

City of Orinda, California Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2020



Photograph of “Orinda Oasis” by Allison McCrady oil on canvas 7/2011
The painting is on display in the Orinda City Hall lobby. www.allisonmccrady.com

City of Orinda – 22 Orinda Way, Orinda CA 94563 – www.cityoforinda.org

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City of Orinda, California
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2020

Prepared by
Finance Department

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CITY OF ORINDA, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2020

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INTRODUCTORY SECTION

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December 29, 2020

To the Members of the City Council, and Residents of the City of Orinda:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) for the City of Orinda (City) for the fiscal year ended June 30, 2020. The purpose of the report is to provide the City Council, City Staff, residents, bond holders, and other interested parties with useful information concerning the City's operations and financial position. The City management is responsible for the accuracy, completeness, and fairness of the data presented in this report.

To the best of our knowledge, the following report is accurate in all material respects. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards. This includes conformance with directives issued by the Governmental Accounting Standards Board (GASB), and other rule-making bodies. We believe the report contains all disclosures necessary for the reader to understand the City's financial affairs.

STEWARDSHIP

Financial reports are one of several efforts undertaken by the City to promote accountability. Management of the City has established an internal control framework that is designed both to protect the City'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 framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatements.

As part of the overall efforts to provide stewardship of public funds, the City's financial statements have been audited by Maze and Associates Accountancy Corporation, a firm of certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2020, 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 overall financial statement presentation. Based upon the audit, Maze Associates concluded that there was reasonable basis for rendering an unmodified ("clean") opinion, on the City of Orinda's financial statements for the year ended June 30, 2020. The independent auditor's report is contained as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special 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 financial statements, but also on the audited government'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 will be available in the City's separately issued Single Audit Report.

REPORT FORMAT

This report includes all funds of the City of Orinda and the report is organized in three main sections:

- Section I, the introductory section, contains the table of contents, this transmittal letter, and other general interest material.
- Section II, the financial section, contains the auditor's opinion, Management's Discussion and Analysis (MD&A), the basic financial statements, notes to the financial statements, and detailed combining and individual statements and schedules for the City's funds.
- Section III, the statistical section, includes a history of financial and non-financial data that give a context in which to understand the City's financial statements.

When reading this report users are encouraged to review the Management's Discussion and Analysis (MD&A) section, which immediately follows the independent auditor's report. This section provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY OF ORINDA

The City of Orinda incorporated as a City in 1985 after more than 100 years of gradual development. One of the primary reasons cited by voters for supporting incorporation, was the desire for local decision making. Most of residential Orinda is comfortably mature, with trees dominating roads and buildings. Orinda remains a family oriented community in an idyllic setting.

The City comprises approximately 12.8 square miles and is situated adjacent to the Oakland/Berkeley hills, immediately east of the Caldecott Tunnel on Highway 24 in Contra Costa County. Orinda is a residential oriented community with a population of 19,009 residing in approximately 6,789 housing units. More than half of the City's homes were constructed between 1940 and 1970.

Orinda continues to make a mark on the region with the beautifully restored art deco Orinda Theatre, the California Shakespeare Theater, and a popular Community Center and Public Library. The City also includes a Bay Area Rapid Transit (BART) train station providing easy access to the larger Bay Area.

The City of Orinda operates under a Council-Manager form of government. Policy making and legislative authority are vested in the City Council, which consists of five members, elected at-large to four-year overlapping terms. The position of Mayor and Vice Mayor are chosen annually by the City Council. The City Council is responsible for the City's ordinances, operating resolutions, adoption of the annual budget, land use decisions in accordance with the General Plan, hiring the City Manager and City Attorney, and appointment of all members of advisory boards and commissions. The City Manager is responsible for the following activities: implementing the policies, ordinances, and directives of the City Council; and overseeing the day-to-day operations of the City. The City Attorney services are provided through a professional services agreement with a private law firm.

The City provides municipal services that include public safety, public works, parks and recreation, and planning services. The City operates with a small staff of 36.4 Full-Time Equivalent (FTE) positions supplemented by part-time employees. Sworn police services staff are employees of the Contra Costa County Sheriffs Office and law enforcement services are provided under an agreement with the Sheriff's Office. Parks and Recreation maintenance services are augmented by work performed by MCE Corporation, a private contractor. The City is not responsible for fire and emergency medical services as these are provided by the Moraga – Orinda Fire District.

REPORTING ENTITIES

The financial statements included in this CAFR present the City (the primary government) with all the City funds. In addition the Orinda Geologic Hazard Abatement District (GHAD) is included as a reporting entity. The Orinda GHAD is a separate legal entity; however, the members of the City Council also serve as members of the Orinda GHAD Board. Therefore, the financial information for the GHAD is presented as a separate Fiduciary Custodial Fund in the CAFR document.

BUDGET PROCESS

The City Council establishes biennial (two year) budgets with a mid-cycle annual review for the General Fund and all other Funds. Budgetary control is legally maintained at the fund level for these funds. Department Directors submit budget requests to the City Manager and Finance Director. The Finance Director prepares an estimate of revenues and prepares recommendations for the next year's budget. The preliminary budget or mid-cycle adjustment is presented to the City Council at a public meeting. After deliberation and any amendments discussed as part of the public process, the City Council adopts the Budget or Mid-Cycle Adjustment by resolution on or before June 30th in accordance with the municipal code.

ECONOMIC CONDITIONS AND OUTLOOK

Response To Covid 19 Pandemic

As with all entities the City has had to develop a response to the impacts resulting from the COVID 19 pandemic. In early 2020 a worldwide pandemic caused significant disruption to the economy. This included the restriction throughout California of the operation of non-essential businesses. This has also resulted in recessionary trends, although late in March 2020 the Federal Government implemented a \$2 trillion package of relief and efforts to reduce the impact of the pandemic. The local impacts and recommended response are under regular review by the City Council to mitigate the financial impact on reserves.

In April 2020 in response to the pandemic the City took measures to reduce spending, including freezing vacant positions, evaluating options to delay significant expenditures, and the lay-off of part-time seasonal employees. In June 2020, the City Council took further action in revising the Fiscal Year 2020-2021 budget to reduce expenses including: a continued freeze of unfilled positions; an initial lay-off of 3.5 employees; furlough assignments for Parks & Recreation managers and supervisors; lay-off of nearly all part-time seasonal staff; and delay of the implementation of salary adjustments for unrepresented Staff. In July of 2020 the City was informed that as part of the State Budget the City would receive \$234,707 in Federal Cares Act funds to offset impacts incurred from March 2020-December 2020.

The City Council approved in September 2020 returning furloughed Parks & Recreation Managers and Mid-Managers to full-time status and recalled two positions that had been laid off (Public Maintenance Worker I and Parks & Recreation Facilities Maintenance Worker I). The Parks and Recreation Department has been the most severely impacted due to curtailment of what can be offered in terms of sports programs; enrichment classes; and field and facility rentals. The adopted mid-cycle fiscal year 2020-2021 budget reduced the projected Department Revenue by \$850,000. Although Parks & Recreation staff successfully redesigned limited offerings that comply with pandemic related health restrictions, the revenue remains significantly less than in prior years. The continued lay-off of: 1 Recreation Coordinator; .5 Recreation Supervisor; Part-time seasonal staffing; and a vacant Administrative Assistant position in the Parks & Recreation Department helps to mitigate the impact of the loss of revenue. Continued review of the performance and adjustment to the projected budget will be required in order to maintain a balanced budget and avoid negative impacts to the long term financial stability for the City as a whole.

Outlook for Tax Revenues

Property tax is the single largest source of revenue to the City. As such the City monitors property valuations as a direct indicator of economic conditions. Residential property accounts for nearly 94% of the total net taxable assessed values. In Fiscal year 2019-2020 the City experienced an overall 6.69% increase in taxable assessed values. This was a slight increase from the nearly 6% growth in the previous fiscal year, and remained above the average increase of 5.73% over the past 10 years.

Assessed valuations are established by the County Assessor based on values determined as of the January 1st which precedes the start of the fiscal year. Given that the start of economic shut-downs in response to the COVID-19 pandemic did not start until March 2020, Fiscal Year 2020-2021 property tax was not expected to be significantly impacted. Based on a general trend of fewer home sales the forecast obtained by the City projected an increase of approximately 5% in fiscal year 2020-2021 assessed values.

A September 2020 consensus economic forecast prepared by HdL and Beacon Economics projected state-wide signs of a recovery in the housing market in the coming two years. With some continued growth in prices the City would expect to continue to experience an increase in the property tax base. In April 2020 it was announced that vacant lots in the Wilder development in western Orinda, had been purchased by Landsea Homes for the construction of 34 luxury homes. As these homes come on line this will add to the property tax growth beyond what would occur from any price appreciation as a result of sales involving the current housing stock.

The pace of the recovery from the recession caused by the pandemic remains unclear, since such an extraordinary set of circumstances may not follow past patterns. The City must remain attentive to the fiscal trends and the extent to which general purpose revenue may increase at a slower pace than in the past.

Despite the growth in assessed valuation it is appropriate to also consider that the City receives only a very small share of the overall property tax rate. This is the result of the City's incorporation occurring after 1978 when a statewide measure, Proposition 13, placed limits on the maximum property tax that could be levied. The City of Orinda only receives approximately 7 cents of each \$1.00 in property tax that is levied. Given the significance of this revenue source, the City Council policies encourage remaining vigilant in monitoring costs and matching ongoing expenditures with projected revenue.

The second largest tax revenue for the City is Sales Tax. The point of sale revenue derived from local retailers were concentrated in three business categories (Restaurants, Service Stations, and Food Markets). These sectors comprise nearly 60% of the City's local sales tax base. The allocation of sales tax for on-line sales are distributed via a County pool based on the City's share of point of sale transactions compared to the other cities in the County. Due to changes in State law there has been an increase in the collection of sales tax from on-line market place facilitators. As a result the portion of retail sales tax that is allocated from the County pool has been increasing. In fiscal year 2019-2020 the pool contributed approximately 21.6% of the total City sales tax revenue. The increase was also partly attributable to the increase in on-line transactions as storefront retailers were shut-down resulting in increased consumer use of on-line retail outlets.

HdL Companies, a sales tax consulting firm, has suggested that both the Food and Drug growth in the coming year will be approximately 3.5%. Both the Restaurant and Fuel categories are projected to decline by 15.5% and 5.9% respectively. This is largely pandemic related as restaurants remain with reduced operations and lower fuel sales are expected as travel for both work and pleasure have been reduced, impacting revenue generated from fuel and service stations. As noted earlier these sectors have the most activity among the retail sales base. There is an expected continued growth in the pool allocations from on-line activity. Overall the Fiscal Year 2020-2021 sales tax forecast expects the total taxes collected to remain relatively flat. Based on an assumption that the pandemic will begin to be addressed as a result of

distribution of a vaccine in 2021 the future 2021-2022 sales tax is projected to show growth of at least 4% in each of the two subsequent years.

Included in the sales tax collected by the City is a local add-on sales tax approved by the voters in November 2012 (Orinda 2012 Measure L). The measure adds an additional ½ cent sales tax and was operative April 1, 2013. The CAFR includes a separate schedule which accounts for the voter approved Add-On Sales Tax separate from the general purpose general fund. All of the revenue collected from this tax has been expended on road and drain improvements.

The City Council initiated a community discussion and review of needs as well as resources to fund them. In August 2020 the City Council placed a new add-on sales tax measure on the November 3, 2020 ballot. The voters were presented with a replacement add-on sales tax (Measure R), which will be levied at 1 cent and will have a 20 year sunset. The approved measure was officially certified in December 2020. The new tax will begin to be collected in April 2021.

The City has historically obtained voter support for a number of funding measures. In addition to the sales tax (Measures L and R), voters approved a combined total of \$45 million in General Obligation bond debt used to improve public streets and roadways. In June of 2018 the electorate approved an increased local parcel tax, to supplement funding for the City costs of operating the library facility including contracting with the County for additional local library hours. Although the rate per parcel does not increase there is not a sunset provision which would automatically end the tax. Without this type of support from the overall community, the City would be significantly limited in the services it is able to provide.

In addressing long term planning, the City Council recognizes the importance of a continuing to develop a diverse revenue base in order to adequately support municipal services. This effort was a key factor in the decision to move forward with Measure R and the priorities identified for increased spending included: wildfire fuel reduction on private and public properties; disaster response planning; critical storm drain improvements to prevent flooding and roadway collapse; and on-going road maintenance funding to protect recent investments made.

Outlook For Expenditures

In terms of expenditures, the largest portion of City spending is for contract services and the largest contract is with the Contra Costa County Office of the Sheriff. The second largest area of expenditures is for salaries and benefits. The City Council supports the need to be prudent when considering salary and benefit costs. As part of the Fiscal Year 2020-21 Adopted Mid-Cycle Budget the total City staffing was decreased by 3.5 positions. The area reduced most significantly is Parks & Recreation, which has also suffered from reduced revenue as a result of the pandemic. A goal for the future will be to look for the rebuilding of these services as the recovery from the pandemic occurs.

The City does not participate in the California Public Employees Retirement System (PERS) for retirement benefits. Instead a defined contribution plan was established after the City incorporated. The City contributes a scheduled amount to employee 401a and 457 retirement accounts. Agencies that participate in PERS are facing required pension contribution increases. Since the Orinda uses a defined contribution pension plan it does not have any liability beyond making the initial contribution.

Progress Addressing Long-Term Needs

In fiscal year 2019-2020 the City Council approved the establishment of an OPEB Trust and made an initial contribution of \$107,000. This was in addition to “pay-as-you-go” retiree benefit cost in the most recent fiscal year which was \$2,947. The City Council has established a policy to continue making annual contributions to the Trust in addition to the current “pay-as-you-go” premiums. As a result of the addition

of the trust and composition changes captured as part of the biannual actuarial report, the City has significantly reduced the outstanding OPEB liability from the amount reported in the previous CAFR.

The proactive steps of seeking new revenue to address unmet needs, and addressing the funding of long-term liabilities; are consistent with the strategic priorities, used to develop the two year budget and also identify long term needs.

The California State Auditor website has compiled comparative data on the health of California Cities for fiscal years 2016-2017, 2017-2018 and 2018-2019. The State Auditor has assigned an overall ranking of “low risk”, “moderate risk”, or “high risk”. For each of these years the City of Orinda’s score has improved and for the most recent two years the City had an overall rating of “low risk”. These ratings are only a snapshot and compare metrics on a broad basis statewide. The commitments by the City Council to adopt balanced budgets and consider long term obligations as part of the financial planning process, are factors in the rating received.

RECOGNITION

The Government Finance Officers Association (GFOA) has recognized the City of Orinda for its Comprehensive Annual Financial Report covering the period ending June 30, 2019. A copy of the award from GFOA is included in this report. This award represents the 6th consecutive year that the City's report was recognized by the GFOA.

In order to be recognized, the City was required to produce an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR). The 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 report will meet the program requirements to receive the award.

The City of Orinda will be submitting the June 30, 2020 Comprehensive Annual Financial Report for the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

ACKNOWLEDGEMENTS

The preparation of the Comprehensive Annual Financial Report could not be accomplished without the efficient and dedicated service of the entire staff of the Finance Department. Senior Accountant, Nancy Zhang, undertook the essential tasks of coordinating the financial details required for this report. Also we wish to thank the professional staff at Maze & Associates including their entire team led by the Partner Katherine Yuen CPA and senior staff member Alex Lam, as they worked diligently to modify the collection of necessary data and perform the audit requirements, while maintaining appropriate COVID 19 prevention protocols.

The Staff greatly appreciate the effort by the City Council and Finance Advisory Committee for their cooperation and support for maintaining the highest standards of professionalism in the management of the City of Orinda’s finances.

Respectfully submitted,



Steve Salomon
City Manager



Paul S. Rankin
Administrative Services Director

City of Orinda
List of City Officials
At June 30, 2020

City Council

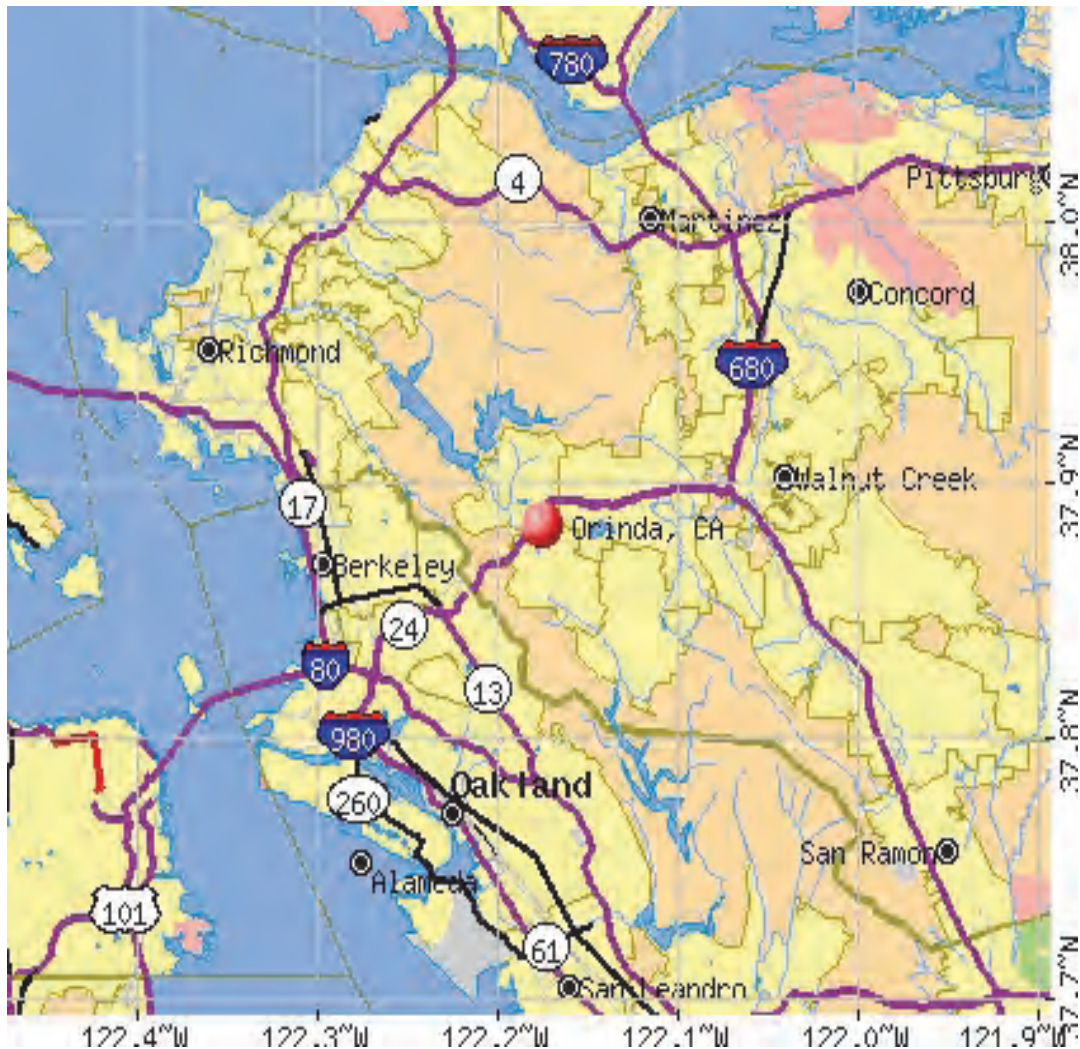
Darlene K. Gee, Mayor
Amy R. Worth, Vice Mayor
Dennis Fay, Councilmember
Nick Kosla, Councilmember
Inga Miller, Councilmember

City Officials

Steve Salomon, City Manager
Osa Wolff, City Attorney (Contract)
Sheri Smith, City Clerk
Paul S. Rankin, Finance Director
Ginger Staton, Human Resources Manager
Todd Trimble, Parks & Recreation Director
Drummond Buckley, Planning Director
David Cook, Police Chief (Contract)
Larry Theis, Assistant City Manager/Public Works Director
Jason Chen, City Engineer

ORINDA MISSION STATEMENT

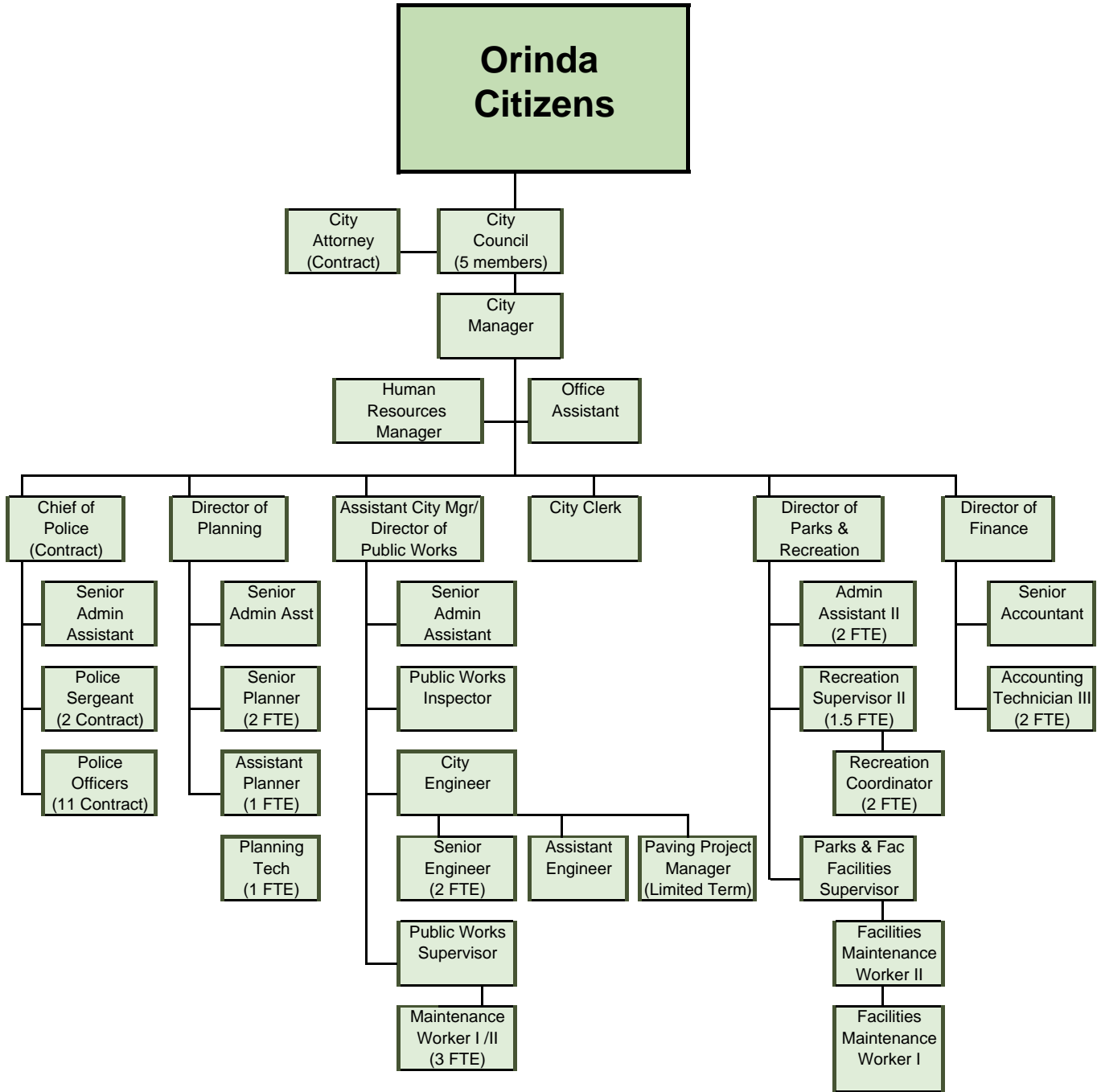
“Orinda strives to provide excellent service in a fiscally responsible manner to promote a safe, friendly and vibrant community.”



22 Orinda Way, Orinda, CA 94563 * www.cityoforinda.org * 925.253.4200



FY 2019-20 ORGANIZATIONAL CHART



FTE = Full Time Equivalent
 All positions are 1 FTE unless otherwise noted



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Orinda
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council
City of Orinda, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Orinda (City), California, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2020, 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.

Emphasis of a Matter

Management early adopted the provisions of the following Governmental Accounting Standards Board Statement, which will become effective in fiscal year ended June 30, 2021. The early adoption had an effect on the financial statements as discussed in Note 1J to the financial statements:

Statement No. 84 -*Fiduciary Activities*

The emphasis of the above matters does not constitute a modification to our opinions.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other required supplementary information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, 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 certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The Introductory Section, Other Supplementary Information, and Statistical Section as listed in the Table of Contents are presented for purposes of additional analysis and are not required parts of the basic financial statements.

Other Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 Other Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical Sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 29, 2020 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 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 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.

Maze & Associates

Pleasant Hill, California
December 29, 2020

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City of Orinda
Management's Discussion and Analysis (MDA)
June 30, 2020

INTRODUCTION

As management of the City of Orinda (the City), we offer readers this discussion and analysis of the City's financial performance for the fiscal year (FY) ended June 30, 2020. Please read this overview in conjunction with the letter of transmittal and the accompanying basic financial statements which follow.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- Government-wide Financial Statements - These include the Statement of Net Position and Statement of Activities. These statements provide information about the activities of the City as a whole and about the overall financial condition of the City in a manner similar to a private-sector business.
- Fund Financial Statements - These statements provide additional information about the City's major funds, including how services were financed including fund balances available for financing future projects.
- Notes to the Financial Statements - The notes provide additional detail that is essential to a full understanding of the information provided in the Government-wide and Fund Financial Statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS - DESCRIPTION

These statements include all assets and liabilities of the City using the accrual basis of accounting, which is similar to the accounting used by most private sector companies. All current year's revenues and expenses are accounted for regardless of when the cash is paid or received. These statements report the City's net position and changes to the net position during the Fiscal Year. Net position - the difference between assets and liabilities - is one way to measure the City's financial position. Over time, increases or decreases in the net position are among indicators used to assess whether the financial condition of the City is improving or deteriorating.

The Statement of Activities and Changes in Net Position presents information showing how the City's net assets for primary governmental activities have changed during the fiscal year. For the City of Orinda, governmental activities include: general government, police services, public works and engineering, parks, recreation and library, planning, and interest on bonds payable.

GOVERNMENT WIDE FINANCIAL STATEMENTS - ANALYSIS

The net position serves as an overall indicator of the City's financial position. Table 1 provides a high level summary of year to year changes in the net position.

Table 1: SUMMARY OF NET POSITION
June 30, 2020 and 2019

	Governmental Activities			
	June 30, 2020	June 30, 2019	\$ Change	% Change
Current and other assets	\$37,511,118	\$42,629,418	(\$5,118,300)	-12.0%
Capital assets	108,702,945	99,045,309	9,657,636	9.8%
Total Assets	146,214,063	141,674,727	4,539,336	3.2%
Deferred Outflow of Resources (Related to OPEB - Note 11)	27,666	30,525	(2,859)	-9.4%
Current liabilities	6,545,187	7,040,248	(495,061)	-7.0%
Noncurrent liabilities	48,178,504	49,970,466	(1,791,962)	-3.6%
Total Liabilities	54,723,691	57,010,714	(2,287,023)	-4.0%
Deferred Inflow of Resources (Related to OPEB - Note 11)	249,626	19,454	230,172	1183.2%
Net Position:				
Invested in capital assets	62,775,273	62,085,833	689,440	1.1%
Restricted for:				
Capital projects	2,504,351	561,099	1,943,252	346.3%
Special purpose projects	11,115,831	11,208,665	(92,834)	-0.8%
Unrestricted	14,932,957	10,819,487	4,113,470	38.0%
Total Net Position*	\$91,328,412	\$84,675,084	\$6,653,328	7.9%

* as restated 6/30/2019

As illustrated in the table above, the City's net position increased by \$6.8 million (8.0%) during FY 2019-2020. This is primarily due to the following:

- Total assets increased by \$4.5 million, due primarily to the additions to capital assets as the result of completion of infrastructure projects. This overall increase was comprised of a combination of a decrease in current assets of approximately \$5.1 million and an increase in capital assets of \$9.7 million. The decrease in current assets included the expenditure of bond proceeds received in 2017 for street improvement projects. The largest type of capital projects completed were various paving and road rehabilitation projects. The increase in capital assets were partially offset by \$4.9 million in asset depreciation.
- Total liabilities decreased by approximately \$2.3 million (-4.0%) in total liabilities. Current liabilities totaled \$6.5 million which was a decrease of approximately \$495,061. This was primarily attributable to a decrease in accounts payable as of June 30, 2020, offset by an increase recorded for Planning & Engineering deposits which were part of the restatement (See Note 1J). In previous reports these deposits were reported in a fiduciary fund. There was also a decrease in in the current portion of long term debt of approximately \$545,000. Non-current liabilities decreased by approximately \$1.8 million. The primary contributing factors this change were: a reduction in long-

term COP and GO bonds outstanding after the annual debt service payments of approximately \$1.9 million; and a reduction of the OPEB Liability for Retiree Health Benefits of approximately \$321,682. The OPEB reduction was achieved as a result of the establishment and funding of an OPEB Trust. The OPEB liability decreased by 65% from the amount reported in 2019.

- The City reports certain deferred inflows and outflows related to OPEB (Retire Medical) on the government-wide Statement of Net Position. Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent the acquisition of net position/fund balance that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Deferred items reported as of June 30, 2019 (Outflow = \$27,666 | Inflow = \$249,626) have minimal impact on the total Net Assets.
- The City's nearly \$62.8 million invested in capital assets represents 68.7% of total \$91.3 million reported as net position. Capital asset investments include the City's investments in land, infrastructure, buildings, and equipment. As the City uses these capital assets to provide current services to residents, the assets are not available as a resource for future spending. The change in annual capital assets reflects both the addition of capital assets (including construction in progress), less accumulated depreciation.

Table 2 provides a more detailed analysis of the changes that occurred between Fiscal Year 2019 and 2020. A comparison of the Statement of Activities is based on revenue, program expenses, and transfers. The program expenses are consolidated into six major activities. Similar to the previous Table, data is provided for both the current and previous fiscal year.

Table 2: SUMMARY OF CHANGES IN NET POSITION (June 30, 2020 and 2019)

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:				
<u>Program revenues:</u>				
Charges for services	\$6,168,260	\$6,616,470	(\$448,210)	-6.8%
Operating grants and contributions	867,374	275,290	\$592,084	215.1%
Capital grants and contributions	3,505,205	9,876,949	(\$6,371,744)	-64.5%
<u>General revenues:</u>				
Property Tax	10,350,583	9,795,495	555,088	5.7%
Sales Tax	2,449,156	2,277,395	171,761	7.5%
Franchise Taxes	1,152,773	1,127,003	25,770	2.3%
Transfer Tax	296,104	301,824	(5,720)	-1.9%
Transient Occupancy Tax	49,763	79,128	(29,365)	-37.1%
Rent and Interest	1,067,239	1,231,128	(163,889)	-13.3%
Other	1,510,369	2,003,702	(493,333)	-24.6%
Total Revenues	<u>27,416,826</u>	<u>33,584,384</u>	<u>(6,167,558)</u>	<u>-18.4%</u>
Expenses:				
General Government	2,716,501	2,612,766	103,735	4.0%
Police Services	4,236,572	4,407,099	(170,527)	-3.9%
Public Works and Engineering	6,511,462	7,384,599	(873,137)	-11.8%
Parks, Recreation & Library	4,725,088	4,411,986	313,102	7.1%
Planning	1,102,985	962,950	140,035	14.5%
Interest on bonds payable	1,602,013	1,394,652	207,361	14.9%
Total Governmental Activities	<u>20,894,621</u>	<u>21,174,052</u>	<u>(279,431)</u>	<u>-1.3%</u>
Increase In Net Position	<u>6,522,205</u>	<u>12,410,332</u>	<u>(5,888,127)</u>	<u>-47.4%</u>
Net Position Beginning of Year	<u>84,806,207</u>	<u>72,264,752</u>	<u>12,541,455</u>	<u>17.4%</u>
Net Position - End of Year *	<u>\$91,328,412</u>	<u>\$84,675,084</u>	<u>\$6,653,328</u>	<u>7.9%</u>

* As adjusted

As shown in Table 2 revenues from all sources totaled \$27.4 million and expenses for all city programs totaled approximately \$20.9 million in Fiscal Year 2019-2020.

Revenues

When compared to the previous year, overall revenues decreased by \$6.2 million or -18.4%. A significant portion of the decrease is in capital grants and contributions. In the previous fiscal year a one-time developer contribution was recorded to capture the City acceptance of Wilder Sports Fields and the Art and Garden Center. One-time capital grants and grant revenue can fluctuate from year to year depending on the timing of grant funded projects. Decreases also occurred in Charges For Services and Transient Occupancy Tax, and rents and interest. All of these revenues were impacted from the COVID 19 pandemic and drastic changes to the economy in the final quarter of fiscal year 2019-2020. It should also be noted that approximately \$326,280 of the increase in rents and interest represents an unrealized gain based on market values as of June 30, 2020. These decreases were partially offset by an increase due to: a special \$217,000 State Grant to respond to Public Safety Power Shut-Offs; increased property taxes based on valuations established January 1, 2019; and increased sales taxes collected.

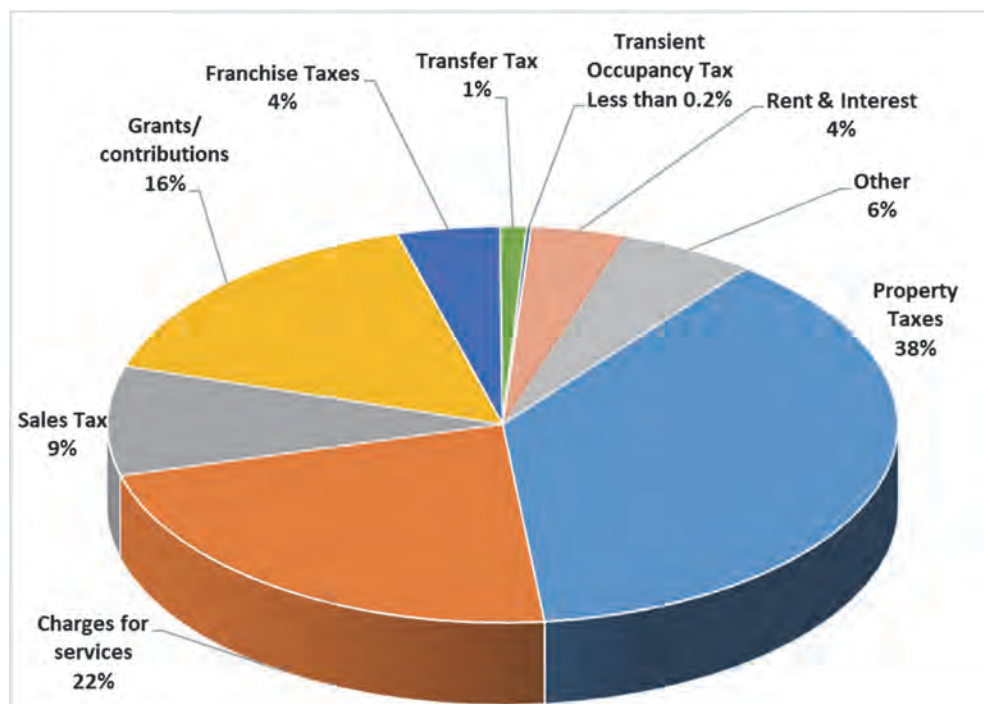
Expenses

Overall expenses as shown in the Statement of Activities decreased by \$279,431 or -1.3%. The largest factor contributing to the decrease was a reduction in capital related street expenses shown in Public Works. The Police services activity also had a reduction which reflected vacancies during the year. The Police continued to fully staff essential services relying on overtime shifts for the vacant positions. There was an increase in Parks, Recreation & Library which was impacted by an increase in capital projects compared to the prior year. The Parks and Recreation expenses also increased due to the fact that there was a full year of operating costs associated with an expanded Wilder Community Park and the cooperative agreement with the Orinda Union School District to maintain and schedule school playfields. Additional increased costs compared to the previous year occurred in Planning and for the interest payable on bonds.

Revenues and Expenses by Category

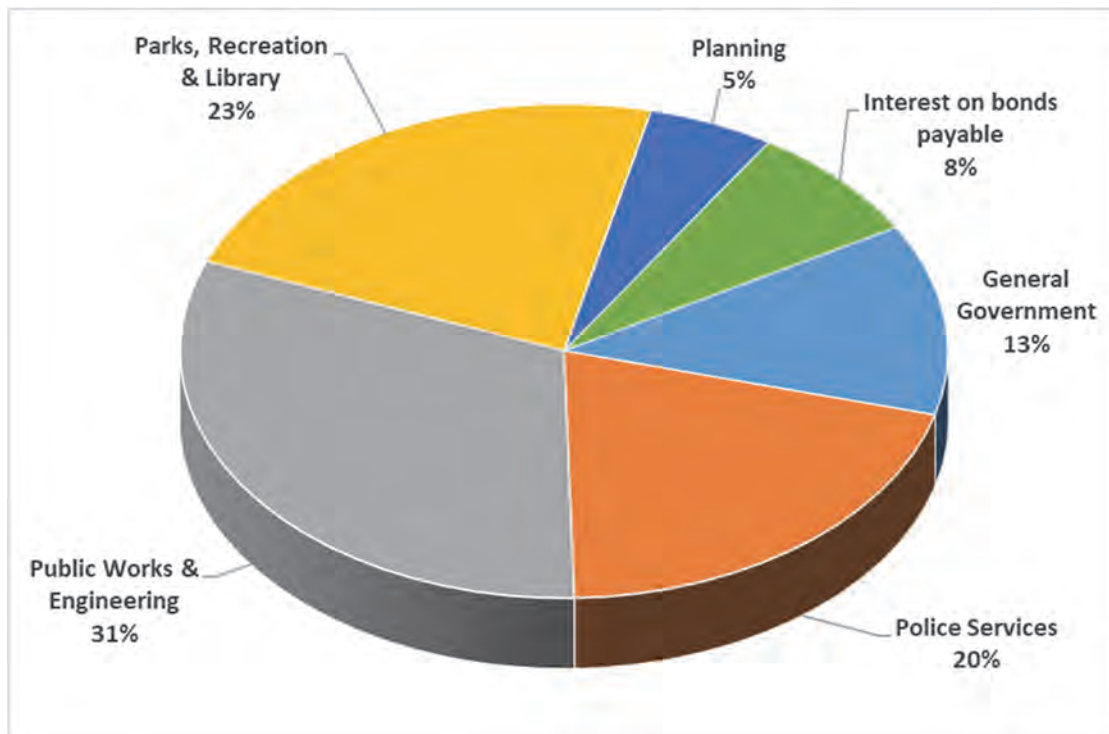
The following chart presents the Government-Wide Fiscal Year 2019-20 revenue in a pie chart format. For analysis purposes this provides a layout which graphically provides the reader with a sense of relative comparison of the different types of Revenue. Approximately 69% of the revenues come from three sources Property Taxes, Sales Tax and Charges for Services. Grants and Contributions represents 16%, however this category can be significantly impacted by non-recurring items such as one time projects.

Government-Wide Revenue By Type



The following chart presents the Government-Wide Fiscal Year 2019-20 expenses in a pie chart format. For analysis purposes this provides a layout which graphically provides the reader with a sense of relative comparison of the different types of activities.

Government-Wide Expense By Activity



Approximately 74% of the \$20.8 million in expenses are comprised three activities: 20% are attributable to Police Services; Public Works & Engineering account for 31% and Parks, Recreation, and Library account for 23% of the government wide expenses.

FUND FINANCIAL STATEMENTS

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Orinda, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds used by the City can be divided into three categories: Governmental funds, Proprietary funds, and Fiduciary funds.

Governmental funds

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, which focus on the long-term, governmental funds financial statements focus on short-term inflows and outflows of spendable resources and the balances of these resources that are available for spending. This information is useful in evaluating a government's short-term financing requirements.

To assist the user of these financial statements in understanding the differences and the relationship between the government-wide financial statements and the governmental funds financial statements, reconciliations between the two sets of statements have been included in this report.

The City of Orinda maintains numerous individual governmental funds that, for financial reporting, are grouped according to their type (general fund, special revenue, capital projects, and debt service). In accordance with accounting standards, Major Funds are determined based on their relative size when measured among Governmental Funds. The examination compares expenditures, assets, liabilities, and revenues. Management may also include as Major Funds, those funds that are deemed of importance to the users of the financial statements. All Major Funds are reported separately in the governmental funds statements. Although the criteria for defining a Major Fund can result in differences in the funds identified from one year to the next, no change has occurred for the year ending June 30, 2020. All other funds are grouped together for reporting purposes (Other governmental funds).

Major funds for the City of Orinda as of June 30, 2020 are:

- General Fund
- City Capital Projects
- Community Facilities Maintenance
- Contra Costa Transportation Authority (CCTA)
- General Obligation Road Bonds 2016 Capital Project
- General Obligation Road Bonds 2014 – Debt Service
- General Obligation Road Bonds 2016 – Debt Service
- Other Governmental Funds (Note: Individual fund data for each non-major governmental fund is provided in combining statements included in the Other Supplementary Information section of this report).

FINANCIAL HIGHLIGHTS GOVERNMENTAL FUNDS

The following Table summarizes the activity in the Governmental Funds displaying at a high level of the revenues, expenditures and change in fund balances. Information for the 2014 GO Bond Debt Service & 2016 GO Bond Debt Service, is combined for this presentation. A consolidated number is presented for all Other governmental funds.

As part of the overall CAFR the City has also provided information on individual funds later in the report. The total net change in fund balance for all Governmental Funds was a decrease of approximately \$5.7 million. An analysis of the factors contributing to the change is discussed following Table 3.

TABLE 3: SUMMARY GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES IN FUND BALANCES FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General Fund	Community Facilities Maint.	CCTA	City Capital Projects	2016 Road Bonds - Capital	2014 & 2016 Road Bonds Debt Service	Other Governmental Funds	TOTAL Governmental Funds
Revenues	<u>\$16,182,649</u>	<u>\$29,155</u>	<u>\$946,493</u>	<u>\$2,494,130</u>	<u>\$108,242</u>	<u>\$2,542,934</u>	<u>\$5,078,608</u>	<u>\$27,382,211</u>
Current Expenditures	\$12,737,036	\$22,787	\$55,384	\$3,640	\$256,905	\$ -	\$1,682,018	\$14,757,770
Capital outlay	900,793	24,932	364,242	98,215	10,056,078	-	3,223,389	14,667,649
Debt service	560,119	-	-	-	-	3,096,747	-	3,656,866
Total expenditures	<u>14,197,948</u>	<u>47,719</u>	<u>419,626</u>	<u>101,855</u>	<u>10,312,983</u>	<u>3,096,747</u>	<u>4,905,407</u>	<u>33,082,285</u>
Net transfers	473,706	(8,270)	-	(519,998)	-	-	29,117	(25,445)
Net change in fund balances	2,458,407	(26,834)	526,867	1,872,277	(10,204,741)	(553,813)	202,318	(5,725,519)
Fund balances, beginning of yr	10,848,878	1,410,014	724,248	492,147	13,422,241	2,565,231	7,588,663	37,051,422
Fund balances, end of year	<u>\$13,307,285</u>	<u>\$1,383,180</u>	<u>\$1,251,115</u>	<u>\$2,364,424</u>	<u>\$3,217,500</u>	<u>\$2,011,418</u>	<u>\$7,790,981</u>	<u>\$31,325,903</u>

General Fund

The General Fund is the principal operating fund and represents the most significant portion of Governmental Fund revenues and expenditures (59% of governmental revenue and 43% of expenditures). As of June 30, 2020, the fund balance was \$13.3 million which was an increase of \$2.5 million from the \$10.8 million at the beginning of the year. The General Fund also includes general fund "Add-On Sales Tax" revenue approved by the voters in November 2012 (and operative April 1, 2013). The use of the special add-on sales tax has been appropriated by the City Council to fund street and storm drain projects, which are typically capital projects. The timing of projects funded with Add-On Sales Tax revenue impacts the fund balance from year to year. Of the \$2.5 million net change in General fund balance the add-on sales tax contributed approximately \$1.2 million. The add-on sales tax is programmed in the adopted capital improvement program to fund future roadway and drainage projects. The portion of the \$13.3 million fund balance assigned for this purpose is \$3.7 million. A separate schedule detailing the combining of these funds is included as part of the Other Supplementary Information. An additional \$825,179 of the fund balance is assigned for use in completing General and Long Term Plans. The unassigned portion of the General Fund balance complies with the adopted policy to maintain at least 50% of expenditures as a contingency in accordance with a target that the City Council recommended in 2020.

Capital Projects Fund

The revenue in this fund represented approximately 9% of the Governmental Funds total revenues. The most significant factor was the receipt of reimbursement under State and Federal disaster grant programs for repairs made as a result of a sinkhole caused by storms in 2017. The City expended over \$3.2 million on repairs on the sinkhole project. The approximately \$2.4 in revenue in this fund was primarily from the State and Federal grant reimbursements. This allowed the City Council to retain funds for future high priority capital projects, as well as the transfer to the General Fund of approximately \$560,000 for high priority initiatives to be funded by the General Fund.

Community Facilities Maintenance

This fund holds monies received in 2006 that were a requirement of the Wilder (Gateway) Development Agreement. The funds were referred to as a Community Facilities Maintenance Endowment, for the purpose of funding operations and maintenance of Community Facilities. The revenue reflects interest earnings. Expenditures are approved by the City Council. As of June 30, 2020 the balance in this fund was approximately \$1.4 million. The adopted CIP allocates the funds for future improvements at Wilder Park.

Contra Costa Transportation Authority (CCTA)

This fund accounts for monies distributed by CCTA to local cities for street improvement projects. CCTA administers a special one-half cent sales tax levied to support a county-wide transportation improvement plan. The City receives both project specific revenue and distributions that are made based on a formula using population and road network miles. This fund accounted for 3% of governmental revenues and 1% of expenditures. The fund balance increased by approximately \$527,000. This was the result of the timing of road improvement project expenditures, which were not a project specific grant. Approximately \$389,000 of the expenditures were for project specific grants and had matching revenue. The remaining road maintenance funds are targeted to a project in the upcoming fiscal year.

2016 General Obligation Road Bonds – Capital Project

In 2016 the voters approved a general obligation property tax for up to \$25 million to complete residential roadway improvements. In April 2017, the full \$25 million of authorized bonds was issued. The funds have been expended on different projects. This fund accounted for 31% of the total expenditures in governmental funds. The expenditures are made as part of an overall road improvement plan which utilizes funding from multiple sources. Bond proceeds are required to be expended on the planned improvements within a timely manner. The remaining proceeds are expected to be expended in the next fiscal year.

2014 General Obligation Road Bonds & 2016 General Obligation Bonds – Debt Service

As presented in Table 3 above, the Debt Service funds for two General Obligation Bond authorizations have been combined showing total revenue of approximately \$2.5 million and expenditures of approximately \$3 million. In combination these funds represented approximately 9% of the total Governmental Funds revenues and 9% of total Governmental Funds expenditures.

2014 General Obligation Bond Debt Service

In 2014 the voters approved a general obligation property tax for up to \$20 million for residential roadway improvements. The first \$10 million of the authorized bonds was issued in 2015 and the second \$10 million was issued in April of 2017. All of the proceeds from this issue were fully expended as of June 30, 2019. As presented later in this report in the schedule of Revenues, Expenditures and Changes in Fund Balance, the 2014 GO Bond Debt Service had a total of \$1.1 million in Revenue and expenditures were \$1 million. The ending fund balance for the 2014 debt service fund was \$903,743.

2016 General Obligation Bond Debt Service

In 2016 the voters approved a general obligation property tax for up to \$25 million to complete residential roadway improvements. In April 2017, the full \$25 million of authorized bonds was issued. As presented later in this report in the schedule of Revenues, Expenditures and Changes in Fund Balance, the 2016 GO Bond Debt Service had a total of \$1.4 million in Revenue and expenditures were \$2.0 million. The ending fund balance for the 2016 debt service fund was \$1,107,675.

Revenue collected in both 2014 and 2016 debt service funds, is the amount deemed necessary in accordance with the debt service requirements for the bonds.

Other Governmental Funds

As noted earlier this information aggregates financial results from several funds. As of June 30, 2020 the combined fund balance was approximately \$7.8 million. These funds represented 19% of the total governmental fund revenues and 15% of the expenditures. There was an overall net increase in fund balance of approximately \$202,000. The change was comprised of both increases and decreases between the individual funds. The most significant factors were decreases of approximately \$520,000 in State Gas Tax expended on capital projects, and a decrease of \$102,000 in the Recycling funds. Increases occurred due to \$217,551 from a State grant addressing Public Safety Power Shut-offs; \$260,000 from new funds addressing surcharges collected for field and facility use; an increase of approximately \$120,000 in the Stormwater Utility Fund due to reduced expenditures; and an increase of approximately \$115,000 in the Road Maintenance impact fees collected from the garage company. These increases will be used to fund future projects and services.

Proprietary Fund

The City maintains one type of Proprietary fund - an Internal Services Fund (ISF). An ISF is an accounting structure used to accumulate and allocate costs internally among the City's various operating functions. The City has four ISF funds to address: Information Systems, Building Maintenance, Vehicle Replacement, and Risk Management. These services solely benefit the government function. Total assets in these funds were approximately \$2.3 million as of June 30, 2020. This was approximately \$428,000 more than was reported for the same funds in the previous year. The primary factor was additional collection of charges to address Buildings including for a future slope repair project, and an increase in charges made for Fleet replacement. The Fleet Replacement fund also had lower than expected expenditures due to delays in acquiring replacements. A separate Statement of Net Position and Statement of Cash Flow is included for each of the ISF funds.

Fiduciary / Custodial Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the reporting government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The City utilizes a custodial fund to report monies held for the Orinda Geologic Hazard Abatement District (GHAD). This District is an agency established under California Public Resources Code 26570 which explicitly states “A district is a political subdivision of the state. A district is not an agency or instrumentality of a local agency.” In January 2020 the GHAD Board entered into an agreement with the City to provide accounting and investing services of the funds which are not held in a trust. As of June 30, 2020 the net position of this fund was \$1,345,488.

GENERAL FUND BUDGETARY HIGHLIGHTS

As a financial planning document the General Fund Budget is monitored throughout the year and adjusted based upon changes encountered during the year. Budget adjustments are presented to the City Council for approval based on adopted policy. During Fiscal Year 2019-2020 the original General Fund Budgeted revenue was increased by \$135,150 and Transfers In increased by \$560,000. The Budget for expenditures increased by \$993,840. As explained further below these changes are not of a nature, which will have an impact on future liquidity or services.

A summary of the budgetary comparison schedule including the final Actual revenues, expenditures, and transfers, for the General Fund is shown in Table 4 below. The complete schedule which includes additional detail, as required, is included in the supplementary information following the notes to the financial statements.

**TABLE 4: SUMMARY GENERAL FUND BUDGETARY COMPARISON
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget</u>
<u>Resources:</u>				
Revenues	\$16,253,600	\$16,388,750	\$16,182,649	(\$206,101)
Transfers In	15,300	575,300	\$576,493	\$1,193
Total Resources	<u>16,268,900</u>	<u>16,964,050</u>	<u>16,759,142</u>	<u>(204,908)</u>
<u>Appropriations</u>				
Expenditures	15,139,072	16,132,912	14,197,948	\$1,934,964
Transfers Out	109,086	109,086	102,787	\$6,299
Total Appropriations	<u>15,248,158</u>	<u>16,241,998</u>	<u>14,300,735</u>	<u>1,941,263</u>
Appropriations (over) resources	<u>1,020,742</u>	<u>722,052</u>	<u>2,458,407</u>	<u>1,736,355</u>
Fund balance beginning of year			<u>10,848,878</u>	
Fund balance end of year			<u>\$13,307,285</u>	

The change in total budget for general fund resources was primarily the result of increased Transfers In from the Capital Projects Fund. The budget for transfers in as adopted was \$15,300 and the adjusted final budget was \$575,300. The adjustment was made based on the recovery of a reimbursement of disaster aid funds in the amount of \$2.4 million and recorded in the Capital Project Fund. The City Council approved a mid-year adjustment to account for transfers of a portion of these funds to the General Fund. The change supported the following activities: \$280,000 to be used for additional Internal Service Fund charges; \$200,000 for additional General & Long Term Planning activities; and \$80,000 to address a capital project needed to correct damage to City hall from a water leak.

The budget for expenditures as adopted was \$15.1 million and the adjusted final budget was \$16.1 million. The majority of this change was due to capital projects, both carry-over appropriations for projects that were not complete as of June 30, 2019 as well as City Council authorized changes. The projects included street improvements funded by the add-on sales tax as well as appropriations for the Downtown Precise Plan that was initiated during the year. Both of these projects were using funding set-aside in the General fund for these purposes.

General Fund Budget Compared to Final Actual

As shown in Table 4 total resources (combination of general fund revenues and transfers in) were approximately -1.2% below the final budget. Although the City experienced impacts from the COVID-19 pandemic including cancellation of Recreation Programs and Rentals other general fund revenue such as sales tax had positive changes due to on-line sales and allocations from the County pool. In accordance with GASB pronouncements, the City recorded an unrealized gain as interest revenue, in order to reflect the book value of investments held by the City. The City did not actually sell any of these investments and it is the City’s intent to hold them to maturity.

Expenditures in the General Fund were approximately \$1.9 million less than the amount budgeted. The major factors which contributed to this were: lay-off of part-time staff due to programs not proceeding in the pandemic; deferral of an additional contribution to OPEB Trust; Police Services were less than the amount budgeted due to vacancies during the year; Public Works had lower contract costs than budgeted; staff vacancies; and reduced contract instructor costs in Parks & Recreation.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Detailed information regarding composition and activity in capital assets is provided in Note 5 to the financial statements. The City’s capital assets for governmental activities as of June 30, 2020 amounted to \$108.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, and bridges, and work in progress. A summary comparison to the previous year is presented in Table 5 below:

TABLE 5: CAPITAL ASSETS NET OF ACCUMULATED DEPRECIATION

	June 30, 2020	June 30, 2019	\$ Change	% Change
Land	\$2,441,034	\$2,441,034	\$0	0.0%
Parkland and improvements	1,295,205	1,295,205	-	0.0%
Work in progress	14,808,092	15,449,978	(641,886)	-4.2%
Buildings, grounds and improvements	35,574,773	35,369,373	205,400	0.6%
Furniture and equipment	2,283,988	2,237,446	46,542	2.1%
Infrastructure	134,535,399	119,699,986	14,835,413	12.4%
Subtotal	190,938,491	176,493,022	14,445,469	8.2%
Less: Accumulated depreciation	82,235,546	77,447,713	4,787,833	6.2%
Total Net of Depreciation	\$108,702,945	\$99,045,309	\$9,657,636	9.8%

Major capital asset additions during FY 2019-20 included the 2018 Measure J & L Pavement Rehabilitation (\$13.6 million). As shown in Table 5 the combined total net change was approximately \$14.4 million.

Debt Administration

As of June 30, 2020 the total balance outstanding was approximately \$49.2 million. The combined balance outstanding decreased by \$2 million from the prior year. At June 30, 2020, the City had total long-term debts and obligations as summarized in Table 6 below.

TABLE 6: OUTSTANDING LONG-TERM OBLIGATIONS

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>\$ Change</u>
2015 Refunding COP (City Hall)	\$6,905,525	\$7,231,144	(\$325,619)
2014 GO Bond Series A	7,458,838	7,735,640	(276,802)
2014 GO Bond Series B	10,340,312	10,545,624	(205,312)
2016 GO Bond Series A	24,514,074	25,748,725	(1,234,651)
TOTAL	<u>\$49,218,749</u>	<u>\$51,261,133</u>	<u>(\$2,042,384)</u>

Approximately 86% of the total debt balance is attributable to voter approved General Obligation Bonds issued to fund road and drainage projects. General obligation (GO) bonds are debt instruments issued by City to raise funds for public works. The source of repayment is a special additional ad valorem property tax that is levied solely to address the outstanding debt. The Certificate of Participation (COP) is a lease financing transaction that was entered into to pay for the cost of City Hall. The current obligation represents the refunding of an earlier transaction and it is repaid from the General Fund. Significant details related to outstanding debt can also be found in Note 8 of the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The City of Orinda is responsible for providing important and essential services required by its citizens. The City's ability to provide high level of services to its citizens is dependent upon a balancing expenditure growth with what is occurring to City revenue.

The local economic health is tied to the regional, State and the Nation's economy. The challenge is that the City receives a small percentage of property tax and the retail / commercial land uses are vastly outnumbered by residential properties. Non-residential properties offer an opportunity for a City to diversify its tax base beyond just the property tax. The City Council has supported the completion of planning initiatives that will allow the City to have a vibrant local economy that can support basic City services. The City Council approved a project in early 2020 to develop a Downtown Precise Plan, which will help guide development in the future.

Among the positive economic factors is that the values on recent residential real estate transactions as reported for the first 10 months of 2020 have continued to increase. As reported by the Contra Costa Association of Realtors (CCAR) the average sales price of residential sales in Orinda was 17% above the previous year and the volume of transactions remained consistent with 2019. Real estate prices affect the assessed value of the property and is used by the County to determine the amount of property tax levied. The City has observed a shift in the amount of sales tax received from the County pool which accounts for on-line purchases. This has helped to back-fill reductions caused by businesses that have been required to temporarily close or limit their operations due to the pandemic.

In July of 2020, the City Council adopted the Mid-Cycle Update for the second year of the Biennial Budget which began July 1, 2020 and ends June 30, 2021 (The budget can be viewed on the City website at www.cityoforinda.org.) The City Council has a history of supporting balanced budgets and the Mid-Cycle budget adjustment was based no different, although the changes required difficult decisions on reductions in order to protect the City's financial position. The adopted FY 2020-2021 Mid-Cycle Budget includes: reductions in staffing; a delay in salary adjustments; as well as furlough schedules for some staff. The area impacted the hardest is the Parks and Recreation Department that is substantially supported by program fee revenue which has significantly declined with the curtailment of operations required due to the pandemic.

After the Budget was prepared, the City received \$234,707 Federal CARES Act grant funding from the State. This is mitigating some of the additional costs incurred by the City in responding to the pandemic.

Starting in 2019, the City Council established a subcommittee that reviewed revenue opportunities to address priority services and projects that the City could not undertake with its current revenue base. This resulted in the placement of a ballot measure on the November 2020 ballot that called for an increase in the local general add-on sales tax. The measure was passed by the voters and the increased revenue will begin to be collected April 1, 2021. The tax will replace the existing ½ cent sales and use tax with a 1 cent tax for the next 20 years. Among the initial priorities for funding are programs to address wildfire threats as well as critical storm drain repairs.

The City will need to move ahead monitoring impacts of the COVID 19 pandemic and balancing resources and expenditures.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any information provided in this report or request for addition financial information should be directed to:

City of Orinda Finance Department
22 Orinda Way
Orinda, CA 94563
(925) 253-4220

Basic Financial Statements

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CITY OF ORINDA

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The Statement of Net Position and the Statement of Activities summarize the entire City's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the City's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the City's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between City funds have been eliminated.

The Statement of Net Position reports the difference between the City's total assets and the City's total liabilities and deferred inflows of resources, including all the City's capital assets and all its long-term debt. The Statement of Net Position focuses the reader on the composition of the City's net assets, by subtracting total liabilities from total assets.

The Statement of Net Position summarizes the financial position of all the City's Governmental Activities.

The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Capital Projects and Debt Service Funds. Since the City's Internal Service Funds service these Funds primarily, their activities are consolidated with Governmental Activities, after eliminating inter-fund transactions and balances.

The Statement of Activities reports increases and decreases in the City's net position. It is also prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, deferred outflows/inflows of resources, available revenues and measurable expenditures.

The format of the Statement of Activities presents the City's expenses first, listed by program. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental. The City's general revenues are then listed in the Governmental Activities as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

CITY OF ORINDA
STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities
ASSETS	
Current Assets:	
Cash, cash equivalents and investments (Note 3)	\$29,448,877
Restricted cash (Note 3)	5,302,190
Accounts receivable (Note 4)	1,999,845
Interest receivable	128,366
Prepaid items and deposits	503,971
Due from other agencies	187,869
Total current assets	37,571,118
Noncurrent Assets:	
Capital assets not being depreciated (Note 5):	
Land	2,441,034
Parkland and improvements	1,295,205
Work in progress	14,808,092
Capital assets, net of accumulated depreciation (Note 5):	
Buildings, grounds and improvements	22,972,371
Furniture and equipment	583,170
Infrastructure	66,603,073
Total noncurrent assets	108,702,945
Total assets	146,274,063
DEFERRED OUTFLOW OF RESOURCES	
Related to OPEB (Note 11)	27,666
LIABILITIES	
Current Liabilities:	
Accounts payable and accrued liabilities (Note 6)	2,233,593
Interest payable	505,450
Unearned revenue	30,000
Current portion of long-term debt (Note 8)	1,487,384
Current portion of accrued compensated absences (Note 1)	70,127
Planning and engineering deposits	2,218,633
Total current liabilities	6,545,187
Noncurrent Liabilities:	
Long-term debt (Note 8):	
COP payable, due in more than one year	6,569,906
GO Bonds, due in more than one year	41,161,459
Long-term portion of accrued compensated absences (Note 1)	280,510
Net OPEB liability (Note 11)	166,629
Total noncurrent liabilities	48,178,504
Total liabilities	54,723,691
DEFERRED INFLOW OF RESOURCES	
Related to OPEB (Note 11)	249,626
NET POSITION (Note 9):	
Net investment in capital assets	62,775,273
Restricted for:	
Capital projects	3,611,710
Special purpose projects	11,115,831
Unrestricted	13,825,598
Total net position	\$91,328,412

See accompanying notes to financial statements

CITY OF ORINDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues		Capital Grants and Contributions	Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions		
<i>Governmental Activities:</i>					
General government	\$2,716,501				(\$2,716,501)
Police services	4,236,572	\$115,137			(4,121,435)
Public works and engineering	6,511,462	2,486,667	\$867,374	\$3,505,205	347,784
Parks, recreation and library	4,725,088	2,583,734			(2,141,354)
Planning	1,102,985	982,722			(120,263)
Interest on bonds payable	1,602,013				(1,602,013)
Total primary government	\$20,894,621	\$6,168,260	\$867,374	\$3,505,205	(10,353,782)

Property taxes	10,350,583
Sales taxes	2,449,156
Franchise taxes	1,152,773
Transfer tax	296,104
Transient Occupancy Tax	49,763
Interest income	1,067,239
Miscellaneous	1,510,369
Total general revenues	16,875,987
Change in net position	6,522,205
Net position - beginning, as adjusted (Note 1J)	84,806,207
Net position - ending	\$91,328,412

See accompanying notes to financial statements

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FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the City for fiscal year 2019-20. Individual other governmental funds may be found in the Supplemental Section.

GENERAL FUND

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

WILDER FACILITIES ENDOWMENT FUND

Accounts for revenues received in lump sum from the Developer of Wilder to support expenses prior to the full implementation of the Community Facilities District.

CCTA (CONTRA COSTA TRANSPORTATION AUTHORITY) FUND

This fund accounts for the voter approved transportation sales tax used for voter approved transportation programs and projects as administered by the Contra Costa Transportation Authority.

CITY CAPITAL PROJECTS FUND

This fund accounts for transfers from the General Fund and expenditures related to infrastructure improvements funded primarily from one-time sources of revenue.

ROAD BONDS 2016 CAPITAL PROJECTS FUND

This fund accounts for costs associated with repair, restoration and upgrade of the City's roads and drains funded by the 2016 General Obligation Bonds.

ROAD BONDS 2014 DEBT SERVICE FUND

This fund Accounts for the collection of tax proceeds and the payment of debt service for the 2014 General Obligation Bonds.

ROAD BONDS 2016 DEBT SERVICE FUND

This fund Accounts for the collection of tax proceeds and the payment of debt service for the 2016 General Obligation Bonds.

CITY OF ORINDA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020

	Major Funds				
	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects Fund	Road Bonds 2016 Capital Projects
<u>ASSETS</u>					
Cash, cash equivalents and investments (Note 3)	\$15,000,149	\$1,380,766	\$1,254,192	\$2,365,635	
Restricted cash (Note 3)					\$3,291,077
Accounts receivable (Note 4)	1,169,896				
Interest receivable	104,436	2,414	1,697		
Prepaid items and deposits	485,345				103
Due from other agencies					
Due from other funds	423,938				
Total assets	\$17,183,764	\$1,383,180	\$1,255,889	\$2,365,635	\$3,291,180
<u>LIABILITIES AND FUND BALANCES</u>					
Accounts payable and accrued liabilities (Note 6)	\$1,277,209		\$4,774	\$1,211	\$73,680
Other current liabilities	350,637				
Unearned revenue	30,000				
Due to other funds					
Planning and engineering deposits	2,218,633				
Total Liabilities	3,876,479		4,774	1,211	73,680
Fund balances (Note 9):					
Nonspendable	485,345				103
Restricted		\$1,383,180	1,251,115		3,217,397
Assigned	4,532,706				
Committed	350,637			2,364,424	
Unassigned	7,938,597				
Total fund balances	13,307,285	1,383,180	1,251,115	2,364,424	3,217,500
Total liabilities and fund balance	\$17,183,764	\$1,383,180	\$1,255,889	\$2,365,635	\$3,291,180

See accompanying notes to financial statements

Major Funds

Road Bonds 2014 Debt Service	Road Bonds 2016 Debt Service	Other Governmental Funds	Total
		\$7,668,224	\$27,668,966
\$903,754	\$1,107,359		5,302,190
		829,949	1,999,845
1,489	1,816	13,372	125,224
		11,800	497,248
		187,869	187,869
			423,938
<u>\$905,243</u>	<u>\$1,109,175</u>	<u>\$8,711,214</u>	<u>\$36,205,280</u>
\$1,500	\$1,500	\$496,295	\$1,856,169
			350,637
			30,000
		423,938	423,938
			2,218,633
<u>1,500</u>	<u>1,500</u>	<u>920,233</u>	<u>4,879,377</u>
		11,800	497,248
903,743	1,107,675	7,779,181	15,642,291
			4,532,706
			2,715,061
			7,938,597
<u>903,743</u>	<u>1,107,675</u>	<u>7,790,981</u>	<u>31,325,903</u>
<u>\$905,243</u>	<u>\$1,109,175</u>	<u>\$8,711,214</u>	<u>\$36,205,280</u>

CITY OF ORINDA
 Reconciliation of the
 GOVERNMENTAL FUNDS - BALANCE SHEET
 with the
 STATEMENT OF NET POSITION
 JUNE 30, 2020

Fund balances of governmental funds \$31,325,903

Amounts reported for governmental activities in the statement of net position are different because:

CAPITAL ASSETS

Capital assets have not been included in as financial resources in governmental fund activity:

Capital assets, non depreciable	18,544,331
Capital assets, depreciated, net	89,655,007

LONG-TERM ASSETS, DEFERRED INFLOW, DEFERRED OUTFLOW, AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:

Bonds payable	(49,218,749)
Compensated absences	(350,637)
Interest payable	(505,450)
Net OPEB liability, deferred inflows and deferred outflows	(388,589)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.

2,266,596

Net position of governmental activities

\$91,328,412

See accompanying notes to financial statements

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CITY OF ORINDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Major Funds			
	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects Fund
Revenues				
Taxes				
Property tax and assessments	\$7,835,767			
Sales tax	2,449,156			
Franchise tax	1,152,773			
Transient Occupancy Tax	49,763			
Property transfer tax	296,104			
Use of money and properties	696,401	\$29,155	\$18,057	
Service fees				
Business license registration	17,036			
Vehicle fees and parking fines	78,346			
NPDES				
Building inspection	613,646			
Parks and recreation	1,398,243			
Planning	352,040			
Public works and engineering	176,373			
Police	4,231			
Other agencies				
Federal				\$2,245,993
State and local				230,636
Gasoline taxes				
Homeowners tax reimbursement	32,226			
Vehicle abatement	10,906			
CCTA			928,436	
Development impact fees				
Miscellaneous	1,019,638			17,501
Total Revenues	<u>16,182,649</u>	<u>29,155</u>	<u>946,493</u>	<u>2,494,130</u>

See accompanying notes to financial statements

<u>Major Funds</u>				
<u>Road Bonds 2016 Capital Projects</u>	<u>Road Bonds 2014 Debt Service</u>	<u>Road Bonds 2016 Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
	\$1,082,913	\$1,431,903	\$976,652	\$11,327,235
				2,449,156
				1,152,773
				49,763
				296,104
\$107,647	11,948	16,170	153,246	1,032,624
				17,036
				78,346
			308,670	308,670
				613,646
			266,030	1,664,273
				352,040
				176,373
			100,000	104,231
			298,550	2,544,543
			558,392	789,028
			767,183	767,183
				32,226
				10,906
				928,436
			1,177,250	1,177,250
595			472,635	1,510,369
<u>108,242</u>	<u>1,094,861</u>	<u>1,448,073</u>	<u>5,078,608</u>	<u>27,382,211</u>

(Continued)

CITY OF ORINDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Major Funds			
	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects Fund
Expenditures				
Current:				
City management	\$441,591			
City attorney	533,340			
City clerk	305,254			
Administrative services	1,227,037			
Parks and recreation	3,120,601	\$22,787	\$55,384	
Public works and engineering	1,878,628			
Police services	4,034,807			
Planning	1,156,679			
Capital improvements				\$3,640
Lighting and landscaping district				
Library operations	39,099			
Capital outlay	900,793	24,932	364,242	98,215
Debt service:				
Interest and fiscal charges	245,119			
Principal	315,000			
Total Expenditures	<u>14,197,948</u>	<u>47,719</u>	<u>419,626</u>	<u>101,855</u>
Excess (deficiency) of revenues over expenditures	<u>1,984,701</u>	<u>(18,564)</u>	<u>526,867</u>	<u>2,392,275</u>
Other financing sources (uses):				
Transfers in (Note 7)	576,493			50,002
Transfers out (Note 7)	<u>(102,787)</u>	<u>(8,270)</u>		<u>(570,000)</u>
Total other financing sources (uses)	<u>473,706</u>	<u>(8,270)</u>		<u>(519,998)</u>
Net changes in fund balance	2,458,407	(26,834)	526,867	1,872,277
Fund balance - beginning of year, as restated (Note 1J)	<u>10,848,878</u>	<u>1,410,014</u>	<u>724,248</u>	<u>492,147</u>
Fund balance - end of year	<u>\$13,307,285</u>	<u>\$1,383,180</u>	<u>\$1,251,115</u>	<u>\$2,364,424</u>

See accompanying notes to financial statements

<u>Major Funds</u>				
<u>Road Bonds 2016 Capital Projects</u>	<u>Road Bonds 2014 Debt Service</u>	<u>Road Bonds 2016 Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
				\$441,591
			\$12,980.00	546,320
				305,254
				1,227,037
			378,519	3,577,291
\$256,905			511,706	2,647,239
			299,120	4,333,927
			2,500	1,159,179
				3,640
			89,104	89,104
			388,089	427,188
10,056,078			3,223,389	14,667,649
	\$609,051	\$927,696		1,781,866
	435,000	1,125,000		1,875,000
<u>10,312,983</u>	<u>1,044,051</u>	<u>2,052,696</u>	<u>4,905,407</u>	<u>33,082,285</u>
<u>(10,204,741)</u>	<u>50,810</u>	<u>(604,623)</u>	<u>173,201</u>	<u>(5,700,074)</u>
			35,610	662,105
			(6,493)	(687,550)
			29,117	(25,445)
(10,204,741)	50,810	(604,623)	202,318	(5,725,519)
<u>13,422,241</u>	<u>852,933</u>	<u>1,712,298</u>	<u>7,588,663</u>	<u>37,051,422</u>
<u>\$3,217,500</u>	<u>\$903,743</u>	<u>\$1,107,675</u>	<u>\$7,790,981</u>	<u>\$31,325,903</u>

CITY OF ORINDA
Reconciliation of the
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
with the
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Changes in fund balances of governmental funds (\$5,725,519)

Amounts reported for governmental activities in the statement of activities are different because:

CAPITAL ASSETS TRANSACTIONS

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expenses, whereas net position decrease by the amount of depreciation expense charged for the year.

Capital asset additions	14,398,928
Depreciation expense	(4,714,558)

LONG-TERM DEBT PROCEEDS AND PAYMENTS

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Repayment of debt principal	1,875,000
Amortization of bond premium	167,384
Accrued interest	12,469

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or require the use of current financial resources and therefore are not reported as revenue of expenditures in governmental funds (net change).

Compensated absences	(33,443)
Total OPEB Liabilities and related deferred inflow of resources	88,651

Internal service funds are used by management to charge the costs of certain activities, such as equipment management, to individual funds. The net revenues (expenses) of the internal services funds is reported with governmental activities.

453,293

Changes in net position of governmental activities	<u><u>\$6,522,205</u></u>
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See accompanying notes to financial statements

MAJOR PROPRIETARY FUNDS

PROPRIETARY FUNDS

Proprietary funds recognize operating revenues and expenses separately from nonoperating items. The internal service funds are the City's only proprietary funds, and include charges to the City's other funds for services as operating revenue. Operating expenses include items such as depreciation on capital assets, administrative expenses, and insurance as operating expenses. All other revenues and expenses not meeting these definitions are reported as nonoperating items.

CITY OF ORINDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2020

<u>ASSETS</u>	<u>Total Internal Service Funds</u>
Current Assets:	
Cash, cash equivalents and investments (Note 3)	\$1,779,911
Accounts receivable	
Interest receivable	3,142
Prepaid items and deposits	<u>6,723</u>
Total Current Assets	<u>1,789,776</u>
Non-Current Assets	
Property and equipment net of accumulated depreciation (Note 5)	<u>503,607</u>
Total Assets	<u>2,293,383</u>
<u>LIABILITIES AND NET POSITION</u>	
Current Liabilities:	
Accounts payable	<u>26,787</u>
Total Liabilities	<u>26,787</u>
Net Position (Note 9):	
Investments in capital assets	503,607
Unrestricted	<u>1,762,989</u>
Total Net Position	<u><u>\$2,266,596</u></u>

See accompanying notes to financial statements

CITY OF ORINDA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Total Internal Service Funds
Operating revenues	
Charges for services	\$1,119,851
Other	
Total operating revenues	1,119,851
Operating expenses	
Contract services	134,511
Services and supplies	33,517
Special department expenses	382,549
Capital Outlay	4,889
Depreciation	172,624
Total operating expenses	728,090
Operating income (loss)	391,761
Non-operating revenues	
Investment income	34,615
Gain on disposal of capital asset	1,472
Total non-operating revenues	36,087
Other financing sources (uses):	
Transfers in (Note 7)	25,445
Total other financing sources (uses)	25,445
Change in net position	453,293
Net position at beginning of year	1,813,303
Net position at end of year	\$2,266,596

See accompanying notes to financial statements

CITY OF ORINDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30,2020

	Total Internal Service Funds
Cash flows from operating activities:	
Cash received from department users	\$1,123,309
Cash payments to suppliers of goods and services	(202,336)
Cash payments to employees for services	(383,391)
	537,582
Cash flows from noncapital financing activities:	
Transfers from other funds	25,445
	25,445
Cash flows from capital and related financing activities:	
(Acquisition) of capital assets	(145,890)
Proceeds from sale of capital assets	1,472
	(144,418)
Cash flows from investing activities:	
Interest received on investments	33,748
	33,748
Net cash provided by investing activities	33,748
Net (decrease) in cash and cash equivalents	452,357
Cash and cash equivalents at beginning of year	1,327,554
Cash and cash equivalents at end of year	\$1,779,911
Reconciliation of operating income to net cash flows provided by operating activities:	
Operating income (loss)	\$391,761
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	172,624
Decrease in accounts receivable	3,458
(Increase) in prepaid items	(5,280)
(Decrease) in accounts payable	(24,139)
(Decrease) in accrued payroll	(842)
	(842)
Net cash provided by (used for) operating activities	\$537,582

See accompanying notes to financial statements

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Fiduciary funds are used to account for assets held by the City as an agent or in trust for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Entity-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

CITY OF ORINDA
STATEMENT OF NET POSITION
FIDUCIARY FUND
JUNE 30, 2020

<u>ASSETS</u>	<u>GHAD Custodial Fund</u>
Cash, cash equivalents and investments (Note 3)	\$1,352,030
Interest receivable	<u>4,583</u>
Total assets	<u>1,356,613</u>
 <u>LIABILITIES</u> 	
Accounts payable and accrued expenses	<u>11,125</u>
Total liabilities	<u>11,125</u>
 <u>NET POSITION (Note 9)</u> 	
Restricted for GHAD Improvements	<u>1,345,488</u>
Total net position	<u><u>\$1,345,488</u></u>

See accompanying notes to financial statements

CITY OF ORINDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED JUNE 30, 2020

	GHAD Custodial Fund
Addition	
Contributions	
Property Tax	\$547,809
Other	900,952
	1,448,761
Total contributions	1,448,761
Investment Earnings	
Interest	42,360
	42,360
Net investment earnings	42,360
Total additions	1,491,121
Deductions	
Administration and accounting	130,778
Maintenance and operations	14,855
Projects	
Total deductions	145,633
Net increase in fiduciary net position	1,345,488
Net position at beginning of year	_____
Net position at end of year	\$1,345,488

See accompanying notes to financial statements

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CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Orinda have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as it applies to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. *Financial Reporting Entity*

The financial statements of the City of Orinda (the “City”) include all the City’s financial activities over which the City Council exercises oversight responsibility. Oversight responsibility is determined on the basis of budget adoption, taxing authority, funding and appointment of the governing board (i.e., - all funds and entities for which the City Council is financially accountable).

B. *Basis of Presentation*

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, debt issuance and other non-exchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for services. The City has no business-type activities as of June 30, 2020.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund balance, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary (business type), and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered *major* if it is the primary operating fund of the City or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or proprietary fund are at least 5 percent of the corresponding total for all governmental and proprietary funds combined.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The funds of the financial reporting entity are described below:

Governmental funds

General Fund

The General Fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes. Most Special Revenue Funds of the City are categorized as "Nonmajor Special Revenue Funds" since they do not meet the criteria individually as a major fund. For the fiscal year ended June 30, 2020, the CCTA (Contra Costa Transportation Authority) Wilder Community Facilities District (CFD), Drainage Impact, Federal Grants, and Road Maintenance Garbage Co. Funds are considered major funds.

Capital Project Funds

Capital Project Funds are used to account for resources restricted for the acquisition or construction of specific capital projects or items. The reporting entity includes five Capital Project Funds which are used to account for the acquisition of capital assets with transfers made from the General Fund and other fund sources. For the fiscal year ended June 30, 2020 the City Capital Projects and Road Bonds 2016 Capital Projects Funds are considered major funds.

Debt Service Funds

Debt service funds are used to account for the collection of tax proceeds and the payment of debt services. For the fiscal year ended June 30, 2020, Road Bonds 2016 Debt Service Fund is considered major funds.

Proprietary funds

Enterprise (Business-Type) Fund

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The City has no enterprise funds.

Internal Service Funds

The internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City, on a cost reimbursement basis. These funds are rolled into the governmental activities for the government-wide statements of net position and activities. The City uses these funds to account for the costs associated with information systems, building maintenance, vehicle replacement and risk management.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary funds (not included in government-wide statements)

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City’s own programs. The accounting used for the fiduciary funds is much like that used for proprietary funds.

The City maintains one type of fiduciary fund. The Custodial Funds report resources, not in a trust that are held by the City for other parties outside of the City’s reporting entity. The Geologic Hazard Abatement Districts (GHAD) Custodial Fund accounts for monies held for the GHAD, an agency to which the City provides accounting and investing services, which is not held in a trust.

Major and non-major funds

The funds are further classified as major or non-major as follows:

<u>Fund</u>	<u>Brief Description</u>
<i>Major:</i>	
General Fund	Primary operating fund of the City.
Wilder Facilities Endowment Fund	Accounts for the revenue received in lump sum from the Developer of Wilder to support expenses prior to the full implementation of the Wilder Community Facilities (CFD).
CCTA (Contra Costa Transportation Authority)	Accounts for the voter approved transportation sales tax used for voter approved transportation programs and projects as administered by the Contra Costa Transportation Authority.
City Capital Projects Fund	Accounts for transfers from the General Fund and Expenditures related to infrastructure improvements.
2016 Road Bonds Capital Projects	Accounts for costs associated with repair restoration and upgrade of the City’s roads and drains funded by the 2016 General Obligation Bonds.
Road Bonds 2016 Debt Service Fund	Accounts for the collection of tax proceeds and the payment of debt service for the 2016 General Obligation Bonds.
Road Bonds 2014 Debt Service Fund	Accounts for the collection of tax proceeds and the payment of debt service for the 2014 General Obligation Bonds.
<i>Non Major:</i>	
Special Revenue Funds	Used to account for proceeds of specific sources that are restricted for expenditures for specific purposes.
Capital Projects Funds	Used to account for specific capital improvements.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement focus

On the government-wide Statement of Net Position and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined below.

In the fund financial statements, the current financial resources measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. All governmental funds utilize a *current financial resources* measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund (business-type utilize) an economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net position. *The City has four internal service funds which are included in the Government-wide Statements. The City has no enterprise funds.*
- c. The fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of accounting

Government-Wide Financial Statements

These basic financial statements are presented on an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, 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 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 grants and contributions
- ❖ Capital grants and contributions

Certain eliminations have been made 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 would not be eliminated. The following interfund activities have been eliminated:

- ❖ Due to/from other funds
- ❖ Advances to/from other funds
- ❖ Transfers in/out

The City applies all applicable GASB pronouncements for certain accounting and financial reporting guidance.

Governmental Fund Financial Statements

Governmental fund financial statements included 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 fund balance 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.

All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis for accounting. Accordingly, only current assets and current liabilities 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 fund balance. 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.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues are recorded when received in cash, except that revenues subject to modified accrual are recognized when due. The primary revenue sources accrued by the City are property tax, sales tax, franchise taxes, special assessments, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Deferred revenues arise when potential revenues do not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred revenue is removed and revenue is recognized.

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.

All proprietary and fiduciary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or the economic asset is used.

D. Assets, Liabilities, and Equity

Cash and investments

For the purpose of the Statement of Net Position, cash and cash equivalents includes all cash accounts, savings accounts, certificates of deposits of the City, and the investment in the State of California fund called the Local Agency Investment Fund (LAIF) which is available for immediate withdrawal. For the purpose of the proprietary fund Statement of Cash Flows, cash and cash equivalents include all demand and savings accounts, investment in LAIF, and certificates of deposit or short-term investments with an original maturity of three months or less. Restricted cash is not considered a cash equivalent.

Investments are carried at fair value except for short-term U.S. Treasury obligations with a remaining maturity at the time of purchase of one year or less. Those investments are reported at amortized cost.

Interfund receivables and payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as due to/from other funds. Short-term interfund loans are reported as interfund receivables and payables. Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances in the government-wide and fund receivable balances in the fund financial statements are substantially the same for the City.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, transfer tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Non-exchange transactions collectible but not available are deferred in the fund financial statements in accordance with modified accrual, but not deferred in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available.

Capital assets

All capital assets are valued at historical cost or estimated historical cost if actual is unavailable, except for donated capital assets which are recorded at their estimated acquisition value at the date of donation. Estimated historical cost was used to value the majority of the assets for which cost was not available.

Prior to July 1, 2002, governmental funds' infrastructure assets were not capitalized. These assets have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The range of estimated useful lives by type of asset is as follows:

Type	Useful Life (years)
Land, easements, and right of way	N/A
Building, grounds and improvements	10-39
Infrastructure	15-80
Equipment and furniture	3-15

The City policy has set the capitalization threshold for reporting capital assets at \$5,000 and estimated useful lives in excess of three years, for general capital assets.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Restricted assets

Restricted assets include cash and investments that are legally restricted as to their use.

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the governmental-wide fund financial statements.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All long-term debt to be repaid from governmental and business-type resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of a Certificate of Participation payable (COP) and General Obligation bonds.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principle and interest reported as expenditures. The accounting for a proprietary fund is the same in the fund statements as it is in the government-wide statements.

Compensated absences

The City's policies regarding paid time off permit employees to accumulate earned but unused general leave. The liability for these compensated absences is recorded as noncurrent liabilities in the government-wide statements. Compensated absences are liquidated primarily by the General Fund.

The changes in compensated absences were as follows:

Balance as of June 30, 2019	Additions	Reductions	Balance as of June 30, 2020	Current Portion
\$317,194	\$95,545	\$62,102	\$350,637	\$70,127

E. 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 generally accepted accounting principles. 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.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Revenues, Expenditures, and Expenses

Property tax and assessments

State of California ("State") Constitution Article XIII provides for a maximum general property tax rate statewide of \$1.00 per \$100 of assessed value. Assessed value is calculated at 100% of market value as defined by Article XIII. The State Legislature has determined the method of distribution of receipts from the \$1.00 levy among the counties, cities, school districts and other districts. Counties, cities and school districts may levy such additional tax rate as is necessary to provide for voter approved debt service. The county uses the following calendar to assess properties, and to bill for, collect, and distribute property taxes.

	Secured	Unsecured
Lien dates	January 1	January 1
Levy dates	July 1	July 1
Due dates	50% on November 1 50% on February 1	July 1
Delinquent as of	December 10 April 10	August 31

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. Secured taxes are secured by liens on the property being taxed.

The City is part of the Teeter Plan. The Teeter Plan allows California counties to finance property tax receipts for local agencies by borrowing money to advance cash to each taxing jurisdiction (including the city) in an amount equal to the current year's delinquent property taxes. In exchange, the counties receive the penalties and interest on the delinquent taxes when collected.

Sales tax

The sales tax levied in the city of Orinda is 8.75% of taxable sales within the City of which 1.5% is allocated to the City. The sales tax is collected by the State and remitted to the City in the month following receipt. The State makes advances based on estimates with quarterly settlements since the City receives the sales tax approximately one to three months after collection by vendors. Sales taxes collected by the State in June and July (which represent sales for May and June) and received by the City in July and August have been accrued and are included under the caption "Accounts Receivable". The 8.75% sales tax includes some transportation funds which are allocated to the City pursuant to street/pavement needs as approved by the Contra Costa Transportation Authority (CCTA). It also includes a 0.50% add-on tax approved by the Orinda voters in November 2012. The add-on tax sunsets in 2023.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other revenues

Other revenues as realized by the City include recreation fees, planning fees, public works/engineering fees, franchise taxes, property transfer taxes, vehicle license fees and vehicle and parking fines.

Expenditures / expenses

In the government-wide financial statements, expenses are classified by function for governmental activities.

In the fund financial statements, expenditures are classified as follows:

Governmental Funds-By Character:	Current (further classified by function)
	Capital Outlay
	Debt Service

In the fund financial statements, governmental funds report expenditures of financial resources.

Interfund transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, which consists of consolidated governmental funds, all interfund transfers between individual governmental funds have been eliminated.

H. Budgetary Accounting

In accordance with the state code, the City of Orinda prepares a biennial budget for City government operations that begins with a July 1 fiscal year. This budget is prepared on a modified accrual basis. In developing the biennial budget, City departments analyzed existing service levels and potential services in light of the strategic priorities and financial constraints and modified their proposed budgets accordingly. The City's operating budget summarizes planned expenditures and revenues for all City departments and programs. The detail is structured to summarize each department's costs by type, division and funding sources.

The biennial budget process sets forth planned expenditures and revenues for two consecutive fiscal years. Year 1 and 2 expenditure and revenue plans are presented to Council in a single document. At the conclusion of the biennial budget review and deliberation process, Year 1 of the biennial budget is approved and appropriated by Council, which sets the level of authorized funding for the fiscal year. The Year 2 budget is also approved but is subject to mid-cycle review and appropriation action in the following year. Funds not expended in Year 1 do not automatically roll into Year 2. During the mid-cycle review, staff proposes changes (if any). At that time, Council will consider the proposed changes and recommendations. At the conclusion of the deliberations, the Council will approve and appropriate funds for Year 2 of the budget.

In addition to the annual budget process, the Council reviews expenditures and revenues at the mid-year and makes changes as needed.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following funds had expenditures in excess of appropriations in fiscal year 2019-20:

Fund	Amount
City Capital Project Fund	\$21,855
Road Bonds 2016 Debt Service Fund	1,071
Assessment District M-9 Special Revenue Fund	226
Assessment District M-11 Special Revenue Fund	21,878
Affordable Housing Special Revenue Fund	13,840
Facility Improvement Surcharge Special Revenue Fund	1,090
2014 Road Bonds Debt Service Fund	1,738

I. *Deferred Outflows/Inflows of Resources*

In addition to assets, the statement of financial position or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then.

The City only has one item that qualifies for reporting in this category, deferred outflows related to Other Post-Employment Benefits (OPEB). For further discussion see Note 11.

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow or resources (revenue) until that time.

The City only has one item that qualifies for reporting in this category, deferred inflows related to Other Post-Employment Benefits (OPEB). For further discussion see Note 11.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. New Accounting Pronouncements

The City has implemented the requirements of the following GASB Pronouncements:

GASB 84 – Fiduciary Activities

In January 2017, GASB issued GASB Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of the statement are effective for reporting periods beginning after December 15, 2019. The City early implemented the provisions of the Statement in fiscal year 2019-20. Implementation of this Statement required the City to make prior period adjustments. As part of the implementation of the Statement, it was determined that the Oaksprings Expense Fund and Planning and Engineering Deposits Fund previously reported on the City's financial statements as Agency Funds should be recategorized as parts of the General Fund and Oaksprings Assessments District Improvements Capital Projects Fund, respectively. As a result, the beginning net position of the Governmental Activities and the beginning fund balance of the Oaksprings Assessment District Improvements Capital Projects Fund increased by \$131,123.

In May 2020, GASB issued GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later. The requirements of the statement are effective immediately. The City implemented GASB Statement No. 95 for the presentation of the fiscal year 2019-20 financial statements.

K. Change in Accounting Duties

In fiscal year 2019-20, the Orinda Geologic Hazard Abatement District (GHAD) contracted with the City of Orinda to provide accounting and treasurer services for the District. This District is an agency established under the California Public Resources Code 26750 which explicitly states "A district is a political subdivision of the state. A district is not an agency or instrumentality of a local agency." The funds are to only benefit the District and are not held in a Trust. The District is responsible for regular site monitoring, annual inspections, contract services for annual mitigation and repairs, and administrative costs that are carried out in accordance with an adopted Plan of Control. Restricted reserves held by the entity are to be used for on-going maintenance as well as mitigation and remediation of any repairs or geologic hazards within the boundaries of the GHAD.

L. New Funds

In fiscal year 2019-20, the City established three new Special Revenue Funds. The Field Maintenance Surcharge Fund accounts for user fees collected from parks and recreation field and sports program participants and used to fund field maintenance improvements. The Facility Improvement Surcharge Fund accounts for user fees collected from parks and recreation class and program participants and used to fund facility maintenance improvements. The Permit Technology Surcharge Fund accounts for surcharge collected from applications for permits submitted to development services and used to fund permit system costs.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Fund Accounting Requirements

The legally required funds used by the City include the following:

<u>Fund</u>	<u>Required By</u>
Gas tax	State law – included in Special Revenue
Transportation impact	Local ordinance – included in Special Revenue
Drainage impact	Local ordinance – included in Special Revenue
Library	Local ordinance – included in Special Revenue
Park dedication	Local ordinance – included in Special Revenue
Tree mitigation	Local ordinance – included in Special Revenue
Community Facility Endowment	Local ordinance – included in Special Revenue
General Plan Surcharge	Local ordinance – included in Special Revenue
State of CA Grants	Local ordinance – included in Special Revenue
Recycling	State law – included in Special Revenue
SLES (AB 3229)	State law – included in Special Revenue
Light and landscaping districts	Local ordinance - included in Special Revenue
Wilder Community Facilities District	Local ordinance – included in Special Revenue
Stormwater (NPDES)	State law – included in Special Revenue
Affordable Housing	State law – included in in Special Revenue
CCTA (Contra Costa Transportation Authority)	County proposition – included in Special Revenue
TDA Grants	State law – included in Special Revenue
Road Maintenance – Garbage Co.	Local ordinance – included in Special Revenue
Federal Grants	Federal law – included in Special Revenue
Field Maintenance Surcharge	Local ordinance – included in Special Revenue
Facility Improvement Surcharge	Local ordinance – included in Special Revenue
Permit Technology Surcharge	Local ordinance – included in Special Revenue

B. Deposits and Investments Laws and Regulations

The City's policy, as well as the California Government Code, requires that a financial institution secure deposits by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law requires financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits, and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105% of the secured deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (the "FDIC"). It is the City's practice not to waive the collateral requirements.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Revenue Restrictions

The City has various restrictions placed over certain revenue sources by state or local agencies. The primary restricted revenue sources include:

<u>Revenue Source</u>	<u>Legal Restrictions of Use</u>
Gasoline tax	Street purposes
CCTA tax (part of sales tax)	Street purposes
Assessment districts	Lighting, landscaping, and community facilities
Development impact fees	Transportation, drainage and park capital projects
Library assessment	Library service supplement
Supplemental law enforcement	Police
Tree mitigation	Tree replacement
Stormwater	Pollution control
Grants	Federal or State projects
Recycling	Recycle efforts
Road maintenance – Garbage Co.	Street purposes
Field Maintenance Surcharge	Sports field improvements
Facility Improvement Surcharge	Recreation facility improvements
Permit Technology Surcharge	Permit system improvements

NOTE 3 – CASH AND INVESTMENTS

A. Policies

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated on a quarterly basis to the various funds based on average daily cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

The City maintains a cash deposit and investment pool that is available for use by all funds. It is not used for the deferred compensation plans.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Classifications

The City had the following cash and investments at June 30, 2020:

Reconciliation to Financial Statements:

<i>Governmental Funds Balance Sheet:</i>	
Cash, cash equivalents and investments	\$27,668,966
Restricted cash	5,302,190
Subtotal	32,971,156
<i>Internal Service Funds:</i>	
Cash, cash equivalents and investments	1,779,911
<i>Fiduciary Funds:</i>	
Cash, cash equivalents and investments	1,352,030
Total cash and investments	\$36,103,097
 <i>Statement of Net Position:</i>	
Cash, cash equivalents and investments	\$29,448,877
Restricted cash	5,302,190
 <i>Statement of Fiduciary Net Position:</i>	
Fiduciary Funds - cash, cash equivalents and investments	1,352,030
	\$36,103,097

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. For withdrawals of \$10 million or more, one day prior notice to LAIF is required. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, United States Treasury Notes and Bills, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. At June 30, 2020, these investments matured in an average of 191 days.

At June 30, 2020, the book amount of the City's deposits were \$2,276,603 which was collateralized or insured with securities held by the pledging financial institutions in the City's name as discussed below.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

C. Investment Authorized by the California Government Code and the City's Investment Policy

City Investment Policy

The City is authorized by State statutes and in accordance with the City's investment Policy to invest in the following:

<u>Authorized Investment Type</u>	Maximum Limit of Pool
Securities of the U.S. Government, or its agencies	100%
Certificates of Deposit (of Time Deposits) placed with commercial banks and/or savings and loan companies not to exceed maximum allowed by FDIC per institution	100%
Local Agency Investment Fund (State Pool) Demand Deposits	100%
Passbook Savings Account Demand Deposits not to exceed the maximum allowed by FDIC per institution	100%
Shares of beneficial interest issued by Diversified Management Companies (Mutual funds). No more than 10% in any one mutual fund	20%
Money Market Demand Accounts	100%
Bankers Acceptances, maximum of 180 days (maximum 30% of pool with 1 agency)	40%
Commercial Paper, maximum 270 days of Prime Quality (not more than 10% of outstanding paper of an issuing corporation)	25%
Medium-term corporate notes, maximum of 5 years	30%

California Government Code also allows investments in the following:

<u>Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum Limit of Pool</u>	<u>Maximum per Issuer</u>
Repurchase agreements	1 year	none	none	none
Reverse repurchase agreements	92 days	none	20%	none
Negotiable certificates of deposit	5 years	none	30%	none
Bonds issued by local agencies	5 years	none	none	none
State warrants, treasury notes, and bonds	5 years	none	none	none
Mortgage securities	5 years	Aa2/AA	20%	none
Supranationals	5 years	AA	30%	10%
Asset-Backed Securities	5 years	AA	20%	5%

The City's criteria for selecting investments are, in order of priority: (1) Safety, (2) Liquidity, and (3) Yield. All applicable investments are required to have an AA rating or higher. The City's investments comply with established policy.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

D. Interest Rate Risk

Interest rate risk is the risk that changes in economic markets will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held with fiscal agents) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	12 Months or less	13 to 24 Months	25 to 36 Months	36 to 60 Months	Total
U.S. Treasury Notes		\$577,794	\$664,539	\$978,975	\$2,221,308
U.S. Government Agency Securities		570,419	2,323,335	2,330,756	5,224,510
Medium-Term Corporate Notes		983,938	383,027	894,496	2,261,461
Money Market	\$21,027				21,027
Local Agency Investment Fund	22,869,229				22,869,229
Asset-Backed Securities		83,321	30,393	376,022	489,736
Negotiable CD	250,000				250,000
Supranational		40,434	409,565		449,999
Total Investments	<u>\$23,140,256</u>	<u>\$2,255,906</u>	<u>\$3,810,859</u>	<u>\$4,580,249</u>	33,787,270
Cash on Hand and Cash in Bank					<u>2,315,827</u>
Total Cash and Investments					<u>\$36,103,097</u>

E. Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the City of Orinda's actual Standard and Poor's rating as of June 30, 2020 for each investment type:

	Fair Value	AAA/AAAm	AA+/AA/AA-	A+/A/A-	A-1/A-1+	Not Rated
U.S. Government Agency Securities	\$5,224,510		\$5,224,510			
Medium-Term Corporate Notes	2,261,461		620,041	\$1,641,420		
Money Market	21,027	\$21,027				
Local Agency Investment Fund	22,869,229					\$22,869,229
Asset-Backed Securities	489,736	249,967				239,769
Negotiable CD	250,000				\$250,000	
Supranational	449,999	449,999				
Total Investments	<u>31,565,962</u>	<u>\$720,993</u>	<u>\$5,844,551</u>	<u>\$1,641,420</u>	<u>\$250,000</u>	<u>\$23,108,998</u>
Exempt:						
U.S. Treasury Notes	\$2,221,308		\$2,221,308			
Cash on Hand and Cash in Bank	<u>2,315,827</u>					
Total Cash and Investments	<u>\$36,103,097</u>					

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 3 – CASH AND INVESTMENTS (Continued)

Investment income shall accrue solely to the General Fund except where required by law, in which case interest shall accrue to other funds based upon the fund's proportionate ratio of balances to total pooled cash. Investment income shall not be credited to individual reserve accounts, except where required by law. By policy the City has allocated interest to other funds in the same manner, without a legal requirement.

The City portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen.

Under the current accounting standard, the portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold. The City's policy is to buy and hold investments until their maturity dates.

F. Concentration of Credit Risk

Investments in the securities of any individual issuers, other than U.S. Treasury securities mutual funds, the California Local Agency Investment Fund and the California Asset management Program, that represent 5% or more of total Government-wide investments, are as follows at June 30, 2020:

Issuer	Investment Type	Amount
Federal National Mortgage Association	Federal Agency Securities	\$1,250,820
Federal Home Loan Bank	Federal Agency Securities	2,278,121
Federal Farm Credit Bank	Federal Agency Securities	1,397,729

G. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. 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 ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 3 – 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, 2020:

Investments By Fair Value Level:

	Level 2	Note
U.S. Treasury Notes	\$2,221,308	(A)
U.S. Government Agency Securities	5,224,510	(A)
Medium-Term Corporate Notes	2,261,461	(A)
Asset-Backed Securities	489,736	(A)
Negotiable CD	250,000	(A)
Supranational	449,999	(A)
Total By Fair Value Level	<u>10,897,014</u>	

Investments Measured at Amortized Cost:

Money Market	21,027	
Investment Exempt from Fair Value Hierarchy:		
Local Agency Investment Fund	<u>22,869,229</u>	(B)
Total Investments	33,787,270	
Cash on Hand and Cash in Bank	<u>2,315,827</u>	
Total Cash and Investments	<u><u>\$36,103,097</u></u>	

Note:

(A) The valuation method for Level 2 inputs are significant other observable inputs. These inputs include: a) Quoted prices for similar assets in active markets; b) Quoted prices for identical or similar assets in markets that are not active; and c) Inputs other than quoted prices that are observable for an asset.

(B) The Local Agency Investment Fund (LAIF) the valuation method is based on the fair value factor, provided by the Treasurer of the State of California, which is calculated as fair value divided by the amortized cost of the investment pool.

Fair value is defined as the quoted market value on the last trading day of the period. These above prices are obtained from various pricing sources by the City's custodian bank.

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable for the governmental activities consist of various reimbursements, taxes and fees dated June 30 and prior received subsequent to June 30, 2020. They included:

State of California	\$608,208
Wilder Assessment	399,408
Contra Costa County	227,547
Other Government Agencies	224,632
East Bay Municipal Utility District	235,800
Franchise fees	91,455
Miscellaneous	<u>212,795</u>
Total	<u><u>\$1,999,845</u></u>

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 5 – CAPITAL ASSETS

Capital Assets

Capital asset activities for the year ended June 30, 2020, were as follows:

	Balance June 30, 2019	Additions	Disposals and adjustments	Transfers	Balance June 30, 2020
Capital assets not being depreciated					
Land	\$2,441,034				\$2,441,034
Parkland and improvements	1,295,205				1,295,205
Work in progress	15,449,978	\$14,647,749	(\$248,822)	(\$15,040,813)	14,808,092
Total capital assets not being depreciated	19,186,217	14,647,749	(248,822)	(15,040,813)	18,544,331
Capital assets being depreciated					
Buildings, grounds and improvements	35,369,373			205,400	35,574,773
Furniture and equipment	2,237,446	145,891	(99,349)		2,283,988
Infrastructure	119,699,986			14,835,413	134,535,399
Total capital assets being depreciated	157,306,805	145,891	(99,349)	15,040,813	172,394,160
Accumulated depreciation					
Buildings, grounds and improvements	11,495,527	1,106,875			12,602,402
Furniture and equipment	1,616,890	183,277	(99,349)		1,700,818
Infrastructure	64,335,296	3,597,030			67,932,326
Total accumulated depreciation	77,447,713	4,887,182	(99,349)		82,235,546
Net capital assets being depreciated	79,859,092	(4,741,291)		15,040,813	90,158,614
Total net capital assets	\$99,045,309	\$9,906,458	(\$248,822)		\$108,702,945

Depreciation expense was charged to the functions/programs of the governmental activities of the primary government as follows:

Governmental Activities:	
General government	\$319,432
Public safety	1,130
Public works	3,597,030
Culture and recreation	796,966
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	172,624
Total depreciation expense - governmental activities	<u>\$4,887,182</u>

NOTE 6 – ACCOUNTS PAYABLE

Accounts payable in the governmental funds are composed of payables to various vendors during the normal course of business. At June 30, 2020, the most significant general fund payable was the payable to the Contra Costa County Sheriff totaling \$315,074.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 7 – INTERFUND TRANSFERS

With Council approval, resources may be transferred from one City fund to another. Transfers between funds during the fiscal year ended June 30, 2020 were as follows:

Fund Making Transfer	Fund Receiving Transfers	Amount
General Fund	City Capital Projects Fund	\$50,002 A
	Special Revenue Funds:	
	Special Assessment District L-42 Fund	240 B
	Special Assessment District M-9 Fund	40 B
	Special Assessment District M-11 Fund	35,330 B
	Internal Service Funds	17,175 A
City Capital Projects Fund	General Fund	570,000 C
Non-Major Governmental Funds	General Fund	6,493 A
	Internal Service Funds	8,270 B
		<u>\$687,550</u>

- A: To fund capital projects
- B: To finance programs
- C: To rebuild General Fund Reserves

NOTE 8 – LONG-TERM DEBT

The City's debt issues and transactions are summarized below and discussed in detail thereafter.

Type of Obligation	Original Issue Amount	Balance at June 30, 2019	Retirements	Balance at June 30, 2020	Current Portion
2015 Refunding Certificates of Participation, 2% to 5.0%, due 7/1/2035	\$7,945,000	\$7,040,000	(\$315,000)	\$6,725,000	\$325,000
Add: Unamortized Bond Premium		191,144	(10,619)	180,525	10,619
2014 General Obligation Bonds, Series A 2.0 to 4.0%, due 9/1/35	10,000,000	7,450,000	(260,000)	7,190,000	275,000
Add: Unamortized Bond Premium		285,640	(16,802)	268,838	16,802
2014 General Obligation Bonds, Series B 1.4% to 5.0%, due 9/1/37	10,000,000	10,000,000	(175,000)	9,825,000	205,000
Add: Unamortized Bond Premium		545,624	(30,312)	515,312	30,312
2016 General Obligation Bonds, Series A 1.4% to 5.0%, due 9/1/37	25,000,000	23,775,000	(1,125,000)	22,650,000	515,000
Add: Unamortized Bond Premium		1,973,725	(109,651)	1,864,074	109,651
Total		<u>\$51,261,133</u>	<u>(\$2,042,384)</u>	<u>\$49,218,749</u>	<u>\$1,487,384</u>

2015 Refunding Certificates of Participation

In September 2005 Certificates of Participation relating to the City Offices Project totaling \$9,800,000 were issued pursuant to Resolution No. 50-05 which approved lease financing of the new city offices.

Lease payments are to be paid pursuant to a site lease between the City and the Orinda Facilities Financing Corporation (Corporation), which was formed under laws of the State of California for the purpose of providing financial assistance to the City in financing the acquisition, construction and improvement of public buildings, equipment and facilities.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 8 – LONG-TERM DEBT (Continued)

The City entered into a lease with the Corporation (site lease) and agreed to leaseback the new City offices site (facilities lease) after the completion of the City offices. At the end of the lease in 2035, the offices will belong to the City, thus, the offices are assets of the City as a "lease-purchase". Payments are made from the General Fund.

As provided in Section 4(b)(iii) of the Continuing Disclosure Agreement for the 2015 Refunding COP, the City is providing an update of "City Financing Information - General Fund Revenues - Summary of Revenue Sources" for the period ending June 30, 2020.

General Fund Key Revenues	2019-2020 Revenue	Percent of Total
Property Taxes	\$5,570,129	49%
Property Tax in Lieu VLF	2,265,638	20%
Sales tax	2,449,156	21%
Franchise Taxes	1,152,773	10%
Total	\$11,437,696	

In July 2015, the City issued \$7,945,000 in 2015 Refunding Certificates of Participation with interest rates ranging from 2% to 5%. The proceeds were used to repay \$8,030,000 of the City's outstanding 2005 Certificates of Participation. The reacquisition price of the 2015 Certificates was less than the net carrying amount of the old debt by \$85,000. As result, total debt service payments over 20 years was reduced by \$1,135,690 and obtained an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$833,769. The Certificates are payable from any source of available funds of the City. The financing covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City.

2015 Refunding Certificate of Participation

	Principal	Interest
2021	\$325,000	\$235,519
2022	335,000	225,619
2023	345,000	215,419
2024	355,000	204,919
2025	370,000	190,344
2026-2030	2,030,000	755,204
2031-2035	2,420,000	359,000
2036	545,000	10,900
Total	6,725,000	\$2,196,924
Premium, net of amortization	180,525	
	\$6,905,525	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 8 – LONG-TERM DEBT (Continued)

2014 General Obligation Bonds, Series A

In March of 2015, the City issued General Obligation Bonds, Election of 2014, Series A, in the amount of \$10,000,000. The Bonds are the first series of bonds to be issued from an aggregate authorized amount of \$20,000,000 duly approved by at least two-thirds of the voters voting on Measure J at an election held on June 3, 2014 to provide funds to repair failing roads and storm drains, restore and upgrade other roadways and storm drains, fix potholes, and improve safety on the City's public streets. The Bonds bear interest at 2.0% - 4.0% and are due semi-annually on March 1 and September 1 commencing September 2, 2015. Principal payments are due annually on September 1 through 2035. The Bonds are payable from a special ad valorem property tax rate the City is authorized by the voter approval of Measure J and obligated to levy as described in the financing documents, for the payment of principal and interest on the Bonds when due. The taxes are collected by Contra Costa County and distributed to the City.

2014 General Obligation Bonds, Series A

	<u>Principal</u>	<u>Interest</u>
2021	\$275,000	\$229,012
2022	290,000	221,912
2023	310,000	212,912
2024	330,000	201,662
2025	355,000	187,962
2026-2030	2,150,000	724,660
2031-2035	2,820,000	346,773
2036	660,000	11,138
Total	7,190,000	<u>\$2,136,031</u>
Premium, net of amortization	<u>268,838</u>	
	<u>\$7,458,838</u>	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 8 – LONG-TERM DEBT (Continued)

2014 General Obligation Bonds, Election of 2014, Series B

In April of 2017, the City issued General Obligation Bonds, Election of 2014, Series B, in the amount of \$10,000,000. These Bonds are the second series of bonds to be issued from an aggregate authorized amount of \$20,000,000 of bonds duly approved by at least two-thirds of the voters voting on Measure J at an election held on June 3, 2014. The Bonds were issued to provide funds to repair failing roads and storm drains, restore and upgrade other roadways and storm drains, fix potholes and improve safety on the City’s public streets. The Bonds bear interest at 1.4% - 5.0%. Interest payments are due semi-annually on March 1 and September 1 commencing September 1, 2017. Principal payments are due annually on September 1 through 2037. The Bonds are payable from a special ad valorem property tax rate the City is authorized by the voter approval of Measure J and obligated to levy as described in the financing documents, for the payment of principal and interest on the Bonds when due. The taxes are collected by Contra Costa County and distributed to the City.

2014 General Obligation Bonds, Series B

	Principal	Interest
2021	\$205,000	\$367,325
2022	240,000	359,125
2023	320,000	355,825
2024	325,000	343,025
2025	325,000	326,775
2026-2030	2,100,000	1,388,125
2031-2035	2,910,000	940,925
2036-2038	3,400,000	267,251
Total	9,825,000	\$4,348,376
Premium, net of amortization	515,312	
	\$10,340,312	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 8 – LONG-TERM DEBT (Continued)

2016 General Obligation Bonds, Election of 2016, Series A

In April of 2017, the City issued General Obligation Bonds, Election of 2016, Series A, in the amount of \$25,000,000. These Bonds are the first and only series of bonds to be issued in an aggregate authorized amount of \$25,000,000 of bonds duly approved by at least two-thirds of the voters voting on Measure L at an election held on June 7, 2016. The Bonds were issued to provide funds to repair failing roads and storm drains, restore and upgrade other roadways and storm drains, fix potholes and improve safety on the City’s public streets. The Bonds bear interest at 1.4% - 5.0%. Interest payments are due semi-annually on March 1 and September 1 commencing September 1, 2017. Principal payments are due annually on September 1 through 2037. The Bonds are payable from a special ad valorem property tax rate the City is authorized by the voter approval of Measure L and obligated to levy as described in the financing documents, for the payment of principal and interest on the Bonds when due. The taxes are collected by Contra Costa County and distributed to the City.

2016 General Obligation Bonds, Series A

	Principal	Interest
2021	\$515,000	\$907,750
2022	640,000	887,150
2023	755,000	878,350
2024	865,000	840,600
2025	955,000	823,300
2026-2030	5,740,000	3,344,300
2031-2035	7,460,000	2,056,300
2036-2038	5,720,000	470,000
Total	22,650,000	\$10,207,750
Premium, net of amortization	1,864,074	
	\$24,514,074	

NOTE 9 – NET POSITION AND FUND BALANCES

A. *Equity classifications*

Government-wide Statements

Equity is classified as net position and displayed in three components:

- a. *Net Investment in Capital Assets* - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. *Restricted net position* - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

- c. *Unrestricted net position* - All other portions of net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Balance Reporting

Fund Balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The City Council, as the highest level of decision-making authority of the City, has the power to commit and rescind the commitment of fund balances through resolutions. The Council has designated certain members of management staff to assign fund balances. Those staff members can assign fund balances when the City intends to use those funds for specific projects/purposes. These captions apply only to Fund Balance classifications:

- *Nonspendable fund balances* are those amounts that cannot be spent because they are either not in spendable form, or are legally or contractually required to be maintained intact.
- *Restricted fund balances* are those amounts that should be reported as restricted when constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation.
- *Committed fund balances* are those amounts that cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.
- *Assigned fund balances* are those amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, except for stabilization arrangements.
- *Unassigned fund balances* are those residual funds that have not been assigned to other funds, are not nonspendable, restricted, committed, or assigned to specific purposes. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

It is the policy of the City to spend funds in order from restricted to unassigned, as listed above.

Reserve Policy

The City Council adopted policy related to reserves was developed using an analytical framework developed by the Government Finance Officers Association (GFOA). The tool applies local judgement examining the range of reserves an agency may need based on eight areas of financial risk. These criteria for Contingency and Emergency can be summarized in three key categories: Cash Flow Needs, Economic Uncertainty, and Emergency Disaster Reserves. The policy establishes the reserves determined to be appropriate for these situations as a calculation of 40% of the subsequent years general fund budget. The contingency reserve is \$5,567,356 as of June 30, 2020 and per the policy this is shown as an unassigned balance as required by accounting standards. There is an additional contingency unassigned amount of \$1,391,839 which combined with the contingency and emergency reserve represents 50% of the Fiscal Year 2020-2021 general fund budget. The 50% target was identified by the City Council in their financial planning sessions, but has not been formally integrated into the policy. A revision is expected to be considered in 2021.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

An \$80,000 unassigned balance is identified as a future contribution for OPEB purposes. This represents one-time revenue received in Fiscal Year 2019-20 from employee benefit plans. The City can consider the potential contribution of these funds to the OPEB Trust in the future. This unassigned amount will not change the reported liability for OPEB as presented in Note 11, unless it is contributed to the Trust.

The City Council policy also established an additional target goal of \$750,000 for Road and Slope Stabilization. The City has exceeded the target as of June 30, 2020 with a balance for future capital projects of \$819,307. The Road Stabilization fund is consolidated as part of the Other Governmental funds in the schedule below. The Council policy has a target goal of \$1 million for General and Long Term Plans and has an assigned balance towards this goal of \$825,179 as of June 30, 2020.

Detailed classifications of the City’s Fund Balances, as of June 30, 2020, are stated below:

	General Fund	Community Facilities Maintenance	CCTA	City Capital Projects Fund	Road Bonds 2016 Capital Projects	Road Bonds 2016 Debt Service	Road Bonds 2016 Debt Service	Other Governmental Funds	Total
Nonspendable:									
Prepaid items	\$485,345				\$103			\$11,800	\$497,248
Total nonspendable	485,345				103			11,800	497,248
Restricted:									
Streets and roads			\$1,251,115		3,217,397			2,357,785	6,826,297
Debt service						\$903,743	\$1,107,675		2,011,418
Public facilities		\$1,383,180						1,099,031	2,482,211
Parks development Improvements								1,257,029	1,257,029
Trees and landscaping								12,673	12,673
Police								141,037	141,037
Affordable housing								198,094	198,094
Storm drain								1,611,979	1,611,979
Library								156,065	156,065
Traffic mitigation								945,488	945,488
Total restricted		1,383,180	1,251,115		3,217,397	903,743	1,107,675	7,779,181	15,642,291
Committed:									
Streets and trails				\$632,924					632,924
City facility improvements				1,200,000					1,200,000
Drainage				531,500					531,500
Compensated absences	350,637								350,637
Total committed	350,637			2,364,424					2,715,061
Assigned:									
Long-term and general plan	825,179								825,179
Capital outlay and add-on sales tax	3,707,527								3,707,527
Total assigned	4,532,706								4,532,706
Unassigned**:									
Contingency / emergency	5,567,356								5,567,356
Additional contingency	1,391,839								1,391,839
Unrealized Investment Gain	412,520								412,520
Unassigned	486,882								486,882
FY 2020 OPEB Trust	80,000								80,000
Total unassigned	7,938,597								7,938,597
Total Fund Balances	\$13,307,285	\$1,383,180	\$1,251,115	\$2,364,424	\$3,217,500	\$903,743	\$1,107,675	\$7,790,981	\$31,325,903

**

Contingency / Emergency Reserve is calculated based on Resolution 35-19 General Fund Reserve:

It is to be equal to 40% of the budgeted operating and debt service expenditures in the General Fund for the subsequent Fiscal Year (excludes Measure L Sales Tax)

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 10 – RETIREMENT PLANS

Defined contribution plans (Internal Revenue Code Section 401 (a) Plans)

The employees of the City accumulate retirement benefits through three defined contribution plans with the ICMA Retirement Corporation. The City makes bi-weekly contributions to a 401(a) plan for each regular employee working a minimum of 20 hours per week. The base contribution by the city for all eligible employees is 13%. In addition, for unrepresented employees the city will match up to a 3% employee contribution for a maximum of 16%. Vesting occurs over a three year period, with the exception of those employees over 50 years old who are fully vested from the first month of employment. The benefit terms are established by the City Council in accordance with the most current memorandum of understanding between the City and the General Employees bargaining unit. The Plans are administered and held in trust for the exclusive benefit of participants and are not assets of the City.

Balance at June 30, 2019	\$6,768,853
Contributions	660,274
Loans, net	(88,482)
Disbursements, net	(807,719)
Earnings	162,857
Balance at June 30, 2020	<u><u>\$6,695,783</u></u>

Deferred compensation plan (Internal Revenue Code Section 457)

For the fiscal year ended June 30, 2020, employees had an option of participating in a deferred compensation plan where contributions are from employee earnings at a maximum of 25% of earnings. For employees represented by Teamsters Local No.856, the city will match up to 3% of an employee contribution, provided the total contributions do not exceed the IRS limit. The Plan provides for the deferral of a portion of the employee's compensation until retirement, termination, or certain other events. Under Internal Revenue Code 457, the amounts deferred under a deferred compensation plan maintained by a state or local government must be held in a trust (or custodial account or annuity contract) for the exclusive benefit of plan participants and their beneficiaries. The assets are not considered assets of the City, thus have been excluded from these financial statements.

Balance at June 30, 2019	\$5,856,218
Contributions	406,816
Disbursements, net	181,245
Earnings	87,202
Balance at June 30, 2020	<u><u>\$6,531,481</u></u>

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 11 – POST EMPLOYMENT HEALTH CARE BENEFITS

A. General Information about the City’s Other Post Employment Benefit (OPEB) Plan

Plan Description – The City administers a defined-benefit post-employment healthcare plan. In fiscal year 2019-20 the City established an irrevocable exclusive agent multiemployer benefit trust which is administered by Public Agency Retirement Services (PARS). The trust is used to accumulate and invest assets necessary to reimburse retirees. No separate financial reports are issued by PARS for the OPEB plan.

Benefits Provided – The following is a summary of Plan benefits by employee group as of June 30, 2020:

Active Employee Coverage

Integrated medical/prescription drug coverage is provided through CalPERS under the Public Employees' Medical and Hospital Care Act (PEMHCA). Employees can choose from a variety of HMO and PPO options providing comprehensive medical and prescription drug coverage. For purposes of its contract with PEMHCA, the City uses a statutory schedule to determine its monthly contribution on behalf of each active employee. The statutory amount is \$136 for 2019 and \$139 for 2020, and will be indexed by the Medical CPI each year thereafter.

Post-retirement Coverage

The City offers the same medical plans to its retirees and surviving spouses as to its active employees, with the exception that once a retiree becomes eligible for Medicare, he or she must join a Medicare HMO or a Medicare Supplement plan, with Medicare becoming the primary payer.

Employees become eligible to retire and receive City-paid healthcare benefits upon attainment of age 55 and 7 years of service. The City contribution towards retiree health benefits is determined under the "unequal contribution method" under PEMHCA, whereby the contribution is increased by 5% per year until the contribution equals the City's contribution for active employees (\$136.00/month for 2019 and \$139.00/month for 2020, and scheduled to be indexed by medical inflation for years after 2019). For 2019, the City contribution was 85% of \$136.00, or \$115.60 per month, and for 2020 the City contribution was 90% of \$136.00, or \$122.40 per month. In 2022, the percentage will reach 100% and the City's contribution on behalf of eligible retirees will thereafter be the same as its contribution on behalf of active employees. Retired City Council members are not eligible for this benefit.

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the measurement date of June 30, 2020:

Active employees	35
Inactive employees or beneficiaries currently receiving benefit payments	2
Inactive employees entitled to but not yet receiving benefit payments	0
Total	37

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 11 – POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

B. Net OPEB Liability

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

	Actuarial Assumptions
Valuation Date	July 1, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age, Level Percent of Pay
Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	2.25%
Payroll Growth	3.0%
Mortality Rate	Mortality rates were based on the RP-2014 Employee and Healthy Annuitant Mortality Tables for Males or Females, as appropriate, projected using a generational projection based on 100% of scale MP-2016 for years 2014 through 2029, 50% of MP-2016 for years 2030 through 2049, and 20% of MP-2016 for 2050 and thereafter. 6.00% for 2019-20, decreasing to 4.5% for 2021-22 and Healthcare Trend Rates after.

The long-term expected rate of return (LTROR) on OPEB plan investments of 6.00% was determined by PARS and US Bank using a building-block method in which best estimate ranges of 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 discount rate of 6.00% is based on the long-term rate of return. It was determined that the LTROR was an appropriate basis for selection of the discount rate based on the results of a cross-over test performed by the plan’s actuaries, PCA, as of the valuation date, which shows the plan assets, together with expected future contributions, will be sufficient to pay all expected future benefits.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 11 – POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

C. Changes in Net OPEB Liability

The changes in the net OPEB liability follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a)-(b)
Balance at July 1, 2019	\$488,311	\$0	\$488,311
Changes Recognized for the Measurement Period:			
Service cost	23,572		23,572
Interest on the total OPEB liability	30,444		30,444
Changes of benefit terms			0
Differences between expected and actual experience	(171,172)		(171,172)
Changes of assumptions	(90,802)		(90,802)
Expected investment income, net of investment expense		5,598	(5,598)
Differences between expected and actual investment income		(7,901)	7,901
Contributions from the employer		116,245	(116,245)
Benefit payments	(9,245)	(9,463)	218
Net changes	(217,203)	104,479	(321,682)
Balance at June 30, 2020 (Measurement Date)	\$271,108	\$104,479	\$166,629

D. 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, as well as what the City's total OPEB 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 discount rate:

Net OPEB Liability/(Asset)		
Discount Rate -1%	Current Discount Rate	Discount Rate +1%
(5%)	(6%)	(7%)
\$200,405	\$166,629	\$138,500

The following presents the net OPEB liability of the City, 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:

Net OPEB Liability/(Asset)		
1 % Decrease	Current Healthcare Cost	1% Increase
(5.0% decreasing to 3.5%)	Trend Rates	(7.0% decreasing to 5.5%)
(6.0% decreasing to 4.5%)	(6.0% decreasing to 4.5%)	(7.0% decreasing to 5.5%)
\$159,991	\$166,629	\$174,379

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 11 – POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

E. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the City recognized OPEB expense of \$88,651. At June 30, 2020, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions subsequent to measurement date		
Differences between actual and expected experience		(\$157,588)
Changes of assumptions	\$21,345	(92,038)
Net difference between projected and actual earnings on OPEB plan investments	6,321	
Total	\$27,666	(\$249,626)

\$0 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, 2021. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Year Ended June 30	Annual Amortization
2021	(\$26,956)
2022	(26,956)
2023	(26,956)
2024	(26,956)
2025	(28,536)
Thereafter	(85,600)
Total	(\$221,960)

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2020

NOTE 12 – RISK MANAGEMENT

Insurance coverage

The City purchases its insurance through the Municipal Pooling Authority (MPA) of Northern California of which the City is a member.

The following is a summary of coverage as of June 30, 2020:

	Participating Cities' Total Coverage	Deductible (City Portion)
All risk fire and property	\$1,000,000	\$25,000*
Cyber Liability	2,000,000	50,000
Boiler and machinery	100,000,000	5,000
Public Entity Pollution Liability	1,000,000	100,000
Liability	30,000,000	5,000
Employment Liability	3,000,000	50,000
Auto-physical damage (Police Dept.)	250,000	3,000
Auto-physical damage (other)	250,000	2,000
Workers' compensation	Statutory Limit	No deductible

* Deductible for water claims is \$150,000

The total coverage includes the City's deductible, the portion underwritten by MPA and other participating public agency insurance pools and the portion underwritten by other insurance companies.

Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years.

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Claims involving the City of Orinda

The City is a defendant in lawsuits arising in the normal course of business. The MPA is providing coverage for litigation against the City; however some litigation costs are covered by the City's insurance fund, where the City has provided additional reserves. As of June 30, 2020, the risk management fund had net position of \$97,528.

Grant programs

The City participates in several federal and state grant programs. These programs have been audited when required by the City's independent accountants in accordance with the provisions of the federal Single Audit Act as amended and applicable State requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ORINDA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
City of Orinda OPEB Plan - Agent Multiple Employer
Last 10 fiscal years*

Measurement Date	<u>6/30/2018 (1)</u>	<u>6/30/2019 (1)</u>	<u>6/30/2020</u>
Total OPEB Liability (1)			
Service Cost	\$44,208	\$42,927	\$23,572
Interest	15,049	17,516	30,444
Changes of benefit terms			
Differences between expected and actual experience	(1,843)	(5,409)	(171,172)
Changes of assumptions	(16,988)	27,443	(90,802)
Benefit payments	(6,381)	(6,131)	(9,245)
Net change in total OPEB liability	<u>34,045</u>	<u>76,346</u>	<u>(217,203)</u>
Total OPEB liability - beginning (a)	<u>377,920</u>	<u>411,965</u>	<u>488,311</u>
Total OPEB liability - ending (b)	<u>\$411,965</u>	<u>\$488,311</u>	<u>\$271,108</u>
Plan fiduciary net position			
Contributions - employer			\$116,245
Contributions - employee			
Net investment income			\$5,598
Difference between expected and actual investment income			(\$7,901)
Administrative expense			(\$218)
Benefit payments			(\$9,245)
Net change in plan fiduciary net position			<u>104,479</u>
Plan fiduciary net position - beginning (c)			<u>\$0</u>
Plan fiduciary net position - ending (d)			<u>\$104,479</u>
Net OPEB liability - beginning (a)-(c)			<u>\$488,311</u>
Net OPEB liability - ending (b)-(d)			<u>\$166,629</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	39%
Covered-employee payroll	<u>\$3,489,277</u>	<u>\$3,593,955</u>	<u>\$3,724,660</u>
Net OPEB liability as a percentage of covered-employee payroll	11.81%	13.59%	7.28%

Notes to Schedule:

(1) No assets were accumulated in a trust that meets the criteria in paragraph 4 of Governmental Accounting Standards Board Statement No. 75.

* Fiscal year 2018 was the first year of implementation.

CITY OF ORINDA
SCHEDULE OF CONTRIBUTIONS
City of Orinda OPEB plan - Agent Multiple Employer
Last 10 fiscal years*

Fiscal Year Ended June 30,	<u>2020</u>
Actuarially determined required contribution	\$116,245
Contributions in relation to the actuarially required contributions	<u>116,245</u>
Contribution deficiency (excess)	<u>\$0</u>
Covered-employee payroll	<u>\$3,724,660</u>
Contributions as a percentage of covered-employee payroll	3.12%

Notes to Schedule:

Valuation Date	July 1, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age, Level Percent of Pay
Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	2.25%
Payroll Growth	3.0%
Mortality Rate	Mortality rates were based on the RP-2014 Employee and Healthy Annuitant Mortality Tables for Males or Females, as appropriate, projected using a generational projection based on 100% of scale MP-2016 for years 2014 through 2029, 50% of MP-2016 for years 2030 through 2049, and 20% of MP-2016 for 2050 and thereafter. 6.00% for 2019-20, decreasing to 4.5% for 2021-22 and Healthcare Trend Rates after.

* Fiscal year 2020 was the first year the City established a trust for the plan.

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
General Fund
For the year ended June 30, 2020

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$5,450,000	\$5,500,000	\$5,570,129	\$70,129
Property tax in lieu of VLF	2,200,000	2,250,000	2,265,638	15,638
Sales tax	2,220,000	2,220,000	2,449,156	229,156
Franchise tax	1,145,000	1,145,000	1,152,773	7,773
Property transfer tax	300,000	275,000	296,104	21,104
Transient Occupancy Tax	80,000	80,000	49,763	(30,237)
Rent and interest	291,500	291,500	696,401	404,901
Service fees				
Business license registration	10,250	10,250	17,036	6,786
Vehicle and parking fines	127,800	77,800	78,346	546
Building inspection	669,500	669,500	613,646	(55,854)
Parks and recreation	2,520,500	2,520,500	1,398,243	(1,122,257)
Planning	410,000	410,000	352,040	(57,960)
Public works and engineering	123,600	123,600	176,373	52,773
Police	16,350	12,500	4,231	(8,269)
Other agencies				
Homeowners tax reimbursement	33,000	33,000	32,226	(774)
Vehicle abatement	6,500	6,500	10,906	4,406
Miscellaneous	649,600	763,600	1,019,638	256,038
Total revenues	<u>16,253,600</u>	<u>16,388,750</u>	<u>16,182,649</u>	<u>(206,101)</u>
Expenditures				
Current:				
City management	500,115	506,455	441,591	64,864
City attorney	596,200	616,200	533,340	82,860
City clerk	315,610	319,530	305,254	14,276
Administrative services	1,224,415	1,362,445	1,227,037	135,408
Police services	4,700,251	4,747,136	4,034,807	712,329
Public works/ engineering	2,100,152	2,171,687	1,878,628	293,059
Parks and recreation	3,263,588	3,362,788	3,120,601	242,187
Planning	1,288,932	1,287,022	1,156,679	130,343
Library operations	38,100	40,100	39,099	1,001
Capital outlay	551,590	1,159,430	900,793	258,637
Debt Service:				
Interest and fiscal charges	245,119	245,119	245,119	
Principal	315,000	315,000	315,000	
Total expenditures	<u>15,139,072</u>	<u>16,132,912</u>	<u>14,197,948</u>	<u>1,934,964</u>
Excess (deficiency) of revenues over expenditures	<u>1,114,528</u>	<u>255,838</u>	<u>1,984,701</u>	<u>1,728,863</u>
Other financing sources (uses)				
Transfers in	15,300	575,300	576,493	1,193
Transfers out	(109,086)	(109,086)	(102,787)	6,299
Total other financing sources (uses)	<u>(93,786)</u>	<u>466,214</u>	<u>473,706</u>	<u>7,492</u>
Net changes in fund balance	<u>\$1,020,742</u>	<u>\$722,052</u>	2,458,407	<u>\$1,736,355</u>
Fund balance - beginning of year			<u>10,848,878</u>	
Fund balance - end of year			<u>\$13,307,285</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Wilder Facilities Endowment Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Interest	\$25,000	\$25,000	\$29,155	\$4,155
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>29,155</u>	<u>4,155</u>
Expenditures				
Current:				
Public works	225,000	225,000	22,787	202,213
Capital outlay	<u>70,000</u>	<u>70,000</u>	<u>24,932</u>	<u>(45,068)</u>
Total expenditures	<u>295,000</u>	<u>295,000</u>	<u>47,719</u>	<u>157,145</u>
Excess (deficiency) of revenues over expenditures	<u>(270,000)</u>	<u>(270,000)</u>	<u>(18,564)</u>	<u>161,300</u>
OTHER FINANCING SOURCES (USES)				
Transfers out			(8,270)	(8,270)
Total other financing sources (uses)			<u>(8,270)</u>	<u>(8,270)</u>
Net changes in fund balance	<u>(\$270,000)</u>	<u>(\$270,000)</u>	(26,834)	<u>\$153,030</u>
Fund balance - beginning of year			<u>1,410,014</u>	
Fund balance - end of year			<u>\$1,383,180</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
CCTA Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Rent and interest	\$10,500	\$10,500	\$18,057	\$7,557
CCTA Return to Source	<u>1,128,920</u>	<u>1,128,920</u>	<u>928,436</u>	<u>(200,484)</u>
Total revenues	<u>1,139,420</u>	<u>1,139,420</u>	<u>946,493</u>	<u>(192,927)</u>
Expenditures				
Current:				
Public works and engineering	53,500	53,500	55,384	(1,884)
Capital outlay	<u>1,090,000</u>	<u>673,770</u>	<u>364,242</u>	<u>309,528</u>
Total expenditures	<u>1,143,500</u>	<u>727,270</u>	<u>419,626</u>	<u>307,644</u>
Net changes in fund balance	<u>(\$4,080)</u>	<u>\$412,150</u>	526,867	<u>\$114,717</u>
Fund balance - beginning of year			<u>724,248</u>	
Fund balance - end of year			<u>\$1,251,115</u>	

OTHER SUPPLEMENTARY INFORMATION

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
City Capital Projects Capital Projects Fund
For the year ended June 30, 2020

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Federal grants		\$2,245,990	\$2,245,993	\$3
State and local grants			230,636	230,636
Miscellaneous			17,501	17,501
Total revenues		<u>2,245,990</u>	<u>2,494,130</u>	<u>248,140</u>
Expenditures				
Current:				
Public works and engineering			3,640	(3,640)
Capital outlay	\$80,000	80,000	98,215	(18,215)
Total expenditures	<u>80,000</u>	<u>80,000</u>	<u>101,855</u>	<u>(21,855)</u>
Excess (deficiency) of revenues over expenditures	<u>(80,000)</u>	<u>2,165,990</u>	<u>2,392,275</u>	<u>226,285</u>
Other financing sources (uses)				
Transfers in	80,000	80,000	50,002	(29,998)
Transfers out		(560,000)	(570,000)	(10,000)
Total other financing sources (uses)	<u>80,000</u>	<u>(480,000)</u>	<u>(519,998)</u>	<u>(39,998)</u>
Net changes in fund balance		<u>\$1,685,990</u>	1,872,277	<u>\$186,287</u>
Fund balance - beginning of year			<u>492,147</u>	
Fund balance - end of year			<u>\$2,364,424</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Road Bonds 2016 Capital Projects Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$100,000	\$100,000	\$107,647	\$7,647
Miscellaneous			595	595
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>108,242</u>	<u>8,242</u>
Expenditures:				
Current:				
Public works and engineering	187,153	187,153	256,905	(69,752)
Capital outlay	<u>12,537,912</u>	<u>10,617,000</u>	<u>10,056,078</u>	<u>560,922</u>
Total expenditures	<u>12,725,065</u>	<u>10,804,153</u>	<u>10,312,983</u>	<u>491,170</u>
Excess of revenues over expenditures	<u>(12,625,065)</u>	<u>(10,704,153)</u>	<u>(10,204,741)</u>	<u>499,412</u>
Net changes in fund balance	<u><u>(\$12,625,065)</u></u>	<u><u>(\$10,704,153)</u></u>	<u>(10,204,741)</u>	<u><u>\$499,412</u></u>
Fund balance at beginning of year			<u>13,422,241</u>	
Fund balance at end of year			<u><u>\$3,217,500</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Road Bonds 2014 Debt Service Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$1,050,000	\$1,050,000	\$1,082,913	\$32,913
Interest	7,000	7,000	11,948	4,948
Total revenues	<u>1,057,000</u>	<u>1,057,000</u>	<u>1,094,861</u>	<u>37,861</u>
Expenditures:				
Debt service:				
Principal	435,000	435,000	435,000	
Interest and fiscal charges	607,313	607,313	609,051	(1,738)
Total expenditures	<u>1,042,313</u>	<u>1,042,313</u>	<u>1,044,051</u>	<u>(1,738)</u>
Excess of revenues over expenditures	<u>14,687</u>	<u>14,687</u>	<u>50,810</u>	<u>36,123</u>
Net changes in fund balance	<u>\$14,687</u>	<u>\$14,687</u>	50,810	<u>\$36,123</u>
Fund balance at beginning of year			<u>852,933</u>	
Fund balance at end of year			<u>\$903,743</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Road Bonds 2016 Debt Service Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$1,420,000	\$1,420,000	\$1,431,903	\$11,903
Interest	20,000	20,000	16,170	(3,830)
Total revenues	<u>1,440,000</u>	<u>1,440,000</u>	<u>1,448,073</u>	<u>8,073</u>
Expenditures:				
Debt Service:				
Principal	1,125,000	1,125,000	1,125,000	
Interest and fiscal charges	926,625	926,625	927,696	(1,071)
Total expenditures	<u>2,051,625</u>	<u>2,051,625</u>	<u>2,052,696</u>	<u>(1,071)</u>
Excess of revenues over expenditures	<u>(611,625)</u>	<u>(611,625)</u>	<u>(604,623)</u>	<u>7,002</u>
Net changes in fund balance	<u>(\$611,625)</u>	<u>(\$611,625)</u>	<u>(604,623)</u>	<u>\$7,002</u>
Fund balance at beginning of year			<u>1,712,298</u>	
Fund balance at end of year			<u>\$1,107,675</u>	

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CITY OF ORINDA, CALIFORNIA
COMBINING FUNDS
FISCAL YEAR ENDED JUNE 30, 2020

Fund	Description
<p>The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is comprised of the following:</p>	
General Purpose	Accounts for most discretionary resources except those that require separate accounting for local, state or federal reporting and accountability purposes. Primary sources of General Purpose Fund revenue include property tax, sales tax, franchise fees, parks and recreation fees, as well as transfers in from other funds for eligible uses.
Add-On Sales Tax	Accounts for all revenue received from the add-on sales tax (Measure L) and the expenses as appropriated through the budget process.

CITY OF ORINDA
Combining Balance Sheet
General Fund
June 30, 2020

	General Purpose	Add - On Sales Tax	Total
ASSETS			
Cash, cash equivalents and investments	\$11,784,393	\$3,215,756	\$15,000,149
Accounts receivable	670,710	499,186	1,169,896
Accrued interest receivable	99,251	5,185	104,436
Prepaid items and deposits	485,345		485,345
Due from other funds	423,938		423,938
	<u>\$13,463,637</u>	<u>\$3,720,127</u>	<u>\$17,183,764</u>
Total assets	<u>\$13,463,637</u>	<u>\$3,720,127</u>	<u>\$17,183,764</u>
LIABILITIES AND FUND BALANCES			
Accounts payable and accrued liabilities	\$1,264,609	\$12,600	\$1,277,209
Other current liabilities	350,637		350,637
Unearned revenue	30,000		30,000
Planning and engineering deposits	2,218,633		2,218,633
	<u>3,863,879</u>	<u>12,600</u>	<u>3,876,479</u>
Total liabilities	<u>3,863,879</u>	<u>12,600</u>	<u>3,876,479</u>
Fund balances:			
Nonspendable	485,345		485,345
Assigned	825,179	3,707,527	4,532,706
Committed	350,637		350,637
Unassigned	7,938,597		7,938,597
	<u>9,599,758</u>	<u>3,707,527</u>	<u>13,307,285</u>
Total fund balances	<u>9,599,758</u>	<u>3,707,527</u>	<u>13,307,285</u>
Total liabilities and fund balance	<u>\$13,463,637</u>	<u>\$3,720,127</u>	<u>\$17,183,764</u>

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the year ended June 30, 2020

	General Purpose	Add - On Sales Tax	Total
Revenues			
Taxes			
Property tax and assessments	\$7,835,767		\$7,835,767
Sales tax	1,065,267	\$1,383,889	2,449,156
Franchise tax	1,152,773		1,152,773
Transient Occupancy Tax	49,763		49,763
Property transfer tax	296,104		296,104
Use of money and properties	637,660	58,741	696,401
Service fees			
Business license registration	17,036		17,036
Vehicle fees and parking fines	78,346		78,346
Building inspection	613,646		613,646
Parks and recreation	1,398,243		1,398,243
Planning	352,040		352,040
Public works and engineering	176,373		176,373
Police	4,231		4,231
Other agencies			
Homeowners tax reimbursement	32,226		32,226
Vehicle abatement	10,906		10,906
Miscellaneous	510,988	508,650	1,019,638
Total Revenues	14,231,369	1,951,280	16,182,649
Expenditures			
Current:			
City management	441,591		441,591
City attorney	533,340		533,340
City clerk	305,254		305,254
Administrative services	1,227,037		1,227,037
Parks and recreation	3,120,601		3,120,601
Public works and engineering	1,878,628		1,878,628
Police services	4,034,807		4,034,807
Planning	1,156,679		1,156,679
Library operations	39,099		39,099
Capital outlay	132,796	767,997	900,793
Debt Service:			
Interest	245,119		245,119
Principal payments on bonds	315,000		315,000
Total Expenditures	13,429,951	767,997	14,197,948
Excess (deficiency) of revenues over expenditures	801,418	1,183,283	1,984,701
Other financing sources (uses):			
Transfers in	576,493		576,493
Transfers out	(102,787)		(102,787)
Total other financing sources (uses)	473,706		473,706
Net changes in fund balance	1,275,124	1,183,283	2,458,407
Fund balance - beginning of year	8,324,634	2,524,244	10,848,878
Fund balance - end of year	\$9,599,758	\$3,707,527	\$13,307,285

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
General Fund
For the year ended June 30, 2020

	General Purpose			
	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$5,450,000	\$5,500,000	\$5,570,129	\$70,129
Property tax in lieu of VLF	2,200,000	2,250,000	2,265,638	15,638
Sales tax	1,020,000	1,020,000	1,065,267	45,267
Franchise tax	1,145,000	1,145,000	1,152,773	7,773
Transient Occupancy Tax	80,000	80,000	49,763	(30,237)
Property transfer tax	300,000	275,000	296,104	21,104
Rent and interest	239,500	239,500	637,660	398,160
Service fees				
Business License Registration	10,250	10,250	17,036	6,786
Vehicle and parking fines	127,800	77,800	78,346	546
Building inspection	669,500	669,500	613,646	(55,854)
Parks and recreation	2,520,500	2,520,500	1,398,243	(1,122,257)
Planning	410,000	410,000	352,040	(57,960)
Public works and engineering	123,600	123,600	176,373	52,773
Police	16,350	12,500	4,231	(8,269)
Other agencies				
Homeowners tax reimbursement	33,000	33,000	32,226	(774)
Vehicle abatement	6,500	6,500	10,906	4,406
Miscellaneous	249,600	363,600	510,988	147,388
Total revenues	<u>14,601,600</u>	<u>14,736,750</u>	<u>14,231,369</u>	<u>(505,381)</u>
Expenditures				
Current:				
City management	500,115	506,455	441,591	64,864
City attorney	596,200	616,200	533,340	82,860
City clerk	315,610	319,530	305,254	14,276
Finance/ administrative services	1,224,415	1,362,445	1,227,037	135,408
Police services	4,700,251	4,747,136	4,034,807	712,329
Public works/ engineering	2,075,152	2,146,687	1,878,628	268,059
Parks and recreation	3,263,588	3,362,788	3,120,601	242,187
Planning	1,288,932	1,287,022	1,156,679	130,343
Library operations	38,100	40,100	39,099	1,001
Capital outlay		424,430	132,796	291,634
Debt service:				
Interest	245,119	245,119	245,119	
Principal payments on bonds	315,000	315,000	315,000	
Total expenditures	<u>14,562,482</u>	<u>15,372,912</u>	<u>13,429,951</u>	<u>1,942,961</u>
Excess (deficiency) of revenues over expenditures	<u>39,118</u>	<u>(636,162)</u>	<u>801,418</u>	<u>1,437,580</u>
Other financing sources (uses)				
Transfers in	15,300	575,300	576,493	1,193
Transfers out	(109,086)	(109,086)	(102,787)	6,299
Total Other Financing Sources (Uses)	<u>(93,786)</u>	<u>466,214</u>	<u>473,706</u>	<u>7,492</u>
Net changes in fund balance	<u>(\$54,668)</u>	<u>(\$169,948)</u>	1,275,124	<u>\$1,445,072</u>
Fund balance - beginning of year			<u>8,324,634</u>	
Fund balance - end of year			<u>\$9,599,758</u>	

Add - On Sales Tax				Total			
Original Budget	Amended Budget	Actual	Variance	Original Budget	Amended Budget	Actual	Variance
				\$5,450,000	\$5,500,000	\$5,570,129	\$70,129
				2,200,000	2,250,000	2,265,638	15,638
\$1,200,000	\$1,200,000	\$1,383,889	\$183,889	2,220,000	2,220,000	2,449,156	229,156
				1,145,000	1,145,000	1,152,773	7,773
				80,000	80,000	49,763	(30,237)
				300,000	275,000	296,104	21,104
52,000	52,000	58,741	6,741	291,500	291,500	696,401	404,901
				10,250	10,250	17,036	6,786
				127,800	77,800	78,346	546
				669,500	669,500	613,646	(55,854)
				2,520,500	2,520,500	1,398,243	(1,122,257)
				410,000	410,000	352,040	(57,960)
				123,600	123,600	176,373	52,773
				16,350	12,500	4,231	(8,269)
				33,000	33,000	32,226	(774)
				6,500	6,500	10,906	4,406
400,000	400,000	508,650	108,650	649,600	763,600	1,019,638	256,038
1,652,000	1,652,000	1,951,280	299,280	16,253,600	16,388,750	16,182,649	(206,101)
				500,115	506,455	441,591	64,864
				596,200	616,200	533,340	82,860
				315,610	319,530	305,254	14,276
				1,224,415	1,362,445	1,227,037	135,408
				4,700,251	4,747,136	4,034,807	712,329
25,000	25,000			2,100,152	2,171,687	1,878,628	293,059
				3,263,588	3,362,788	3,120,601	242,187
				1,288,932	1,287,022	1,156,679	130,343
				38,100	40,100	39,099	1,001
551,590	735,000	767,997	(32,997)	551,590	1,159,430	900,793	258,637
				245,119	245,119	245,119	
				315,000	315,000	315,000	
576,590	760,000	767,997	(7,997)	15,139,072	16,132,912	14,197,948	1,934,964
1,075,410	892,000	1,183,283	291,283	1,114,528	255,838	1,984,701	1,728,863
				15,300	575,300	576,493	1,193
				(109,086)	(109,086)	(102,787)	6,299
				(93,786)	466,214	473,706	7,492
\$1,075,410	\$892,000	1,183,283	\$291,283	\$1,020,742	\$722,052	2,458,407	\$1,736,355
		2,524,244				10,848,878	
		\$3,707,527				\$13,307,285	

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CITY OF ORINDA, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2020

Fund	Description
SPECIAL REVENUE FUNDS:	
Gas Tax	Accounts for the excise tax used for street maintenance and related capital projects.
Transportation Impact	Accounts for the fee imposed on new development to help fund construction of expansion of roads, bikeways, sidewalks, and traffic signals.
Library	Accounts for the voter approved special library parcel tax revenue used to provide additional hours of operation at the Orinda library.
Park Dedication	Accounts for the fee imposed on new development to provide funding for new parklands, facilities, and rehabilitation of existing parks and facilities.
Tree Mitigation	Accounts for fees charged to developers when construction related activity may remove or destroy a protected tree.
Federal Grants	Accounts for grant revenues received and the expenditures of federal grant monies.
Recycling	Accounts for the California Recycle and Recovery grant used to promote recycling of beverage containers.
Supplemental Law Enforcement (SLES)	Accounts for funds received from the State's COPS program for front-line municipal police services.
Assessment Districts L-42, M-9, M-11	These funds account for the revenue received from benefited properties and the associated expenses to operate and maintain street lights and common areas.

CITY OF ORINDA, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2020

Fund	Description
Wilder Community Facilities (CFD)	Accounts for revenue received from parcels in the District and expenses associated with maintenance of public playfields and police service.
Stormwater	Accounts for fees collected by the County and passed through to the City for activities necessary to comply with stormwater program elements.
Affordable Housing	Accounts for costs associated with monitoring the City's affordable housing.
TDA Grants	Accounts for State grant monies focused on projects addressing construction of pedestrian and bicycle improvements, including master plans and education programs.
Road Maintenance Garbage Co.	Accounts for fees from the franchised garbage hauler based on a sturdy of the allocated impact on street maintenance from garbage/recycling vehicles. The expenditures are for maintenance of public streets
General Plan Surcharge	Accounts for fees added as a surcharge to Planning Permits and used to fund updates of the General Plan including the required Housing Element.
Field Maintenance Surcharge	Accounts for user fees collected from Parks and Recreation field and sports program participants and used to fund field maintenance improvements.
Facility Improvement Surcharge	Accounts for user fees collected from Parks and Recreation class and program participants and used to fund facility maintenance improvements.
Permit Technology Surcharge	Accounts for surcharge collected from applications for permits submitted to Development Services and used to fund Permit System costs.

CITY OF ORINDA, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2020

Fund	Description
CAPITAL PROJECTS FUNDS	
Oaksprings Assessment District Improvements	Accounts for activities related to the Oaksprings Assessment District improvements.
State Grants	Accounts for grant revenues made available by the planning and development of projects that promote sustainable communities
Other Grants	Accounts for the grant revenue received from BART for improving access ramps.
Road Stabilization	Accounts for activities related to unpredictable road failures due to erosion or other earth-moving events.

CITY OF ORINDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

Special Revenue Funds

	Gas Tax	Transportation Impact	Drainage Impact	Library	Park Dedication
<u>ASSETS</u>					
Cash, cash equivalents and investments	\$505,023	\$953,708	\$1,597,987	\$178,642	\$1,263,611
Restricted cash					
Accounts receivable	91,508				
Interest receivable	1,096	1,672	2,789	381	2,210
Prepaid items	110			11,525	
Due from other agencies					
Total assets	<u>\$597,737</u>	<u>\$955,380</u>	<u>\$1,600,776</u>	<u>\$190,548</u>	<u>\$1,265,821</u>
<u>LIABILITIES AND FUND BALANCES</u>					
Accounts payable and accrued liabilities	\$50,709	\$9,892	\$177,332	\$22,958	\$8,792
Due to other funds					
Total liabilities	<u>50,709</u>	<u>9,892</u>	<u>177,332</u>	<u>22,958</u>	<u>8,792</u>
Fund balance					
Nonspendable	110			11,525	
Restricted	546,918	945,488	1,423,444	156,065	1,257,029
Committed					
Assigned					
Total fund balance	<u>547,028</u>	<u>945,488</u>	<u>1,423,444</u>	<u>167,590</u>	<u>1,257,029</u>
Total liabilities and fund balance	<u>\$597,737</u>	<u>\$955,380</u>	<u>\$1,600,776</u>	<u>\$190,548</u>	<u>\$1,265,821</u>

Special Revenue Funds

<u>Tree Mitigation</u>	<u>Federal Grants</u>	<u>Recycling</u>	<u>Supplemental Law Enforcement (S.L.E.S.)</u>	<u>Assessment District L-42</u>	<u>Assessment District M-9</u>	<u>Assessment District M-11</u>
\$12,651		\$408,486	\$140,709	\$5,881	\$2,235	\$4,795
22	\$29,580	708	328	10	5	
	187,869					
<u>\$12,673</u>	<u>\$217,449</u>	<u>\$409,194</u>	<u>\$141,037</u>	<u>\$5,891</u>	<u>\$2,240</u>	<u>\$4,795</u>
	\$35,062	\$5,129		\$293	\$1,485	\$4,795
	178,759					
	213,821	5,129		293	1,485	4,795
\$12,673	3,628	404,065	\$141,037	5,598	755	
12,673	3,628	404,065	141,037	5,598	755	
<u>\$12,673</u>	<u>\$217,449</u>	<u>\$409,194</u>	<u>\$141,037</u>	<u>\$5,891</u>	<u>\$2,240</u>	<u>\$4,795</u>

(Continued)

CITY OF ORINDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

	Special Revenue Funds				
	Wilder CFD	Stormwater	Affordable Housing	TDA Grants	Road Maintenance
<u>ASSETS</u>					
Cash and cash equivalents		\$80,038	\$136,458		\$730,834
Restricted cash					
Accounts receivable	\$399,408	110,048		\$110,870	88,523
Interest receivable		178	239		1,228
Prepaid items		165			
Due from other agencies					
Total assets	\$399,408	\$190,429	\$136,697	\$110,870	\$820,585
<u>LIABILITIES AND FUND BALANCES</u>					
Accounts payable and accrued liabilities	\$46,360	\$1,729	\$867	\$11,390	\$119,430
Due to other funds	148,471			96,708	
Total liabilities	194,831	1,729	867	108,098	119,430
Fund balance					
Nonspendable		165			
Restricted	204,577	188,535	135,830	2,772	701,155
Committed					
Assigned					
Total fund balance	204,577	188,700	135,830	2,772	701,155
Total liabilities and fund balance	\$399,408	\$190,429	\$136,697	110,870	\$820,585

Special Revenue Funds			Special Revenue Fund	Capital Project Funds		
General Plan Surcharge	Field Maintenance Surcharge	Facility Improvement Surcharge	Permit Technology Surcharge	Oaksprings Assessments District Improvements	State Grants	Other Grants
\$62,160	\$184,776	\$72,186	\$9,107	\$283,509	\$217,551	
104	325	12 136	15	496		
<u>\$62,264</u>	<u>\$185,101</u>	<u>\$72,334</u>	<u>\$9,122</u>	<u>\$284,005</u>	<u>\$217,551</u>	
		\$72				
		72				
\$62,264	\$185,101	72,262	\$9,122	\$284,005	\$217,551	
62,264	185,101	72,262	9,122	284,005	217,551	
<u>\$62,264</u>	<u>\$185,101</u>	<u>\$72,334</u>	<u>\$9,122</u>	<u>\$284,005</u>	<u>\$217,551</u>	

CITY OF ORINDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

**Capital
Project
Funds**

	Road Stabilization	Total
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ASSETS

Cash and cash equivalents	\$817,877	\$7,668,224
Restricted cash		
Accounts receivable		829,949
Interest receivable	1,430	13,372
Prepaid items		11,800
Due from other agencies		187,869
Total assets	\$819,307	\$8,711,214

LIABILITIES AND FUND BALANCES

Accounts payable and accrued liabilities		\$496,295
Due to other funds		423,938
Total liabilities		920,233
Fund balance		
Nonspendable		11,800
Restricted	\$819,307	7,779,181
Committed		
Assigned		
Total fund balance	819,307	7,790,981
Total liabilities and fund balance	\$819,307	\$8,711,214

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CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the year ended June 30, 2020

	Special Revenue Funds				
	Gas Tax	Transportation Impact	Drainage Impact	Library	Park Dedication
Revenues					
Property tax and assessments				\$520,053	
Interest	\$13,630	\$20,285	\$32,708	2,603	\$25,834
Parks and recreation					
Gasoline tax	767,183				
State and local grants	224,859				
Development impact fees		40,943	226,062		99,345
C.O.P.S. - State AB 3229					
Federal agencies					
NPDES revenue					
Miscellaneous	21,894				
	<u>1,027,566</u>	<u>61,228</u>	<u>258,770</u>	<u>522,656</u>	<u>125,179</u>
Total revenue					
Expenditures					
Current:					
Administrative services					
City attorney					
Parks and Recreation					12,319
Public works and engineering	227,450	2,057	55,855		
Police					
Planning					
Landscaping and street maintenance					
Library services				388,089	
Capital outlay	1,319,636	71,115	236,089	92,963	41,784
Debt service:					
Interest and fiscal charges					
Principal					
	<u>1,547,086</u>	<u>73,172</u>	<u>291,944</u>	<u>481,052</u>	<u>54,103</u>
Total expenditures					
Excess (deficiency) of revenues over expenditures	<u>(519,520)</u>	<u>(11,944)</u>	<u>(33,174)</u>	<u>41,604</u>	<u>71,076</u>
Transfers in					
Transfers out					
Net transfers in (out)					
Net changes in fund balance	(519,520)	(11,944)	(33,174)	41,604	71,076
Fund balances at beginning of year, as adjusted	<u>1,066,548</u>	<u>957,432</u>	<u>1,456,618</u>	<u>125,986</u>	<u>1,185,953</u>
Fund balances at end of year	<u>\$547,028</u>	<u>\$945,488</u>	<u>\$1,423,444</u>	<u>\$167,590</u>	<u>\$1,257,029</u>

Special Revenue Funds

<u>Tree Mitigation</u>	<u>Federal Grants</u>	<u>Recycling</u>	<u>Supplemental Law Enforcement (S.L.E.S.)</u>	<u>Assessment District L-42</u>	<u>Assessment District M-9</u>	<u>Assessment District M-11</u>
\$259		\$8,516	\$3,749	\$8,300 69	\$11,008 13	\$37,883
625	\$298,550	5,112	100,000			
<u>884</u>	<u>298,550</u>	<u>13,628</u>	<u>103,749</u>	<u>8,369</u>	<u>11,021</u>	<u>37,883</u>
	35,061	114,821	140,000	5,585	10,306	73,213
	263,488					
	<u>298,549</u>	<u>114,821</u>	<u>140,000</u>	<u>5,585</u>	<u>10,306</u>	<u>73,213</u>
<u>884</u>	<u>1</u>	<u>(101,193)</u>	<u>(36,251)</u>	<u>2,784</u>	<u>715</u>	<u>(35,330)</u>
				240	40	35,330
				240	40	35,330
884	1	(101,193)	(36,251)	3,024	755	
11,789	3,627	505,258	177,288	2,574		
<u>\$12,673</u>	<u>\$3,628</u>	<u>\$404,065</u>	<u>\$141,037</u>	<u>\$5,598</u>	<u>\$755</u>	

(Continued)

CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the year ended June 30, 2020

	Special Revenue Funds				
	Wilder CFD	Stormwater	Affordable Housing	TDA Grants	Road Maintenance
Revenues					
Property tax and assessments	\$399,408				
Interest	426	\$1,374	\$2,856		\$13,547
Parks and recreation					
Gasoline tax					
State and local grants				\$110,870	
Development impact fees					810,275
C.O.P.S. - State AB 3229					
Federal agencies					
NPDES revenue		308,670			
Miscellaneous		2,384	11,699		
Total revenue	399,834	312,428	14,555	110,870	823,822
Expenditures					
Current:					
Administrative services					
City attorney			12,980		
Parks and Recreation	240,289				
Public works and engineering		191,283			
Police	159,120				
Planning			2,500		
Landscaping and street maintenance					
Library services					
Capital outlay				101,605	708,791
Debt service:					
Interest and fiscal charges					
Principal					
Total expenditures	399,409	191,283	15,480	101,605	708,791
Excess (deficiency) of revenues over expenditures	425	121,145	(925)	9,265	115,031
Transfers in					
Transfers out				(6,493)	
Net transfers in (out)				(6,493)	
Net changes in fund balance	425	121,145	(925)	2,772	115,031
Fund balances at beginning of year, as adjusted	204,152	67,555	136,755		586,124
Fund balances at end of year	\$204,577	\$188,700	\$135,830	\$2,772	\$701,155

Special Revenue Funds				Capital Project Funds		
General Plan Surcharge	Field Maintenance Surcharge	Facility Improvement Surcharge	Permit Technology Surcharge	Oaksprings Assessments District Improvements	State Grants	Other Grants
\$1,028	\$1,672 183,429	\$751 82,601	\$105	\$5,860		
					\$217,551	
<u>39,723</u>			<u>9,017</u>			<u>\$387,918</u>
<u>40,751</u>	<u>185,101</u>	<u>83,352</u>	<u>9,122</u>	<u>5,860</u>	<u>217,551</u>	<u>387,918</u>
		11,090				
						387,918
		<u>11,090</u>				<u>387,918</u>
<u>40,751</u>	<u>185,101</u>	<u>72,262</u>	<u>9,122</u>	<u>5,860</u>	<u>217,551</u>	
<u>40,751</u>	<u>185,101</u>	<u>72,262</u>	<u>9,122</u>	<u>5,860</u>	<u>217,551</u>	
<u>21,513</u>				<u>278,145</u>		
<u>\$62,264</u>	<u>\$185,101</u>	<u>\$72,262</u>	<u>\$9,122</u>	<u>\$284,005</u>	<u>\$217,551</u>	

(Continued)

CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the year ended June 30, 2020

	Capital Project Funds	
	Road Stabilization	Total
Revenues		
Property tax and assessments		\$976,652
Interest	\$17,961	153,246
Parks and recreation		266,030
Gasoline tax		767,183
State and local grants		558,392
Development impact fees		1,177,250
C.O.P.S. - State AB 3229		100,000
Federal agencies		298,550
NPDES revenue		308,670
Miscellaneous		472,635
Total revenue	17,961	5,078,608
Expenditures		
Current:		
Administrative services		
City attorney		12,980
Parks and Recreation		378,519
Public works and engineering		511,706
Police		299,120
Planning		2,500
Landscaping and street maintenance		89,104
Library services		388,089
Capital outlay		3,223,389
Debt service:		
Interest and fiscal charges		
Principal		
Total expenditures	17,961	4,905,407
Excess (deficiency) of revenues over expenditures	17,961	173,201
Transfers in		35,610
Transfers out		(6,493)
Net transfers in (out)	17,961	29,117
Net changes in fund balance	17,961	202,318
Fund balances at beginning of year, as adjusted	801,346	7,588,663
Fund balances at end of year	\$819,307	\$7,790,981

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Gas Tax Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Gas tax	\$797,500	\$797,500	\$767,183	(\$30,317)
State and local grants			224,859	224,859
Interest	5,000	5,000	13,630	8,630
Miscellaneous	<u>321,650</u>	<u>321,650</u>	<u>21,894</u>	<u>(299,756)</u>
Total revenue	<u>1,124,150</u>	<u>1,124,150</u>	<u>1,027,566</u>	<u>(96,584)</u>
Expenditures				
Current:				
Public works and engineering	276,420	276,420	227,450	48,970
Capital outlay	<u>1,440,000</u>	<u>1,618,333</u>	<u>1,319,636</u>	<u>298,697</u>
Total expenditures	<u>1,716,420</u>	<u>1,894,753</u>	<u>1,547,086</u>	<u>347,667</u>
Excess (deficiency) of revenues over expenditures	<u>(592,270)</u>	<u>(770,603)</u>	<u>(519,520)</u>	<u>251,083</u>
Net changes in fund balance	<u><u>(\$592,270)</u></u>	<u><u>(\$770,603)</u></u>	<u>(519,520)</u>	<u><u>\$251,083</u></u>
Fund balance at beginning of year			<u>1,066,548</u>	
Fund balance at end of year			<u><u>\$547,028</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Transportation Impact Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Development impact fees	\$50,000	\$50,000	\$40,943	(\$9,057)
Interest	10,000	10,000	20,285	10,285
Total revenues	60,000	60,000	61,228	1,228
Expenditures:				
Current:				
Public works and engineering	22,500	22,500	2,057	20,443
Capital outlay	30,000	111,566	71,115	40,451
Total expenditures	52,500	134,066	73,172	60,894
Excess (deficiency) of revenues over expenditures	7,500	(74,066)	(11,944)	62,122
Net changes in fund balance	\$7,500	(\$74,066)	(11,944)	\$62,122
Fund balance at beginning of year			957,432	
Fund balance at end of year			\$945,488	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Drainage Impact Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Development impact fees	\$150,000	\$150,000	\$226,062	\$76,062
Interest	<u>18,000</u>	<u>18,000</u>	<u>32,708</u>	<u>14,708</u>
Total revenues	<u>168,000</u>	<u>168,000</u>	<u>258,770</u>	<u>90,770</u>
Expenditures:				
Current:				
Public works and engineering	85,000	85,000	55,855	29,145
Capital outlay	<u>150,000</u>	<u>700,000</u>	<u>236,089</u>	<u>463,911</u>
Total expenditures	<u>235,000</u>	<u>785,000</u>	<u>291,944</u>	<u>493,056</u>
Excess (deficiency) of revenues over expenditures	<u>(217,000)</u>	<u>(617,000)</u>	<u>(33,174)</u>	<u>583,826</u>
Net changes in fund balance	<u>(\$67,000)</u>	<u>(\$617,000)</u>	(33,174)	<u>\$583,826</u>
Fund balance at beginning of year			<u>1,456,618</u>	
Fund balance at end of year			<u>\$1,423,444</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Library Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$517,535	\$517,535	\$520,053	\$2,518
Interest	<u>2,000</u>	<u>2,000</u>	<u>2,603</u>	<u>603</u>
Total revenues	<u>519,535</u>	<u>519,535</u>	<u>522,656</u>	<u>3,121</u>
Expenditures:				
Current:				
Library services	499,445	510,345	388,089	122,256
Capital Outlay		<u>102,255</u>	<u>92,963</u>	<u>9,292</u>
Total expenditures	<u>499,445</u>	<u>612,600</u>	<u>481,052</u>	<u>131,548</u>
Excess (deficiency) of revenues over expenditures	<u>20,090</u>	<u>(93,065)</u>	<u>41,604</u>	<u>134,669</u>
Net changes in fund balance	<u>\$20,090</u>	<u>(\$93,065)</u>	41,604	<u>\$134,669</u>
Fund balance at beginning of year			<u>125,986</u>	
Fund balance at end of year			<u>\$167,590</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Park Dedication Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$19,000	\$19,000	\$25,834	\$6,834
Development impact fees	100,000	100,000	99,345	(655)
Total revenues	119,000	119,000	125,179	6,179
Expenditures:				
Current:				
Parks and recreation	780,000	692,793	12,319	680,474
Capital outlay	170,000	170,000	41,784	128,216
Total expenditures	950,000	862,793	54,103	808,690
Excess (deficiency) of revenues over expenditures	(831,000)	(743,793)	71,076	814,869
Net changes in fund balance	(\$831,000)	(\$743,793)	71,076	\$814,869
Fund balance at beginning of year			1,185,953	
Fund balance at end of year			\$1,257,029	

CITY OF ORINDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 Tree Mitigation Special Revenue Fund
 For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$100	\$100	\$259	\$159
Fees	<u>100</u>	<u>100</u>	<u>625</u>	<u>525</u>
Total revenues	<u>200</u>	<u>200</u>	<u>884</u>	<u>684</u>
Excess (deficiency) of revenues over expenditures	<u>200</u>	<u>200</u>	<u>884</u>	<u>684</u>
Net changes in fund balance	<u><u>\$200</u></u>	<u><u>\$200</u></u>	884	<u><u>\$684</u></u>
Fund balance at beginning of year			<u>11,789</u>	
Fund balance at end of year			<u><u>\$12,673</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Federal Grants Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Grants	\$580,000	\$580,000	\$298,550	(\$281,450)
Total revenues	<u>580,000</u>	<u>580,000</u>	<u>298,550</u>	<u>(281,450)</u>
Expenditures				
Current:				
Public works and engineering	580,000		35,061	(35,061)
Capital outlay	<u>580,000</u>	<u>580,000</u>	<u>263,488</u>	<u>316,512</u>
Total expenditures	<u>1,160,000</u>	<u>580,000</u>	<u>298,549</u>	<u>281,451</u>
Excess (deficiency) of revenues over expenditures	<u>(580,000)</u>		<u>1</u>	<u>1</u>
Net changes in fund balance	<u>(\$580,000)</u>		<u>1</u>	<u>\$1</u>
Fund balance - beginning of year			<u>3,627</u>	
Fund balance - end of year			<u><u>\$3,628</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Recycling Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
State and local	\$5,000	\$5,000	\$5,112	\$112
Interest	<u>7,000</u>	<u>7,000</u>	<u>8,516</u>	<u>1,516</u>
Total revenues	<u>12,000</u>	<u>12,000</u>	<u>13,628</u>	<u>1,628</u>
Expenditures:				
Current:				
Parks and recreation	<u>121,000</u>	<u>121,000</u>	<u>114,821</u>	<u>6,179</u>
Total expenditures	<u>121,000</u>	<u>121,000</u>	<u>114,821</u>	<u>6,179</u>
Excess (deficiency) of revenues over expenditures	<u>(121,000)</u>	<u>(109,000)</u>	<u>(101,193)</u>	<u>7,807</u>
Net changes in fund balance	<u><u>(\$109,000)</u></u>	<u><u>(\$109,000)</u></u>	<u>(101,193)</u>	<u><u>\$7,807</u></u>
Fund balance at beginning of year			<u>505,258</u>	
Fund balance at end of year			<u><u>\$404,065</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Supplemental Law Enforcement (S.L.E.S.F.) Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
C.O.P.S. - State AB 3229	\$140,000	\$140,000	\$100,000	(\$40,000)
Interest	2,000	2,000	3,749	1,749
Total revenues	142,000	142,000	103,749	(38,251)
Expenditures:				
Current:				
Police	140,000	140,000	140,000	
Total expenditures	140,000	140,000	140,000	
Excess (deficiency) of revenues over expenditures	2,000	2,000	(36,251)	(38,251)
Net changes in fund balance	\$2,000	\$2,000	(36,251)	(\$38,251)
Fund balance at beginning of year			177,288	
Fund balance at end of year			\$141,037	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Assessment District L-42 Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Property tax and assessments	\$8,360	\$8,360	\$8,300	(\$60)
Interest	<u>10</u>	<u>10</u>	<u>69</u>	<u>59</u>
Total revenues	<u>8,370</u>	<u>8,370</u>	<u>8,369</u>	<u>(1)</u>
Expenditures:				
Current:				
Landscaping and street maintenance	<u>7,860</u>	<u>7,860</u>	<u>5,585</u>	<u>2,275</u>
Total expenditures	<u>7,860</u>	<u>7,860</u>	<u>5,585</u>	<u>2,275</u>
Other financing sources (uses):				
Transfers in	<u>240</u>	<u>240</u>	<u>240</u>	
Total other financing sources (uses)	<u>240</u>	<u>240</u>	<u>240</u>	
Net changes in fund balance	<u><u>\$750</u></u>	<u><u>\$750</u></u>	3,024	<u><u>\$2,274</u></u>
Fund balance at beginning of year			<u>2,574</u>	
Fund balance at end of year			<u><u>\$5,598</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Assessment District M-9 Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$11,000	\$11,000	\$11,008	\$8
Interest	<u>10</u>	<u>10</u>	<u>13</u>	<u>3</u>
Total revenues	<u>11,010</u>	<u>11,010</u>	<u>11,021</u>	<u>11</u>
Expenditures:				
Current:				
Landscaping and street maintenance	<u>10,080</u>	<u>10,080</u>	<u>10,306</u>	<u>(226)</u>
Total expenditures	<u>10,080</u>	<u>10,080</u>	<u>10,306</u>	<u>(226)</u>
Other financing sources:				
Transfers in	<u>40</u>	<u>40</u>	<u>40</u>	
Total other financing sources	<u>40</u>	<u>40</u>	<u>40</u>	
Net changes in fund balance	<u>\$970</u>	<u>\$970</u>	755	<u>(\$215)</u>
Fund balance at beginning of year			<u> </u>	
Fund balance at end of year			<u>\$755</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Assessment District M-11 Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$37,829	\$37,829	\$37,883	\$54
Total revenues	<u>37,829</u>	<u>37,829</u>	<u>37,883</u>	<u>54</u>
Expenditures:				
Current:				
Landscaping and street maintenance	51,335	51,335	73,213	(21,878)
Total expenditures	<u>51,335</u>	<u>51,335</u>	<u>73,213</u>	<u>(21,878)</u>
Excess of revenues over expenditures	<u>(13,506)</u>	<u>(13,506)</u>	<u>(35,330)</u>	<u>(21,824)</u>
Other financing sources:				
Transfers in	28,806	28,806	35,330	6,524
Transfers out	<u>(15,300)</u>	<u>(15,300)</u>	<u> </u>	<u>15,300</u>
Total other financing sources	<u>13,506</u>	<u>13,506</u>	<u>35,330</u>	<u>21,824</u>
Net changes in fund balance	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balance at beginning of year			<u> </u>	
Fund balance at end of year			<u> </u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Wilder CFD Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$510,325	\$510,325	\$399,408	(\$110,917)
Interest	<u>3,000</u>	<u>3,000</u>	<u>426</u>	<u>(2,574)</u>
Total revenues	<u>513,325</u>	<u>513,325</u>	<u>399,834</u>	<u>(113,491)</u>
Expenditures:				
Current:				
Police	163,325	163,325	159,120	4,205
Landscaping and street maintenance	<u>347,000</u>	<u>347,000</u>	<u>240,289</u>	<u>106,711</u>
Total expenditures	<u>510,325</u>	<u>510,325</u>	<u>399,409</u>	<u>110,916</u>
Net changes in fund balance	<u>\$3,000</u>	<u>\$3,000</u>	425	<u>(\$2,575)</u>
Fund balance at beginning of year			<u>204,152</u>	
Fund balance at end of year			<u>\$204,577</u>	

CITY OF ORINDA

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 Stormwater Special Revenue Fund
 For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$1,374	\$874
NPEDES revenue	304,000	304,000	308,670	4,670
Miscellaneous	500	500	2,384	1,884
Total revenues	305,000	305,000	312,428	7,428
Expenditures:				
Current:				
Public works and engineering	228,080	228,080	191,283	36,797
Total expenditures	228,080	228,080	191,283	36,797
Net changes in fund balance	\$76,920	\$76,920	121,145	\$44,225
Fund balance at beginning of year			67,555	
Fund balance at end of year			\$188,700	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Affordable Housing Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$2,000	\$2,000	\$2,856	\$856
Miscellaneous			11,699	11,699
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>14,555</u>	<u>12,555</u>
Expenditures:				
Current:				
Planning	<u>2,000</u>	<u>2,000</u>	<u>15,480</u>	<u>(13,480)</u>
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>15,480</u>	<u>(13,480)</u>
Excess of revenues over expenditures			<u>(925)</u>	<u>(925)</u>
Net changes in fund balance			<u>(925)</u>	<u>(\$925)</u>
Fund balance at beginning of year			<u>136,755</u>	
Fund balance at end of year			<u>\$135,830</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
TDA Grants Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
State and local grants	<u>\$235,000</u>	<u>\$235,000</u>	<u>\$110,870</u>	<u>(\$124,130)</u>
Total revenues	<u>235,000</u>	<u>235,000</u>	<u>110,870</u>	<u>(124,130)</u>
Expenditures:				
Capital outlay	<u>185,000</u>	<u>185,000</u>	<u>101,605</u>	<u>83,395</u>
Total expenditures	<u>185,000</u>	<u>185,000</u>	<u>101,605</u>	<u>83,395</u>
Excess of revenues over expenditures	<u>50,000</u>	<u>50,000</u>	<u>9,265</u>	<u>(40,735)</u>
Other financing sources (uses)				
Transfers out	<u> </u>	<u> </u>	<u>(6,493)</u>	<u>6,493</u>
Total other financing sources (uses)	<u> </u>	<u> </u>	<u>(6,493)</u>	<u>6,493</u>
Net changes in fund balance	<u>\$50,000</u>	<u>\$50,000</u>	<u>2,772</u>	<u>(\$34,242)</u>
Fund balance at beginning of year			<u> </u>	
Fund balance at end of year			<u>\$2,772</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Road Maintenance Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Rent and interest	\$5,000	\$5,000	\$13,547	\$8,547
Miscellaneous	650,000	650,000	810,275	160,275
Total revenues	655,000	655,000	823,822	168,822
Expenditures:				
Capital outlay	833,079	781,335	708,791	72,544
Total expenditures	833,079	781,335	708,791	72,544
Excess of revenues over expenditures	(178,079)	(126,335)	115,031	241,366
Net changes in fund balance	(\$178,079)	(\$126,335)	115,031	\$241,366
Fund balance at beginning of year			586,124	
Fund balance at end of year			\$701,155	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
General Plan Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Amended Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$1,028	\$528
Miscellaneous	45,000	45,000	39,723	(5,277)
Total revenue	45,500	45,500	40,751	(4,749)
Excess (deficiency) of revenues over expenditures	45,500	45,500	40,751	(4,749)
Net changes in fund balance	\$45,500	\$45,500	40,751	(\$4,749)
Fund balance at beginning of year			21,513	
Fund balance at end of year			\$62,264	

CITY OF ORINDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 Field Maintenance Surcharge Special Revenue Fund
 For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest			\$1,672	\$1,672
Recreation fees		\$200,000	183,429	(16,571)
Total revenues		<u>200,000</u>	<u>185,101</u>	<u>(14,899)</u>
Net changes in fund balance		<u>\$200,000</u>	<u>185,101</u>	<u>(\$14,899)</u>
Fund balance at beginning of year			<u> </u>	
Fund balance at end of year			<u>\$185,101</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Facility Improvement Surcharge Special Revenue Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest			\$751	\$751
Recreation fees		\$100,000	82,601	(17,399)
Total revenues		100,000	83,352	(16,648)
Expenditures:				
Parks and recreation		10,000	11,090	(1,090)
Total expenditures		10,000	11,090	(1,090)
Excess of revenues over expenditures		90,000	72,262	(17,738)
Net changes in fund balance		\$90,000	72,262	(\$17,738)
Fund balance at beginning of year				
Fund balance at end of year			\$72,262	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Permit Technology Surcharge Special Revenue Fund
For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest			\$105	\$105
Miscellaneous			9,017	9,017
Total revenues			<u>9,122</u>	<u>9,122</u>
Net changes in fund balance			<u>9,122</u>	<u>\$9,122</u>
Fund balance at beginning of year			<u> </u>	
Fund balance at end of year			<u><u>\$9,122</u></u>	

CITY OF ORINDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 Oaksprings Assessments District Improvements Capital Projects Fund
 For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	<u>\$3,000</u>	<u>\$3,000</u>	<u>\$5,860</u>	<u>\$2,860</u>
Total Revenues	<u>3,000</u>	<u>3,000</u>	<u>5,860</u>	<u>2,860</u>
Net changes in fund balance	<u><u>\$3,000</u></u>	<u><u>\$3,000</u></u>	5,860	<u><u>\$2,860</u></u>
Fund balance at beginning of year, as adjusted			<u>278,145</u>	
Fund balance at end of year			<u><u>\$284,005</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
State Grants Fund
For the year ended June 30, 2020

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Grants	\$505,000	\$505,000	\$217,551	(\$287,449)
Total revenues	505,000	505,000	217,551	(287,449)
Expenditures:				
Capital outlay		160,000		160,000
Total expenditures		160,000		160,000
Net changes in fund balance	\$505,000	\$345,000	217,551	(\$127,449)
Fund balance at beginning of year				
Fund balance at end of year			\$217,551	

CITY OF ORINDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 Other Grants Capital Projects Fund
 For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Miscellaneous	<u>\$785,000</u>	<u>\$785,000</u>	<u>\$387,918</u>	<u>(\$397,082)</u>
Total revenues	<u>785,000</u>	<u>785,000</u>	<u>387,918</u>	<u>(397,082)</u>
Expenditures:				
Current:				
Public works and engineering	400,000	550,000		550,000
Capital outlay	<u>385,000</u>	<u>385,000</u>	<u>387,918</u>	<u>(2,918)</u>
Total expenditures	<u>785,000</u>	<u>935,000</u>	<u>387,918</u>	<u>547,082</u>
Net changes in fund balance	<u><u> </u></u>	<u><u>(\$150,000)</u></u>		<u><u>\$150,000</u></u>
Fund balance at beginning of year			<u> </u>	
Fund balance at end of year			<u><u> </u></u>	

CITY OF ORINDA
 Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
 Road Stabilization Capital Projects Fund
 For the year ended June 30, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$1,000		\$17,961	\$17,961
Total Revenues	<u>1,000</u>		<u>17,961</u>	<u>17,961</u>
Net changes in fund balance	<u>\$1,000</u>		<u>17,961</u>	<u>\$17,961</u>
Fund balance at beginning of year			<u>801,346</u>	
Fund balance at end of year			<u><u>\$819,307</u></u>	

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CITY OF ORINDA, CALIFORNIA
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED JUNE 30, 2020

<u>Fund</u>	<u>Description</u>
Information Systems	Accounts for activities related to the City's computer system and related software.
Building Maintenance	Accounts for activities related to the maintenance and capital outlays required to maintain the City facilities.
Vehicle Replacement	Accounts for activities related to the City's replacement of vehicles and motorized equipment.
Risk Management	Accounts for activities related to unfunded claims and litigation losses.

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2020

	Information Systems	Buildings Maintenance	Vehicle Replacement	Risk Management	Total
Assets					
Current Assets:					
Cash, cash equivalents and investments	\$332,511	\$762,827	\$579,083	\$105,490	\$1,779,911
Accounts receivable					
Interest receivable	605	1,337	1,012	188	3,142
Prepays and deposits	6,723				6,723
Total Current Assets	339,839	764,164	580,095	105,678	1,789,776
Non-current assets:					
Capital assets, net of Accumulated depreciation	130,569	40,775	332,263		503,607
Total Assets	470,408	804,939	912,358	105,678	2,293,383
Liabilities					
Current Liabilities:					
Accounts payable	17,033	1,604		8,150	26,787
Total Liabilities	17,033	1,604		8,150	26,787
Net Position					
Net position:					
Net investments in capital assets	130,569	40,775	332,263		503,607
Restricted					
Unrestricted	322,806	762,560	580,095	97,528	1,762,989
Total Net Position	\$453,375	\$803,335	\$912,358	\$97,528	\$2,266,596

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2020

	<u>Information Systems</u>	<u>Buildings Maintenance</u>	<u>Vehicle Replacement</u>	<u>Risk Management</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$240,000	\$194,320	\$253,940	\$431,591	\$1,119,851
Total operating revenues	<u>240,000</u>	<u>194,320</u>	<u>253,940</u>	<u>431,591</u>	<u>1,119,851</u>
Operating expenses:					
Contract services	134,511				134,511
Services and supplies	2,978	30,539			33,517
Special department expenses				382,549	382,549
Capital outlay		4,889			4,889
Depreciation	29,940	11,022	131,662		172,624
Total operating expenses	<u>167,429</u>	<u>46,450</u>	<u>131,662</u>	<u>382,549</u>	<u>728,090</u>
Operating income (loss)	<u>72,571</u>	<u>147,870</u>	<u>122,278</u>	<u>49,042</u>	<u>391,761</u>
Non-operating revenues (expenses):					
Investment income	7,006	15,610	10,937	1,062	34,615
Gain on disposal of capital asset			1,472		1,472
Total non-operating revenues	<u>7,006</u>	<u>15,610</u>	<u>12,409</u>	<u>1,062</u>	<u>36,087</u>
Other financing sources (uses):					
Transfers in	3,078	6,587	15,780		25,445
Total other financing sources (uses)	<u>3,078</u>	<u>6,587</u>	<u>15,780</u>		<u>25,445</u>
Change in net position	82,655	170,067	150,467	50,104	453,293
Net position at beginning of year	<u>370,720</u>	<u>633,268</u>	<u>761,891</u>	<u>47,424</u>	<u>1,813,303</u>
Net position at end of year	<u>\$453,375</u>	<u>\$803,335</u>	<u>\$912,358</u>	<u>\$97,528</u>	<u>\$2,266,596</u>

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2020

	Equipment and Information Systems	Buildings Maintenance	Vehicle Replacement	Risk Management	Total
Cash flows from operating activities:					
Cash received from department users	\$240,000	\$194,320	\$257,398	\$431,591	\$1,123,309
Cash receipts (payments) to suppliers of goods and services	(170,387)	(40,099)		8,150	(202,336)
Cash receipts (payments) to employees for services		(842)		(382,549)	(383,391)
Net cash provided by (used for) operating activities	<u>69,613</u>	<u>153,379</u>	<u>257,398</u>	<u>57,192</u>	<u>537,582</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	3,078	6,587	15,780		25,445
Net cash provided by noncapital financing activities	<u>3,078</u>	<u>6,587</u>	<u>15,780</u>		<u>25,445</u>
Cash flows from capital and related financing activities:					
(Acquisition) of capital assets	(64,522)	(6,587)	(74,781)		(145,890)
Proceeds from sale of capital assets			1,472		1,472
Net cash (used for) capital and related financing activities	<u>(64,522)</u>	<u>(6,587)</u>	<u>(73,309)</u>		<u>(144,418)</u>
Cash flows from investing activities:					
Interest received on investments	7,145	14,997	10,639	967	33,748
Net cash provided by investing activities	<u>7,145</u>	<u>14,997</u>	<u>10,639</u>	<u>967</u>	<u>33,748</u>
Net increase (decreased) in cash and cash equivalents	15,314	168,376	210,508	58,159	452,357
Cash and cash equivalents at beginning of year	317,197	594,451	368,575	47,331	1,327,554
Cash and cash equivalents at end of year	<u>\$332,511</u>	<u>\$762,827</u>	<u>\$579,083</u>	<u>\$105,490</u>	<u>\$1,779,911</u>
Reconciliation of operating income to net cash flows provided by operating activities:					
Operating income (loss)	\$72,571	\$147,870	\$122,278	\$49,042	\$391,761
Adjustments to reconcile operating income to net cash provided by operating activities:					
Decrease in accounts receivable			3,458		3,458
Depreciation	29,940	11,022	131,662		172,624
Decrease in prepaid items	(5,280)				(5,280)
Increase (decreased) in accounts payable	(27,618)	(4,671)		8,150	(24,139)
Increase in accrued payroll		(842)			(842)
Net cash provided by (used for) operating activities	<u>\$69,613</u>	<u>\$153,379</u>	<u>\$257,398</u>	<u>\$57,192</u>	<u>\$537,582</u>

STATISTICAL SECTION

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CITY OF ORINDA, CALIFORNIA
STATISTICAL SECTION
FISCAL YEAR ENDED JUNE 30, 2019

This part of the City of Orinda's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, footnotes, and required supplementary information says about the City's overall financial health.

Contents	Page(s)
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	140-147
Revenue Capacity	
These schedules contain information to help the reader assess the City's ability to generate revenues. Property taxes, sales and use taxes, charges for services, licenses, permits and fees and intergovernmental revenue are the City's most significant revenue sources.	148-152
Debt Capacity	
These schedules contain information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	154-159
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	160
Operating Information	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	161-165

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The fiscal year 2013 report was the City's first Comprehensive Annual Financial Report, therefore information is available beginning with the year ended June 30, 2013 for the financial trend schedules.

City of Orinda
 Net Position By Component
 Eight Fiscal Years*
 Fiscal year ended June 30, 2020
 (Accrual basis of accounting)

Fiscal Year Ended June 30,

	2013	2014	2015	2016
Primary government:				
Governmental activities:				
Net Investment in capital assets	\$ 39,082,158	\$ 40,022,920	\$ 31,242,089	\$ 42,026,180
Restricted	5,005,803	6,693,791	17,424,073	7,753,790
Unrestricted	8,119,847	8,394,982	9,622,488	10,916,822
Total primary government	\$ 52,207,808	\$ 55,111,693	\$ 58,288,650	\$ 60,696,792

Source: City of Orinda Finance Department.
 The City has no Business Type activities to report.

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

Fiscal Year Ended June 30,

2017	2018	2019	2020
\$ 49,771,041	\$ 52,843,727	\$ 62,085,833	\$ 62,775,273
9,768,262	10,697,044	11,769,764	14,727,541
6,621,778	8,723,981	10,819,487	13,825,598
\$ 66,161,081	\$ 72,264,752	\$ 84,675,084	\$ 91,328,412

City of Orinda
 Changes in Net Position
 Eight Fiscal Years*
 Fiscal year ended June 30, 2020
 (Accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2013	2014	2015	2016
Expenses				
Governmental Activities				
General Government	\$ 1,848,816	\$ 2,125,066	\$ 2,709,476	\$ 2,593,399
Police Services	3,894,363	3,777,584	3,938,840	4,027,414
Public works and engineering	1,327,714	4,079,063	3,520,175	4,972,953
Parks, recreation and library	2,278,091	2,661,469	3,331,865	3,519,154
Planning	681,671	746,236	894,001	1,011,480
Interest on bonds payable	397,959	379,260	496,430	767,185
Total governmental activities	10,428,614	13,768,678	14,890,787	16,891,585
Program Revenues				
Governmental activities:				
Charges for services:				
General government	42,302	42,302	724,694	-
Police Services	194,153	136,247	127,821	163,897
Public works and engineering	655,472	2,010,224	1,672,036	2,215,638
Parks, recreation and library	1,756,948	2,089,129	2,272,615	2,426,005
Planning	842,645	980,002	980,448	1,318,350
Operating grants and contributions	268,194	936,273	431,776	1,254,815
Capital grants and contributions	1,630,723	1,615,848	2,171,109	795,526
Total governmental activities	5,390,437	7,810,025	8,380,499	8,174,231
Net revenues (expenses):	(5,038,177)	(5,958,653)	(6,510,288)	(8,717,354)
General revenues and other changes in net assets:				
Governmental activities:				
Taxes:				
Property taxes	4,869,694	5,227,355	5,686,724	6,123,408
Sales taxes	1,021,274	2,071,438	2,067,331	2,121,297
Franchise taxes	986,349	1,009,114	1,034,647	1,082,218
Transfer taxes	200,663	235,119	316,208	250,992
Transient occupancy tax	-	-	-	-
Shared intergovernmental revenues	9,158	7,605	7,994	7,510
Interest income	160,612	117,578	168,378	225,216
Unrealized gain (loss) on sale of assets	(10,766)	(10,345)	(10,550)	27,411
Miscellaneous	214,751	411,858	416,513	154,494
Total governmental activities	7,451,735	9,069,722	9,687,245	9,992,546
Changes in net assets	\$ 2,413,558	\$ 3,111,069	\$ 3,176,957	\$ 1,275,192

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

Fiscal Year Ended June 30,

	2017	2018	2019	2020
\$	2,299,303	\$ 2,336,578	\$ 2,612,766	\$ 2,716,501
	4,102,948	4,175,273	4,407,099	4,236,572
	2,919,281	3,946,827	7,335,169	6,511,462
	3,677,620	3,997,130	4,411,986	4,725,088
	908,403	879,871	1,012,380	1,102,985
	721,750	1,559,887	1,394,652	1,602,013
	<u>14,629,305</u>	<u>16,895,566</u>	<u>21,174,052</u>	<u>20,894,621</u>
	-	-	-	-
	128,437	160,729	219,717	115,137
	1,779,708	1,662,106	2,075,783	2,486,667
	2,364,387	3,262,864	3,059,501	2,583,734
	1,039,671	1,237,921	1,261,469	982,722
	168,031	902,369	275,290	867,374
	2,904,294	756,620	9,876,949	3,505,205
	<u>8,384,528</u>	<u>7,982,609</u>	<u>16,768,709</u>	<u>10,540,839</u>
	(6,244,777)	(8,912,957)	(4,405,343)	(10,353,782)
	7,648,593	8,633,632	9,795,495	10,350,583
	2,106,881	2,281,872	2,277,395	2,449,156
	1,118,568	1,139,414	1,127,003	1,152,773
	262,260	316,381	301,824	296,104
	-	58,658	79,128	49,763
	-	-	-	-
	282,691	561,504	1,231,128	1,067,239
	-	-	-	-
	290,073	2,403,087	2,003,702	1,510,369
	<u>11,709,066</u>	<u>15,394,548</u>	<u>16,815,675</u>	<u>16,875,987</u>
\$	<u>5,464,289</u>	<u>\$ 6,481,591</u>	<u>\$ 12,410,332</u>	<u>\$ 6,522,205</u>

City of Orinda
Fund Balances, Governmental Funds
Eight Fiscal Years*
Fiscal year ended June 30, 2020
(Modified accrual basis of accounting)

Fiscal Year Ended June 30,

	2013	2014	2015	2016
General Fund:				
Non-Spendable	\$ 201,145	\$ 119,037	\$ -	\$ 99,088
Restricted	-	-	-	-
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	7,309,966	7,590,562	7,972,055	9,204,680
Total general fund	7,511,111	7,709,599	7,972,055	9,303,768
All Other Governmental Funds:				
Non-Spendable	\$ -	\$ -	\$ -	\$ 5,339
Restricted	3,939,719	5,554,221	17,424,073	13,322,144
Committed	-	155,594	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(460)
Total all other governmental funds	3,939,719	5,709,815	17,424,073	13,327,023
Total all governmental funds	\$ 11,450,830	\$ 13,419,414	\$ 25,396,128	\$ 22,630,791

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

Fiscal Year Ended June 30,

2017	2018	2019	2020
\$ 98,306	\$ 49,122	\$ 495,087	\$ 485,345
-	-	-	-
5,532,561	5,586,807	6,098,187	350,637
695,539	1,895,656	3,175,604	4,532,706
612,209	1,434,723	1,080,000	7,938,597
<u>6,938,615</u>	<u>8,966,308</u>	<u>10,848,878</u>	<u>13,307,285</u>
\$ 4,490	\$ 294,666	\$ 119,729	\$ 11,903
44,485,762	35,110,833	25,128,833	15,642,291
1,196,263	-	801,346	2,364,424
-	-	21,513	-
(729,717)	1,722,506	-	-
<u>44,956,798</u>	<u>37,128,005</u>	<u>26,071,421</u>	<u>18,018,618</u>
<u>\$ 51,895,413</u>	<u>\$ 46,094,313</u>	<u>\$ 36,920,299</u>	<u>\$ 31,325,903</u>

City of Orinda
 Changes in Fund Balances, Governmental Funds
 Eight Fiscal Years*
 Fiscal year ended June 30, 2020
 (Modified accrual basis of accounting)

	Fiscal Year Ended June 30,			
	2013	2014	2015	2016
Revenues:				
Taxes and assessments	\$ 7,556,931	\$ 9,092,586	\$ 10,411,611	\$ 11,665,853
Licenses, permits and fees	982,885	1,043,059	920,153	1,375,557
Fines and forfeitures	169,975	111,785	127,821	92,549
Intergovernmental	2,398,705	3,153,262	3,438,680	2,638,744
Use of money and property	189,497	150,931	149,198	241,144
Charges for services	2,965,192	2,917,662	2,587,144	3,112,393
Other revenues	187,196	390,722	424,507	162,004
Total revenues	14,450,381	16,860,007	18,059,114	19,288,244
Expenditures:				
General Government	1,838,147	1,907,113	1,834,515	2,047,563
Police Services	3,892,706	3,783,388	3,959,757	4,033,935
Public works and engineering	1,361,059	1,402,895	2,808,965	2,913,730
Parks and recreation	2,120,747	2,156,909	2,386,392	2,557,929
Planning	681,600	795,674	903,543	1,007,036
Special districts	133,309	378,606	-	-
Library operations	342,208	324,230	350,263	341,982
Capital improvements	5,335,159	3,511,348	2,845,381	8,334,648
Capital Outlay	-	-	-	-
Bond Issuance	-	-	136,770	-
Debt Service:				
Interest on bonds payable & fiscal charges	388,660	379,260	369,660	439,759
Principle payment on bonds	235,000	240,000	250,000	8,345,000
Total expenditures	16,328,595	14,879,423	15,845,246	30,021,582
Reconciliation of Governmental Revenues				
Less Expenditures to Fund Equity:				
Revenues over (under) expenditures	(1,878,214)	1,980,584	2,213,868	(10,733,338)
Other financing sources (uses):				
Transfers in	1,966,275	1,667,208	571,703	416,357
Transfers out	(1,966,275)	(1,679,208)	(1,171,703)	(616,357)
Proceeds from long-term debt	-	-	10,000,000	7,945,000
Premium on bonds issued	-	-	362,848	223,001
Total other financing sources (uses)	-	(12,000)	9,762,848	7,968,001
Net change in fund balances	\$ (1,878,214)	\$ 1,968,584	\$ 11,976,716	\$ (2,765,337)
Debt service as a percentage of noncapital expenditures	5.67%	5.45%	4.77%	40.51%

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

Source: City of Orinda Finance Department

Fiscal Year Ended June 30,

2017	2018	2019	2020
\$ 11,858,635	\$ 13,197,191	\$ 14,639,971	\$ 15,307,257
1,364,512	1,366,535	1,606,422	1,807,932
95,347	110,859	130,675	78,346
3,697,094	2,431,226	2,549,007	5,348,766
173,572	553,626	1,207,421	1,032,624
2,505,242	3,306,755	2,744,798	2,296,917
390,992	2,403,087	1,994,783	1,510,369
20,085,394	23,369,279	24,873,077	27,382,211
2,016,142	1,910,182	2,245,745	2,520,202
4,112,216	4,196,825	4,561,519	4,333,927
4,108,748	2,061,156	2,626,771	2,647,239
2,761,601	2,947,811	3,257,467	3,577,291
922,311	911,161	1,127,138	1,159,179
339,516	331,063	417,423	89,104
299,905	440,347	474,501	427,188
600,017	245,508	1,780,242	272,361
12,368,781	13,410,450	14,382,940	14,398,928
-	-	-	-
858,822	1,727,271	1,698,345	1,781,866
1,360,000	1,220,000	1,475,000	1,875,000
29,748,059	29,401,774	34,047,091	33,082,285
(9,662,665)	(6,032,495)	(9,174,014)	(5,700,074)
2,782,818	2,870,343	817,981	662,105
(2,782,818)	(2,638,948)	(817,981)	(687,550)
35,000,000	-	-	-
2,908,926	-	-	-
37,908,926	231,395	-	(25,445)
\$ 28,246,261	\$ (5,801,100)	\$ (9,174,014)	\$ (5,725,519)
12.77%	18.43%	16.14%	19.57%

City of Orinda
Assessed Value of Taxable Property
For the last ten fiscal years

	<u>Secured</u>	<u>Unsecured</u>	<u>Less:</u> <u>Exemptions</u>	<u>Taxable</u> <u>Assessed Value</u>	<u>Total Direct</u> <u>Tax Rate</u>
FY 2010-11	\$ 4,790,245,512	\$ 44,493,532	\$ 74,744,008	\$ 4,759,995,036	7.3730%
FY 2011-12	4,643,266,577	44,003,251	74,055,238	4,613,214,590	7.3730%
FY 2012-13	4,685,090,422	51,140,896	73,427,772	4,662,803,546	7.3720%
FY 2013-14	4,973,624,380	43,870,136	75,486,075	4,942,008,441	7.3270%
FY 2014-15	5,451,859,224	31,430,055	96,238,114	5,387,051,165	7.3670%
FY 2015-16	5,904,386,501	28,225,803	97,482,835	5,835,129,469	7.3680%
FY 2016-17	6,222,416,276	34,227,058	99,065,221	6,157,578,113	7.3680%
FY 2017-18	6,563,379,892	31,674,579	100,972,956	6,494,081,515	7.3680%
FY 2018-19	6,999,868,227	33,858,885	102,752,297	6,930,974,815	7.3690%
FY 2019-20	7,468,305,703	32,670,267	105,994,210	7,394,981,760	7.3910%

Note: In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: Contra Costa County Assessor 2010/11 - 2019/20 Combined Tax Rolls

City of Orinda
Direct and Overlapping Debt
As of June 30, 2020

City Assessed Valuation		<u>\$ 7,394,981,760</u>	
	Percentage Applicable (1)	Outstanding Debt 6/30/2020	Estimated Share of Overlapping Debt
<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Bay Area Rapid Transit District	3.424%	\$ 342,719,362	\$ 11,735,628
Contra Costa Community College District	3.436%	832,650,000	28,609,532
Acalanes Union High School District	19.540%	263,902,772	51,567,913
Lafayette School District	0.185%	76,560,000	141,913
Moraga School District	0.029%	1,985,000	575
Orinda Union School District	99.328%	25,198,251	25,028,838
East Bay Regional Park District	3.424%	66,651,714	2,282,333
City of Orinda General Obligation Bonds	100.000%	39,665,000	39,665,000
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			159,031,732
 DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Contra Costa County General Fund Obligations	3.424%	427,843,035	14,650,490
Moraga Orinda Fire Pension Obligation Bonds	61.469%	12,828,480	7,885,480
City of Orinda Certificates of Participation	100.000%	6,725,000	6,725,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			29,260,970
 TOTAL DIRECT DEBT			 46,390,000
TOTAL GROSS OVERLAPPING DEBT			188,292,702
TOTAL NET OVERLAPPING DEBT			141,902,702

(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 by the district's total taxable assessed value. Includes debt repaid through voter approved tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations and certificates of participation unless provided by the City.

Source: HdL Coren & Cone, Contra Cost County Assessor and Auditor

City of Orinda
 Top Ten Principal Property Tax Payers
 Current Year and Nine Years Ago

Assessed Valuation Level	FY 2019-20			FY 2010-11		
	Taxable Assessed Value	Rank	% of Total	Taxable Assessed Value	Rank	% of Total
Pine Grove, LLC	\$ 34,156,322	1	0.46%			
Orinda Dunhill, LLC	33,713,944	2	0.46%			
OG Property Owner, LLC	26,216,954	3	0.35%			
Taylor Morrison of CA LLC	21,835,456	4	0.30%			
YSMA	12,495,000	5	0.17%			
Davidon Homes	11,755,672	6	0.16%			
Orinda Country Club	11,196,802	7	0.15%			
J and J Ranch LLC	9,270,254	8	0.13%			
25 Orinda Way LLC	8,791,380	9	0.12%			
Kara Singleton Dille Trust	8,693,838	10	0.12%			
OG Property Owner, LLC				\$ 175,874,321	1	3.67%
GLL BVK Properties LP				30,100,092	2	0.63%
Pine Grove LLC				29,559,858	3	0.62%
Richard S. Wiley				11,150,510	4	0.23%
Orinda Country Club				10,784,584	5	0.22%
Charles H. Esserman Trust				9,845,763	6	0.21%
Axa Rosenberg Group LLC				7,635,363	7	0.16%
Scott C. and Lisa A. Kovalik Trust				6,713,048	8	0.14%
Michael J. Novogradac Trust				6,323,103	9	0.13%
John H. and Wendy Lou Hammergren				6,157,181	10	0.13%
Total	178,125,622		2.42%	294,143,823		6.14%

Source: Contra Costa County Assessor 2019/20 and 2010/11 Combined Tax Rolls

City of Orinda
 Schedule of Top 25 Principal Sales Tax Remitters
 Current year and Eight Years Ago

(listed in alphabetical order)

2020 (represents 78.74% of total sales tax)	2013* (represents 79.31% of total sales tax)
76 Orinda	Barbacoa Restaurant
Beneift Marketing	Beverages & More
Beverages & More	Casa Orinda Restaurant
Casa Orinda Restaurant	Chevron Service Station
Chevron Service Station	CVS Pharmacy
CVS Pharmacy	Energy Comm
Danielle Wohl Art Projects Artline	Europa Hofbrau, Deli & Pub
Dynamic Building Systems	Insight Resource Group
Energy Comm	Juvenon
Europa Hofbrau, Deli & Pub	La Pizza Restaurant
Fourth Bore Tap Room & Grill	Maria Tenaglia Architecture
Maria Tenaglia Design	McCaulou's Department Store
Mash Gas & Food 5	McDonnell Moraga Nursery
McCaulou's Department Store	Nations Giant Hamburgers
McDonnell Moraga Nursery	Orinda Country Club
Nations Giant Hamburgers	Orinda Hardware
Orinda Country Club	Orinda Motors
Orinda Hardware & Rental	P & M Window Company
Orinda Motors	Rite Aid Drug Store
Orinda Shell	Safeway Stores
P & M Window Company	Shell Service Stations
Rite Aid Drug Store	Siam Orchid Thai Restaurant
Roundstone Solutions Inc	Table 24
Safeway Stores	Union 76 Service Station
Siam Orchid Thai Restaurant	Village Inn Café

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013
 Therefore, a comparison is only provided for the years data was available

Note: The lists are arranged in alphabetical order which is a requirement under California law for Retail Sales Tax information. Disclosure of actual sales tax by permittee is also confidential.

Source: State Board of Equalization

City of Orinda
Property Tax Levies and Collections
For the last ten fiscal years

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for the <u>Fiscal Year</u>	Collected within the Fiscal Year of the Levy		Collections in Subsequent <u>Years</u>	Total Collections to Date	
		<u>Amount</u>	Percentage <u>of Levy</u>		<u>Amount</u>	Percentage <u>of Levy</u>
2011	\$ 3,495,089	\$ 3,495,089	100%	\$ -	\$ 3,495,089	100%
2012	3,385,663	3,085,663	100%	-	3,085,663	100%
2013	3,442,461	3,442,461	100%	-	3,442,461	100%
2014	3,748,789	3,748,789	100%	-	3,748,789	100%
2015	4,082,388	4,082,388	100%	-	4,082,388	100%
2016	4,424,432	4,424,432	100%	-	4,424,432	100%
2017	4,656,163	4,656,163	100%	-	4,656,163	100%
2018	4,933,170	4,933,170	100%	-	4,933,170	100%
2019	5,132,064	5,132,064	100%	-	5,132,064	100%
2020	5,458,894	5,458,894	100%	-	5,458,894	100%

Note: Amounts are reported and collected under the Teeter Plan in which all taxes are distributed to the City in the year of the levy with the County retaining any interest or penalties on uncollected balances.

Source: Contra Costa County Auditor-Controller's Office

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City of Orinda
 Direct and Overlapping Tax Rates
 For the last ten fiscal years
 (Rate per \$100 of assessed value)

	City Direct Rates		Overlapping Rates			
	Basic Rate	Total Direct	Acalanes Union	BART Bond	CCC Community College	East Bay Regional Park Bond
FY 2010-11	1.00000	1.00000	0.03110	0.00310	0.01330	0.00840
FY 2011-12	1.00000	1.00000	0.03330	0.00410	0.01440	0.00710
FY 2012-13	1.00000	1.00000	0.03330	0.00430	0.00870	0.00510
FY 2013-14	1.00000	1.00000	0.03610	0.00750	0.01330	0.00780
FY 2014-15	1.00000	1.00000	0.03500	0.00450	0.02520	0.00850
FY 2015-16	1.00000	1.00000	0.03320	0.00260	0.02200	0.00670
FY 2016-17	1.00000	1.00000	0.03230	0.00800	0.01200	0.00320
FY 2017-18	1.00000	1.00000	0.03250	0.00840	0.01140	0.00210
FY 2018-19	1.00000	1.00000	0.03230	0.00700	0.01100	0.00210
FY 2019-20	1.00000	1.00000	0.03260	0.01200	0.01880	0.00940

Note: In 1978, California voters passed Proposition 13, which sets the property tax rate at a 1.00% fixed amount. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of voter approved bonds.

The City of Orinda 1% share is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF tax shifts may not be included in ratio.

Source: Contra Costa County Assessor 2010/11 - 2019/20 Tax Rate Table and HdL Coren & Cone

Overlapping Rates

Lafayette Elementary <u>Bond</u>	Moraga Elementary <u>Bond</u>	Orinda Elementary <u>Bond</u>	Orinda Roads <u>Bond</u>	Total Tax <u>Rate</u>	City's Share of 1% Levy Per Prop 13
0.03260	0.03110	0.02440		1.14400	0.07411
0.02790	0.03120	0.02740		1.14540	0.07411
0.02840	0.02790	0.02730		1.13500	0.07411
0.02670	0.02640	0.02550		1.14330	0.07393
0.02410	0.02430	0.02320	0.01300	1.15780	0.07393
0.02090	0.02290	0.01900	0.01850	1.14580	0.07391
0.04370	0.02240	0.01650	0.01690	1.15500	0.07391
0.04190	0.04830	0.01440	0.02500	1.18400	0.07391
0.04120	0.04480	0.01460	0.03350	1.18650	0.07391
0.04010	0.04520	0.07240	0.03250	1.26300	0.07391

City of Orinda
Outstanding Debt
For the last ten fiscal years

Fiscal Year Ending June 30th:	<u>General Obligation Bonds</u>		<u>CERTIFICATES OF PARTICIPATION</u>		% of Total Outstanding Debt Personal Income
	Debt Outstanding (1), (2)	Debt Per Capita	Debt Outstanding (3)	Debt Per Capita	
2011	\$ -	\$ -	\$ 9,195,000	\$ 521	0.6%
2012	-	-	8,980,000	506	0.7%
2013	-	-	8,755,000	491	0.7%
2014	-	-	8,520,000	474	0.6%
2015	10,000,000	551.27	8,280,000	456	1.3%
2016	9,685,000	519.39	7,945,000	426	1.1%
2017	43,620,000	2,315.53	7,650,000	406	3.2%
2018	42,700,000	2,224.07	7,040,000	367	2.8%
2019	44,029,989	2,260.85	7,231,144	371	2.7%
2020	39,665,000	2,086.64	6,725,000	354	2.2%

Notes:

(1) In March 2015, the City issued General Obligation Bonds in the amount of \$10 million. The bonds were Series A of an aggregate voter authorized amount of \$20 million (2014 Road Bonds)

(2) In April 2017 the City issued Series B \$10 million the final authorization of the 2014 Road Bonds and also issued \$25 million authorized by the voters under the 2016 Road Bonds.

(3) In September 2005 \$9.8 million of Certificates of Participation were issued to fund City Offices. In July of 2015 Refunding Certificates of Participation were issued in the amount of \$7,945,000. The Refunding COP's fully retired the outstanding 2005 COP's.

Source: City of Orinda Finance Department, Population - California Department of Finance
Income - US Census Bureau

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City of Orinda
 Legal Debt Margin Information
 For the last ten fiscal years

	Fiscal Year Ended June 30,			
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Assessed Value Secured	\$ 4,762,300,926	\$ 4,615,128,899	\$ 4,656,504,710	\$ 4,942,008,441
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Value	1,190,575,232	1,153,782,225	1,164,126,178	1,235,502,110
Debt Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	178,586,285	173,067,334	174,618,927	185,325,317
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 178,586,285</u>	<u>\$ 173,067,334</u>	<u>\$ 174,618,927</u>	<u>\$ 185,325,317</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%

Note: The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time the legal debt margin was enacted by the State of California for local governments.

Source: City of Orinda Finance Department

Fiscal Year Ended June 30,

<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
\$ 5,387,051,165	\$ 5,835,129,469	\$ 6,172,625,746	\$ 6,537,156,590	\$ 6,904,577,718	\$ 7,369,358,656
<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
1,346,762,791	1,458,782,367	1,543,156,437	1,634,289,148	1,726,144,430	1,842,339,664
<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
202,014,419	218,817,355	231,473,465	245,143,372	258,921,664	276,350,950
10,000,000	9,685,000	43,620,000	42,700,000	44,029,989	39,665,000
<u>\$ 212,014,419</u>	<u>\$ 209,132,355</u>	<u>\$ 187,853,465</u>	<u>\$ 202,443,372</u>	<u>\$ 214,891,675</u>	<u>\$ 236,685,950</u>

4.95%	4.43%	18.84%	17.42%	17.01%	14.35%
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City of Orinda
Demographic and Economic Statistics
For the last ten years

<u>Year</u>	<u>Population</u>	Personal Income City of Orinda (in thousands)	Per Capita Personal Income	Unemployment Rate City of Orinda	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
2010	17,866	1,471,069	82,339	4.3%	46.4	99.0%	78.5%
2011	17,819	1,357,148	76,163	4.0%	46.1	98.3%	77.2%
2012	17,925	1,352,119	75,432	2.6%	46.3	98.5%	77.4%
2013	18,089	1,399,166	77,349	2.3%	46.1	98.1%	78.4%
2014	18,109	1,403,900	77,525	3.0%	46.3	97.8%	77.9%
2015	18,749	1,562,879	83,357	2.4%	46.4	98.0%	78.2%
2016	18,935	1,627,772	85,966	2.1%	47.1	98.8%	79.2%
2017	19,199	1,787,130	93,084	2.2%	48.1	98.6%	80.4%
2018	19,475	1,907,280	97,934	1.9%	48.3	98.3%	80.8%
2019	19,009	2,099,515	110,448	1.8%	48.4	98.3%	83.1%

Sources: Population: California State Department of Finance
 Unemployment Data: California Employment Development Department
 2000-2009 Income, Age, and Education Data: Demographic estimates are based on the last available census. Projections are developed by incorporating all of the prior census data released to date.
 2010 and later Income, Age and Education Data: - US Census Bureau, most recent American Community Survey

City of Orinda
Capital Asset Statistics by Function
Last Ten Years

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police*										
Stations	1	1	1	1	1	1	1	1	1	1
Fire**										
Stations	3	3	3	3	3	3	3	3	3	3
Public works										
Streets (miles)	92.70	92.70	92.70	92.70	92.70	92.70	92.70	92.70	92.70	92.70
Streetlights***										
Parks and recreation										
Parks	4	5	5	5	5	5	5	5	5	5
Community centers	1	1	1	1	1	1	1	1	2	2
Public Tennis Courts	3	3	3	3	3	3	3	3	3	3
Water**										
Sewer**										

* Police services are provided pursuant to an agreement with the Contra Costa County Sheriffs Office

** Fire, water, and sewer services are provided by Special Districts which are separate from the City.

*** Streetlights in the City are owned and maintained by PG&E

Source: City of Orinda Finance Department

City of Orinda
 Operating Indicators by Function
 Last Fiscal Eight Years*
 Fiscal year ended June 30, 2020

Fiscal Year Ended June 30,

<u>Function</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Police**				
Arrests	113	204	215	154
Parking citations issued	1,578	405	1,161	1,561
Public works				
Street resurfacing (miles)	1.50	0	2.87	10.09
Encroachment permits	285	322	335	411
Parks and recreation				
Recreation classes (enrollment)	7,712	8,523	9,056	9,590
Facility rental hours	2,788	2,414	4,873	5,022
Sports field rental hours - City	3,120	6,852	8,270	9,870
Sports field rental hours - OUSD***	-	-	-	-
Building Valuations				
Commercial/Industrial Construction	3,893,591	2,186,520	2,346,691	3,548,400
Residential Construction	46,624,040	49,855,541	40,589,805	46,297,341
Total building actions	50,517,631	52,042,061	42,936,496	49,845,741
Fire, Water, Sewer****				

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

** Police services are provided pursuant to an agreement with the Contra Costa County Sheriffs Office

*** Starting January 2019, City entered into an MOU and began to maintain and schedule Orinda Union School District (OUSD) sports fields during non-school hours.

**** Fire, water, and sewer services are provided by Special Districts which are separate from the City.

Source: City of Orinda Finance Department

Fiscal Year Ended June 30,

<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
119	107	124	127
2,415	1,878	2,403	1,156
10.82	13.20	14.68	17.23
383	349	320	318
10,046	10,475	10,569	8,707
5,780	6,942	7,234	5,667
9,925	10,384	10,730	7,438
-	-	1,707	1,440
11,965,873	14,839,696	15,132,128	21,640,147
54,122,263	51,818,127	58,955,489	36,859,488
66,088,137	66,657,823	74,087,618	58,499,635

City of Orinda
 Full-time and Part-time** City Employees by Function
 Last Eight Fiscal Years*

Fiscal Year Ended June 30,	General Government	Public Safety Non-Sworn	Public Safety Sworn **	Public Works	Community Development	Parks And Recreation	TOTAL
2013 **	7.60	2.40	-	11.50	3.50	8.50	33.50
2014 **	7.70	2.40	-	11.00	4.50	10.00	35.60
2015 **	7.70	2.40	-	11.00	4.50	10.00	35.60
2016 **	7.95	2.40	-	12.00	6.00	11.00	39.35
2017 **	7.95	2.40	-	12.00	6.00	11.00	39.35
2018	8.62	2.00	-	12.16	6.00	14.56	43.34
2019	7.50	2.00	-	11.03	6.10	15.30	41.93
2020	8.05	1.93	-	12.15	6.07	13.50	41.70

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

** Fiscal Years 2012-13 through 2016-17 exclude part-time equivalents

**Police services are provided by Contra Costa County Office of the Sheriff

Source: City of Orinda Finance Department

City of Orinda
Principal Employers
2019-20 and Seven Years Ago*

Employer	FY 2019-2020			FY 2013-2014**		
	Employees	Rank	Percentage of Top 10 Employment	Employees	Rank	Percentage of Top 10 Employment
Orinda Union School District	317	1	34.99%	300	1	34.13%
Miramonte High School	106	2	11.70%	103	3	11.72%
Orinda Country Club	100	3	11.04%	110	2	12.51%
Safeway	90	4	9.93%	86	4	9.78%
Orinda Care Center	73	5	8.06%	37	8	4.21%
Moraga-Orinda Fire District	68	6	7.51%	73	5	8.30%
EBMUD	41	7	4.53%			
Casa Orinda	38	8	4.19%	35	9	3.98%
City of Orinda	37	9	4.08%			0.00%
John Muir Physician Network	36	10	3.97%			
Sleepy Hollow Swim & Tennis				60	6	6.83%
Litman Gregory Asset Management				47	7	5.35%
Orinda Academy				28	10	3.19%
Total	906		100.00%	879		100.00%

*The City of Orinda prepared its first CAFR for the fiscal year ended June 30, 2013

Note: the number of employees is based on permanent employees only

Source: City of Orinda Finance Department and ** San Francisco Center For Economic Development

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**INDEPENDENT AUDITOR'S REPORT ON
INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Members of the City Council
City of Orinda, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the City of Orinda, California, as of and for the year ended June 30, 2020, and have issued our report thereon dated December 29, 2020. Our report included an emphasis of a matter paragraph disclosing the implementation of a new accounting standard.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated December 29, 2020 which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maze & Associates

Pleasant Hill, California
December 29, 2020