ -	\$ -	\$ 158,205

THIS PAGE INTENTIONALLY LEFT BLANK

CUSTODIAL FUNDS

Custodial Funds - Custodial funds report fiduciary activities that are not held in a trust or equivalent arrangement.

Retiree Insurance

This fund collects money from retired employees and pays their share of health insurance bills.

Downtown Merchant Improvements

This fund collects annual assessments from downtown businesses and passes it on to the Pleasanton Downtown Association.

Asset Forfeiture

This fund collects the assets forfeited as a result of investigations of criminal offenses, generally narcotics related. The money is passed on to various other governmental agencies.

Miscellaneous Agencies

This fund collects various fees and contributions from developers and others and passes the money on to various government agencies (i.e. Zone 7 Water Agency, Dublin San Ramon Services District, Tri-Valley Transportation Council, etc.), or organizations.

Livermore-Pleasanton Fire Department (Livermore Share Only)

This fund accounts for the Livermore-Pleasanton Fire Department activity related to operations, replacement and renovation of equipment, vehicles and facilities, retiree medical and workers' compensation.

CITY OF PLEASANTON

COMBINING STATEMENT OF FUND NET POSITION
 ALL CUSTODIAL FUNDS
 JUNE 30, 2022

	Retiree Insurance	Downtown Merchant Improvements	Asset Forfeiture	Miscellaneous Agencies	Livermore - Pleasanton Fire Department (Livermore Share Only)	Total
Assets:						
Pooled cash and investments	\$ 63,404	\$ 73,966	\$ 7,100	\$ 812,784	\$ 7,950,027	\$ 8,907,281
Receivables:						
Accounts	2,406	-	-	106,314	-	108,720
Taxes	-	-	-	445,854	-	445,854
Accrued interest	-	188	-	-	21,661	21,849
Total Assets	65,810	74,154	7,100	1,364,952	7,971,688	9,483,704
Liabilities:						
Accounts payable	-	39,000	-	1,223,297	179,722	1,442,019
Long-term liabilities:						
Due in one year						
Claims liabilities	-	-	-	-	1,920,000	1,920,000
Due in more than one year						
Claims liabilities	-	-	-	-	7,679,000	7,679,000
Total Liabilities	-	39,000	-	1,223,297	9,778,722	11,041,019
Net Position (Deficit):						
Restricted for other government agencies	-	-	7,100	141,655	-	148,755
Restricted for retiree insurance	65,810	-	-	-	-	65,810
Restricted for Pleasanton Downtown Association	-	35,154	-	-	-	35,154
Restricted for Livermore Share	-	-	-	-	(1,807,034)	(1,807,034)
Total Net Position (Deficit)	\$ 65,810	\$ 35,154	\$ 7,100	\$ 141,655	\$ (1,807,034)	\$ (1,557,315)

CITY OF PLEASANTON

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 ALL CUSTODIAL FUNDS
 YEAR ENDED JUNE 30, 2022

	<u>Retiree Insurance</u>	<u>Downtown Merchant Improvements</u>	<u>Asset Forfeiture</u>	<u>Miscellaneous Agencies</u>	<u>Livermore - Pleasanton Fire Department (Livermore Share Only)</u>	<u>Total</u>
Additions:						
Contributions:						
Retired employees	\$ 609,007	\$ -	\$ -	\$ -	\$ -	\$ 609,007
Taxes	-	77,952	-	-	-	77,952
Intergovernmental	-	-	-	6,331,054	2,964,122	9,295,176
Interest and change in fair value of investments	-	(3,799)	-	-	(425,142)	(428,941)
Miscellaneous	-	-	1,617	-	-	1,617
Total Additions	609,007	74,153	1,617	6,331,054	2,538,980	9,554,811
Deductions:						
Retiree benefits	559,954	-	-	-	-	559,954
Contractual services	-	82,413	16,617	6,317,175	3,566,490	9,982,695
Total Deductions	559,954	82,413	16,617	6,317,175	3,566,490	10,542,649
Changes in Fiduciary Net Position	49,053	(8,260)	(15,000)	13,879	(1,027,510)	(987,838)
Net Position (Deficit)						
Beginning of the Year	16,757	43,414	22,100	127,776	(779,524)	(569,477)
End of the Year	\$ 65,810	\$ 35,154	\$ 7,100	\$ 141,655	\$ (1,807,034)	\$ (1,557,315)

THIS PAGE INTENTIONALLY LEFT BLANK

STATISTICAL SECTION (UNAUDITED)

This part of the City of Pleasanton’s Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information says about the City’s overall financial health.

Contents	<u>Page</u>
<i>Financial Trends Information</i> This information is intended to assist in understanding and assessing how a government’s financial position has changed over time.	227
<i>Revenue Capacity Information</i> This information is intended to assist users in understanding and assessing factors affecting a government’s ability to generate its own revenue.....	239
<i>Debt Capacity Information</i> This information is intended to assist users in understanding and assessing a government’s debt burden and its ability to issue additional debt.	247
<i>Demographic and Economic Information</i> This information is intended to assist users in understanding socioeconomic environment within which a government operates and provide information that facilitates comparison of financial statement information over time and among governments.	255
<i>Operating Information</i> This information is intended to provide information about operations and resources to assist readers in using financial statements information to understand and assess a government’s economic condition.	259

THIS PAGE INTENTIONALLY LEFT BLANK

Financial Trends Information

Net Position by Component - Last Ten Fiscal Years

Changes in Net Position - Last Ten Fiscal Years

Fund Balances of Governmental Funds- Last Ten Fiscal Years

Changes in Fund Balances - Governmental Funds - Last Ten Fiscal Years

City of Pleasanton
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30				
	2013	2014	2015	2016	2017
Governmental Activities					
Net investment in capital assets	\$ 478,640,595	\$ 478,618,864	\$ 487,153,226	\$ 497,839,233	\$ 509,064,211
Restricted	54,730,098	59,542,954	62,296,241	61,029,572	74,105,178
Committed ⁽²⁾	-	-	-	-	-
Unrestricted ⁽¹⁾	88,466,476	92,908,491	(27,653,975)	(16,776,353)	(15,318,883)
Total government activities net position	\$ 621,837,169	\$ 631,070,309	\$ 521,795,492	\$ 542,092,452	\$ 567,850,506
Business-Type Activities					
Net investment in capital assets	\$ 189,306,314	\$ 182,419,601	\$ 176,512,644	\$ 182,841,810	\$ 183,305,729
Restricted	4,630,314	5,245,338	6,081,192	6,797,332	305,694
Unrestricted	41,910,981	45,209,251	42,651,779	39,918,554	44,690,494
Total business-type activities net position	\$ 235,847,609	\$ 232,874,190	\$ 225,245,615	\$ 229,557,696	\$ 228,301,917
Primary Government					
Net investment in capital assets	\$ 667,946,909	\$ 661,038,465	\$ 663,665,870	\$ 680,681,043	\$ 692,369,940
Restricted	59,360,412	64,788,292	68,377,433	67,826,904	74,410,872
Committed	-	-	-	-	-
Unrestricted	130,377,457	138,117,742	14,997,804	23,142,201	29,371,611
Total primary government activities net position	\$ 857,684,778	\$ 863,944,499	\$ 747,041,107	\$ 771,650,148	\$ 796,152,423

Notes:

(1) In 2015, the negative unrestricted net position in Governmental Activities was attributable to the recording of net pension liability as a result of the implementation of GASB 68, Accounting and Financial Reporting for Pensions. In 2018, the negative unrestricted net position increased further due to the recording of net OPEB liability as a result of the implementation of GASB 75, Accounting and Financial Reporting for Post-employment Benefits Other than Pensions.

(2) Committed fund balance in the General Fund in 2022 represents Reserves for the COVID Response and Recovery Program, the Crisis Response Program, the Mobile Outreach Vehicle Program, and the Rainy Day Fund.

Fiscal Year Ended June 30

2018	2019	2020	2021	2022
\$ 504,882,313	\$ 498,338,562	\$ 497,870,162	\$ 501,130,349	\$ 506,599,438
62,433,733	72,361,830	118,402,861	92,880,765	123,317,825
-	-	-	-	11,612,462
(49,675,582)	(39,340,376)	(81,114,037)	(53,875,712)	(78,507,521)
<u>\$ 517,640,464</u>	<u>\$ 531,360,016</u>	<u>\$ 535,158,986</u>	<u>\$ 540,135,402</u>	<u>\$ 563,022,204</u>
\$ 183,231,147	\$ 176,192,351	\$ 158,203,939	\$ 162,243,561	\$ 151,416,829
286,274	214,632	230,477	245,503	887,253
40,236,159	47,002,659	55,480,453	50,277,104	59,064,725
<u>\$ 223,753,580</u>	<u>\$ 223,409,642</u>	<u>\$ 213,914,869</u>	<u>\$ 212,766,168</u>	<u>\$ 211,368,807</u>
\$ 688,113,460	\$ 674,530,913	\$ 656,074,101	\$ 663,373,910	\$ 658,016,267
62,720,007	72,576,462	118,633,338	93,126,268	124,205,078
-	-	-	-	11,612,462
(9,439,423)	7,662,283	(25,633,584)	(3,598,608)	(19,442,796)
<u>\$ 741,394,044</u>	<u>\$ 754,769,658</u>	<u>\$ 749,073,855</u>	<u>\$ 752,901,570</u>	<u>\$ 774,391,011</u>

City of Pleasanton
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30				
	2013	2014	2015	2016	2017
Program Revenues					
Governmental Activities:					
Charges for Services					
General Government	\$ 847,400	\$ 351,432	\$ 576,781	\$ 489,842	\$ 380,148
Public Safety	1,925,017	1,871,706	1,864,000	2,252,106	2,209,630
Community Development	5,070,801	5,406,350	6,193,038	7,434,666	7,137,220
Operations Services	488,833	615,063	464,764	385,681	245,567
Community Activities	3,786,304	3,920,184	4,429,931	4,721,811	4,238,718
Operating Grants and Contributions	2,339,740	1,446,304	2,472,764	2,837,179	2,144,568
Capital Grants and Contributions	8,257,001	13,322,657	13,467,743	12,777,297	29,268,836
Total Government Activities:	<u>22,715,096</u>	<u>26,933,696</u>	<u>29,469,021</u>	<u>30,898,582</u>	<u>45,624,687</u>
Business-Type Activities:					
Charges for Services					
Water	19,874,140	19,542,181	17,700,120	17,639,091	24,979,440
Sewer	12,873,074	13,591,371	14,274,645	13,861,477	14,756,465
Golf	3,921,815	3,781,952	3,620,949	3,825,552	3,678,545
Transit (1)	32,728	29,287	26,934	25,560	25,229
Storm Drain	347,612	361,348	451,835	788,101	872,260
Cemetery	77,242	49,142	58,310	72,743	120,202
Pleasanton Housing Authority	163,515	176,432	182,096	129,879	-
Electric Vehicle	-	-	-	4,054	-
Operating Grants and Contributions	182,854	114,771	259,729	244,749	107,176
Capital Grants and Contributions	78,595	-	-	8,215,464	5,072,145
Total Business-Type Activities:	<u>37,551,575</u>	<u>37,646,484</u>	<u>36,574,618</u>	<u>44,806,670</u>	<u>49,611,462</u>
Total Primary Government Revenues	<u>\$ 60,266,671</u>	<u>\$ 64,580,180</u>	<u>\$ 66,043,639</u>	<u>\$ 75,705,252</u>	<u>\$ 95,236,149</u>
Expenses					
Governmental Activities:					
General Government	\$ 10,983,778	\$ 10,360,977	\$ 11,664,448	\$ 11,626,959	\$ 13,262,964
Public Safety	47,486,526	42,173,584	45,039,711	44,667,204	50,423,097
Community Development	18,502,872	15,690,263	15,545,862	14,680,399	15,053,634
Operations Services	20,676,081	23,101,587	14,765,337	23,621,666	26,341,007
Community Activities	11,705,687	10,767,100	12,625,484	13,158,251	14,281,965
Interest on Long-Term Debt	1,528,110	36,565	3,196	22,828	21,469
Total Government Activities:	<u>110,883,054</u>	<u>102,130,076</u>	<u>99,644,038</u>	<u>107,777,307</u>	<u>119,384,136</u>
Business-Type Activities:					
Water	22,028,379	19,955,880	17,297,973	18,390,589	27,775,558
Sewer	14,050,710	14,397,652	14,585,270	14,986,417	15,952,170
Golf	5,154,023	5,217,734	4,923,007	4,896,052	4,955,932
Transit	668,192	656,825	576,286	647,326	647,029
Storm Drain	1,758,604	1,661,216	1,166,224	2,426,049	2,502,935
Cemetery	29,656	88,195	50,420	20,755	266,740
Pleasanton Housing Authority	375,950	400,015	386,248	347,495	134
Electric Vehicle	-	-	-	2,500	-
Total Business-Type Activities:	<u>44,065,514</u>	<u>42,377,517</u>	<u>38,985,428</u>	<u>41,717,183</u>	<u>52,100,498</u>
Total Primary Government Expense	<u>\$ 154,948,568</u>	<u>\$ 144,507,593</u>	<u>\$ 138,629,466</u>	<u>\$ 149,494,490</u>	<u>\$ 171,484,634</u>

Notes:

(1) During 2021, the City awarded an operator agreement to Black Tie Transportation, LLC to assume management and daily operations of the City of Pleasanton's Paratransit Service (PPS). As part of the agreement, Black Tie Transportation, LLC retains all fare box revenue collected.

Fiscal Year Ended June 30

	2018	2019	2020	2021	2022
\$	377,968	\$ 1,759,450	\$ 1,808,531	\$ 1,850,615	\$ 3,096,280
	2,241,723	2,101,271	2,089,012	1,697,967	3,076,866
	7,283,955	7,071,315	5,616,871	6,908,248	9,644,065
	13,273	412,217	370,660	470,214	391,991
	5,388,824	4,920,968	2,369,971	1,391,682	3,709,110
	2,531,927	2,790,058	2,724,019	8,743,755	6,855,375
	12,083,316	12,416,072	12,471,722	9,720,229	9,388,711
	<u>29,920,986</u>	<u>31,471,351</u>	<u>27,450,786</u>	<u>30,782,710</u>	<u>36,162,398</u>
	28,469,053	27,106,096	30,074,927	32,117,734	28,915,523
	14,635,697	14,894,626	15,235,355	15,785,961	15,989,841
	3,772,104	3,713,019	3,225,018	4,534,434	5,981,897
	27,592	25,394	20,653	13,493	-
	747,726	744,402	719,550	525,758	524,912
	283,690	161,243	205,447	227,259	203,420
	-	-	-	-	-
	-	-	-	-	-
	72,092	78,908	77,075	451,879	691,016
	1,879,164	1,223,357	1,519,616	-	-
	<u>49,887,118</u>	<u>47,947,045</u>	<u>51,077,641</u>	<u>53,656,518</u>	<u>52,306,609</u>
\$	<u>79,808,104</u>	<u>\$ 79,418,396</u>	<u>\$ 78,528,427</u>	<u>\$ 84,439,228</u>	<u>\$ 88,469,007</u>
\$	13,642,305	\$ 15,463,935	\$ 17,948,798	\$ 16,669,694	\$ 16,238,327
	49,340,797	52,306,605	53,337,713	57,790,167	47,661,010
	20,126,026	16,697,040	17,485,023	27,169,629	15,839,480
	29,609,753	33,754,591	34,917,629	31,508,267	26,926,085
	15,343,079	15,852,817	15,659,688	12,686,876	11,765,188
	24,728	28,035	24,873	25,109	22,089
	<u>128,086,688</u>	<u>134,103,023</u>	<u>139,373,724</u>	<u>145,849,742</u>	<u>118,452,179</u>
	28,476,375	27,667,694	32,293,274	32,013,503	31,712,223
	16,243,756	17,308,963	16,281,822	17,080,279	17,695,297
	5,129,759	4,849,230	4,733,225	5,063,628	5,533,360
	724,243	667,324	511,788	421,539	392,660
	1,866,129	2,570,902	2,800,668	2,433,953	2,087,642
	187,186	245,796	264,288	289,197	356,262
	166	59	4	-	-
	-	-	-	-	-
	<u>52,627,614</u>	<u>53,309,968</u>	<u>56,885,069</u>	<u>57,302,099</u>	<u>57,777,444</u>
\$	<u>180,714,302</u>	<u>\$ 187,412,991</u>	<u>\$ 196,258,793</u>	<u>\$ 203,151,841</u>	<u>\$ 176,229,623</u>

City of Pleasanton
Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30				
	2013	2014	2015	2016	2017
Net (Expenses)/Revenue:					
Governmental Activities:	\$ (88,167,958)	\$ (75,196,380)	\$ (70,175,017)	\$ (77,590,854)	\$ (74,023,542)
Business-Type Activities:	(6,513,939)	(4,731,033)	(2,410,810)	3,801,616	(2,224,943)
Total Net (Expense)/Revenue	<u>(94,681,897)</u>	<u>(79,927,413)</u>	<u>(72,585,827)</u>	<u>(73,789,238)</u>	<u>(76,248,485)</u>
General Revenues & Other Changes in Net Position					
Governmental Activities:					
Taxes					
Property taxes	48,648,728	50,366,818	53,744,273	57,276,734	61,203,788
Sales tax	19,102,977	20,993,123	22,410,654	23,543,972	23,362,536
Motor vehicle in lieu	30,491	-	-	-	-
Franchise fees	2,114,954	2,371,125	2,455,508	2,570,130	2,637,490
Business licenses taxes (1)	-	-	-	-	-
Transient occupancy taxes (1)	-	-	-	-	-
Other taxes (1)	7,866,876	8,278,095	9,292,582	10,680,021	11,286,091
Use of money and property (loss on investment)	230,933	2,326,506	1,493,023	1,878,574	1,029,883
Miscellaneous	1,076,858	868,797	275,323	1,647,178	750,129
Gain on sale of capital assets (2)	-	-	-	-	-
Transfers	920,232	(774,943)	(755,609)	291,205	(488,321)
Total Government Activities:	<u>79,992,049</u>	<u>84,429,521</u>	<u>88,915,754</u>	<u>97,887,814</u>	<u>99,781,596</u>
Business-Type Activities:					
Use of money and property (loss on investment)	(100,734)	525,766	325,838	486,865	208,100
Miscellaneous	982,747	456,905	1,635,657	314,805	272,743
Transfers	(920,232)	774,943	755,609	(291,205)	488,321
Total Business-Type Activities	<u>(38,219)</u>	<u>1,757,614</u>	<u>2,717,104</u>	<u>510,465</u>	<u>969,164</u>
Total Primary Government	<u>79,953,830</u>	<u>86,187,135</u>	<u>91,632,858</u>	<u>98,398,279</u>	<u>100,750,760</u>
Change in Net Position					
Governmental Activities:	(8,175,909)	9,233,141	18,740,737	20,296,960	25,758,054
Business-Type Activities:	(6,552,158)	(2,973,419)	306,294	4,312,081	(1,255,779)
Total Primary Government	<u>\$ (14,728,067)</u>	<u>\$ 6,259,722</u>	<u>\$ 19,047,031</u>	<u>\$ 24,609,041</u>	<u>\$ 24,502,275</u>

Notes:

- (1) In 2021, taxes were separated from Other taxes due to GFOA comments received on the FY20 CAFR
(2) In 2021, Gain on sale of capital assets was separated from Miscellaneous revenue

Fiscal Year Ended June 30

	2018	2019	2020	2021	2022
\$	(98,361,115)	\$ (102,631,672)	\$ (102,631,672)	\$ (115,067,032)	\$ (82,289,781)
	(2,545,083)	(5,362,923)	(5,362,923)	(3,645,581)	(5,470,835)
	(100,906,198)	(107,994,595)	(117,730,366)	(118,712,613)	(87,760,616)
	65,730,411	69,930,013	74,257,259	77,667,357	80,185,672
	21,764,560	22,959,956	20,662,385	21,883,038	24,554,367
	-	-	-	-	-
	2,685,070	3,075,783	4,984,643	2,941,829	3,028,577
	-	-	-	4,870,543	5,294,430
	-	-	-	2,014,843	3,706,353
	11,734,873	11,917,437	10,380,382	1,285,625	1,506,516
	1,087,214	7,443,513	6,238,557	9,262,172	(12,797,952)
	165,541	385,830	409,060	557,808	926,486
	-	-	-	80,336	158,205
	(1,100,016)	(818,540)	(1,210,378)	(520,103)	(1,386,071)
	102,067,653	114,893,992	115,721,908	120,043,448	105,176,583
	353,862	1,549,905	1,645,696	194,579	(2,770,311)
	714,489	2,650,540	1,177,745	1,782,198	5,457,714
	1,100,016	818,540	1,210,378	520,103	1,386,071
	2,168,367	5,018,985	4,033,819	2,496,880	4,073,474
	104,236,020	119,912,977	119,755,727	122,540,328	109,250,057
	3,706,538	12,262,320	3,798,970	4,976,416	22,886,802
	(376,716)	(343,938)	(1,773,609)	(1,148,701)	(1,397,361)
\$	3,329,822	\$ 11,918,382	\$ 2,025,361	\$ 3,827,715	\$ 21,489,441

City of Pleasanton
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30				
	2013	2014	2015	2016	2017
General Fund					
Nonspendable	\$ 264,456	\$ 218,082	\$ 163,689	\$ 121,900	\$ 75,199
Restricted (1)	-	-	-	-	-
Committed (2)	9,229,188	9,650,614	13,319,218	12,019,088	11,634,112
Assigned	-	-	-	-	-
Unassigned	3,425,359	5,136,347	7,085,423	8,481,624	10,763,003
Total General Fund	\$ 12,919,003	\$ 15,005,043	\$ 20,568,330	\$ 20,622,612	\$ 22,472,314
All Other Governmental Funds					
Restricted	\$ 54,730,098	\$ 59,542,954	\$ 62,296,241	\$ 61,029,572	\$ 65,496,260
Committed	-	-	-	1,980,559	-
Assigned	20,544,393	19,872,240	21,493,248	15,607,802	21,279,871
Unassigned	-	(732,151)	(680,538)	(521,393)	(1,165,707)
Total All Other Governments Funds	\$ 75,274,491	\$ 78,683,043	\$ 83,108,951	\$ 78,096,540	\$ 85,610,424

Notes:

- (1) Restricted fund balance in the General Fund represents a portion of the amounts held in the City's PARS 115 Pension Trust Fund.
- (2) Committed fund balance in the General Fund in 2022 represents Reserves for COVID Response and Recovery, the Crisis Response Program, the Mobile Outreach Vehicle, and the Rainy Day Fund.

Fiscal Year Ended June 30

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 45,688	\$ 524,566	\$ 515,352	\$ 515,007	\$ 515,007
-	-	17,479,186	18,566,741	17,625,110
-	-	-	-	11,612,462
-	-	-	-	-
<u>27,610,496</u>	<u>29,077,433</u>	<u>19,279,867</u>	<u>24,653,598</u>	<u>22,411,988</u>
<u>\$ 27,656,184</u>	<u>\$ 29,601,999</u>	<u>\$ 37,274,405</u>	<u>\$ 43,735,346</u>	<u>\$ 52,164,567</u>
\$ 62,433,733	\$ 72,361,830	\$ 78,114,091	\$ 74,314,024	\$ 67,967,942
-	-	-	-	-
26,598,477	32,319,322	33,573,206	34,878,243	37,407,829
-	-	-	(697,414)	-
<u>\$ 89,032,210</u>	<u>\$ 104,681,152</u>	<u>\$ 111,687,297</u>	<u>\$ 108,494,853</u>	<u>\$ 105,375,771</u>

City of Pleasanton
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended June 30				
	2013	2014	2015	2016	2017
Revenues:					
Taxes	\$ 75,998,183	\$ 80,036,078	\$ 85,842,939	\$ 91,902,097	\$ 96,300,774
Assessments	210,276	204,912	204,755	206,219	207,293
Licenses (4)	10,548	15,534	10,018	10,270	9,409
Licenses and permits (4)	1,963,950	1,809,142	3,276,533	3,307,959	3,598,675
Intergovernmental	7,470,232	5,665,356	5,616,638	5,862,784	6,756,014
Franchises	2,114,955	2,371,125	2,455,509	2,570,130	2,637,490
Charges for Services	955,963	1,003,549	1,002,509	2,095,908	1,578,779
Use of Money and Property (Investment Loss)	966,402	2,002,307	1,445,331	1,896,314	1,329,461
Fines and Forfeitures	606,483	528,070	535,269	308,911	355,300
Plan Check fees	1,200,174	2,124,937	1,963,429	2,776,668	2,856,220
Contributions	414,842	547,642	181,937	864,641	676,935
Development Fees	3,117,578	8,559,519	8,684,756	7,791,583	16,489,666
Reimbursements	2,422,053	1,759,826	2,239,210	2,463,578	6,682,770
Miscellaneous	3,139,666	2,985,310	3,067,997	1,865,217	1,584,539
Recreation Charges (5)	3,457,871	3,772,872	4,063,003	4,242,435	4,107,359
	<u>104,049,176</u>	<u>113,386,179</u>	<u>120,589,833</u>	<u>128,164,714</u>	<u>145,170,684</u>
Expenditures:					
Current:					
General Government	11,942,389	11,269,902	12,590,280	12,709,762	13,221,537
Public Safety	39,771,835	41,687,750	42,781,587	44,521,472	45,505,980
Community Development	12,851,491	13,761,593	15,875,983	18,949,408	20,792,152
Operations Services	14,526,304	15,943,523	7,624,563	18,028,059	17,439,410
Community Activities	10,976,770	11,462,498	11,518,746	12,314,149	12,522,912
Capital Outlay	10,294,297	12,510,682	17,322,318	21,499,776	20,737,214
Debt Service:					
Principal (1)	22,132,902	1,753,025	1,781,107	1,222,660	239,863
Interest & Fiscal Charges (1)	1,173,287	29,335	10,955	22,828	21,469
Total Expenditures	<u>123,669,275</u>	<u>108,418,308</u>	<u>109,505,539</u>	<u>129,268,114</u>	<u>130,480,537</u>
Excess/(Deficiency of Revenues Over/(Under) Expenditures	<u>(19,620,099)</u>	<u>4,967,871</u>	<u>11,084,294</u>	<u>(1,103,400)</u>	<u>14,690,147</u>
Other Financing Sources (Uses):					
Loan Proceeds	-	1,687,250	1,468,014	1,198,962	-
Transfers In (2)	25,318,583	2,853,819	3,339,742	9,784,448	12,590,762
Transfers Out (2)	(18,956,053)	(4,014,347)	(5,902,855)	(14,838,139)	(17,917,323)
Total Other Financing Sources (Uses)	<u>6,362,530</u>	<u>526,722</u>	<u>(1,095,099)</u>	<u>(3,854,729)</u>	<u>(5,326,561)</u>
Net Change in Fund Balances	<u>(13,257,569)</u>	<u>5,494,593</u>	<u>9,989,195</u>	<u>(4,958,129)</u>	<u>9,363,586</u>
Fund Balances:					
Beginning of Year	101,451,062	88,193,493	93,688,086	103,677,281	98,719,152
End of Year	<u>\$ 88,193,493</u>	<u>\$ 93,688,086</u>	<u>\$ 103,677,281</u>	<u>\$ 98,719,152</u>	<u>\$ 108,082,738</u>

Debt Service as a Percentage of Noncapital Expenditure (3)	20.14%	1.86%	1.94%	1.15%	0.24%
---	--------	-------	-------	-------	-------

Notes:

(1) Debt service expenditures in 2013 reflects the redemption of the City's outstanding 2003 Certificates of Participation and payment of accrued interest (approximately \$20.7 million principal and \$191,000 interest).

(2) Transfers in 2013 reflect transfers from the General Fund (\$13.2 million, also included in transfers out), the Golf Fund (\$1.2 million), and the Retiree Medical Fund (\$6.5 million) to the 2003 Certificates of Participation Debt Service Fund totaling approximately \$20.9 million.

(3) The amount of capital outlay used to calculate the ratio of total debt service expenditures to noncapital expenditures is presented as the reconciling item for capital outlay in the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance.

(4) In 2021, Licenses was merged with Licenses and permits due to its immaterial amount.

(5) In 2021, Recreation Charges was merged with Miscellaneous revenues.

Fiscal Year Ended June 30

	2018	2019	2020	2021	2022
\$	99,707,057	\$ 105,321,095	\$ 105,812,873	\$ 108,256,799	\$ 115,858,531
	205,355	209,533	207,333	218,366	212,095
	9,558	8,436	7,505	-	-
	3,190,162	3,347,546	2,717,733	3,105,893	4,983,302
	7,328,741	7,730,043	7,264,929	13,216,419	13,264,258
	2,685,070	3,075,783	8,326,928	2,941,829	3,028,577
	1,624,583	1,402,568	1,313,568	1,189,702	1,984,037
	1,541,498	5,221,554	4,984,621	2,475,138	(7,481,535)
	289,652	361,410	274,002	169,570	229,513
	2,559,503	2,121,702	1,954,136	1,902,418	3,104,813
	618,492	727,802	935,244	2,274,944	430,132
	5,576,884	5,152,526	2,131,626	1,922,309	3,040,318
	-	-	-	-	-
	5,297,525	4,871,504	4,407,463	5,842,012	9,307,600
	5,204,196	4,775,360	2,310,189	-	-
	<u>135,838,276</u>	<u>144,326,862</u>	<u>142,648,150</u>	<u>143,515,399</u>	<u>147,961,641</u>
	13,699,733	14,535,495	15,975,597	15,853,998	17,881,106
	47,409,160	50,719,939	50,325,353	52,073,568	55,040,561
	18,241,639	17,829,747	16,672,236	24,648,286	17,675,974
	19,610,005	20,509,438	20,817,782	20,702,218	19,845,001
	13,184,276	13,593,436	12,708,258	10,386,941	12,781,002
	15,357,331	7,982,326	12,420,752	17,776,409	17,605,109
	230,911	246,724	244,541	226,406	238,275
	24,728	28,035	24,873	25,109	22,089
	<u>127,757,783</u>	<u>125,445,140</u>	<u>129,189,392</u>	<u>141,692,935</u>	<u>141,089,117</u>
	<u>8,080,493</u>	<u>18,881,722</u>	<u>13,458,758</u>	<u>1,822,464</u>	<u>6,872,524</u>
	-	-	-	-	-
	14,051,836	13,742,275	11,596,091	10,809,142	11,000,861
	(13,526,673)	(15,029,240)	(10,376,298)	(9,363,109)	(12,563,246)
	<u>525,163</u>	<u>(1,286,965)</u>	<u>1,219,793</u>	<u>1,446,033</u>	<u>(1,562,385)</u>
	<u>8,605,656</u>	<u>17,594,757</u>	<u>14,678,551</u>	<u>3,268,497</u>	<u>5,310,139</u>
	<u>108,082,738</u>	<u>116,688,394</u>	<u>134,283,151</u>	<u>148,961,702</u>	<u>152,230,199</u>
\$	<u>116,688,394</u>	<u>\$ 134,283,151</u>	<u>\$ 148,961,702</u>	<u>\$ 152,230,199</u>	<u>\$ 157,540,338</u>
	0.22%	0.23%	0.23%	0.20%	0.21%

THIS PAGE INTENTIONALLY LEFT BLANK

Revenue Capacity Information

**Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years

Principal Property Tax Payers - Current Year & Nine Years Ago

Property Tax Levies and Collections - Last Ten Fiscal Years

THIS PAGE INTENTIONALLY LEFT BLANK

City of Pleasanton
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30	Net Secured	Public Utilities	Net Unsecured	Net Taxable Assessed Value (1)	Total Direct Tax Rate (2)
2013	\$ 16,310,521,666	\$ 1,583,493	\$ 610,478,023	\$ 16,922,583,182	0.2971%
2014	17,035,804,215	1,583,362	605,798,375	17,643,185,952	0.2971%
2015	17,986,025,380	1,398,984	674,719,475	18,662,143,839	0.2971%
2016	18,941,502,719	865,618	804,706,503	19,747,074,840	0.2971%
2017	20,020,565,177	848,576	850,802,064	20,872,215,817	0.2971%
2018	21,273,403,047	184,502	864,794,746	22,138,382,295	0.2971%
2019	22,875,081,517	175,828	921,504,266	23,796,761,611	0.2971%
2020	24,040,121,665	176,156	1,200,845,680	25,241,143,501	0.2971%
2021	25,057,095,287	173,458	1,416,950,790	26,474,219,535	0.2971%
2022	25,935,106,293	160,599	1,262,780,885	27,198,047,777	0.2971%

- (1) The net taxable assessed value provided by Alameda County is the only data currently available with respect to the actual market value of taxable property.
- (2) Unsecured property is taxed at the prior year direct tax rate.

Source: Alameda County Office of the Auditor-Controller & HDL Company Package

**City of Pleasanton
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

	Fiscal Year Ended June 30				
	2013	2014	2015	2016	2017
County Wide Levy (Net Pleasanton)	0.7029	0.7029	0.7029	0.7029	0.7029
City of Pleasanton	0.2971	0.2971	0.2971	0.2971	0.2971
County Wide GO Bond	-	-	-	-	-
Dublin Joint Unified Bonds 1A & B (1)	0.0993	0.1147	0.1077	0.0767	0.0972
Pleasanton Unified School District	0.0963	0.0916	0.0695	0.0239	0.0224
Community College District	0.0219	0.0214	0.0217	0.0198	0.0246
Flood Zone 7	0.0228	0.0257	0.0250	0.0343	0.0333
Bay Area Rapid Transit District	0.0043	0.0075	0.0045	0.0026	0.0080
Livermore Joint Unified (1)	0.0607	0.0596	0.0497	0.0404	0.0886
Sunol Unified School District (1)	0.0439	0.0427	0.0486	0.0429	0.0464
East Bay Regional Park District	0.0051	0.0078	0.0085	0.0067	0.0032
Total	1.3543	1.3710	1.3352	1.2473	1.3237

Note: Rates are a percentage of total assessed value

(1) Rate information became available in 2020 and the information was added to all prior years.

Source: HDL Companies

Fiscal Year Ended June 30

2018	2019	2020	2021	2022
0.7029	0.7029	0.7029	0.7029	0.7536
0.2971	0.2971	0.2971	0.2971	0.2464
-	0.0112	0.0108	0.0036	0.0041
0.1665	0.1452	0.1460	0.1424	0.1964
0.0672	0.0640	0.0642	0.0580	0.0435
0.0445	0.0443	0.0422	0.0214	0.0458
0.0359	0.0332	0.0309	0.0309	0.0307
0.0084	0.0070	0.0120	0.0139	0.0060
0.0803	0.0771	0.0743	0.0691	0.0706
0.0489	0.0498	0.0495	0.0483	-
0.0021	0.0057	0.0060	0.0014	0.0020
1.4538	1.4375	1.4359	1.3890	1.3991

City of Pleasanton
Principal Property Taxpayers
Current Year and Nine Years Ago

FY 2021/2022			FY 2012/2013		
Taxpayer	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxpayer	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Workday Inc.	\$ 664,340,772	2.44%	Kaiser	\$ 248,118,046	1.46%
Kaiser	322,398,042	1.19%	Stoneridge Properties	236,951,995	1.39%
Stoneridge Creek Pleasanton CCRC LLC	277,833,957	1.02%	Pleasant Property LLC	214,666,953	1.26%
Stoneridge Properties	274,605,281	1.01%	6200 Stoneridge Mall Road Investors LLC	188,373,680	1.11%
Rosewood Commons Property Owner LLC	271,938,629	1.00%	Applera Corporation	153,137,016	0.90%
Oak Owens 20172020 LLC	239,925,764	0.88%	Safeway Inc.	145,350,486	0.85%
6200 Stoneridge Mall Road Investors LLC	220,508,720	0.81%	Oracle America Inc/ People Soft	144,084,765	0.85%
Essex Pleasanton Owner LP	202,369,200	0.74%	Stoneridge Residential LLC	122,680,777	0.72%
Stoneridge Residential LLC	167,763,487	0.62%	Tishman Speyer Archstone Smith Hacienda	120,342,856	0.71%
CP IV Vintage LLC	163,651,085	0.60%	Boehringer Mannheim Corporation	112,425,996	0.66%
	<u>\$ 2,805,334,937</u>	<u>10.31%</u>		<u>\$ 1,686,132,570</u>	<u>9.91%</u>

Source: HDL Companies

City of Pleasanton
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year (1)	Collection within the Fiscal Year of Levy		Delinquent Tax Collections (2)
		Amount	Percent of Levy	
2013	\$ 53,198,430	\$ 51,821,281	97.41%	\$ 1,265,459
2014	54,769,569	54,438,909	99.40%	1,001,164
2015	59,017,605	58,536,604	99.18%	971,138
2016 (3)	57,899,615	57,173,499	98.75%	726,117
2017	61,659,431	60,767,127	98.55%	892,304
2018	66,218,618	65,322,759	98.65%	895,859
2019	70,267,279	69,447,293	98.83%	819,986
2020	74,457,940	73,648,416	98.91%	809,524
2021	78,483,796	77,450,130	98.68%	1,033,666
2022	78,614,724	77,577,372	98.68%	1,037,352

(1) Total Tax Levy includes estimated Unitary Tax, estimated supplemental assessments, homeowners' exemptions, In Lieu Vehicle License Fees and In Lieu Sales and Use Tax. Educational Revenue Augmentation Fund payments have been deducted from the Total Tax Levy beginning in 1993.

(2) Alameda County does not provide delinquent tax collection data by levy year or distinguish between delinquent taxes and penalties and interest, so the amounts shown in the delinquent tax collections column include the delinquency collections for all prior years, including penalties and interest, that were remitted to the City in each fiscal year.

(3) Backfill payments from Proposition 57, The California Economic Recovery Bond Act (Triple Flip) ended during 2016. Local agencies now receive the full one percent local sales tax, and no backfill payment will be required in the future.

Source: Alameda County Office of the Auditor-Controller

THIS PAGE INTENTIONALLY LEFT BLANK

Debt Capacity Information

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years

Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years

Direct and Overlapping Debt - Year Ended June 30, 2022

Legal Debt Margin - Last Ten Fiscal Years

Pledged-Revenue Coverage for the Water Fund - Last Six Fiscal Years

City of Pleasanton
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			
	General Obligation Bonds	Certificates of Participation	Notes and Capital Lease Payable	Total Governmental Activities
2013	\$ -	\$ 750,000	\$ 1,829,215	\$ 2,579,215
2014	-	380,000	2,113,419	2,493,419
2015	-	-	2,180,326	2,180,326
2016	-	-	2,156,627	2,156,627
2017	-	-	1,916,764	1,916,764
2018	-	-	1,685,853	1,685,853
2019	-	-	1,439,129	1,439,129
2020	-	-	1,194,588	1,194,588
2021	-	-	968,182	968,182
2022	-	-	729,907	729,907

Business-Type Activities						
Sewer Revenue Bonds	Water Revenue Bonds	Notes/Loans Payable	Capital Lease	Total Primary Government	Percentage of Personal Income	Debt Per Capita
\$ 355,000	\$ -	\$ -	\$ 375,864	\$ 3,310,079	0.1%	46.06
180,000	-	-	246,316	2,919,735	0.1%	39.96
-	-	-	113,797	2,294,123	0.1%	31.41
-	-	5,762,772	321,524	8,240,923	0.2%	109.91
-	7,100,000	10,281,920	254,072	19,552,756	0.5%	257.56
-	6,305,000	9,979,419	187,767	18,158,039	0.4%	229.27
-	5,460,000	9,681,084	223,211	16,803,424	0.4%	208.76
-	4,600,000	9,671,433	132,612	15,598,633	0.3%	196.30
-	3,720,000	10,208,679	56,665	14,953,526	0.3%	190.80
-	2,820,000	9,577,757	168,879	13,296,543	0.2%	171.33

City of Pleasanton
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30	Governmental Activities			Percent of Assessed Value	Per Capita
	General Obligation Bonds	Tax Allocation Bonds	Total		
2013	\$ -	\$ -	\$ -	0.000%	\$ -
2014	-	-	-	0.000%	-
2015	-	-	-	0.000%	-
2016	-	-	-	0.000%	-
2017	-	-	-	0.000%	-
2018	-	-	-	0.000%	-
2019	-	-	-	0.000%	-
2020	-	-	-	0.000%	-
2021	-	-	-	0.000%	-
2022	-	-	-	0.000%	-

City of Pleasanton
Direct and Overlapping Debt
For the year ended June 30, 2022

2021/22 Net Assessed Valuation: \$ 27,198,047,777

Overlapping Tax Debt:	Outstanding Debt 06/30/22	Percentage Applicable (1)	Estimated Share of Overlapping Debt
Alameda County	\$ 183,745,000	7.847%	\$ 14,418,470
Bay Area Rapid Transit District	2,521,570,000	3.057%	77,084,395
Chabot-Las Positas Community College District	805,595,000	18.696%	150,614,041
Dublin Joint Unified School District	654,219,641	0.004%	26,169
Livermore Valley Joint Unified School District	246,710,000	1.696%	4,184,202
Pleasanton Unified School District	195,875,000	97.740%	191,448,225
East Bay Regional Park District	184,590,000	4.881%	9,009,838
Total Overlapping Tax Debt:			<u>\$ 446,785,341</u>

Ratios to Net Assessed Valuation:

Total Overlapping Tax Debt 1.64%

Direct and Overlapping General Fund Debt:

Alameda County General Fund Obligations	\$ 742,688,000	7.847%	\$ 58,278,727
Livermore Area Recreation and Park District Pension Obligation Bonds	12,215,000	3.440%	420,196
City of Pleasanton Notes and Capital Lease	729,907	100.000%	729,907
Total Direct and Overlapping General Fund Debt:			<u>59,428,831</u>
Combined Total Debt			<u>\$ 506,214,171 (2)</u>
Total Direct Debt			\$ 729,907
Total Overlapping Debt			<u>505,484,264</u>
Combined Total Debt			<u>\$ 506,214,171 (2)</u>

(1) The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City divided by the district's total taxable assessed value.

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

Ratios to Assessed Valuation:

Total Overlapping Tax and Assessment Debt 1.64%
Total Direct Debt (\$729,907) 0.003%
Combined Total Debt 1.86%

Sources: California Municipal Statistics, Inc., Alameda County Office of the Auditor-Controller, and City of Pleasanton Department of Finance.

**City of Pleasanton
Legal Debt Margin
Last Ten Fiscal Years**

	Fiscal Year Ended June 30				
	2013	2014	2015	2016	2017
Net Assessed Valuation	\$ 16,922,583,182	\$ 17,643,185,952	\$ 18,662,143,839	\$ 19,747,074,840	\$ 20,872,215,817
Conversion Percentage for Calculation of Debt Limit	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	4,230,645,796	4,410,796,488	4,665,535,960	4,936,768,710	5,218,053,954
Debt Limit Percentage	15%	15%	15%	15%	15%
Legal Debt Limit	<u>634,596,869</u>	<u>661,619,473</u>	<u>699,830,394</u>	<u>740,515,307</u>	<u>782,708,093</u>
Legal Debt Margin Total Debt Applicable to Limit as a Percentage of Debt Limit	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>

Source: City of Pleasanton Finance Department
Alameda County Office of the Auditor-Controller

Fiscal Year Ended June 30				
2018	2019	2020	2021	2022
\$ 22,138,382,295	\$ 23,796,761,611	\$ 25,241,143,501	\$ 26,474,219,535	\$ 27,198,047,777
25%	25%	25%	25%	25%
5,534,595,574	5,949,190,403	6,310,285,875	6,618,554,884	6,799,511,944
15%	15%	15%	15%	15%
830,189,336	892,378,560	946,542,881	992,783,233	1,019,926,792
<u>\$ 830,189,336</u>	<u>\$ 892,378,560</u>	<u>\$ 946,542,881</u>	<u>\$ 992,783,233</u>	<u>\$ 1,019,926,792</u>
0.00%	0.00%	0.00%	0.00%	0.00%

City of Pleasanton
Pledged-Revenue Coverage for the Water Fund
Last Six Fiscal Years

Fiscal Year Ended June 30	Water Revenues	Less Operating Expenses	Net Available Revenue	Debt Service			Coverage
				Principal	Interest	Total	
2017	\$ 25,664,616	\$ 19,784,665	\$ 5,879,951	\$ -	\$ 152,756	\$ 152,756	38.49
2018	28,778,209	22,214,564	6,563,645	1,097,501	241,580	1,339,081	4.90
2019	27,555,651	22,115,662	5,439,989	1,143,335	227,782	1,371,117	3.97
2020	30,701,446	25,923,528	4,777,918	1,161,318	206,496	1,367,814	3.49
2021	33,249,401	27,280,341	5,969,060	1,184,331	184,815	1,369,146	4.36
2022	30,392,165	27,002,502	3,389,663	1,239,256	175,620	1,414,876	2.40

Note: Revenue and expenditure totals differ from totals in the financial statements because bond rate covenants include and exclude various line item amounts (e.g. depreciation and General Fund interfund transfer that was subordinate to the payment of Bonds).

Source: City of Pleasanton, Finance Department

Demographic and Economic Information

Demographic and Economic Statistics - Last Ten Years

Principal Employers - Current Year and Nine Years Ago

Full-Time, Part-Time and Limited Term Employees by Function - Last Ten Fiscal Years

City of Pleasanton
Demographic and Economic Statistics
Last Ten Years

<u>Year</u>	<u>Population</u>	<u>Personal Income</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2012	71,871	\$ 3,512,480,000	\$ 48,872	3.5%
2013	73,067	3,610,971,000	49,420	2.8%
2014	73,028	3,612,987,000	49,474	4.6%
2015	74,982	3,729,303,000	49,736	3.7%
2016	75,916	3,926,999,000	51,728	3.3%
2017	79,201	4,296,377,000	54,246	2.2%
2018	80,492	4,765,758,000	59,208	2.5%
2019	79,464	5,214,992,000	65,627	2.5%
2020	78,371	5,683,504,000	72,520	6.3%
2021	77,609	5,734,230,000	73,886	4.5%

Source: HDL Companies - Statistical Package
Most current year available from HDL is for 2021

**City of Pleasanton
Principal Employers
Current Year and Nine Years Ago**

Employer	FY 2021/22		Employer	FY 2012/13	
	Number of Employees	Percent of Total Employment		Number of Employees	Percent of Total Employment
Workday Inc* (2)	5,017	8.14%	Kaiser Permanente	3,974	7.43%
Kaiser Foundation Hospitals	4,087	6.63%	Safeway Inc* (2)	3,225	6.03%
Oracle America Inc	1,681	2.73%	Workday Inc* (2)	1,699	3.18%
Roche Molecular Systems Inc* (2)	1,004	1.63%	Oracle	1,479	2.77%
Stanford Healthcare -Valleycare	896	1.45%	Pleasanton Unified School District*	1,272	2.38%
Veeva Systems Inc* (2)	764	1.24%	Valley Care Medical Center	1,075	2.01%
Vocera Communications Inc	629	1.02%	Clorox Service Company	900	1.68%
Thermo Fisher	579	0.94%	Macy's	832	1.56%
10x Genomics* (2)	560	0.91%	State Fund Compensation Ins.	650	1.22%
Ice Mortgage Technology Inc	556	0.90%	EMC Corporation	507	0.95%
Blume Global Inc	500	0.81%	Hendrick Automotive (Auto Mall)	478	0.89%
ADP LLC	487	0.79%	Roche Molecular Systems Inc.	452	0.85%
Gap Inc	450	0.73%	Thoratec Corporation* (2)	421	0.79%
Blackhawk Network Inc	420	0.68%	Blackhawk Network	414	0.77%
Abbott	383	0.62%	City of Pleasanton* (1)	400	0.75%

Sources: City of Pleasanton Economic Development Department

(1) Includes City of Livermore fire personnel in Livermore Pleasanton Joint Powers Authority.

(2) Headquarters

City of Pleasanton
Full-Time, Part-Time and Limited Term Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year Ended June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Government (1)	37.0	37.3	38.0	39.0	40.0	38.6	38.6	41.3	41.3	43.6
Public Safety (1)	175.0	175.3	175.3	178.0	178.1	181.5	182.5	181.3	181.3	182.3
Community Development	48.0	48.4	48.4	51.5	51.5	55.1	54.1	52.5	52.5	54.5
Operations Services	58.0	57.0	60.0	61.5	62.0	61.2	62.5	62.2	62.2	61.5
Community Activities	47.0	46.4	45.0	44.5	45.5	46.5	46.5	50.5	50.5	51.0
Utilities & Paratransit	35.0	38.0	38.0	38.0	40.5	41.3	41.1	43.2	45.6	40.4
Total	400.0	402.2	404.6	412.5	417.6	424.2	425.4	430.9	433.3	433.3

(1) Public Safety includes Police personnel and the City of Pleasanton's cost share allocation of Livermore-Pleasanton Fire Department (LPFD) personnel per Joint Powers Agreement; does not include Livermore fire personnel in LPFD.

Source: City of Pleasanton Budget

Operating Information

Operating Indicators by Function - Last Ten Fiscal Years

Capital Asset Statistics by Function - Last Ten Fiscal Years

**City of Pleasanton
Operating Indicators by Function
Last Ten Fiscal Years**

	Fiscal Year Ended June 30			
	2013	2014	2015	2016
Fire:				
Number of Responses (Pleasanton only)	4,548	4,753	4,849	5,133
Number of Inspections (Pleasanton only)	1,032	1,415	1,552	1,912
Library: (3)				
Annual Circulation	1,428,665	1,422,134	1,309,117	353,184
Gate Count (# of people thru the doors) (3)	551,297	556,810	529,996	521,042
e-Resources			50,000	87,876
Economic Development:				
Business Licenses Issued	9,275	9,625	9,776	9,817
Parks & Community Services: (3)				
Paratransit Trips (1)	13,486	11,921	10,725	10,291
Golf Revenue Rounds Played	56,104	54,998	56,066	55,389
Aquatics Programs (No. of Participants) (2)	34,334	25,861	40,803	39,992
Sports, Camps, Classes and Leagues (No. of Participants) (2)	54,579	52,589	55,054	62,817
Amador Theater & Firehouse Arts Center (No. of Patrons) (4)	45,291	44,762	42,759	48,809
Operations Services:				
Streets Resurfacing (miles)	11.8	2.0	12.9	1.0
Utility Bills Generated	127,955	128,277	134,559	134,741
New Water Connections	88	74	124	99
Gallons Delivered (in million gallons/day)	14.8 mgd	14.2 mgd	10.8 mgd	10.9 mgd
New Sewer Connections	136	231	285	374

Source: City of Pleasanton Community Services and Operations Services

(1) In 2013, the Downtown Route Service was reduced from 5 days a week to 3 days a week to meet the service demands.

(2) In 2013, the category was widened from youth to all participants.

(3) Due to the COVID-19 pandemic in 2020 and the resulting Alameda County Shelter-in-Place Order in March, non-essential City services (library and recreation) were shut-down resulting in decreases in numbers with the exception of e-Resources which increased.

(4) Indoor theater performances were among the last of the facilities allowed to open under state/county orders. They were all on April 15, 2021 with limited occupancy, the first show was in May 2021.

Fiscal Year Ended June 30					
2017	2018	2019	2020	2021	2022
5,579	6,010	5,954	5,624	5,615	6,363
1,538	1,301	1,388	1,460	616	575
1,223,999	1,217,063	1,091,852	852,615	463,420	828,312
527,240	607,451	594,225	399,594	41,239	264,223
71,667	69,826	97,482	212,275	248,074	180,748
9,729	9,461	9,497	9,142	8,040	8,150
8,932	8,024	7,687	5,815	1,810	3,468
51,485	50,317	46,826	44,005	70,792	79,752
39,992	32,296	35,102	23,953	13,276	35,621
56,155	58,405	61,475	18,196	19,101	59,080
50,121	66,250	41,467	30,066	1,096	3,398
1.0	2.0	5.1	11.0	16.0	8.6
123,571	134,405	133,007	133,015	141,594	137,409
54	42	75	56	37	19
11.2 mgd	11.8 mgd	12.2 mgd	13.1 mgd	13.3 mgd	12.0 mgd
79	83	98	64	51	19

ch of 2020,
n of Library

owed to open

City of Pleasanton
Capital Asset Statistics by Function
Last Ten Fiscal Years

	Fiscal Year Ended June 30				
	2013	2014	2015	2016	2017
Police:					
Stations	1	1	1	1	1
Fire:					
Stations (Pleasanton only)	5	5	5	5	5
Library:					
Branches	1	1	1	1	1
Parks & Community Services:					
Acres of Parks Maintained (1)	385	390	390	335	447
Municipal Golf Courses	1	1	1	1	1
Aquatic Centers	1	1	1	1	1
Senior Centers	1	1	1	1	1
Operations Services:					
Streets (miles)	214	215	215	215	216
Streetlights	6,025	6,200	6,247	6,262	6,534
Traffic Signals	96	101	104	104	106
Water:					
Water mains (miles)	324	327	329	329	314
Pumping Capacity (gallons/day)	31.0M	31.0M	31.0M	31.0M	31.0M
Wastewater:					
Sanitary Sewers (miles)	257	257	258	258	259
Storm Sewers (miles)	194	194	194	194	194

Source: City of Pleasanton Community Services and Operations Services

(1) In 2016, the Parks Dept began using GPS technology to better calculate the acres of parks in the City. The true number of acres has decreased to 335 based on the current audit of the parks.

Fiscal Year Ended June 30

2018	2019	2020	2021	2022
1	1	1	1	1
5	5	5	5	5
1	1	1	1	1
451	451	451	451	451
1	1	1	1	1
1	1	1	1	1
1	1	1	1	1
208	208	208	208	213
6,534	6,534	6,534	6,534	6,534
106	106	108	108	109
331	327	360	378	381
31.0M	31.0M	31.0M	31.0M	31.0M
259	260	258	258	261
194	195	243	196	196

THIS PAGE INTENTIONALLY LEFT BLANK