

# POPULAR ANNUAL FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025





# TABLE OF CONTENTS

Introduction . . . . .	2
GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting. . . . .	3
Meet the City Council . . . . .	4
Community Profile . . . . .	5
Types of Funds . . . . .	6
Governmental Funds . . . . .	7
Enterprise Funds . . . . .	8
Net Position . . . . .	9
Fund Balances . . . . .	10
Investments . . . . .	11
Long Term Debt . . . . .	13
Pension Obligations . . . . .	14
Other Post Employment Benefits. . . . .	15

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# GLOSSARY OF TERMS

Here is a quick reference to some terms used in the report:

**Assets** - Property or equipment that has a monetary value.

**Deferred Outflows of Resources** - A consumption of net assets that applies to future periods.

**Deferred Inflows of Resources** - An acquisition of net assets that applies to future periods.

**Fiscal Year** - A one year period that the City used for accounting purposes and preparing financial report. The fiscal year for the City begins on July 1 of every year and ends on June 30. The City issues its annual financial reports at the end of each calendar year.

**Fund** - A method to account financial transactions that are for a specific purpose.

**Liability** - A legal monetary obligation.

**Other Assets** - Cash, investments, and money owed to the City.

**Public Entity** - A state or local government, as well as any agency, office, or department run by a state or local government.

# INTRODUCTION

Pleasanton's Popular Annual Financial Report contains financial highlights for the City of Pleasanton. The information has been presented in an easy to read format that simplifies complex data and avoids financial jargon. The City of Pleasanton is a General Law city with a Council-Manager form of government. The Mayor and City Council are elected officials that represent the will of Pleasanton residents and businesses. The City Manager and staff provide operations and management of services and facilities provided by the City. The City adopts a biennial Operating Budget and a five year Capital Improvement Plan in odd number years. For more information on the City's various financial reports and information please visit the Finance page on City's website located at [www.cityofpleasantonca.gov](http://www.cityofpleasantonca.gov).

Pleasanton is a thriving community that has something to offer everyone. From golf courses, major employers, prosperous vineyards and large community parks and recreation areas to small business, historic downtown with its boutique stores and restaurants, the city will capture the heart of all that visit just as it does for its residents.

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. 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.

The city's geographic location makes it strategically accessible. Pleasanton is located at the intersection of two major interstate freeways. These freeways link Pleasanton to Sacramento in the north, San Francisco Bay Area in the west, the Silicon Valley in the south and the San Joaquin central valley in the east. Along with the major freeways, the city also boasts connection with transit systems, including the Bay Area Rapid Transit (BART) and Altamont Corridor Express (ACE) which make traveling to and from the city extremely convenient.

The city's location combined with abundant parks and recreational areas, thriving community, low crime, excellent business districts and a beautiful downtown makes Pleasanton the city of choice for new businesses, industry and residents.

## PAFR AWARD



Government Finance Officers Association

### Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**City of Pleasanton  
California**

For its Annual Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

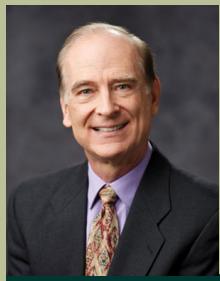
# ORGANIZATION CHART



## MAYOR & CITY COUNCIL



Mayor  
Jack Balch



Vice Mayor  
Jeff Nibert



Council Member  
Craig Eicher



Council Member  
Matt Gaidos



Council Member  
Julie Testa

- Human Services Commission
- Library Commission
- Parks and Recreation Commission
- Planning Commission
- Bicycle, Pedestrian and Trails Committee
- Energy and Environment Commission
- Economic Vitality Committee
- Civic Arts Commission
- Youth Commission

## CITY MANAGER



HUMAN RESOURCES



LIBRARY & RECREATION



ECONOMIC DEVELOPMENT



FINANCE



COMMUNITY DEVELOPMENT

## CITY ATTORNEY



FIRE



INFORMATION TECHNOLOGY



POLICE

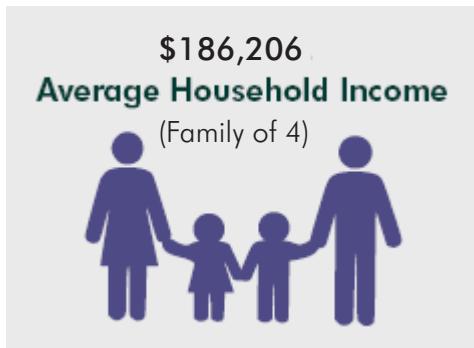


PUBLIC WORKS



CITY CLERK

# COMMUNITY PROFILE



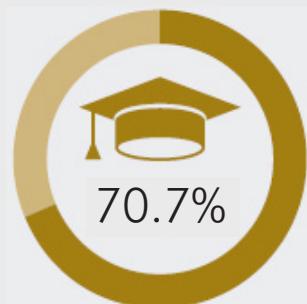
## The Average Pleasanton Resident

The City of Pleasanton is an excellent community made up of good people. These facts/figures reflect the average Pleasanton resident.

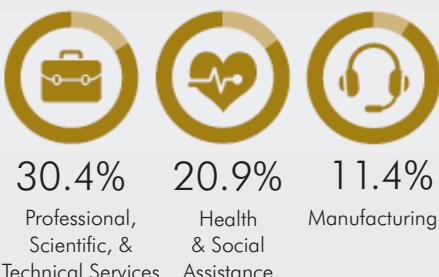
### PLEASANTON



**Possesses a Bachelor's Degree**  
70.7% of Residents



## Industry Most Likely to Work In



## BY THE NUMBERS

### Community Demographics



**210 Miles**  
Maintained City Streets

### Housing



29,849 Total Residential Units

### Fire



6,461  
Total Number of Responses  
(Pleasanton Only)

186  
Total Annual Fires  
(Pleasanton Only)

### Economic Development

Workday Inc. ..... 5,387 employees  
The Permanente Medical Group Inc. ..... 1,414 employees  
Stanford Tri-Valley Health Care ..... 1,124 employees  
Safeway, Inc. ..... 1,110 employees

47 parks  
82.3 Trail Miles

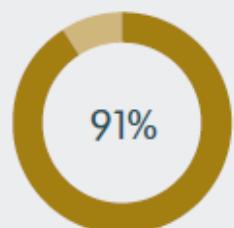
### Police

91,329  
Total calls to communications center  
5,890  
Traffic Stops



### 91% of Residents

Say Pleasanton is an excellent or good place to live



# PUBLIC ENTITY

City of Pleasanton is a public entity that manages its monies as governed by the generally accepted accounting practices. A public entity must ensure appropriate use of public funds.

## Types of City Funds

The City of Pleasanton manages a number of funds to provide a wide variety of programs and services to the community.



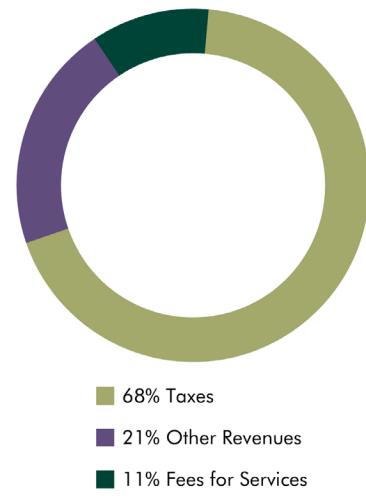
# GOVERNMENTAL FUNDS

Governmental funds are a group of funds (sources) that a government entity collects during the year and are used to provide most of the City services. These funds include monies collected through taxes, permits, licenses, fines, fees for services, etc. They are typically used for services that are not restricted by usage. Examples of programs funded through Governmental Funds include police and fire services, libraries, parks, and public works.

## Where does money come from?

Taxes like property tax, sales tax, and transient occupancy tax comprise the largest portion of governmental funds. This makes up about 68% of the total revenues in this category. The table below breaks down the different revenues collected by the City in FY 2024/25 compared with FY 2023/24 and FY 2022/23. The increase in revenue in FY 2024/2025 is mainly due to large development projects and increased development activities and higher interest income and unrealized investment gain.

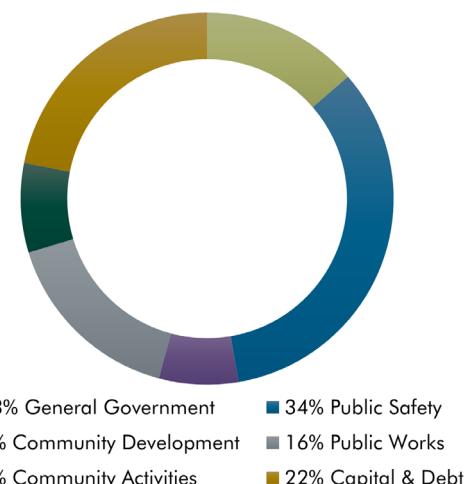
Revenue by Sources (in millions)	FY 2023	FY 2024	FY 2025
Property Taxes & Special Assessments	\$86.3	\$90.5	\$92.8
Sales Tax	26.2	24.6	25.9
Other Taxes	12.2	12.0	12.9
Other Sources	16.4	29.5	37.2
Fines, Forfeitures & Fees	9.2	6.2	11.8
Intergovernmental	13.0	14.4	12.0
<b>Total</b>	<b>\$163.3</b>	<b>\$177.2</b>	<b>\$192.6</b>



## Where does money get spent?

The governmental funds are used for typical City operations split into five categories: General Government, Public Safety, Community Development, Public Works, and Community Activities. Public safety makes up for 34% of the expenses as firefighting and police services continue to develop as the city grows. The table below breaks down the different programs funded by the City in FY 2024/25 compared with FY 2023/24 and FY 2022/23. The increase in expenditure in FY 2024/25 is mainly due to increases in salaries and benefits and capital outlay associated with large construction projects.

Expenditures by Program (in millions)	FY 2023	FY 2024	FY 2025
General Government	\$20	\$25.9	\$27.0
Public Safety	57.4	64.2	66.7
Community Development	19.1	11.5	13.6
Public Works	22.8	30.3	32.0
Community Activities	15.0	16.2	15.4
Capital & Debt	16.7	14.5	43.4
<b>Total</b>	<b>\$151</b>	<b>\$162.6</b>	<b>\$198.1</b>



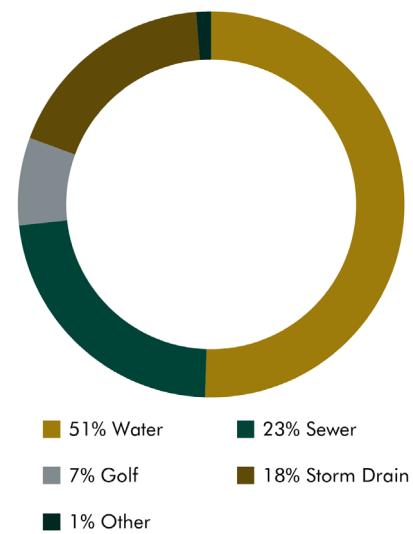
# ENTERPRISE (BUSINESS OR PROPRIETARY) FUNDS

Enterprise or Business Funds are a group of funds that are managed similar to a business entity. These funds collect fees to cover the cost of service and all monies collected can only be used to provide the same service. These funds are typically used for utilities – including water, sewer and storm drain, as well as golf and transit services.

## Where does money come from?

The Water Utility is the biggest component, comprising of about 51% of the total group. Unlike governmental funds, each fund is a separate entity and funds from one source cannot be mixed with another. The “Other Enterprise Funds Category” represents three funds: Transit Fund, Cemetery Fund and Housing Fund. The table below breaks down the different revenues collected by the City in FY 2024/25 compared with FY 2023/24 and FY 2022/23. The increase in revenue in FY 2024/25 is mainly due to the increase in water rate increase and transfers in to the Storm Drain Fund from other funds to support operations and capital projects.

Revenue by Sources (in millions)	FY 2023	FY 2024	FY 2025
Water Fund	\$29.5	\$37.1	\$44.9
Sewer Fund	16.7	19.4	20.3
Golf Fund	5.9	6.3	6.5
Storm Drain Fund	3.9	3.1	16.2
Other Enterprise Funds	0.9	1.0	1.1
<b>Total</b>	<b>\$56.9</b>	<b>\$66.9</b>	<b>\$89.0</b>

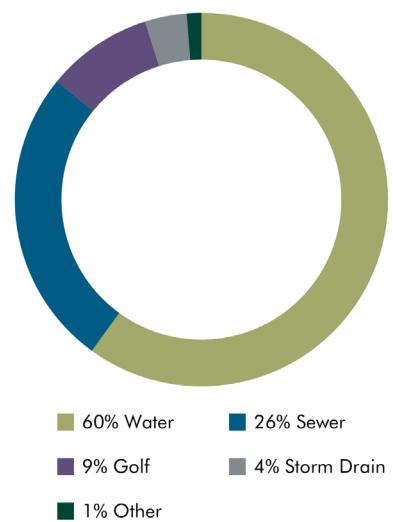


## Where does money get spent?

The Enterprise Funds are used specifically for the purpose for which the revenue is collected. For example, the amount paid on a water bill can only be used to provide water to a resident or business. This includes operating costs of the utility, capital projects needed to maintain the water system, and the cost of buying the water.

The table below breaks down the different programs funded by the City in FY 2024/25 compared with FY 2023/24 and FY 2022/23. The increase in expenditure in FY 2024/25 is mainly due to increases in salaries and benefits, water purchase costs and sewer service charges, and loss on the disposal of capital assets due to the termination of projects and changes in project scopes.

Expenditures by Program (in millions)	FY 2023	FY 2024	FY 2025
Water Fund	\$34.4	\$39.4	\$48.2
Sewer Fund	19.5	19.7	20.8
Golf Fund	7.7	7.1	7.4
Storm Drain Fund	3.2	2.6	2.9
Other Enterprise Funds	0.9	1.0	1.0
<b>Total</b>	<b>\$65.7</b>	<b>\$69.8</b>	<b>\$80.3</b>



# NET POSITION

The net position is an overview of the City's assets and liabilities. The change in total net position shows how much the balance of assets and liabilities has changed in the past year. The change in net position from FY 2023/24 to FY 2024/25 was an increase of one percent due to increased revenues over expenses. This indicates that the City gained more assets than the increase in liabilities. The goal is to ensure the City's assets always exceed the liabilities.

## Net Position (in millions)

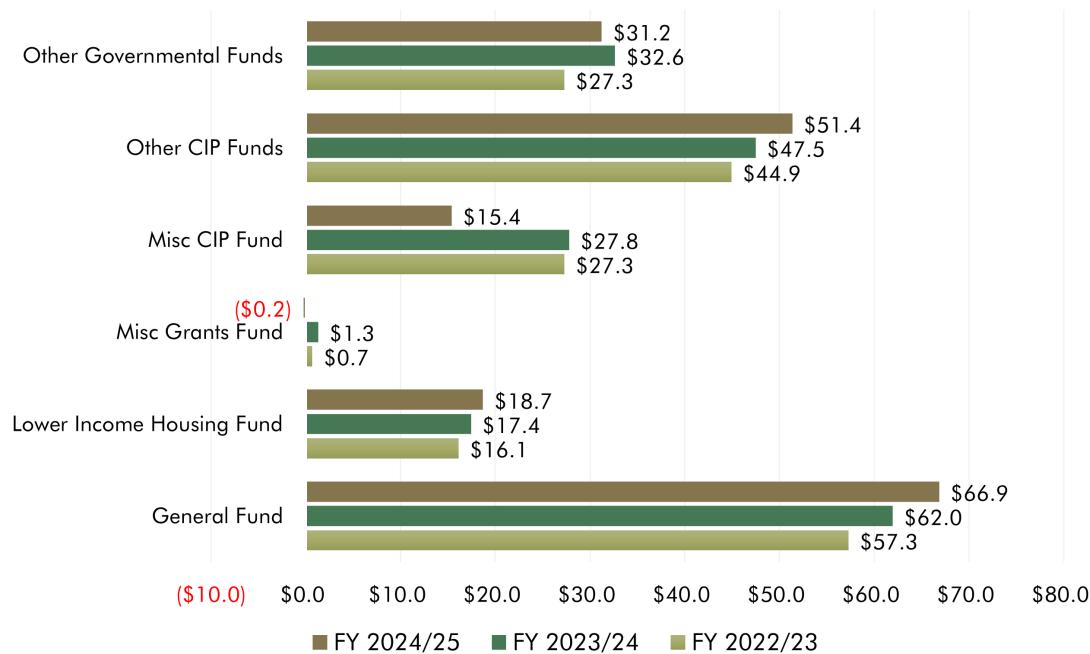
City Assets - What we own	FY 2023	FY 2024	FY 2025
Current Assets (consisting mainly of cash and amounts owed to City)	\$336.3	\$356.6	\$376.2
Capital assets consisting primarily of buildings, equipment and vehicles	688.4	693.1	706.9
<b>Total City Assets</b>	<b>1,024.7</b>	<b>1,049.7</b>	<b>1,083.1</b>
Deferred outflows of resources (future assets)	66.2	67.4	48.8
<b>Total City Assets and Deferred Outflows</b>	<b>1,090.9</b>	<b>1,117.1</b>	<b>1,131.9</b>
<b>City Liabilities - What we owe</b>			
Current Liabilities consisting of all amounts the City owes, except for debt	\$29.6	\$37.0	\$46.2
Non-current liabilities (including long-term debt and pension obligations)	246.5	282.5	290.5
<b>Total City Liabilities</b>	<b>276.1</b>	<b>319.5</b>	<b>336.7</b>
Deferred inflows of resources (future liabilities)	26.6	17.8	11.4
<b>Total City Liabilities and Deferred Inflows</b>	<b>302.7</b>	<b>337.3</b>	<b>348.1</b>
<b>City's Net Financial Position</b>	<b>\$788.2</b>	<b>\$779.8</b>	<b>\$783.8</b>



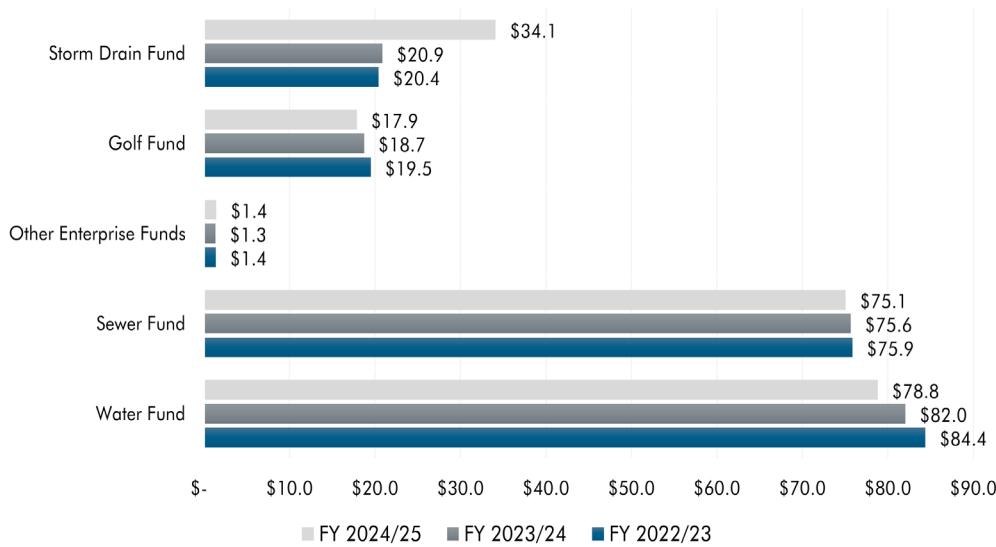
# FUND BALANCES

A fund balance is essentially the left over monies in a fund in addition to the assets owned by the fund after meeting all liabilities for the fund. Think of it as the account balance in a checking account left at the end of the month, after all the monthly purchases and bills are paid. These funds are then available for allocation to use in the next fiscal year and to retain as reserves. The City manages each fund to maintain a healthy fund balance that helps with long range planning and fiscal sustainability. The negative fund balance in the Miscellaneous Grants Fund is expected to be eliminated in the next budget cycle with annual allocations to the law program. The following charts show the fund balances for various governmental and enterprise funds.

## Governmental Funds - Fund Balance (in millions)



## Enterprise Funds - Available Fund Balance (in millions)



# INVESTMENTS

The City's investment policy is designed to limit exposure to losses arising from a volatile market. The City limits investment to a maximum of five years of maturity. The City's investments are rated by nationally recognized rating organizations. The following table shows the amounts contributed by the City in the various types of investments.

	Amount
U.S. Government Agencies	\$137,087,385
Corporate	21,361,810
PARS Trust	56,332,350
California Local Agency Investment Fund (LAIF)	66,579,688
Other	40,456,687
<b>Total Investments</b>	<b>\$ 321,817,920</b>



- 42% U.S. Government Agencies \$137 million
- 7% Corporate \$21.4 million
- 17% PARS Trust \$56 million
- 21% California Local Agency Investment Fund (LAIF) \$66.6 million
- 13% Other \$40.5 million

The City's investments are rated by nationally recognized rating organizations. The City's policy requires a rating of "A" or better. As of June 30, 2025, the ratings for the City's investment portfolio, excluding pension related investments and LAIF, are as follows:

	Standard & Poor's
<b>U.S. Government Agencies</b>	
Federal Farm Credit Bank	AA +
Federal Home Loan Bank	AA +
Federal National Mortgage Association	AA +
Federal Home Loan Mortgage Corporation	AA +
<b>Supranationals</b>	
International Finance Corporation	AAA
International Finance Corp	AAA
<b>Asset Backed Securities</b>	
BMW Vehicle Owner Trust	AAA
Hyundai Auto Receivables Trust	AAA
<b>US Treasury Securities</b>	
US Treasury	AA ++

# INVESTMENTS (CONTINUED)

Medium Term Corporate Notes	Standard & Poor's
Abbvie Inc.	A -
Air Products and Chemicals, In	A
Apple Inc.	AA++
Bank of America	A -
Bank of New York Mellon	A
Caterpillar Financial Services	A
Chubb Limited	A
Cisco Systems, Inc.	AA -
Duke Energy Corporation	A
Eli Lily & Co	A +
John Deere Capital Corp	A
JPMorgan Chase & Co	A
JPMorgan Chase Bank NA	AA -
Marsh & McLennan Companies Inc	A -
Meta Platforms Inc	AA -
Morgan Stanley	A -
Paccar Financial Corp	A +
Prologis LP	A
Royal Bank of Canada	A
State Street Corp	A
State Street Corporation	A
Toyota Motor Credit Corp	A +
U.S. Bancorp	A
United Health Group Inc.	A +

# LONG TERM DEBT

The City manages its long term liabilities and debt strategically. The following table compares the outstanding balances on the City's long-term debt for FY 2024/25 compared with FY 2023/24 and FY 2022/23. Overall, there is an increase in the amount owed mainly due to the new Costco loan associated with transportation improvement costs incurred in the Johnson Drive Economic Development Zone (JDEDZ). The City utilizes debt financing to fund capital related projects and strive to maintain good credit ratings to secure low interest debt and achieve savings.

**Governmental activities debt increased by \$13.0 million in FY 2024/25 mainly due to:**

- A \$12.8 million loan from Costco for fronting the construction costs incurred in the JDEDZ area
- A \$1.7 million increase in subscription liabilities mainly due to subscription addiions of \$1.3 million with Accela Cloud to provide an SAAS multi-solution user service

**Business-type activities debt decreased by \$1.4 million in FY 2024/25 mainly due to:**

- Debt service payments for the various loans, bonds, and subscription liabilities

Governmental Activities	FY 2022/23	FY 2023/24	FY 2024/25
Costco Loan Reimbursement	-	-	\$12,758,240
Finance Purchase - Vehicle	\$1,005,284	\$984,037	\$725,712
Finance Purchase - Fire Engine	-	1,125,662	893,820
HUD Section 108 Loan	586,000	536,000	486,000
G3 - Sun Ridge Computer System	-	684,188	684,188
Lease Liabilities	-	220,353	111,773
Subscription Liabilities	987,411	1,094,421	1,927,824
<b>Total</b>	<b>\$2,578,695</b>	<b>\$4,608,661</b>	<b>\$17,587,557</b>
Business-Type Activities	FY 2022/23	FY 2023/24	FY 2024/25
California Clean Water SRF Loan	\$9,238,640	\$8,896,132	\$8,550,198
Golf Course Financed Purchase	\$113,957	\$87,460	\$53,963
Golf Course Lease	-	221,925	119,848
Water Revenue Bond - Series 2017	1,900,000	-	-
Premium on Water Revenue Bond - Series 2024	-	1,959,574	1,953,482
Water Revenue Bond - Series 2024	-	17,275,000	16,875,000
Subscription Liabilities	504,169	767,498	235,728
<b>Total</b>	<b>\$11,756,766</b>	<b>\$29,207,589</b>	<b>\$27,788,219</b>

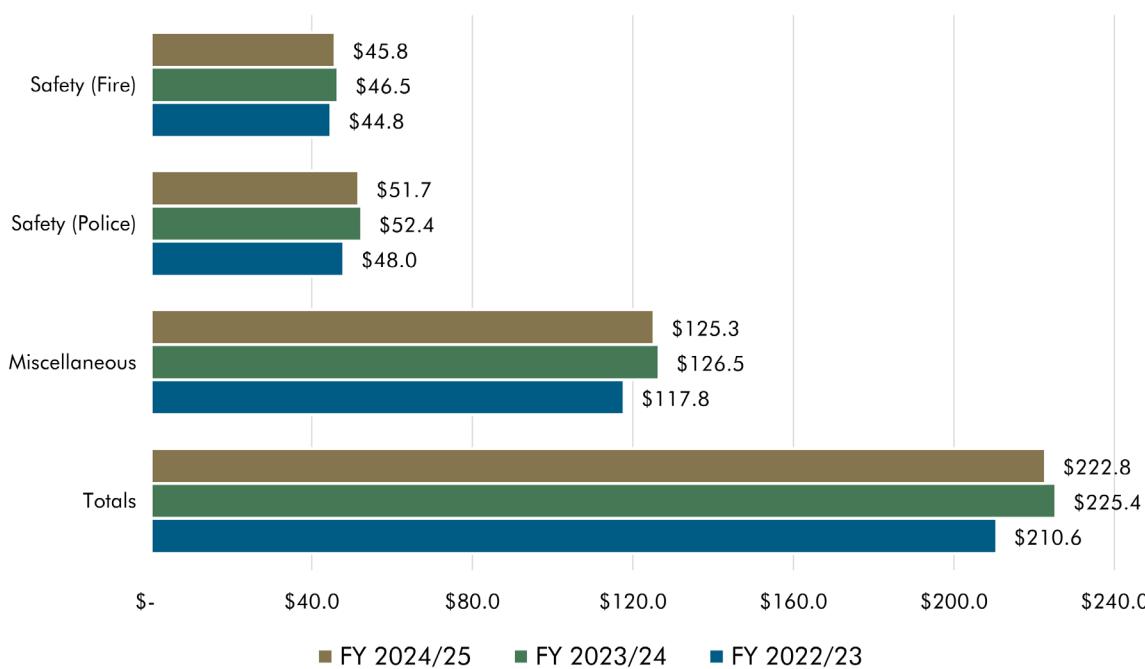
# PENSION OBLIGATIONS

The City participates in the California Public Employees' Retirement System (CalPERS). The employee benefits are determined by type of work (Police, Fire or Miscellaneous Employee), date of hire, years of service and age at retirement. Both the City and employees contribute toward the pension fund.

The City's pension liability is measured as the total pension liability less the plans' assets. An increase to the pension liability can prove to be a challenge, since it increases pension contributions. The City has taken measures to smooth the impact of these rates by creating a long-term fiscal plan and establishing a Section 115 Pension Trust Fund, specially designed to manage pension rate fluctuations as needed.

To date, the City has allocated a total of \$38 million toward this trust fund (balance at 6/30/25 with investment earnings is \$56 million), which is administered by PARS Trust Fund, comprised of both short and long term investments. City Council also adopted policies that placed limits on the City's ability to draw on the PARS Trust Fund to ensure funds are available for pension contributions during financially difficult times. In addition, to the extent to which the City is able to not draw on the PARS Trust Fund, the fund can grow through compounded investment earnings. The table below reflects the City's pension liability for the different plans. The decrease in liability for FY 2024/25 is due to higher than expected CalPERS investment return in FY 2023/24.<sup>1</sup> For more information on the pension liability, please refer to the Annual Comprehensive Financial Report (ACFR).

<sup>1</sup> Pension liability decreased in FY 2024/25 due to higher than expected investment returns in FY 2023/24. Pension liability increased in FY 2023/24 due to lower than expected investment returns in FY 2022/23.



## OTHER POST EMPLOYMENT BENEFITS (OPEB)

The City of Pleasanton provides retiree health benefits to employees that retire directly from the City. The value of this benefit is defined by negotiated labor contracts. The City established an irrevocable trust set up with the California Employer's Retiree Benefit Trust program (CERBT) administered by CalPERS, to help fund future health benefits. The table below reflects the City's net OPEB liability as shown in the ACFR for FY 2024/25 as compared with FY 2023/24 and FY 2022/23.<sup>2</sup>

<sup>2</sup> OPEB liability decreased in FY 2024/25 due to higher investment returns.

Net Liability as of:	Non-Fire	Fire	Total
As of June 30, 2023	\$16,694,000	\$4,083,500	\$20,777,500
As of June 30, 2024	18,992,000	4,235,500	23,227,500
As of June 30, 2025	14,302,000	3,689,000	17,991,000



# CONTACT US

The City of Pleasanton welcomes your comments and questions and every employee is committed to responding as soon as possible. The City has a strong presence across various social media platforms and provided regular updates on a variety of topics. Please follow us to receive regular updates.



## City of Pleasanton

For all your news and updates about the City of Pleasanton and major projects around town.



## Firehouse Arts Center

Your one stop destination for all things arts in Pleasanton, from events at the Firehouse Arts Center to the works of local artists.



## Library and Recreation

News and updates for all your favorite programs and services from the City of Pleasanton Library and Recreation Department.



## Pleasanton Police Department

Like and Follow the Pleasanton Police Department to receive information, submit comments and get involved in the conversation with your local police department.



## Livermore-Pleasanton Fire Department

Like and Follow the Livermore-Pleasanton Department to receive information, submit comments and get involved in the conversation with your local fire department.



## inPleasanton

Support Local and discover shopping, dining, and more in Pleasanton



For a full employee directory and the Annual Comprehensive Financial Report, please visit

<https://www.cityofpleasantonca.gov/contact-us/>

<https://www.cityofpleasantonca.gov/our-government/finance-department/financial-reports/>

