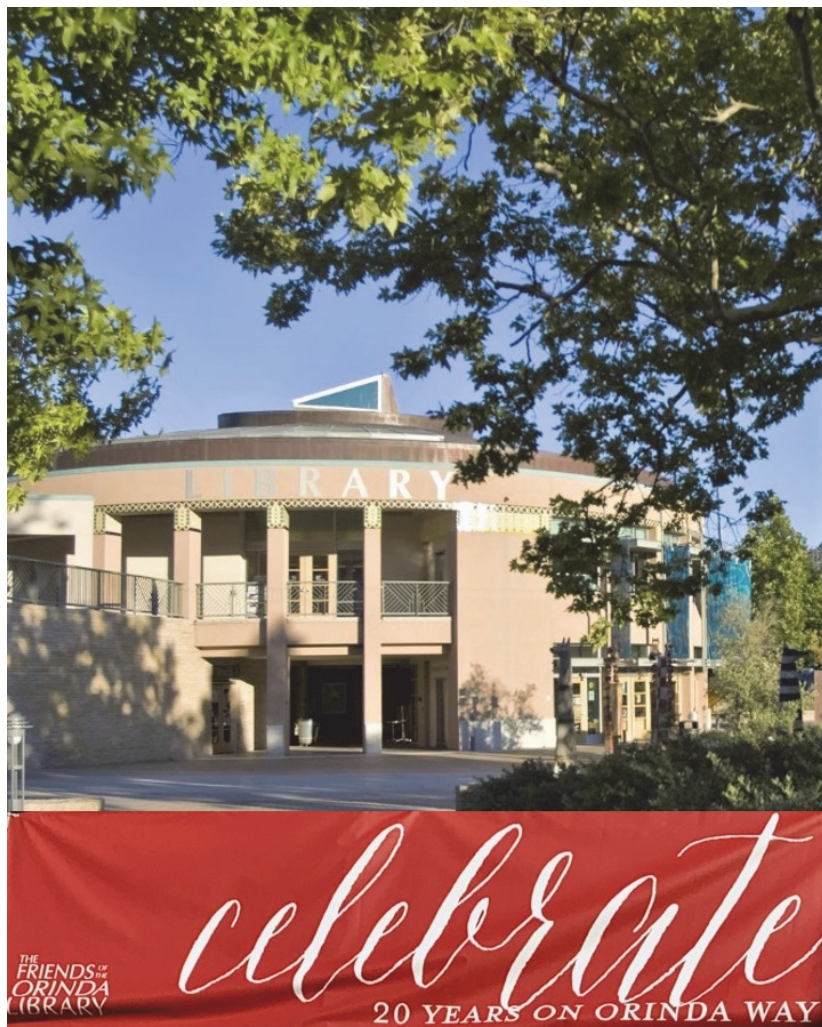




City of Orinda, California Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2021



The library is a treasured part of the community and provides services under a unique partnership between the Friends of the Orinda Library; City of Orinda; Contra Costa County Library; and Orinda residents and taxpayers. The 20-year anniversary of the facility, originally developed with a \$5 million contribution from the Friends of the Orinda Library, is being celebrated in 2021.

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

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City of Orinda, California
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

Prepared by
Finance Department

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CITY OF ORINDA, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2021

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CITY OF ORINDA, CALIFORNIA
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INTRODUCTORY SECTION

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22 Orinda Way • Orinda • California • 94563

December 14, 2021

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

We are pleased to present the Annual Comprehensive Financial Report (ACFR) for the City of Orinda (City) for the fiscal year ended June 30, 2021. 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, 2021, 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, 2021. The independent auditor's report is contained as the first component of the financial section of this report.

This report includes all funds of the City of Orinda and the report is intended to be read in conjunction with Management's Discussion and Analysis (MD&A) as well as the basic financial statements.

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 existing in a bucolic and wooded environment. 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 19,078 residing in approximately 7,194 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 greater 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 a private contractor. The City Moraga Orinda Fire District a separate unrelated agency is responsible for fire and emergency medical services.

REPORTING ENTITIES

The financial statements included in this ACFR 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 the Orinda GHAD Board. Therefore, the financial information for the GHAD is presented as a separate Fiduciary Custodial Fund in the ACFR 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 Administrative Services Director. The Administrative Services 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 either the Two Year Budget or a 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

Throughout the Fiscal Year the City continued to monitor conditions and make adjustments to the plans put in place as a result of the COVID 19 pandemic. In July of 2020 the State of California distributed Federal CARES Act funds which allowed the City to revise its response plan. This included the recall of two positions that had been eliminated and implementation of cost of living adjustments on a delayed basis for

employees that did not receive an adjustment on July 1st.

Although 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 continued to be impacted by the curtailment of what can be offered in terms of sports programs; enrichment classes; and field and facility rentals. In the Spring of 2021 as more programs could be offered the City rehired a full-time Recreation Coordinator who had been laid off earlier in the year. The continued lay-off of: .5 Recreation Supervisor; Part-time seasonal staffing; and a vacant Administrative Assistant position in the Parks & Recreation Department helped to mitigate the impact of the loss of revenue and align staffing levels with the services provided.

World events have resulted in the need to rely somewhat less on historical trends in terms of expected resources and services to be provided. Going forward it will be imperative to monitor program revenues and to allocate resources based on new trends.

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 95% of the total net taxable assessed values. In Fiscal year 2020-2021 the City experienced an overall 5.12% increase in taxable assessed values. This was a slight decrease from the nearly 6.7% growth in the previous fiscal year, and was also below the average change of approximately 6.5% per year over the past 10 years.

The base automatic annual adjustment was 2% in each of those years for properties without a change in ownership or new construction. The difference is made of sales at a higher value than the previous assessed value and value added by construction or improvements. The City continued to experience growth in sales prices of residential properties. The average home sales price in Orinda as reported by the Contra Costa County Association of Realtors during calendar 2020 was up 10% over the previous year. With prices increasing and generally low interest rates this will have a positive impact on future property tax revenue. A September 2021 consensus economic forecast prepared by HdL and Beacon Economics projected state-wide price increases of 6% in the coming year. With some continued growth in prices the City would expect to continue to experience an increase in the property tax base, however, it is expected to be at a lesser rate of change than in prior years.

Some of the growth in assessed valuation has been the result of new housing units added. In April 2020 vacant lots in the Wilder development in western Orinda, were purchased by Landsea Homes for the construction of 34 luxury homes. By the Fall of 2021 all lots were reported as sold. A smaller development J and J Ranch consisting of 13 home sites, reports only one lot available. Although these homes will build out in the coming months there are not any developments in the near term that will add significant numbers of homes and assessed value to the base property tax. The City expects in the coming years that the rate of growth in property tax revenue will continue to be less than has occurred over the past 10 years.

It is also appropriate to 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 of the base 1% property tax that is levied. Given the significance of this revenue source, 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. This will be reviewed in more detail below separating the two major components. The first is the general purpose sales tax allotted to the City based on local retail sales (point of sale). The rate levied is one percent. The second component is voter approved Add-On Sales tax. All sales tax is reported as a General Fund revenue.

The point of sale revenue derived from local retailers were concentrated in three business categories (Restaurants, Service stations & fuel, and Food Markets). These sectors comprise nearly 56% 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 as well as changes in consumer purchase patterns using on-line transactions, the share of sales tax allocated to the county pool has been increasing. In fiscal year 2020-2021 the pool contributed approximately 24% of the total City general purpose sales tax revenue.

Because of the pandemic and curtailment of brick and mortar store transactions and reductions in typical commute schedules, in 2020-2021, on a percentage basis some of the sales tax categories are expected to show large gains in 2021-2022. HdL Companies, a sales tax consulting firm, has suggested that compared to the prior year, Fuel/ Service stations will see a 23% increase and Restaurants a 29.5%. This is assuming restaurants increase the hours operating and that fuel sales increase for both travel and work commutes. The estimated increases in other segments are projected to be moderate and overall the City expects only a modest increase in general purpose sales tax. There is an expected continued growth of approximately 7.1% in the pool allocations as on-line retail activity is expected to continue to increase. Overall the Fiscal Year 2021-2022 sales tax forecast expects the total taxes collected to remain relatively flat. Based on an assumption that the some of the world-wide economic pressures resulting from the pandemic will begin to ease, the future 2022-2023 sales tax is projected to show growth of at least 4%. The City remains cautious and continues to monitor this revenue with assistance from HdL, given that the pandemic environment continues to cause instability in the trends of retail sales.

Included in the sales tax collected by the City are local add-on sales taxes approved by the voters. In November 2012 (Orinda 2012 Measure L). The measure added an additional ½ cent sales tax and was operative April 1, 2013 and the City ceased collection March 31, 2021. To date, all of the revenue collected from Measure L tax has been appropriated by the City Council to be expended on road and drain improvements. Beginning April 1, 2021 (Orinda 2020 Measure R) replaced the collection of the Measure L tax. Measure R added an additional 1 cent sales tax replacing the ½ cent Measure L. The ACFR includes a separate schedule which accounts for the voter approved Add-On Sales Tax separate from the "General Purpose" General Fund.

Measure R was only in place for one quarter and the higher rate will result in more local funding over the 20 year life of the tax. The priorities established for Measure R funds include increased spending for: wildfire fuel reduction; disaster response planning; critical storm drain improvements to prevent flooding and roadway collapse; and on-going road maintenance funding to protect recent investments made in the public roadway network. The projection is for Measure R to generate \$2,850,000 in Fiscal year 2021-2022 which is significantly more than the \$1.4 million collected in FY 2019-2020 from Measure L.

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. The support from the overall community has been instrumental in accomplishments to date and will allow the City to continue with efforts to address critical needs.

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. Compared to Fiscal Year 2017-2018 the City staffing has been reduced by 3.5 positions and changes are carefully reviewed by the City Council as part of the Budget process.

The City does not participate in the California Public Employees Retirement System (CalPERS) for retirement benefits. Instead, unique compared to most cities in California, the City offers a scheduled contribution to employee 401a and 457 retirement accounts, on a defined contribution basis. Agencies that participate in CalPERS are facing required pension contribution increases as well as increases in long term liabilities which is not the case for the City of Orinda.

The City will be receiving \$4.8 million in Coronavirus State and Local Fiscal Recovery funds. This is a Federal grant which has specified limitations for the expenditures. Although the U.S. Department of Treasury has not issued final regulations the City Council has begun planning for these expenditures. The current framework being considered is to use this one-time funding for one-time expenditures with a desire to focus on critical needs such as storm drain repairs which have a projected cost of more than \$3 million. The City is expecting clarifications of the program regulations and will formally incorporate the planned expenditures into the City Budget and Capital Improvement Plan.

Progress Addressing Long-Term Needs

Although the ACFR is reporting one year results the City's financial planning horizon is longer than that. As discussed earlier, the City Council is proceeding with the proactive step of allocating new revenue to address unmet needs. As a small City among the most pressing need is to insure financial resources to meet long-term major capital needs. The City uses a five year Capital Improvement Plan (CIP) to identify and plan for capital needs. In terms of the operating budget the City also takes a longer view by adopting a two year budget. These efforts include projecting revenues by each funding source and using a cash flow model to address the proposed timing for major expenditures. Sometimes the model indicates the need to accumulate funds over more than one year, in order to achieve a larger expenditure. This can account for the increase in fund balance in certain funds.

A significant budgetary impact in Fiscal Year 2020-21 was the 2020 Pavement Improvement Project which included \$3 million in voter approved bond financing. This project marked the completion of expenditures from \$45 million General Obligation Bonds used to improve public streets and roads. The investment in streets can be measured by the improvements reported by the Metropolitan Transportation Commission. In 2018 the 3 year average for Orinda was rated "Fair" with a score of 68. By 2020 the City achieved a rating of "Very Good" with a rating of 81. This put the City among the top 10 in the Bay Area.

The City has also made progress reducing liabilities for OPEB (retiree health benefits). In Fiscal Year 2020-2021 the City was able to reduce the retiree health liability to \$166,629. The "pay-as-you-go" retiree benefit cost in the most recent fiscal year which was \$3,182, which represents actual premium costs paid by the City for participating retirees. 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. The trust assets as of June 30, 2021 cover 89% of the total OPEB liability.

The California State Auditor website has compiled comparative data on the health of California Cities for fiscal years 2016-2017 through 2019-2020. For each of these years the City of Orinda's score compared to other cities in Contra Costa County has improved and is assigned an overall rating of "low risk". The City Council has used these indicators to initiate changes in order to improve the City's financial position.

RECOGNITION

The Government Finance Officers Association (GFOA) has recognized the City of Orinda for its Annual Comprehensive Financial Report covering the period ending June 30, 2020. A copy of the award from GFOA is included in this report. This award represents the 7th 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 Annual Comprehensive Financial Report (ACFR). 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, 2021 Annual Comprehensive Financial Report for the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA).

ACKNOWLEDGEMENTS

The preparation of the Annual Comprehensive 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 David Alvey CPA and his staff, 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 that the City Council values the importance of comprehensive financial reporting as is evidenced by assigning resources to its completion. Further, the City has active participation from volunteers committee / commission members that offer additional input to the City Council including members of the Finance Advisory Committee and the Supplemental Sales Tax Oversight Commission. The combined effort displays the community support for maintaining the highest standards of professionalism in the management of the City of Orinda's finances.

Respectfully submitted,



David Biggs
City Manager



Paul S. Rankin
Administrative Services Director

**City of Orinda
List of City Officials
For the year ended June 30, 2021**

City Council

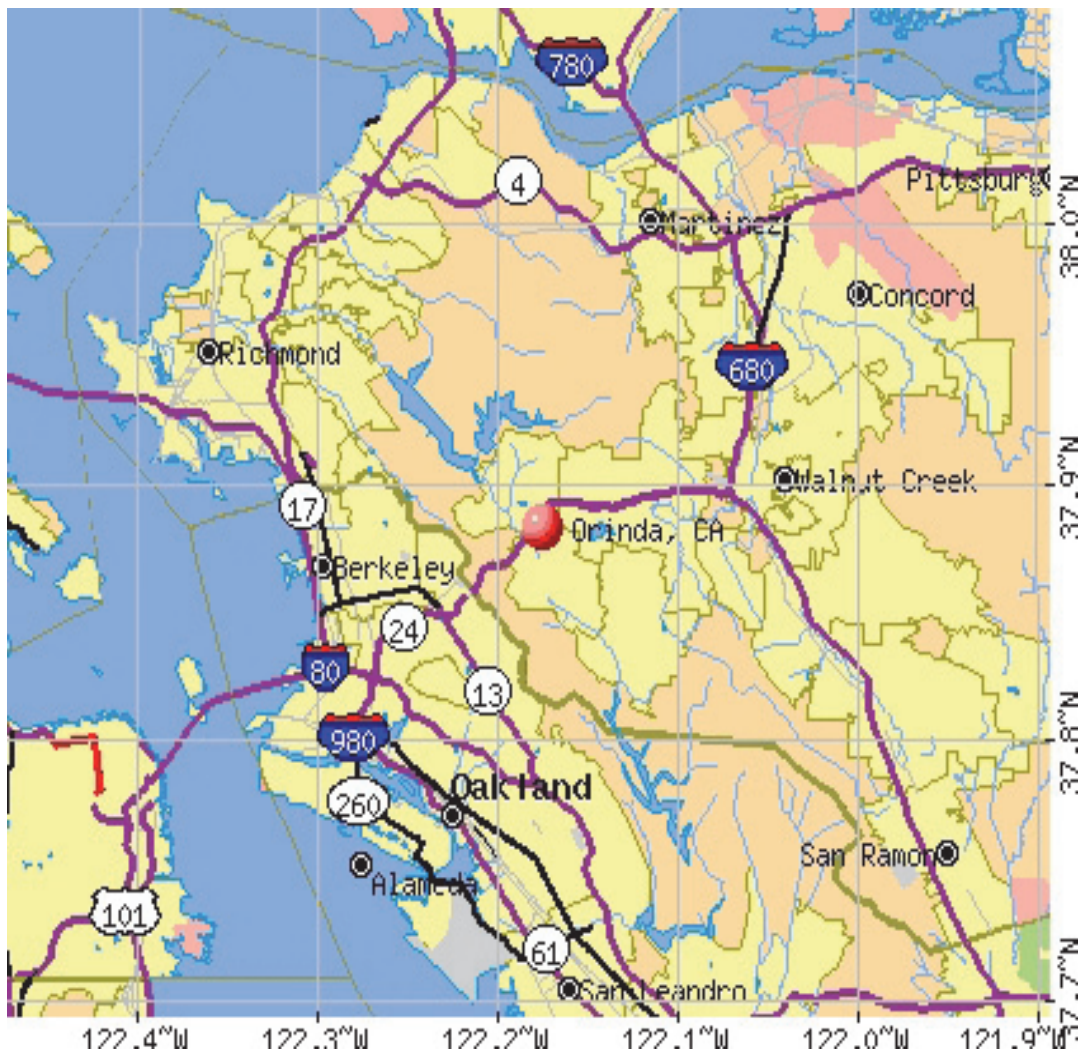
Amy R. Worth, Mayor
Dennis Fay, Vice Mayor
Darlene K. Gee, Councilmember
Nick Kosla, Councilmember
Inga Miller, Councilmember

City Officials

David Biggs, City Manager
Osa Wolff, City Attorney (Contract)
Sheri Smith, City Clerk
Paul S. Rankin, Administrative Services 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

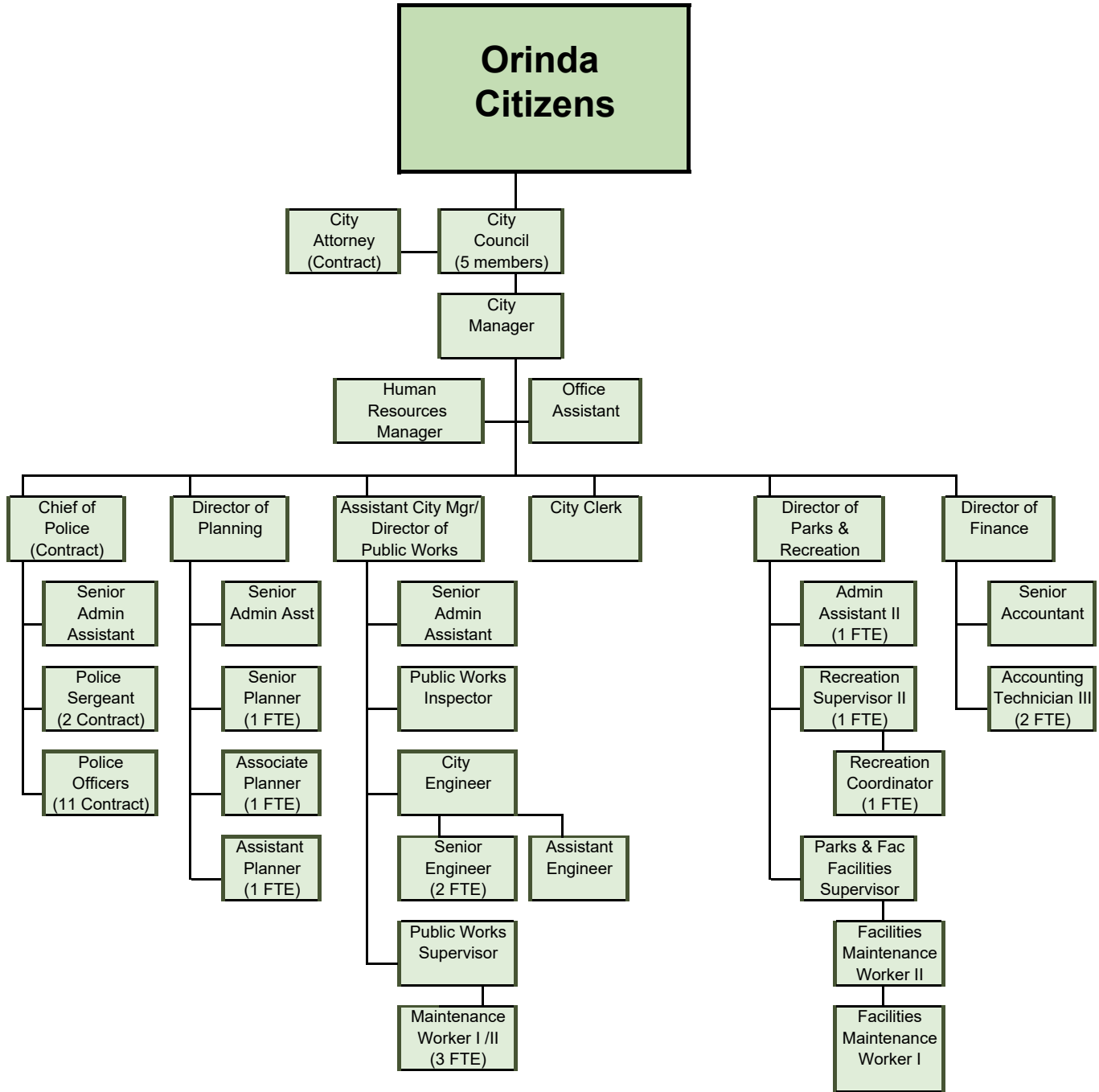
“Orinda strives to provide excellent service in a fiscally responsible manner to promote a safe, friendly and vibrant community.”



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



FY 2020-21 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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

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, 2021, 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, 2021, 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.

Change in Accounting Principle

Management early adopted the provisions of Governmental Accounting Standards Board Statement No 98 – *The Annual Comprehensive Financial Report*, which changed the name of the Comprehensive Annual Financial Report to Annual Comprehensive Financial Report.

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 14, 2021 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 the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze + Associates

Pleasant Hill, California
December 14, 2021

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City of Orinda
Management's Discussion and Analysis (MDA)
June 30, 2021

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, 2021. 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, 2021 and 2020

	Governmental Activities			% Change
	June 30, 2021	June 30, 2020	\$ Change	
Current and other assets	\$38,074,053	\$37,571,118	\$502,935	1.3%
Capital assets	111,490,924	108,702,945	2,787,979	2.6%
Total Assets	149,564,977	146,274,063	3,290,914	2.2%
Deferred Outflow of Resource (Related to OPEB - Note 12)	56,703	27,666	29,037	105.0%
Current liabilities	6,130,611	6,545,187	(414,576)	-6.3%
Noncurrent liabilities	46,559,081	48,178,504	(1,619,423)	-3.4%
Total Liabilities	52,689,692	54,723,691	(2,033,999)	-3.7%
Deferred Inflow of Resources (Related to OPEB - Note 12)	261,050	249,626	11,424	4.6%
Net Position:				
Invested in capital assets	63,759,559	62,775,273	984,286	1.6%
Restricted for:				
Capital projects	3,496,524	3,611,710	(115,186)	-3.2%
Special purpose projects	11,278,372	11,115,831	162,541	1.5%
Unrestricted	18,136,483	13,825,598	4,310,885	31.2%
Total Net Position	\$96,670,938	\$91,328,412	\$5,342,526	5.8%

As illustrated in the table above, the City's net position increased by \$5.3 million (5.8%) during FY 2020-2021. This is primarily due to the following:

- Total assets increased by \$3.3 million, due primarily to the additions to capital assets as the result of completion of infrastructure projects which accounted for 85% of the total change (\$2.8 million). The change in current assets accounted for \$0.5 million of the total increase. This was a combination of a reduction in restricted cash (including the expenditure of \$3 million in GO bond proceeds) which was offset by the recording of a loan receivable in the Affordable Housing fund. The largest type of capital projects completed were various paving and road rehabilitation projects. The increase in capital assets were partially offset by \$5.9 million in asset depreciation.
- Total liabilities decreased by approximately \$2.0 million (-3.7%). Current liabilities totaled \$6.1 million which was a decrease of approximately \$415,000. This was primarily attributable to a decrease in accounts payable as of June 30, 2021. Non-current liabilities decreased by approximately \$1.6 million. The primary contributing factors this change were: a reduction in long-term COP and GO bonds outstanding after the annual debt service payments; and a reduction of the OPEB Liability for Retiree Health Benefits. The OPEB reduction was achieved as a result providing additional funding to the OPEB Trust and updated calculations in a new actuarial study. The OPEB liability decreased by 80% from the amount reported in 2020.

- 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, 2021 (Outflow = \$56,703 | Inflow = \$261,050) have minimal impact on the total Net Assets.
- The City's nearly \$63.8 million invested in capital assets represents 66% of total \$96.7 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 2020 and 2021. 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, 2021 and 2020)

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:				
<u>Program revenues:</u>				
Charges for services	\$6,961,426	\$6,168,260	\$793,166	12.9%
Operating grants and contributions	331,698	867,374	(\$535,676)	-61.8%
Capital grants and contributions	1,017,913	3,505,205	(\$2,487,292)	-71.0%
<u>General revenues:</u>				
Property Tax	10,824,872	10,350,583	474,289	4.6%
Sales Tax	3,139,364	2,449,156	690,208	28.2%
Franchise Taxes	1,161,418	1,152,773	8,645	0.7%
Transfer Tax	519,674	296,104	223,570	75.5%
Transient Occupancy Tax	34,660	49,763	(15,103)	-30.3%
Rent and Interest	106,663	1,067,239	(960,576)	-90.0%
Other	2,630,490	1,510,369	1,120,121	74.2%
Total Revenues	<u>26,728,178</u>	<u>27,416,826</u>	<u>(688,648)</u>	<u>-2.5%</u>
Expenses:				
General Government	2,893,144	2,716,501	176,643	6.5%
Police Services	4,439,418	4,236,572	202,846	4.8%
Public Works and Engineering	7,311,925	6,511,462	800,463	12.3%
Parks, Recreation & Library	4,169,449	4,725,088	(555,639)	-11.8%
Planning	1,020,329	1,102,985	(82,656)	-7.5%
Interest on bonds payable	1,551,387	1,602,013	(50,626)	-3.2%
Total Governmental Activities	<u>21,385,652</u>	<u>20,894,621</u>	<u>491,031</u>	<u>2.4%</u>
Increase In Net Position	<u>5,342,526</u>	<u>6,522,205</u>	<u>(1,179,679)</u>	<u>-18.1%</u>
Net Position Beginning of Year	<u>91,328,412</u>	<u>84,806,207</u>	<u>6,522,205</u>	<u>7.7%</u>
Net Position - End of Year	<u>\$96,670,938</u>	<u>\$91,328,412</u>	<u>\$5,342,526</u>	<u>5.8%</u>

As shown in Table 2 revenues from all sources totaled \$26.7 million and expenses for all city programs totaled approximately \$21.4 million in Fiscal Year 2020-2021.

Revenues

When compared to the previous year, overall revenues decreased by approximately \$689,000 or -2.5%. The net change is made up of both increases and decreases. A significant portion of the decrease is in capital grants and contributions. In the previous fiscal year the City received disaster grant reimbursements of approximately \$2.5 million arising from storm damage that occurred in 2017. One-time capital grants and grant revenue can fluctuate from year to year depending on the timing of grant funded projects. This was offset by a \$1.4 million net increase in taxes (Property, Sales, Franchise, Transfer, and TOT). The increase in property tax is largely the result of increased assessed values. The Sales Tax revenue reflects one quarter of the new Measure R which is an add-on sales tax at a higher rate than the previous add-on tax. The interest revenue variance is impacted due to recording an unrealized gain in Fiscal Year 2019-2020 and based on market conditions the current year required recording an unrealized investment loss, based on market values at June 30th. The City continued to hold the investments and they are expected to mature at full value.

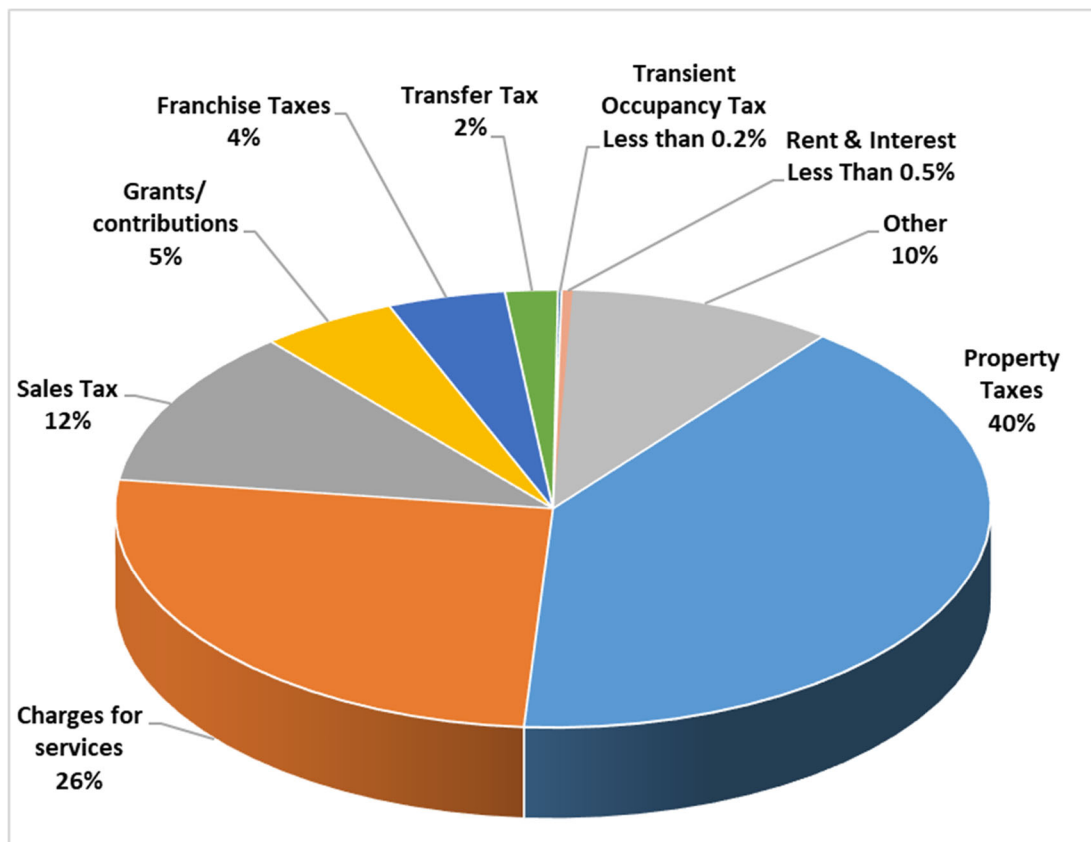
Expenses

Overall expenses as shown in the Statement of Activities increased by approximately \$0.5 million or 2.4%. The largest factors contributing to the increase were increased costs of operation including contracted costs. Parks, Recreation & Library had a significant decrease of approximately \$556,000. This was due to the temporary closure of facilities as well as the reduction in staff due to program curtailment as a result of the pandemic.

Revenues and Expenses by Category

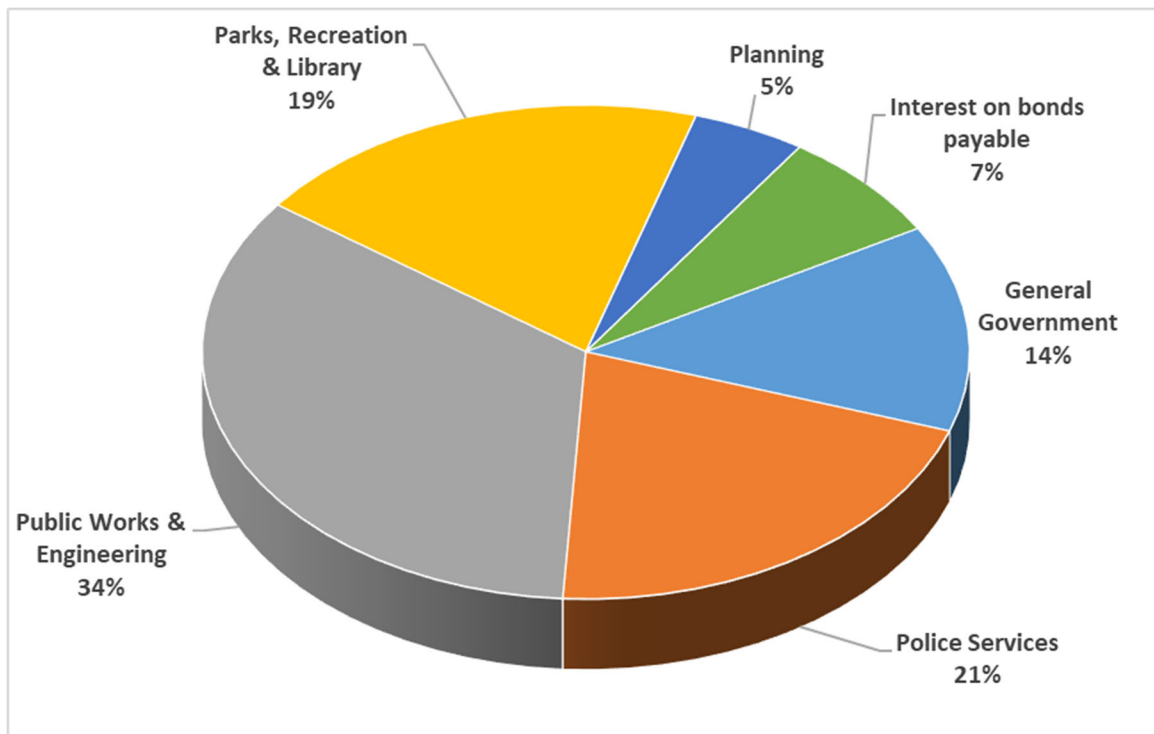
The following chart presents the Government-Wide Fiscal Year 2020-2021 revenue in a pie chart format. For analysis purposes this provides a layout which graphically provides the reader with a sense of relative comparison of the different types of Revenue. Approximately 79% of the revenues come from three sources Property Taxes, Sales Tax and Charges for Services.

Government-Wide Revenue By Type



The following chart presents the Government-Wide Fiscal Year 2020-2021 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 \$21.3 million in expenses are comprised three activities: 21% are attributable to Police Services; Public Works & Engineering account for 34% and Parks, Recreation, and Library account for 19% 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. The criteria for defining a Major Fund can result in differences in the funds identified from one year to the next. In this report the Affordable Housing Fund is now presented as part of the Major Funds. All other funds are grouped together for reporting purposes (Other governmental funds).

Major funds for the City of Orinda as of June 30, 2021 are:

- General Fund
- City Capital Projects
- Community Facilities Maintenance
- Contra Costa Transportation Authority (CCTA)
- Affordable Housing Fund
- 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 ACFR 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 \$1.3 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, 2021

	General Fund	Community Facilities Maint.	CCTA	City Capital Projects	2016 Road Bonds - Capital	2014 & 2016 Road Bonds Debt Service	Affordable Housing	Other Governmental Funds	TOTAL Governmental Funds
Revenues	\$16,926,645	\$14,206	\$474,525	\$0	\$3,702	\$2,644,148	\$1,937	\$4,591,648	\$24,656,811
Current Expenditures	\$12,768,133	\$ -	\$5,617	\$1,813	\$104,966	\$ -	\$ -	\$1,540,880	\$14,421,409
Capital outlay	1,571,252	69,892	919,134	204,624	3,116,236	-	-	2,541,009	8,422,147
Debt service	560,519	-	-	-	-	2,492,496	-	-	3,053,015
Total expenditures	14,899,904	69,892	924,751	206,437	3,221,202	2,492,496	-	4,081,889	25,896,571
Net transfers	(78,670)	-	(942)	-	-	-	-	23,721	(55,891)
Net change in fund balances	1,948,071	(55,686)	(451,168)	(206,437)	(3,217,500)	151,652	1,937	533,480	(1,295,651)
Fund balances, beginning of yr	13,307,285	1,383,180	1,251,115	2,364,424	3,217,500	2,011,418	135,830	7,655,151	31,325,903
Fund balances, end of year	\$15,255,356	\$1,327,494	\$799,947	\$2,157,987	\$ -	\$2,163,070	\$137,767	\$8,188,631	\$30,030,252

General Fund

The General Fund is the principal operating fund and represents the most significant portion of Governmental Fund revenues and expenditures (69% of governmental revenue and 58% of expenditures). As of June 30, 2021, the fund balance was \$15.3 million which was an increase of \$1.9 million from the \$13.3 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) and the replacement Measure R Approved by the voters November 2020 (and operative April 1, 2021). The use of the Measure L 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 \$1.9 million net change in General Fund balance the add-on sales taxes contributed approximately \$526,000. This was largely due to the fact that Measure R was only in place one quarter and had limited expenditures before year-end. The portion of the \$15.3 million fund balance assigned for add-on tax priority expenditures total \$4.2 million (\$3.6 million Measure L and \$0.6 million Measure R). A separate schedule detailing the combining of these funds is included as part of the Other Supplementary Information. Approximately \$766,000 of the fund balance is assigned for use in completing General and Long Term Plans. The total funds designated as unassigned increased by \$1.8 million from the prior year. The unassigned portion of the General Fund balance complies with the adopted policy to maintain at least 50% of expenditures as a contingency (See reserve policy as described in Note 10). During the year the City also had reduced expenditures which were impacted by vacancies as well as reduced contract Police personnel due to vacancies.

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 only revenue reflects interest earnings. Expenditures were related to field improvements at the Wilder sports fields. As of June 30, 2021 the balance in this fund was approximately \$1.3 million. The adopted CIP allocates the funds for future improvements to be undertaken in Fiscal Year 2021-2022.

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 2% of governmental revenues and 4% of expenditures. The fund balance decreased by approximately \$451,000. This was the result project expenditures which included unexpended balances from prior years. The expenditures were from the sources distributed according to the CCTA formula and were not project specific grants. The remaining road maintenance funds are targeted for projects identified in the five year capital improvement program.

Capital Projects Fund

There was no revenue recorded in this fund in the current Fiscal Year and expenditures were approximately \$206,000 which reduced the available balance. This fund includes General Fund monies set-aside and planned for one-time priority capital projects for which there is not another source of funding. As of June 30, 2021 the balance in this fund was approximately \$2.2 million.

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 12% of the total expenditures in governmental funds. The expenditures occurring this year were used on the 2020 Street Rehabilitation project and resulted in no remaining funds from the 2016 bond proceeds.

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 \$2.6 million and expenditures of approximately \$2.5 million. In combination these funds represented approximately 11% of the total Governmental Funds revenues and 10% 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 approximately \$1.1 million. The ending fund balance for the 2014 debt service fund was approximately \$944,000.

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. All of the proceeds from this issue were fully expended as of June 30, 2021. 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 \$1.5 million in Revenue and expenditures were \$1.4 million. The ending fund balance for the 2016 debt service fund was approximately \$1.2 million.

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.

Affordable Housing Fund

Based on the criteria for reporting Major funds the Affordable Housing Fund meets the required criteria due to the assets of the fund representing 6% of the assets of all governmental funds combined. As disclosed in Note 5 the fund holds a Note in the amount of \$2,050,000 that is due in 2069 from Eden Housing and related to the development of the Monteverde Senior Apartments. There is no accrued interest due and the asset is offset by a deferred inflow of revenue that is unavailable. The fund had minor revenue of approximately \$2,000 related to interest and miscellaneous fees collected. This fund has an ending balance of approximately \$138,000 which is used to monitor deed restricted affordable units in the Pulte project.

Other Governmental Funds

As noted earlier this information aggregates financial results from several funds. As of June 30, 2021 the combined fund balance was approximately \$8.2 million. These funds represented 19% of the total governmental fund revenues and 16% of the expenditures. There was an overall net increase in fund balance of approximately \$533,000. The change was comprised of both increases and decreases between the individual funds. The most significant factors were decreases of approximately \$269,000 in Park Dedication & Improvement Fees and \$95,000 in Gas Tax expended on capital projects. There was also a decrease of \$116,000 in the Recycling funds. Some of the larger increases occurred where current year revenue did not exceed expenditures and the increase in funds will be available for future projects. This includes nearly \$445,000 in storm-water and drainage funds as well as approximately \$247,000 available from Road Maintenance fees collected from the garbage company. The Library parcel tax fund had an increase in the available balance of \$134,500 due to reduced operating hours and a delay in the start of planned capital projects. 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 \$2.5 million as of June 30, 2021. This was approximately \$227,000 more than was reported for the same funds in the previous year. The primary factor was additional collection of charges to accumulate replacement funds for fleet and information technology. There was also a delay in projects to be funded by the Building Services fund. 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, 2021 the net position of this fund was \$1,920,402.

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. A summary of the General Fund original adopted budget, compared to the final amended budget is shown in Table 4 below. During Fiscal Year 2020-2021 the original General Fund budgeted revenue was increased by approximately \$723,000 and the General Fund Budgeted expenditures were increased by approximately \$750,000 which would produce a net difference of approximately \$30,000. The City Council was cautious in approving budget changes given the uncertainty of the range of impacts from the pandemic. A balanced budget approach was considered a prudent approach.

TABLE 4: SUMMARY GENERAL FUND ORIGINAL BUDGET COMPARED TO FINAL BUDGET FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Budget Variance</u>
<u>Resources:</u>			
Revenues	\$15,121,235	\$15,844,327	\$723,092
Transfers In	16,360	16,360	-
Total Resources	<u>15,137,595</u>	<u>15,860,687</u>	<u>723,092</u>
<u>Appropriations</u>			
Expenditures	16,672,701	17,425,150	(\$752,449)
Transfers Out	35,630	35,630	\$0
Total Appropriations	<u>16,708,331</u>	<u>17,460,780</u>	<u>(752,449)</u>

General Fund Budget Compared to Final Actual

Table 5 provides a summary comparing the General Fund Final Adjusted Budget to the Actual results. As a financial plan using estimates and projections variances are not unexpected. The end results were positive for the City in that the actual Revenue (including transfers) exceeded the Budget estimate by \$1.1 million, while the General Fund Expenditures (including operating transfers) were \$2.5 million less than the authorized Budget.

Factors impacting the revenue results included: Federal Cares Act grant of approximately \$234,000; increased sales tax partially attributable to one quarter of the new voter approved Measure R; increased revenue from property transfer tax partially due to newly constructed homes in the Wilder development being sold; increased development activity resulting in more revenue from building permits and other development review service fees; and an increase in recreation fees as programs and facility rentals that were precluded in the first nine months of the year were allowed to occur under modified Covid 19 health restrictions. The various positive results in revenue were partially offset by the recording of an unrealized market value adjustment on investments held by the City.

The largest single factor causing General Fund expenditures to be less than the Budget is related to capital project timing. Approximately \$1.1 million in budgeted capital outlay was not spent during the year and is expected to carry over to expenditures in the next year. Staffing vacancies and turnover impacted Planning, Public Works and Police resulting in budgetary savings.

Table 5 below summarizes the results of the Final Adjusted Budget compared to the final Actual results. The complete schedule which includes additional detail, as required, is included in the supplementary information following the notes to the financial statements.

TABLE 5: SUMMARY GENERAL FUND FINAL BUDGET COMPARED TO ACTUAL REVENUE, EXPENSE, TRANSFERS FISCAL YEAR ENDED JUNE 30, 2021

	<u>Final Budget</u>	<u>Actual June 30, 2021</u>	<u>Variance Final Budget</u>
<u>Resources:</u>			
Revenues	\$15,844,327	\$16,926,645	\$1,082,318
Transfers In	16,360	20,929	4,569
Total Resources	<u>15,860,687</u>	<u>16,947,574</u>	<u>1,086,887</u>
<u>Appropriations</u>			
Expenditures	17,425,150	14,899,904	\$2,525,246
Transfers Out	35,630	99,599	(\$63,969)
Total Appropriations	<u>17,460,780</u>	<u>14,999,503</u>	<u>2,461,277</u>
Appropriations (over) resource	<u>(1,600,093)</u>	<u>1,948,071</u>	
Fund balance beginning of year		<u>13,307,285</u>	
Fund balance end of year		<u>15,255,356</u>	

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Detailed information regarding composition and activity in capital assets is provided in Note 6 to the financial statements. The City's capital assets for governmental activities as of June 30, 2021 amounted to \$111.5 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 6 below:

TABLE 6: CAPITAL ASSETS NET OF ACCUMULATED DEPRECIATION

	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>\$ Change</u>	<u>% Change</u>
Land	\$2,442,087	\$2,441,034	\$1,053	0.0%
Parkland and improvements	1,295,205	1,295,205	-	0.0%
Work in progress	15,816,655	14,808,092	1,008,563	6.8%
Buildings, grounds and improvements	36,047,671	35,574,773	472,898	1.3%
Furniture and equipment	2,439,485	2,283,988	155,497	6.8%
Infrastructure	141,529,830	134,535,399	6,994,431	5.2%
Subtotal	<u>199,570,933</u>	<u>190,938,491</u>	<u>8,632,442</u>	<u>4.5%</u>
Less: Accumulated depreciation	88,080,009	82,235,546	5,844,463	7.1%
Total Net of Depreciation	<u>\$111,490,924</u>	<u>\$108,702,945</u>	<u>\$2,787,979</u>	<u>2.6%</u>

As shown in Table 5 the combined total change was approximately \$8.6 million. Major capital asset additions during FY 2020-2021 included: Annual Pavement Rehabilitation projects (over \$6.9 million); \$300,000 related to design of seismic improvements on two bridges; and approximately \$430,000 associated with Park facilities (Tennis Court Rehabilitation; and Wilder Sports fields).

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 7: OUTSTANDING LONG-TERM OBLIGATIONS

	June 30, 2021	June 30, 2020	\$ Change
2015 Refunding COP (City Hall)	\$6,569,906	\$6,905,525	(\$335,619)
2014 GO Bond Series A	7,167,036	7,458,838	(291,802)
2014 GO Bond Series B	10,105,000	10,340,312	(235,312)
2016 GO Bond Series A	23,889,423	24,514,074	(624,651)
TOTAL	\$47,731,365	\$49,218,749	(\$1,487,384)

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 9 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 which cannot be easily predicted given the impacts of a world-wide pandemic. 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 and community are in the process of completing a Downtown Precise Plan and an Update to the Housing Element and Safety Plan, which are components of the City General Plan. The conclusion of these efforts which are also influenced heavily by changes in State Laws will help guide development in the future.

As noted earlier Property Tax is a significant revenue source for the City. The automatic adjustment to assessed values in California is calculated as the lesser of 2% or the increase in the California Consumer Price Index. With the 2021/2022 Fiscal Year the automatic increase was limited to 1%. Into the fall of 2021 both the number of homes sold and the median prices continued to increase which will help to mitigate the reduction in the automatic change in assessed valuations.

With the collection of the new Measure R Add-On Sales tax that began in April 2021 the City is embarking on new initiatives to address priority needs when the tax measure was presented to the voters. The City Council has appointed a Supplemental Sales Tax Oversight Commission to assist in the planning for these funds. The initial focus is on addressing the risks posed from wildfires and disaster response and preparedness. Other critical priorities include critical storm drainage repairs and improvements and continued maintenance of the public roadways.

The City will need to continue to monitor the impacts of the COVID 19 pandemic and balancing resources and expenditures. One positive factor was the receipt of the first of two payments of Federal Grant Local Government Fiscal Recovery funds. In total the City will be receiving approximately \$4.8 million. The City Council has considered a framework for the expenditure of these funds with the focus being on one-time needs. It is also possible that in the coming years the City may be eligible for Federal Infrastructure grants as part of a \$1 trillion package passed by Congress in the second half of 2021.

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, 2021

	Governmental Activities
ASSETS	
Current Assets:	
Cash, cash equivalents and investments (Note 3)	\$30,636,529
Restricted cash (Note 3)	2,160,659
Accounts receivable (Note 4)	2,456,236
Interest receivable	54,176
Loans receivable (Note 5)	2,050,000
Prepaid items and deposits	612,940
Due from other agencies	103,513
Total current assets	38,074,053
Noncurrent Assets:	
Capital assets not being depreciated (Note 6):	
Land	2,442,087
Parkland and improvements	1,295,205
Work in progress	15,816,655
Capital assets, net of accumulated depreciation (Note 6):	
Buildings, grounds and improvements	22,324,040
Furniture and equipment	591,987
Infrastructure	69,020,950
Total noncurrent assets	111,490,924
Total assets	149,564,977
DEFERRED OUTFLOW OF RESOURCES	
Related to OPEB (Note 12)	56,703
LIABILITIES	
Current Liabilities:	
Accounts payable and accrued liabilities (Note 7)	1,826,805
Interest payable	491,206
Unearned revenue	30,000
Current portion of long-term debt (Note 9)	1,547,384
Current portion of accrued compensated absences (Note 1)	85,440
Planning and engineering deposits	2,149,776
Total current liabilities	6,130,611
Noncurrent Liabilities:	
Long-term debt (Note 9):	
COP payable, due in more than one year	6,224,287
GO Bonds, due in more than one year	39,959,694
Long-term portion of accrued compensated absences (Note 1)	341,758
Net OPEB liability (Note 12)	33,342
Total noncurrent liabilities	46,559,081
Total liabilities	52,689,692
DEFERRED INFLOW OF RESOURCES	
Related to OPEB (Note 12)	261,050
NET POSITION (Note 10):	
Net investment in capital assets	63,759,559
Restricted for:	
Capital projects	3,496,524
Special purpose projects	11,278,372
Unrestricted	18,136,483
Total net position	\$96,670,938

See accompanying notes to financial statements

CITY OF ORINDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

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	\$2,893,144				(\$2,893,144)
Police services	4,439,418	\$166,466			(4,272,952)
Public works and engineering	7,311,925	2,931,859	\$331,698	\$1,017,913	(3,030,455)
Parks, recreation and library	4,169,449	2,524,123			(1,645,326)
Planning	1,020,329	1,338,978			318,649
Interest on bonds payable	1,551,387				(1,551,387)
Total primary government	\$21,385,652	\$6,961,426	\$331,698	\$1,017,913	(13,074,615)
		Property taxes			10,824,872
		Sales taxes			3,139,364
		Franchise taxes			1,161,418
		Transfer tax			519,674
		Transient Occupancy Tax			34,660
		Interest income			106,663
		Miscellaneous			2,630,490
		Total general revenues			18,417,141
		Change in net position			5,342,526
		Net position - beginning			91,328,412
		Net position - ending			\$96,670,938

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 2020-21. 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. This fund was closed during the fiscal year ended June 30, 2021.

AFFORDABLE HOUSING FUND

This fund Accounts for costs associated with monitoring the City's affordable housing.

CITY OF ORINDA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021

	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)	\$16,346,692	\$1,329,371	\$910,840	\$2,175,011	
Restricted cash (Note 3)					
Accounts receivable (Note 4)	1,693,751				
Interest receivable	37,438	1,588	922		
Loans receivable (Note 5)					
Prepaid items and deposits	483,516				
Due from other agencies					
Due from other funds	397,582				
	<u>397,582</u>				
Total assets	<u>\$18,958,979</u>	<u>\$1,330,959</u>	<u>\$911,762</u>	<u>\$2,175,011</u>	
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>					
LIABILITIES:					
Accounts payable and accrued liabilities (Note 7)	\$1,096,649	\$3,465	\$111,815	\$17,024	
Other current liabilities	427,198				
Unearned revenue	30,000				
Due to other funds					
Planning and engineering deposits	2,149,776				
	<u>2,149,776</u>				
Total Liabilities	<u>3,703,623</u>	<u>3,465</u>	<u>111,815</u>	<u>17,024</u>	
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue					
	<u></u>				
Total Deferred Inflows of Resources	<u></u>				
FUND BALANCES					
Fund balances (Note 10):					
Nonspendable	483,516				
Restricted		\$1,327,494	799,947		
Assigned	4,999,826				
Committed				2,157,987	
Unassigned	9,772,014				
	<u>9,772,014</u>				
Total fund balances	<u>15,255,356</u>	<u>1,327,494</u>	<u>799,947</u>	<u>2,157,987</u>	
Total liabilities, Deferred Inflows and fund balance	<u>\$18,958,979</u>	<u>\$1,330,959</u>	<u>\$911,762</u>	<u>\$2,175,011</u>	

See accompanying notes to financial statements

Major Funds

Road Bonds 2014 Debt Service	Road Bonds 2016 Debt Service	Affordable Housing	Other Governmental Funds	Total
		\$137,604	\$7,750,865	\$28,650,383
\$942,532	\$1,218,127			2,160,659
			761,695	2,455,446
1,054	1,357	163	9,258	51,780
		2,050,000		2,050,000
			121,494	605,010
			103,513	103,513
				397,582
<u>\$943,586</u>	<u>\$1,219,484</u>	<u>\$2,187,767</u>	<u>\$8,746,825</u>	<u>\$36,474,373</u>
			\$160,612	\$1,389,565
				427,198
				30,000
			397,582	397,582
				2,149,776
			558,194	4,394,121
		\$2,050,000		2,050,000
		2,050,000		2,050,000
\$943,586	\$1,219,484	137,767	121,494	605,010
			7,241,610	11,669,888
				4,999,826
			825,527	2,983,514
				9,772,014
<u>943,586</u>	<u>1,219,484</u>	<u>137,767</u>	<u>8,188,631</u>	<u>30,030,252</u>
<u>\$943,586</u>	<u>\$1,219,484</u>	<u>\$2,187,767</u>	<u>\$8,746,825</u>	<u>\$34,424,373</u>

CITY OF ORINDA
 Reconciliation of the
 GOVERNMENTAL FUNDS - BALANCE SHEET
 with the
 STATEMENT OF NET POSITION
 JUNE 30, 2021

Fund balances of governmental funds	\$30,030,252
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	19,553,947
Capital assets, depreciated, net	91,413,903
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 and COP payable	(47,731,365)
Compensated absences	(427,198)
Interest payable	(491,206)
Net OPEB liability, deferred inflows and deferred outflows	(237,689)
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.	<u>2,510,294</u>
Net position of governmental activities	<u><u>\$96,670,938</u></u>

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, 2021

	Major Funds			
	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects Fund
Revenues				
Taxes				
Property tax and assessments	\$8,216,997			
Sales tax	3,139,364			
Franchise tax	1,161,418			
Transient Occupancy Tax	34,660			
Property transfer tax	519,674			
Use of money and properties	(48,688)	\$14,206	\$9,579	
Service fees				
Business license registration	19,460			
Vehicle fees and parking fines	30,175			
NPDES				
Building inspection	840,897			
Parks and recreation	1,580,784			
Planning	478,621			
Public works and engineering	166,912			
Police	3,238			
Other agencies				
Federal	234,707			
State and local				
Gasoline taxes				
Homeowners tax reimbursement	31,887			
Vehicle abatement	6,501			
CCTA			464,946	
Development impact fees				
Miscellaneous	510,038			
Total Revenues	\$16,926,645	14,206	474,525	

See accompanying notes to financial statements

Major Funds					
Road Bonds 2016 Capital Projects	Road Bonds 2014 Debt Service	Road Bonds 2016 Debt Service	Affordable Housing	Nonmajor Governmental Funds	Total Governmental Funds
	\$1,101,012	\$1,506,863		\$939,608	\$11,764,480
					3,139,364
					1,161,418
					34,660
					519,674
\$3,702	11,454	14,441	\$1,437	79,165	85,296
					19,460
					30,175
				316,547	316,547
					840,897
				61,334	1,642,118
					478,621
					166,912
				156,727	159,965
				275,995	510,702
				301,523	301,523
				775,117	775,117
	4,353	6,025			42,265
					6,501
					464,946
				1,615,680	1,615,680
				69,952	580,490
<u>3,702</u>	<u>1,116,819</u>	<u>1,527,329</u>	<u>500</u>	<u>4,591,648</u>	<u>24,656,811</u>
					(Continued)

CITY OF ORINDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Major Funds			
	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects Fund
Expenditures				
Current:				
City management	\$479,129			
City attorney	567,641			
City clerk	341,296			
Administrative services	1,288,870			
Parks and recreation	2,618,246		\$5,617	
Public works and engineering	2,210,010			
Police services	4,178,380			
Planning	1,050,736			
Capital improvements				\$1,813
Lighting and landscaping district				
Library operations	33,825			
Capital outlay	1,571,252	\$69,892	919,134	204,624
Debt service:				
Interest and fiscal charges	235,519			
Principal	325,000			
Total Expenditures	<u>\$14,899,904</u>	<u>69,892</u>	<u>924,751</u>	<u>206,437</u>
Excess (deficiency) of revenues over expenditures	<u>2,026,741</u>	<u>(55,686)</u>	<u>(450,226)</u>	<u>(206,437)</u>
Other financing sources (uses):				
Transfers in (Note 8)	20,929			
Transfers out (Note 8)	<u>(99,599)</u>		<u>(942)</u>	
Total other financing sources (uses)	<u>(78,670)</u>		<u>(942)</u>	
Net changes in fund balance	1,948,071	(55,686)	(451,168)	(206,437)
Fund balance - beginning of year	<u>13,307,285</u>	<u>1,383,180</u>	<u>1,251,115</u>	<u>2,364,424</u>
Fund balance - end of year	<u>\$15,255,356</u>	<u>\$1,327,494</u>	<u>\$799,947</u>	<u>\$2,157,987</u>

See accompanying notes to financial statements

Major Funds					
Road Bonds 2016 Capital Projects	Road Bonds 2014 Debt Service	Road Bonds 2016 Debt Service	Affordable Housing	Nonmajor Governmental Funds	Total Governmental Funds
					\$479,129
					567,641
					341,296
					1,288,870
				\$337,280	2,961,143
\$104,966				429,655	2,744,631
				303,228	4,481,608
					1,050,736
					1,813
				80,504	80,504
				390,213	424,038
3,116,236				2,541,009	8,422,147
	\$596,976	\$900,520			1,733,015
	480,000	515,000			1,320,000
3,221,202	1,076,976	1,415,520		4,081,889	25,896,571
(3,217,500)	39,843	111,809	\$1,937	509,759	(1,239,760)
				43,708	64,637
				(19,987)	(120,528)
				23,721	(55,891)
(3,217,500)	39,843	111,809	1,937	533,480	(1,295,651)
3,217,500	903,743	1,107,675	\$135,830	7,655,151	31,325,903
	\$943,586	\$1,219,484	\$137,767	\$8,188,631	\$30,030,252

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, 2021

Changes in fund balances of governmental funds (\$1,295,651)

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	8,476,947
Depreciation expense	(5,708,435)

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	1,320,000
Amortization of bond premium	167,384
Accrued interest	14,244

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	(76,561)
Unavailable revenue	2,050,000
Total OPEB Liabilities and related deferred inflow of resources	150,900

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.

243,698

Changes in net position of governmental activities	<u><u>\$5,342,526</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, 2021

<u>ASSETS</u>	<u>Total Internal Service Funds</u>
Current Assets:	
Cash, cash equivalents and investments (Note 3)	\$1,986,146
Accounts receivable	790
Interest receivable	2,396
Prepaid items and deposits	7,930
Total Current Assets	1,997,262
Non-Current Assets	
Property and equipment net of accumulated depreciation (Note 6)	523,074
Total Assets	2,520,336
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable	10,042
Total Liabilities	10,042
<u>NET POSITION</u>	
Net Position (Note 10):	
Investments in capital assets	523,074
Unrestricted	1,987,220
Total Net Position	\$2,510,294

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, 2021

	Total Internal Service Funds
Operating revenues	
Charges for services	\$916,955
Total operating revenues	916,955
Operating expenses	
Contract services	77,263
Services and supplies	95,434
Special department expenses	369,667
Capital Outlay	36,200
Depreciation	172,741
Total operating expenses	751,305
Operating income (loss)	165,650
Non-operating revenues	
Investment income	21,367
Gain on disposal of capital asset	790
Total non-operating revenues	22,157
Other financing sources (uses):	
Transfers in (Note 8)	55,891
Total other financing sources (uses)	55,891
Change in net position	243,698
Net position at beginning of year	2,266,596
Net position at end of year	\$2,510,294

See accompanying notes to financial statements

CITY OF ORINDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30,2021

	Total Internal Service Funds
Cash flows from operating activities:	
Cash received from department users	\$916,165
Cash payments to suppliers of goods and services	(226,849)
Cash payments to employees for services	(369,667)
Net cash provided by (used for) operating activities	319,649
Cash flows from noncapital financing activities:	
Transfers from other funds	55,891
Net cash provided by noncapital financing activities	55,891
Cash flows from capital and related financing activities:	
(Acquisition) of capital assets	(192,208)
Proceeds from sale of capital assets	790
Net cash (used for) capital and related financing activities	(191,418)
Cash flows from investing activities:	
Interest received on investments	22,113
Net cash provided by investing activities	22,113
Net (decrease) in cash and cash equivalents	206,235
Cash and cash equivalents at beginning of year	1,779,911
Cash and cash equivalents at end of year	\$1,986,146
Reconciliation of operating income to net cash flows provided by operating activities:	
Operating income (loss)	\$165,650
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	172,741
Decrease in accounts receivable	(790)
(Increase) in prepaid items	(1,207)
(Decrease) in accounts payable	(16,745)
Net cash provided by (used for) operating activities	\$319,649

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, 2021

<u>ASSETS</u>	<u>GHAD Custodial Fund</u>
Cash, cash equivalents and investments (Note 3)	\$1,927,086
Interest receivable	<u>1,476</u>
Total assets	<u>1,928,562</u>
<u>LIABILITIES</u>	
Accounts payable and accrued expenses	<u>8,160</u>
Total liabilities	<u>8,160</u>
<u>NET POSITION (Note 10)</u>	
Restricted for GHAD Improvements	<u>1,920,402</u>
Total net position	<u><u>\$1,920,402</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, 2021

	GHAD Custodial Fund
Addition	
Contributions	
Property Tax	\$651,484
Total contributions	651,484
Investment Earnings	
Interest	8,155
Net investment earnings	8,155
Total additions	659,639
Deductions	
Administration and accounting	19,959
Maintenance and operations	64,766
Projects	
Total deductions	84,725
Net increase in fiduciary net position	574,914
Net position at beginning of year	1,345,488
Net position at end of year	\$1,920,402

See accompanying notes to financial statements

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CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

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, 2021

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, 2021, 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, 2021

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>
Major:	
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.
Affordable Housing	Accounts for loan receivable and due in 2069 as well as minor administrative costs of administration of deed restricted units in the Pulte project.
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.
Non Major:	
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, 2021

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.

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

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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, 2020	Additions	Reductions	Balance as of June 30, 2021	Current Portion
\$350,637	\$136,916	\$60,355	\$427,198	\$85,440

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 9.75% of taxable sales within the City of which 2.0% is allocated to the City. The sales tax is collected by the State and remitted to the City. 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 9.75% 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 1.0% add-on tax approved by the Orinda voters in November 2020. The add-on tax (Measure R) sunsets in 2041.

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.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. The legal level of budgetary control has been established at the fund level.

The following funds had expenditures in excess of appropriations in fiscal year 2020-21:

Fund	Amount
Road Bonds 2016 Debt Service Fund	\$1,370
Assessment District M-11 Special Revenue Fund	7,701
Recycling Special Revenue Fund	2,984
2014 Road Bonds Debt Service Fund	1,438

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 12.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 12.

J. New and Closed Funds

In fiscal year 2020-21, the City established one new Special Revenue Fund. The Add-On Sales Tax (Measure R) accounts for all revenue received from Measure R which was approved by the voters in November 2020 and collected beginning April 1, 2021. This fund is combined with the General Fund. In fiscal year 2020-21, the City closed the Road Bond 2014 Capital Fund.

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

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

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.

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, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Classifications

The City had the following cash and investments at June 30, 2021:

Reconciliation to Financial Statements:

<i>Governmental Funds Balance Sheet:</i>	
Cash, cash equivalents and investments	\$28,650,383
Restricted cash	2,160,659
Subtotal	30,811,042
<i>Internal Service Funds:</i>	
Cash, cash equivalents and investments	1,986,146
<i>Custodial Funds:</i>	
Cash, cash equivalents and investments	1,927,086
Total cash and investments	\$34,724,274
<i>Statement of Net Position:</i>	
Cash, cash equivalents and investments	\$30,636,529
Restricted cash	2,160,659
<i>Statement of Fiduciary Net Position:</i>	
Custodial Funds - cash, cash equivalents and investments	1,927,086
	\$34,724,274

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, 2021, these investments matured in an average of 291 days.

At June 30, 2021, the book amount of the City's deposits were \$942,093 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, 2021

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, 2021

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	\$402,749	\$967,157	\$1,293,103	\$682,763	\$3,345,772
U.S. Government Agency Securities	976,676	1,918,159	1,560,724	248,349	4,703,908
Medium-Term Corporate Notes	336,641	879,665	539,660	130,953	1,886,919
Money Market	1,900				1,900
Local Agency Investment Fund	22,789,091				22,789,091
Asset-Backed Securities	2,281	14,186	180,366	346,008	542,841
Supranational	404,340		64,786		469,126
Total Investments	\$24,913,678	\$3,779,167	\$3,638,639	\$1,408,073	33,739,557
Cash on Hand and Cash in Bank					984,717
Total Cash and Investments					\$34,724,274

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, 2021 for each investment type:

	Fair Value	AAA/AAAm	AA+/AA/AA-	A+/A/A-	Not Rated
U.S. Government Agency Securities	\$4,703,908		\$4,703,908		
Medium-Term Corporate Notes	1,886,919		344,237	\$1,542,682	
Money Market	1,900	\$1,900			
Local Agency Investment Fund	22,789,091				\$22,789,091
Asset-Backed Securities	542,841	254,024			288,817
Supranational	469,126	469,126			
Total Investments	30,393,785	\$725,050	\$5,048,145	\$1,542,682	\$23,077,908
Exempt:					
U.S. Treasury Notes	3,345,772				
Cash on Hand and Cash in Bank	984,717				
Total Cash and Investments	\$34,724,274				

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

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, 2021:

Issuer	Investment Type	Amount
Federal National Mortgage Association	Federal Agency Securities	\$1,060,932
Federal Home Loan Bank	Federal Agency Securities	1,566,602
Federal Farm Credit Bank	Federal Agency Securities	1,182,726
Federal Home Loan Mortgage Corporation	Federal Agency Securities	893,648

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, 2021

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, 2021:

Investments By Fair Value Level:

	Level 2	Note
U.S. Treasury Notes	\$3,345,772	(A)
U.S. Government Agency Securities	4,703,908	(A)
Medium-Term Corporate Notes	1,886,919	(A)
Asset-Backed Securities	542,841	(A)
Supranational	469,126	(A)
Total By Fair Value Level	10,948,566	

Investments Measured at Amortized Cost:

Money Market	1,900	
Investment Exempt from Fair Value Hierarchy:		
Local Agency Investment Fund	22,789,091	(B)
Total Investments	33,739,557	
Cash on Hand and Cash in Bank	984,717	
Total Cash and Investments	\$34,724,274	

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, 2021. They included:

State of California	\$1,077,826
Wilder Assessment	359,534
Contra Costa County	220,990
Other Government Agencies	349,259
Comcast/Franchise Fees	87,949
AMG & Associates, LLC	70,391
Miscellaneous	290,286
Total	\$2,456,235

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 5 – LOAN RECEIVABLE

In 2012, the City contributed a parcel of land and received a note in the amount of \$2,050,000 from Eden Irwin Way, LLC for the development of Monteverde Senior Apartments (Development), a rental housing development for affordable senior units. The loan, funded from the Affordable Housing Loan, does not include interest payments. The entire balance of the loan is payable in full upon the fifty-fifth (55th) anniversary of the date upon which the City issues the final certificate of occupancy, December 2069. The entire outstanding balance of the loan shall be fully due and payable (i) upon the transfer of all or any part of the development or interest therein other than a transfer permitted without City consent, (ii) a financing encumbrance without City consent, (iii) or any case of default as outlined in the agreement.

During the fiscal year ending June 30, 2021 the City did not have any additional loan transactions involving City assets.

NOTE 6 – CAPITAL ASSETS

Capital Assets

Capital asset activities for the year ended June 30, 2021, were as follows:

	Balance June 30, 2020	Additions	Disposals and adjustments	Transfers	Balance June 30, 2021
Capital assets not being depreciated					
Land	\$2,441,034	\$1,053			\$2,442,087
Parkland and improvements	1,295,205				1,295,205
Work in progress	14,808,092	8,475,892		(\$7,467,329)	15,816,655
Total capital assets not being depreciated	18,544,331	8,476,945		(7,467,329)	19,553,947
Capital assets being depreciated					
Buildings, grounds and improvements	35,574,773			472,898	36,047,671
Furniture and equipment	2,283,988	192,209	(\$36,712)		2,439,485
Infrastructure	134,535,399			6,994,431	141,529,830
Total capital assets being depreciated	172,394,160	192,209	(36,712)	7,467,329	180,016,986
Accumulated depreciation					
Buildings, grounds and improvements	12,602,402	1,121,229			13,723,631
Furniture and equipment	1,700,818	183,392	(36,712)		1,847,498
Infrastructure	67,932,326	4,576,554			72,508,880
Total accumulated depreciation	82,235,546	5,881,175	(36,712)		88,080,009
Net capital assets being depreciated	90,158,614	(5,688,966)		7,467,329	91,936,977
Total net capital assets	\$108,702,945	\$2,787,979			\$111,490,924

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 6 – CAPITAL ASSETS (Continued)

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

Governmental Activities:	
General government	\$321,136
Public safety	1,131
Public works	4,576,554
Culture and recreation	809,614
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	172,740
Total depreciation expense - governmental activities	<u>\$5,881,175</u>

NOTE 7 – ACCOUNTS PAYABLE

Accounts payable in the governmental funds are composed of payables to various vendors during the normal course of business. At June 30, 2021, the most significant general fund payable was the payable to the Contra Costa County Sheriff totaling \$296,137.

NOTE 8 – 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, 2021 were as follows:

Fund Making Transfer	Fund Receiving Transfers	Amount
General Fund	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	43,428 B
	Internal Service Funds	55,891 A
Contra Costa Transportation Authority (CCTA) Fund	General Fund	942 C
Non-Major Governmental Funds	General Fund	19,987 B
		<u>\$120,528</u>

A: To fund capital projects

B: To finance programs

C: To fund LAIF interest allocation

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 9 – 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, 2020	Retirements	Balance at June 30, 2021	Current Portion
2015 Refunding Certificates of Participation, 2% to 5.0%, due 7/1/2035	\$7,945,000	\$6,725,000	(\$325,000)	\$6,400,000	\$335,000
Add: Unamortized Bond Premium		180,525	(10,619)	169,906	10,619
2014 General Obligation Bonds, Series A 2.0 to 4.0%, due 9/1/35	10,000,000	7,190,000	(275,000)	6,915,000	290,000
Add: Unamortized Bond Premium		268,838	(16,802)	252,036	16,802
2014 General Obligation Bonds, Series B 1.4% to 5.0%, due 9/1/37	10,000,000	9,825,000	(205,000)	9,620,000	240,000
Add: Unamortized Bond Premium		515,312	(30,312)	485,000	30,312
2016 General Obligation Bonds, Series A 1.4% to 5.0%, due 9/1/37	25,000,000	22,650,000	(515,000)	22,135,000	515,000
Add: Unamortized Bond Premium		1,864,074	(109,651)	1,754,423	109,651
Total		<u>\$49,218,749</u>	<u>(\$1,487,384)</u>	<u>\$47,731,365</u>	<u>\$1,547,384</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, 2021

NOTE 9 – 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, 2021.

General Fund Key Revenues	2020-2021 Revenue	Percent of Total
Property Taxes	\$5,837,534	47%
Property Tax in Lieu VLF	2,379,463	19%
Sales tax	3,139,364	25%
Franchise Taxes	1,161,418	9%
Total	\$12,517,779	

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
2022	\$335,000	\$225,619
2023	345,000	215,419
2024	355,000	204,919
2025	370,000	190,344
2026	385,000	175,319
2027-2031	2,090,000	689,585
2032-2036	2,520,000	260,200
Total	6,400,000	\$1,961,405
Premium, net of amortization	169,906	
	\$6,569,906	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 9 – 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

	Principal	Interest
2022	\$290,000	\$221,912
2023	310,000	212,912
2024	330,000	201,662
2025	355,000	187,962
2026	380,000	173,262
2027-2031	2,275,000	654,485
2032-2036	2,975,000	254,824
Total	6,915,000	\$1,907,019
Premium, net of amortization	252,036	
	\$7,167,036	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 9 – 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
2022	\$240,000	\$359,125
2023	320,000	355,825
2024	325,000	343,025
2025	325,000	326,775
2026	355,000	313,775
2027-2031	2,265,000	1,296,725
2032-2036	3,085,000	841,025
2037-2038	2,705,000	144,776
Total	9,620,000	\$3,981,051
Premium, net of amortization	485,000	
	\$10,105,000	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 9 – 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
2022	\$640,000	\$887,150
2023	755,000	878,350
2024	865,000	840,600
2025	955,000	823,300
2026	1,080,000	775,550
2027-2031	6,030,000	3,082,250
2032-2036	7,855,000	1,771,600
2037-2038	3,955,000	241,200
Total	22,135,000	\$9,300,000
Premium, net of amortization	1,754,423	
	\$23,889,423	

NOTE 10 – 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, 2021

NOTE 10 – 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

On June 1, 2021 the City Council adopted Resolution 25-21 which provides for an updated policy related to reserves. It continued to be based on 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. After review and consultation by the citizen Finance Advisory Committee it was recommended to increase targeted General Fund Emergency and Contingency reserve balance to 50% of the subsequent fiscal year general fund budgeted expenditures.

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 10 – NET POSITION AND FUND BALANCES (Continued)

The emergency / contingency reserve is \$7,437,752 as of June 30, 2021 and per the policy this is shown as an unassigned balance as required by accounting standards. The City has met the stated target based on 50% of the adopted Fiscal Year 2021-2022 general fund budget. In the table that follows additional designations have also been made within the “unassigned category” to add additional information.

The City Council policy also established an additional target goal of \$800,000 for Road and Slope Stabilization. The City has exceeded the target as of June 30, 2021 with a balance for future capital projects of \$825,527. The Road Stabilization fund is consolidated as part of the Other Governmental funds in the schedule below. The City Council has identified the need to program \$90,000 of the current balance in the upcoming fiscal year.

Detailed classifications of the City’s Fund Balances, as of June 30, 2021, are stated below:

	General Fund	Community Facilities Maintenance	CCTA	City Capital Projects Fund	2014 GO Bond Debt Service	2016 GO Bond Debt Service	Affordable Housing	Other Governmental Funds	Total
Nonspendable:									
Prepaid items	\$483,516							\$121,494	\$605,010
Total nonspendable	483,516							121,494	605,010
Restricted:									
Streets and roads			\$799,947					1,690,620	2,490,567
Debt service					\$943,586	\$1,219,484		956,962	2,284,456
Public facilities		\$1,327,494						987,560	987,560
Parks development Improvements								12,806	12,806
Trees and landscaping								152,774	152,774
Police							\$137,767		137,767
Affordable housing								2,057,461	2,057,461
Storm drain								290,379	290,379
Library								976,933	976,933
Traffic mitigation									
Total restricted		1,327,494	799,947		943,586	1,219,484	137,767	7,125,495	11,553,773
Committed:									
Streets and trails				\$441,453				825,527	1,266,980
City facility improvements				1,109,506					1,109,506
Drainage				607,028					607,028
Total committed				2,157,987				825,527	2,983,514
Assigned:									
Long term and general plan	766,391							116,115	882,506
Add-on sales tax (Measure L)	3,646,087								3,646,087
Add-on sales tax (Measure R)	587,348								587,348
Total assigned	4,999,826							116,115	5,115,941
Unassigned*:									
Contingency / emergency	7,437,752								7,437,752
Unrealized Investment Gain	121,160								121,160
Fleet Replacement Contingency	300,000								300,000
Unassigned	1,833,102								1,833,102
OPEB Retiree Medical	80,000								80,000
Total unassigned	9,772,014								9,772,014
Total Fund Balances	\$15,255,356	\$1,327,494	\$799,947	\$2,157,987	\$943,586	\$1,219,484	\$137,767	\$8,188,631	\$30,030,252

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 11 – 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, 2020	\$6,695,783
Contributions	610,225
Loans, net	(9,700)
Disbursements, net	(185,374)
Earnings	<u>1,791,749</u>
Balance at June 30, 2021	<u><u>\$8,902,683</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, 2020	\$6,531,481
Contributions	404,196
Disbursements, net	(969,287)
Earnings	<u>1,428,917</u>
Balance at June 30, 2021	<u><u>\$7,395,307</u></u>

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 12 – 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, 2021:

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 \$139 for 2020 and \$143 for 2021, 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.

	<u>Hired prior to 11/1/2019</u>	<u>Hired on or after 11/1/2019</u>
Benefit types provided	Medical	Medical
Duration of Benefits	Lifetime	Lifetime
Required Service	7 years	15 years
Minimum Age	55	60
Dependent Coverage	Yes	Yes
City Cap*	PEMHCA minimum employer contribution under “unequal method”	PEMHCA minimum employer contribution under “unequal method”

* For 2021 the City contribution was 95% of \$143 per month and will be 100% of \$149 in 2022

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

Active employees	32
Inactive employees or beneficiaries currently receiving benefit payments	2
Inactive employees entitled to but not yet receiving benefit payments	0
Total	34

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 12 – 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	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age, Level Percent of Pay
Actuarial Assumptions:	
Discount Rate	6.00%
Inflation	2.50%
Payroll Growth	2.75%
Mortality Rate	The mortality assumptions are based on the 2017 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

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, 2021

NOTE 12 – 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, 2020	\$271,108	\$104,479	\$166,629
Changes Recognized for the Measurement Period:			
Service cost	24,279		24,279
Interest on the total OPEB liability	16,603	\$30,229	(13,626)
Employer contributions		151,863	(151,863)
Benefit payments	(13,063)	(13,063)	0
Administrative expenses		(766)	766
Experience (gains)/losses	(40,314)		(40,314)
Changes in assumptions	47,471		47,471
Other			0
Net changes	34,976	168,263	(133,287)
Balance at June 30, 2021 (Measurement Date)	\$306,084	\$272,742	\$33,342

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% (5%)	Current Discount Rate (6%)	Discount Rate +1% (7%)
\$74,900	\$33,342	(\$1,409)

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)		
Current Healthcare Cost Trend Rates		
1 % Decrease (5.0% decreasing to 3.5%)	(6.0% decreasing to 4.5%)	1% Increase (7.0% decreasing to 5.5%)
(\$13,370)	\$33,342	\$91,725

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 12 – POST EMPLOYMENT HEALTH CARE BENEFITS (Continued)

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

For the year ended June 30, 2021, the City recognized negative OPEB expense of \$186,518. At June 30, 2021, 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		(\$174,571)
Changes of assumptions	\$51,962	(70,624)
Net difference between projected and actual earnings on OPEB plan investments	4,741	(15,855)
Total	\$56,703	(\$261,050)

\$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, 2022. 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
2022	(\$30,275)
2023	(30,275)
2024	(30,274)
2025	(31,854)
2026	(27,891)
Thereafter	(53,778)
Total	(\$204,347)

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2021

NOTE 13 – 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, 2021:

	Participating Cities' Total Coverage	Deductible (City Portion)
All risk fire and property	\$800,000,000	\$25,000*
Boiler and machinery	100,000,000	5,000
Cyber liability	2,000,000	50,000
Excess cyber liability	3,000,000	2,000,000
Public Entity Pollution Liability	1,000,000	100,000
Government crime	5,000,000	2,500
Alliant deadly weapons response	500,000	10,000
General Liability	29,000,000	5,000
Employment liability	2,000,000	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 14 – 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, 2021, the risk management fund had net position of \$120,930.

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.

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	6/30/2018 (1)	6/30/2019 (1)	6/30/2020	6/30/2021
Total OPEB Liability (1)				
Service Cost	\$44,208	\$42,927	\$23,572	\$24,279
Interest	15,049	17,516	30,444	16,603
Differences between expected and actual experience	(1,843)	(5,409)	(171,172)	(40,314)
Changes of assumptions	(16,988)	27,443	(90,802)	47,471
Benefit payments	(6,381)	(6,131)	(9,245)	(13,063)
Net change in total OPEB liability	<u>34,045</u>	<u>76,346</u>	<u>(217,203)</u>	<u>34,976</u>
Total OPEB liability - beginning (a)	<u>377,920</u>	<u>411,965</u>	<u>488,311</u>	<u>271,108</u>
Total OPEB liability - ending (b)	<u><u>\$411,965</u></u>	<u><u>\$488,311</u></u>	<u><u>\$271,108</u></u>	<u><u>\$306,084</u></u>
Plan fiduciary net position				
Contributions - employer			\$116,245	\$151,863
Contributions - employee				
Interest				30,229
Net investment income			\$5,598	
Difference between expected and actual investment income			(\$7,901)	
Administrative expense			(\$218)	(\$766)
Benefit payments			(\$9,245)	(\$13,063)
Net change in plan fiduciary net position			<u>104,479</u>	<u>168,263</u>
Plan fiduciary net position - beginning (c)			<u>\$0</u>	<u>\$104,479</u>
Plan fiduciary net position - ending (d)			<u><u>\$104,479</u></u>	<u><u>\$272,742</u></u>
Net OPEB liability - beginning (a)-(c)			<u><u>\$488,311</u></u>	<u><u>\$166,629</u></u>
Net OPEB liability - ending (b)-(d)			<u><u>\$166,629</u></u>	<u><u>\$33,342</u></u>
Plan fiduciary net position as a percentage of the total OPEB liability	0%	0%	39%	89%
Covered-employee payroll	<u>\$3,489,277</u>	<u>\$3,593,955</u>	<u>\$3,724,660</u>	<u>\$3,427,722</u>
Net OPEB liability as a percentage of covered-employee payroll	11.81%	13.59%	7.28%	8.93%

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,	2020	2021
Actuarially determined required contribution	\$116,245	\$151,863
Contributions in relation to the actuarially required contributions	116,245	151,863
Contribution deficiency (excess)	\$0	\$0
Covered-employee payroll	\$3,724,660	\$3,427,722
Contributions as a percentage of covered-employee payroll	3.12%	4.43%

Notes to Schedule:

Valuation Date	July 1, 2019	July 1, 2021
Measurement Date	June 30, 2020	June 30, 2021
Actuarial Cost Method	Entry Age, Level Percent of Pay	Entry Age, Level Percent of Pay
Actuarial Assumptions:		
Discount Rate	6.00%	6.00%
Inflation	2.50%	2.50%
Payroll Growth	2.75%	2.75%
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 mortality assumptions are based on the 2017 CalPERS Mortality for Miscellaneous and Schools Employees table created by CalPERS. CalPERS periodically studies mortality for participating agencies and establishes mortality tables that are modified versions of commonly used tables. This table incorporates mortality projection as deemed appropriate based on CalPERS analysis.

* 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, 2021

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$5,790,000	\$5,790,000	\$5,837,534	\$47,534
Property tax in lieu of VLF	2,300,000	2,365,000	2,379,463	14,463
Sales tax	2,160,000	2,705,000	3,139,364	434,364
Franchise tax	1,155,000	1,155,000	1,161,418	6,418
Transient Occupancy Tax	30,000	20,000	34,660	14,660
Property transfer tax	235,000	370,000	519,674	149,674
Rent and interest	222,000	243,000	(48,688)	(291,688)
Service fees				
Business license registration	14,000	14,000	19,460	5,460
Vehicle and parking fines	68,635	28,000	30,175	2,175
Building inspection	550,000	550,000	840,897	290,897
Parks and recreation	1,773,200	1,354,200	1,580,784	226,584
Planning	400,000	400,000	478,621	78,621
Public works and engineering	127,220	127,220	166,912	39,692
Police	6,000	1,000	3,238	2,238
Other agencies				
Federal		234,707	234,707	
Homeowners tax reimbursement	33,000	33,000	31,887	(1,113)
Vehicle abatement	6,500	6,500	6,501	1
Miscellaneous	250,680	447,700	510,038	62,338
Total revenues	<u>15,121,235</u>	<u>15,844,327</u>	<u>16,926,645</u>	<u>1,082,318</u>
Expenditures				
Current:				
City management	490,794	531,563	479,129	52,434
City attorney	610,000	625,500	567,641	57,859
City clerk	340,104	351,214	341,296	9,918
Administrative services	1,181,246	1,372,776	1,288,870	83,906
Police services	4,964,424	5,009,344	4,178,380	830,964
Public works/ engineering	1,963,679	2,441,848	2,210,010	231,838
Parks and recreation	2,739,458	2,625,772	2,618,246	7,526
Planning	1,151,238	1,111,197	1,050,736	60,461
Library operations	36,930	36,930	33,825	3,105
Capital outlay	2,634,309	2,758,487	1,571,252	1,187,235
Debt Service:				
Interest and fiscal charges	235,519	235,519	235,519	
Principal	325,000	325,000	325,000	
Total expenditures	<u>16,672,701</u>	<u>17,425,150</u>	<u>14,899,904</u>	<u>2,525,246</u>
Excess (deficiency) of revenues over expenditures	<u>(1,551,466)</u>	<u>(1,580,823)</u>	<u>2,026,741</u>	<u>3,607,564</u>
Other financing sources (uses)				
Transfers in	16,360	16,360	20,929	4,569
Transfers out	<u>(35,630)</u>	<u>(35,630)</u>	<u>(99,599)</u>	<u>(63,969)</u>
Total other financing sources (uses)	<u>(19,270)</u>	<u>(19,270)</u>	<u>(78,670)</u>	<u>(59,400)</u>
Net changes in fund balance	<u>(\$1,570,736)</u>	<u>(\$1,600,093)</u>	1,948,071	<u>\$3,548,164</u>
Fund balance - beginning of year			<u>13,307,285</u>	
Fund balance - end of year			<u>\$15,255,356</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, 2021

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Interest	\$2,000	\$2,000	\$14,206	\$12,206
Total revenues	<u>2,000</u>	<u>2,000</u>	<u>14,206</u>	<u>12,206</u>
Expenditures				
Current:				
Capital Outlay	1,052,000	1,052,000	69,892	982,108
Total expenditures	<u>1,052,000</u>	<u>1,052,000</u>	<u>69,892</u>	<u>982,108</u>
Excess (deficiency) of revenues over expenditures	<u>(1,050,000)</u>	<u>(1,050,000)</u>	<u>(55,686)</u>	<u>994,314</u>
Net changes in fund balance	<u>(\$1,050,000)</u>	<u>(\$1,050,000)</u>	(55,686)	<u>\$994,314</u>
Fund balance - beginning of year			<u>1,383,180</u>	
Fund balance - end of year			<u>\$1,327,494</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, 2021

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Rent and interest	\$3,200	\$3,200	\$9,579	\$6,379
CCTA Return to Source	789,330	789,330	464,946	(324,384)
Total revenues	<u>792,530</u>	<u>792,530</u>	<u>474,525</u>	<u>(318,005)</u>
Expenditures				
Current:				
Public works and engineering	6,000	6,000	5,617	383
Capital outlay	1,242,500	1,327,572	919,134	408,438
Total expenditures	<u>1,248,500</u>	<u>1,333,572</u>	<u>924,751</u>	<u>408,821</u>
Excess (deficiency) of revenues over expenditures	<u>(\$455,970)</u>	<u>(541,042)</u>	<u>(450,226)</u>	<u>90,816</u>
Other financing sources (uses)				
Transfers out			(942)	942
Total other financing sources (uses)			<u>(942)</u>	<u>942</u>
Net changes in fund balance	<u>(\$455,970)</u>	<u>(\$541,042)</u>	(451,168)	<u>\$91,758</u>
Fund balance - beginning of year			<u>1,251,115</u>	
Fund balance - end of year			<u>\$799,947</u>	

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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$1,500	\$1,500	\$1,437	(\$63)
Miscellaneous			<u>500</u>	<u>500</u>
Total revenues	<u>1,500</u>	<u>1,500</u>	<u>1,937</u>	<u>437</u>
Expenditures:				
Current:				
Planning	<u>2,000</u>	<u>2,000</u>		<u>2,000</u>
Total expenditures	<u>2,000</u>	<u>2,000</u>		<u>2,000</u>
Excess of revenues over expenditures	<u>(500)</u>	<u>(500)</u>	<u>1,937</u>	<u>2,437</u>
Net changes in fund balance	<u><u>(\$500)</u></u>	<u><u>(\$500)</u></u>	<u>1,937</u>	<u><u>\$2,437</u></u>
Fund balance at beginning of year			<u>135,830</u>	
Fund balance at end of year			<u><u>\$137,767</u></u>	

CITY OF ORINDA
Notes to Required Supplementary Information

NOTE 1 - Budgets and budgetary accounting

The City operates under the general laws of the State of California ("State") and annually adopts a budget to be effective July 1 of the ensuing fiscal year. The City adopts an annual budget for General, Special Revenue and Capital Projects Funds, except for the Gas Tax Special Revenue Fund. The legal level of budgetary control has been established at the fund level. Budgets are subject to a public hearing before they are adopted by the City Council. Budgets are prepared on the cash basis and are not materially different from budgets prepared under accounting principles generally accepted in the United States of America.

All annual appropriations lapse at fiscal year-end. Budgets submitted to the City Council include both proposed appropriations and the means of financing them. The City Council approves total appropriations on a fund-by-fund basis.

The City Manager is authorized to transfer budget appropriations within the same fund in conformance with the adopted policies set by the City Council. Additional appropriations or interfund transfers not included in the original budget resolutions require approval by the City Council. Budgeted amounts shown reflect the annual operating budget as originally passed and include an additional appropriation for equipment replacement made in mid-year. Encumbrance accounting, a method of recording purchase commitments, is not used by the City.

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, 2021

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures				
Current:				
Public works and engineering	\$50,000	\$50,000	\$1,813	\$48,187
Capital outlay	<u>1,166,500</u>	<u>1,166,500</u>	<u>204,624</u>	<u>961,876</u>
Total expenditures	<u>1,216,500</u>	<u>1,216,500</u>	<u>206,437</u>	<u>1,010,063</u>
Excess of revenues over expenditures	<u>(1,216,500)</u>	<u>(1,216,500)</u>	<u>(206,437)</u>	<u>1,010,063</u>
Net changes in fund balance	<u><u>(\$1,216,500)</u></u>	<u><u>(\$1,216,500)</u></u>	<u>(206,437)</u>	<u><u>\$1,010,063</u></u>
Fund balance - beginning of year			<u>2,364,424</u>	
Fund balance - end of year			<u><u>\$2,157,987</u></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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$7,393	\$7,393	\$3,702	(\$3,691)
Total revenues	<u>7,393</u>	<u>7,393</u>	<u>3,702</u>	<u>(3,691)</u>
Expenditures:				
Current:				
Public works and engineering	188,430	106,596	104,966	1,630
Capital outlay	3,151,161	3,151,161	3,116,236	34,925
Total expenditures	<u>3,339,591</u>	<u>3,257,757</u>	<u>3,221,202</u>	<u>36,555</u>
Excess of revenues over expenditures	<u>(3,332,198)</u>	<u>(3,250,364)</u>	<u>(3,217,500)</u>	<u>32,864</u>
Net changes in fund balance	<u><u>(\$3,332,198)</u></u>	<u><u>(\$3,250,364)</u></u>	<u><u>(3,217,500)</u></u>	<u><u>\$32,864</u></u>
Fund balance at beginning of year			<u>3,217,500</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 Bonds 2014 Debt Service Fund
For the year ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$1,115,000	\$1,115,000	\$1,101,012	(\$13,988)
Interest	3,500	3,500	11,454	7,954
Homeowners tax reimbursement			4,353	4,353
Total revenues	<u>1,118,500</u>	<u>1,118,500</u>	<u>1,116,819</u>	<u>(1,681)</u>
Expenditures:				
Debt service:				
Principal	480,000	480,000	480,000	
Interest and fiscal charges	595,538	595,538	596,976	(1,438)
Total expenditures	<u>1,075,538</u>	<u>1,075,538</u>	<u>1,076,976</u>	<u>(1,438)</u>
Excess of revenues over expenditures	<u>42,962</u>	<u>42,962</u>	<u>39,843</u>	<u>(3,119)</u>
Net changes in fund balance	<u>\$42,962</u>	<u>\$42,962</u>	39,843	<u>(\$3,119)</u>
Fund balance at beginning of year			<u>903,743</u>	
Fund balance at end of year			<u>\$943,586</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$1,525,000	\$1,525,000	\$1,506,863	(\$18,137)
Interest	10,000	10,000	14,441	4,441
Homeowners tax reimbursement			6,025	6,025
Total revenues	<u>1,535,000</u>	<u>1,535,000</u>	<u>1,527,329</u>	<u>(7,671)</u>
Expenditures:				
Debt Service:				
Principal	515,000	515,000	515,000	
Interest and fiscal charges	899,150	899,150	900,520	(1,370)
Total expenditures	<u>1,414,150</u>	<u>1,414,150</u>	<u>1,415,520</u>	<u>(1,370)</u>
Excess of revenues over expenditures	<u>120,850</u>	<u>120,850</u>	<u>111,809</u>	<u>(9,041)</u>
Net changes in fund balance	<u>\$120,850</u>	<u>\$120,850</u>	<u>111,809</u>	<u>(\$9,041)</u>
Fund balance at beginning of year			<u>1,107,675</u>	
Fund balance at end of year			<u>\$1,219,484</u>	

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CITY OF ORINDA, CALIFORNIA
COMBINING FUNDS
FISCAL YEAR ENDED JUNE 30, 2021

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 (Measure L)	Accounts for all revenue received from Measure L which was approved by the voters in November 2012 and collected between April 1, 2013 – March 31, 2021. This measure provided a local ½ cent add-on sales tax. Expenses are appropriated separately as part of the City Council adoption of the Budget.
Add-On Sales Tax (Measure R)	Accounts for all revenue received from Measure R which was approved by the voters in November 2020 and collected beginning April 1, 2021. The tax has a 20 year sunset (March 31, 2041). This measure replaced the tax levied under Measure L and consists of a local 1 cent add-on sales tax. Expenses are appropriated separately as part of the City Council adoption of the Budget.

CITY OF ORINDA
Combining Balance Sheet
General Fund
June 30, 2021

	<u>General Purpose</u>	<u>Add - On Sales Tax (Measure L)</u>	<u>Add - On Sales Tax (Measure R)</u>	<u>Total</u>
ASSETS				
Cash, cash equivalents and investments	\$12,594,586	\$3,717,589	\$34,517	\$16,346,692
Accounts receivable	1,017,659	70,448	605,644	1,693,751
Accrued interest receivable	32,881	4,557		37,438
Prepaid items and deposits	483,516			483,516
Due from other funds	397,582			397,582
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$14,526,224</u>	<u>\$3,792,594</u>	<u>\$640,161</u>	<u>\$18,958,979</u>
LIABILITIES AND FUND BALANCES				
Accounts payable and accrued liabilities	\$897,329	\$146,507	\$52,813	\$1,096,649
Other current liabilities	427,198			427,198
Unearned revenue	30,000			30,000
Planning and engineering deposits	2,149,776			2,149,776
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>3,504,303</u>	<u>146,507</u>	<u>52,813</u>	<u>3,703,623</u>
Fund balances:				
Nonspendable	483,516			483,516
Assigned	766,391	3,646,087	587,348	4,999,826
Committed				
Unassigned	9,772,014			9,772,014
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>11,021,921</u>	<u>3,646,087</u>	<u>587,348</u>	<u>15,255,356</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$14,526,224</u>	<u>\$3,792,594</u>	<u>\$640,161</u>	<u>\$18,958,979</u>

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the year ended June 30, 2021

	General Purpose	Add - On Sales Tax (Measure L)	Add - On Sales Tax (Measure R)	Total
Revenues				
Taxes				
Property tax and assessments	\$8,216,997			\$8,216,997
Sales tax	1,116,992	\$1,236,586	\$785,786	3,139,364
Franchise tax	1,161,418			1,161,418
Transient Occupancy Tax	34,660			34,660
Property transfer tax	519,674			519,674
Use of money and properties	(88,906)	40,218		(48,688)
Service fees				
Business license registration	19,460			19,460
Vehicle fees and parking fines	30,175			30,175
Building inspection	840,897			840,897
Parks and recreation	1,580,784			1,580,784
Planning	478,621			478,621
Public works and engineering	166,912			166,912
Police	3,238			3,238
Other agencies				
Federal	234,707			234,707
Homeowners tax reimbursement	31,887			31,887
Vehicle abatement	6,501			6,501
Miscellaneous	395,388	114,650		510,038
Total Revenues	14,749,405	1,391,454	785,786	16,926,645
Expenditures				
Current:				
City management	446,759		32,370	479,129
City attorney	566,300		1,341	567,641
City clerk	341,296			341,296
Administrative services	1,288,870			1,288,870
Parks and recreation	2,519,319		98,927	2,618,246
Public works and engineering	2,144,210		65,800	2,210,010
Police services	4,178,380			4,178,380
Planning	1,050,736			1,050,736
Library operations	33,825			33,825
Capital outlay	118,358	1,452,894		1,571,252
Debt Service:				
Interest	235,519			235,519
Principal payments on bonds	325,000			325,000
Total Expenditures	13,248,572	1,452,894	198,438	14,899,904
Excess (deficiency) of revenues over expenditures	1,500,833	(61,440)	587,348	2,026,741
Other financing sources (uses):				
Transfers in	20,929			20,929
Transfers out	(99,599)			(99,599)
Total other financing sources (uses)	(78,670)			(78,670)
Net changes in fund balance	1,422,163	(61,440)	587,348	1,948,071
Fund balance - beginning of year	9,599,758	3,707,527		13,307,285
Fund balance - end of year	<u>\$11,021,921</u>	<u>\$3,646,087</u>	<u>\$587,348</u>	<u>\$15,255,356</u>

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
General Fund
For the year ended June 30, 2021

	General Purpose			
	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$5,790,000	\$5,790,000	\$5,837,534	\$47,534
Property tax in lieu of VLF	2,300,000	2,365,000	2,379,463	14,463
Sales tax	990,000	1,030,000	1,116,992	86,992
Franchise tax	1,155,000	1,155,000	1,161,418	6,418
Transient Occupancy Tax	30,000	20,000	34,660	14,660
Property transfer tax	235,000	370,000	519,674	149,674
Rent and interest	212,000	212,000	(88,906)	(300,906)
Service fees				
Business License Registration	14,000	14,000	19,460	5,460
Vehicle and parking fines	68,635	28,000	30,175	2,175
Building inspection	550,000	550,000	840,897	290,897
Parks and recreation	1,773,200	1,354,200	1,580,784	226,584
Planning	400,000	400,000	478,621	78,621
Public works and engineering	127,220	127,220	166,912	39,692
Police	6,000	1,000	3,238	2,238
Other agencies				
Federal		234,707	234,707	
Homeowners tax reimbursement	33,000	33,000	31,887	(1,113)
Vehicle abatement	6,500	6,500	6,501	1
Miscellaneous	250,680	338,500	395,388	56,888
Total revenues	<u>13,941,235</u>	<u>14,029,127</u>	<u>14,749,405</u>	<u>720,278</u>
Expenditures				
Current:				
City management	490,794	503,563	446,759	56,804
City attorney	610,000	610,000	566,300	43,700
City clerk	340,104	351,214	341,296	9,918
Finance/ administrative services	1,181,246	1,372,176	1,288,870	83,306
Police services	4,964,424	5,009,344	4,178,380	830,964
Public works/ engineering	1,963,679	2,291,848	2,144,210	147,638
Parks and recreation	2,739,458	2,400,772	2,519,319	(118,547)
Planning	1,151,238	1,111,197	1,050,736	60,461
Library operations	36,930	36,930	33,825	3,105
Capital outlay	225,860	285,991	118,358	167,633
Debt service:				
Interest	235,519	235,519	235,519	
Principal payments on bonds	325,000	325,000	325,000	
Total expenditures	<u>14,264,252</u>	<u>14,533,554</u>	<u>13,248,572</u>	<u>1,284,982</u>
Excess (deficiency) of revenues over expenditures	<u>(323,017)</u>	<u>(504,427)</u>	<u>1,500,833</u>	<u>2,005,260</u>
Other financing sources (uses)				
Transfers in	16,360	16,360	20,929	4,569
Transfers out	(35,630)	(35,630)	(99,599)	(63,969)
Total Other Financing Sources (Uses)	<u>(19,270)</u>	<u>(19,270)</u>	<u>(78,670)</u>	<u>(59,400)</u>
Net changes in fund balance	<u>(\$342,287)</u>	<u>(\$523,697)</u>	1,422,163	<u>\$1,945,860</u>
Fund balance - beginning of year			<u>9,599,758</u>	
Fund balance - end of year			<u>\$11,021,921</u>	

Add - On Sales Tax (Measure L)				Add - On Sales Tax (Measure R)			
Original Budget	Amended Budget	Actual	Variance	Original Budget	Amended Budget	Actual	Variance
\$1,170,000	\$1,000,000	\$1,236,586	\$236,586		\$675,000	\$785,786	\$110,786
10,000	30,000	40,218	10,218		1,000		(1,000)
	109,200	114,650	5,450				
<u>1,180,000</u>	<u>1,139,200</u>	<u>1,391,454</u>	<u>252,254</u>		<u>676,000</u>	<u>785,786</u>	<u>109,786</u>
					28,000	32,370	(4,370)
					15,500	1,341	
					600		600
					150,000	65,800	84,200
					225,000	98,927	126,073
2,338,556	2,290,996	1,452,894	838,102	\$69,893	181,500		181,500
<u>2,338,556</u>	<u>2,290,996</u>	<u>1,452,894</u>	<u>838,102</u>	<u>69,893</u>	<u>600,600</u>	<u>198,438</u>	<u>402,162</u>
<u>(1,158,556)</u>	<u>(1,151,796)</u>	<u>(61,440)</u>	<u>1,090,356</u>	<u>(69,893)</u>	<u>75,400</u>	<u>587,348</u>	<u>511,948</u>
<u>(\$1,158,556)</u>	<u>(\$1,151,796)</u>	(61,440)	<u>\$1,090,356</u>	<u>(\$69,893)</u>	<u>\$75,400</u>	587,348	<u>\$511,948</u>
		3,707,527					
		<u>\$3,646,087</u>				<u>\$587,348</u>	

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
General Fund
For the year ended June 30, 2021

	Total			
	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$5,790,000	\$5,790,000	\$5,837,534	\$47,534
Property tax in lieu of VLF	2,300,000	2,365,000	2,379,463	14,463
Sales tax	2,160,000	2,705,000	3,139,364	434,364
Franchise tax	1,155,000	1,155,000	1,161,418	6,418
Transient Occupancy Tax	30,000	20,000	34,660	14,660
Property transfer tax	235,000	370,000	519,674	149,674
Rent and interest	222,000	243,000	(48,688)	(291,688)
Service fees				
Business License Registration	14,000	14,000	19,460	5,460
Vehicle and parking fines	68,635	28,000	30,175	2,175
Building inspection	550,000	550,000	840,897	290,897
Parks and recreation	1,773,200	1,354,200	1,580,784	226,584
Planning	400,000	400,000	478,621	78,621
Public works and engineering	127,220	127,220	166,912	39,692
Police	6,000	1,000	3,238	2,238
Other agencies				
Federal		234,707	234,707	
Homeowners tax reimbursement	33,000	33,000	31,887	(1,113)
Vehicle abatement	6,500	6,500	6,501	1
Miscellaneous	250,680	447,700	510,038	62,338
Total revenues	<u>15,121,235</u>	<u>15,844,327</u>	<u>16,926,645</u>	<u>1,082,318</u>
Expenditures				
Current:				
City management	490,794	531,563	479,129	52,434
City attorney	610,000	625,500	567,641	57,859
City clerk	340,104	351,214	341,296	9,918
Finance/ administrative services	1,181,246	1,372,776	1,288,870	83,906
Police services	4,964,424	5,009,344	4,178,380	830,964
Public works/ engineering	1,963,679	2,441,848	2,210,010	231,838
Parks and recreation	2,739,458	2,625,772	2,618,246	7,526
Planning	1,151,238	1,111,197	1,050,736	60,461
Library operations	36,930	36,930	33,825	3,105
Capital outlay	2,634,309	2,758,487	1,571,252	1,187,235
Debt service:				
Interest	235,519	235,519	235,519	
Principal payments on bonds	325,000	325,000	325,000	
Total expenditures	<u>16,672,701</u>	<u>17,425,150</u>	<u>14,899,904</u>	<u>2,525,246</u>
Excess (deficiency) of revenues over expenditures	<u>(1,551,466)</u>	<u>(1,580,823)</u>	<u>2,026,741</u>	<u>3,607,564</u>
Other financing sources (uses)				
Transfers in	16,360	16,360	20,929	4,569
Transfers out	(35,630)	(35,630)	(99,599)	(63,969)
Total Other Financing Sources (Uses)	<u>(19,270)</u>	<u>(19,270)</u>	<u>(78,670)</u>	<u>(59,400)</u>
Net changes in fund balance	<u>(\$1,570,736)</u>	<u>(\$1,600,093)</u>	1,948,071	<u>\$3,548,164</u>
Fund balance - beginning of year			<u>13,307,285</u>	
Fund balance - end of year			<u>\$15,255,356</u>	

CITY OF ORINDA, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2021

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, 2021

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.
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, 2021

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, 2021

	Special Revenue Funds			
	Gas Tax	Transportation Impact	Drainage Impact	Library
<u>ASSETS</u>				
Cash, cash equivalents and investments	\$376,994	\$984,262	\$1,768,221	\$345,628
Accounts receivable	104,217		7,501	
Interest receivable	549	1,310	2,075	413
Prepaid items				11,744
Due from other agencies				
Total assets	\$481,760	\$985,572	\$1,777,797	\$357,785
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts payable and accrued liabilities	\$29,217	\$8,639		\$55,662
Due to other funds				
Total liabilities	29,217	8,639		55,662
Fund balance				
Nonspendable				11,744
Restricted	452,543	976,933	\$1,777,797	290,379
Committed				
Total fund balance	452,543	976,933	1,777,797	302,123
Total liabilities and fund balance	\$481,760	\$985,572	\$1,777,797	\$357,785

Special Revenue Funds

Park Dedication	Tree Mitigation	Federal Grants	Recycling	Supplemental Law Enforcement (S.L.E.S.)	Assessment District L-42	Assessment District M-9
\$988,082	\$12,791		\$177,783	\$152,535	\$8,736	\$3,147
1,180	15	\$49,143	294 109,750	239	11	4
<u>\$989,262</u>	<u>\$12,806</u>	<u>\$49,143</u>	<u>\$287,827</u>	<u>\$152,774</u>	<u>\$8,747</u>	<u>\$3,151</u>
\$1,702		\$17,344 31,799			\$276	\$743
<u>1,702</u>		<u>49,143</u>			<u>276</u>	<u>743</u>
987,560	\$12,806		\$109,750 178,077	\$152,774	8,471	2,408
<u>987,560</u>	<u>12,806</u>		<u>287,827</u>	<u>152,774</u>	<u>8,471</u>	<u>2,408</u>
<u>\$989,262</u>	<u>\$12,806</u>	<u>\$49,143</u>	<u>\$287,827</u>	<u>\$152,774</u>	<u>\$8,747</u>	<u>\$3,151</u>

(Continued)

CITY OF ORINDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

	Special Revenue Funds			
	Assessment District M-11	Wilder CFD	Stormwater	TDA Grants
<u>ASSETS</u>				
Cash and cash equivalents	\$6,109		\$287,537	
Accounts receivable		\$359,534	381	\$90,062
Interest receivable		37	263	
Prepaid items				
Due from other agencies				
Total assets	\$6,109	\$359,571	\$288,181	\$90,062
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts payable and accrued liabilities	\$6,109	\$20,882	\$8,517	\$4,258
Due to other funds		133,423		83,032
Total liabilities	6,109	154,305	8,517	87,290
Fund balance				
Nonspendable				
Restricted		205,266	279,664	2,772
Committed				
Total fund balance		205,266	279,664	2,772
Total liabilities and fund balance	\$6,109	\$359,571	\$288,181	90,062

Special Revenue Funds					Capital Project Funds	
Road Maintenance	General Plan Surcharge	Field Maintenance Surcharge	Facility Improvement Surcharge	Permit Technology Surcharge	Oaksprings Assessments District Improvements	State Grants
\$947,276	\$114,402	\$224,340	\$86,954	\$24,582	\$286,664	\$130,275
1,025	1,579 134	252	108	476 29	340	
						103,513
<u>\$948,301</u>	<u>\$116,115</u>	<u>\$224,592</u>	<u>\$87,062</u>	<u>\$25,087</u>	<u>\$287,004</u>	<u>\$233,788</u>
			\$7			\$808
			7			808
\$948,301	\$116,115	\$224,592	87,055	\$25,087	\$287,004	232,980
948,301	116,115	224,592	87,055	25,087	287,004	232,980
<u>\$948,301</u>	<u>\$116,115</u>	<u>\$224,592</u>	<u>\$87,062</u>	<u>\$25,087</u>	<u>\$287,004</u>	<u>\$233,788</u>

(Continued)

CITY OF ORINDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

Capital Project Funds

	<u>Other Grants</u>	<u>Road Stabilization</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and cash equivalents		\$824,547	\$7,750,865
Accounts receivable	\$148,802		761,695
Interest receivable		980	9,258
Prepaid items			121,494
Due from other agencies			103,513
Total assets	\$148,802	\$825,527	\$8,746,825
 <u>LIABILITIES AND FUND BALANCES</u>			
Accounts payable and accrued liabilities	\$6,448		\$160,612
Due to other funds	149,328		397,582
Total liabilities	155,776		558,194
Fund balance			
Nonspendable			121,494
Restricted	(6,974)		7,241,610
Committed		\$825,527	825,527
Total fund balance	(6,974)	825,527	8,188,631
Total liabilities and fund balance	\$148,802	\$825,527	\$8,746,825

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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, 2021

	Special Revenue Funds			
	Gas Tax	Transportation Impact	Drainage Impact	Library
Revenues				
Property tax and assessments				\$522,468
Interest	\$5,035	\$11,582	\$16,878	2,278
Parks and recreation				
Gasoline tax	775,117			
State and local grants				
Development impact fees		132,765	346,326	
C.O.P.S. - State AB 3229				
Federal agencies				
NPDES revenue				
Miscellaneous				
Total revenue	<u>780,152</u>	<u>144,347</u>	<u>363,204</u>	<u>524,746</u>
Expenditures				
Current:				
Administrative services				
City attorney				
Parks and Recreation				
Public works and engineering	196,759		4,425	
Police				
Planning				
Landscaping and street maintenance				
Library services				390,213
Capital outlay	677,878	112,902	4,426	
Debt service:				
Interest and fiscal charges				
Principal				
Total expenditures	<u>874,637</u>	<u>112,902</u>	<u>8,851</u>	<u>390,213</u>
Excess (deficiency) of revenues over expenditures	<u>(94,485)</u>	<u>31,445</u>	<u>354,353</u>	<u>134,533</u>
Transfers in				
Transfers out				
Net transfers in (out)				
Net changes in fund balance	(94,485)	31,445	354,353	134,533
Fund balances at beginning of year	<u>547,028</u>	<u>945,488</u>	<u>1,423,444</u>	<u>167,590</u>
Fund balances at end of year	<u>\$452,543</u>	<u>\$976,933</u>	<u>\$1,777,797</u>	<u>\$302,123</u>

Special Revenue Funds

<u>Park Dedication</u>	<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>
\$11,176	\$133		\$2,730	\$2,010	\$8,548 68	\$11,292 11
35,020			5,016	156,727		
		\$275,995				
<u>46,196</u>	<u>133</u>	<u>275,995</u>	<u>7,746</u>	<u>158,737</u>	<u>8,616</u>	<u>11,303</u>
			123,984	147,000		
315,665		275,996			5,383	9,690
<u>315,665</u>		<u>275,996</u>	<u>123,984</u>	<u>147,000</u>	<u>5,383</u>	<u>9,690</u>
<u>(269,469)</u>	<u>133</u>	<u>(1)</u>	<u>(116,238)</u>	<u>11,737</u>	<u>3,233</u>	<u>1,613</u>
		<u>(3,627)</u>			240 (600)	40
		<u>(3,627)</u>			<u>(360)</u>	40
(269,469)	133	(3,628)	(116,238)	11,737	2,873	1,653
<u>1,257,029</u>	<u>12,673</u>	<u>3,628</u>	<u>404,065</u>	<u>141,037</u>	<u>5,598</u>	<u>755</u>
<u>\$987,560</u>	<u>\$12,806</u>	<u></u>	<u>\$287,827</u>	<u>\$152,774</u>	<u>\$8,471</u>	<u>\$2,408</u>

(Continued)

CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the year ended June 30, 2021

	Special Revenue Funds			
	Assessment District M-11	Wilder CFD	Stormwater	TDA Grants
Revenues				
Property tax and assessments	\$37,763	\$359,537		
Use of money and properties		686	\$1,492	
Parks and recreation				
Gasoline tax				
State and local grants				\$44,192
Development impact fees				
C.O.P.S. - State AB 3229				
Federal agencies				
NPDES			316,547	
Miscellaneous			1,396	
	<u>37,763</u>	<u>360,223</u>	<u>319,435</u>	<u>44,192</u>
Total revenue				
Expenditures				
Current:				
Administrative services				
City attorney				
Parks and Recreation		203,306		
Public works and engineering			228,471	
Police		156,228		
Planning				
Landscaping and street maintenance	65,431			
Library services				
Capital outlay				44,192
Debt service:				
Interest and fiscal charges				
Principal				
	<u>65,431</u>	<u>359,534</u>	<u>228,471</u>	<u>44,192</u>
Total expenditures				
Excess (deficiency) of revenues over expenditures	<u>(27,668)</u>	<u>689</u>	<u>90,964</u>	
Transfers in	43,428			
Transfers out	<u>(15,760)</u>			
Net transfers in (out)	<u>27,668</u>			
Net changes in fund balance		689	90,964	
Fund balances at beginning of year		<u>204,577</u>	<u>188,700</u>	<u>2,772</u>
Fund balances at end of year		<u><u>\$205,266</u></u>	<u><u>\$279,664</u></u>	<u><u>\$2,772</u></u>

Special Revenue Funds					Capital Project Funds	
Road Maintenance	General Plan Surcharge	Field Maintenance Surcharge	Facility Improvement Surcharge	Permit Technology Surcharge	Oaksprings Assessments District Improvements	State Grants
\$9,233	\$1,048	\$2,063 37,428	\$877 23,906	\$212	\$2,999	
1,101,569						\$103,513
	52,803			15,753		
1,110,802	53,851	39,491	24,783	15,965	2,999	103,513
			9,990			
863,656						88,084
863,656			9,990			88,084
247,146	53,851	39,491	14,793	15,965	2,999	15,429
247,146	53,851	39,491	14,793	15,965	2,999	15,429
701,155	62,264	185,101	72,262	9,122	284,005	217,551
<u>\$948,301</u>	<u>\$116,115</u>	<u>\$224,592</u>	<u>\$87,055</u>	<u>\$25,087</u>	<u>\$287,004</u>	<u>\$232,980</u>

(Continued)

CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the year ended June 30, 2021

	Capital Project Funds		
	Other Grants	Road Stabilization	Total
Revenues			
Property tax and assessments			\$939,608
Interest		\$8,654	79,165
Parks and recreation			61,334
Gasoline tax			775,117
State and local grants	\$148,802		301,523
Development impact fees			1,615,680
C.O.P.S. - State AB 3229			156,727
Federal agencies			275,995
NPDES revenue			316,547
Miscellaneous			69,952
Total revenue	148,802	8,654	4,591,648
Expenditures			
Current:			
Administrative services			
City attorney			
Parks and Recreation			337,280
Public works and engineering			429,655
Police			303,228
Planning			
Landscaping and street maintenance			80,504
Library services			390,213
Capital outlay	155,776	2,434	2,541,009
Debt service:			
Interest and fiscal charges			
Principal			
Total expenditures	155,776	2,434	4,081,889
Excess (deficiency) of revenues over expenditures	(6,974)	6,220	509,759
Transfers in			43,708
Transfers out			(19,987)
Net transfers in (out)			23,721
Net changes in fund balance	(6,974)	6,220	533,480
Fund balances at beginning of year, as adjusted		819,307	7,655,151
Fund balances at end of year	(\$6,974)	\$825,527	\$8,188,631

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, 2021

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Gas tax	\$778,000	\$778,000	\$775,117	(\$2,883)
Interest	5,000	5,000	5,035	35
Total revenue	<u>783,000</u>	<u>783,000</u>	<u>780,152</u>	<u>(2,848)</u>
Expenditures				
Current:				
Public works and engineering	207,077	207,077	196,759	10,318
Capital outlay	851,560	974,883	677,878	297,005
Total expenditures	<u>1,058,637</u>	<u>1,181,960</u>	<u>874,637</u>	<u>307,323</u>
Excess (deficiency) of revenues over expenditures	<u>(275,637)</u>	<u>(398,960)</u>	<u>(94,485)</u>	<u>304,475</u>
Net changes in fund balance	<u>(\$275,637)</u>	<u>(\$398,960)</u>	(94,485)	<u>\$304,475</u>
Fund balance at beginning of year			<u>547,028</u>	
Fund balance at end of year			<u>\$452,543</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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Development impact fees	\$40,000	\$140,000	\$132,765	(\$7,235)
Interest	<u>5,000</u>	<u>5,000</u>	<u>11,582</u>	<u>6,582</u>
Total revenues	<u>45,000</u>	<u>145,000</u>	<u>144,347</u>	<u>(653)</u>
Expenditures:				
Capital outlay	<u>171,360</u>	<u>173,060</u>	<u>112,902</u>	<u>60,158</u>
Total expenditures	<u>171,360</u>	<u>173,060</u>	<u>112,902</u>	<u>60,158</u>
Excess (deficiency) of revenues over expenditures	<u>(126,360)</u>	<u>(28,060)</u>	<u>31,445</u>	<u>59,505</u>
Net changes in fund balance	<u>(\$126,360)</u>	<u>(\$28,060)</u>	31,445	<u>\$59,505</u>
Fund balance at beginning of year			<u>945,488</u>	
Fund balance at end of year			<u>\$976,933</u>	

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, 2021

	<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	\$250,000	\$346,326	\$96,326
Interest	<u>10,000</u>	<u>10,000</u>	<u>16,878</u>	<u>6,878</u>
Total revenues	<u>160,000</u>	<u>260,000</u>	<u>363,204</u>	<u>103,204</u>
Expenditures:				
Current:				
Public works and engineering	100,000	100,000	4,425	95,575
Capital outlay	<u>283,000</u>	<u>283,000</u>	<u>4,426</u>	<u>278,574</u>
Total expenditures	<u>383,000</u>	<u>383,000</u>	<u>8,851</u>	<u>95,575</u>
Excess (deficiency) of revenues over expenditures	<u>(223,000)</u>	<u>(123,000)</u>	354,353	<u>198,779</u>
Net changes in fund balance	<u><u>(\$223,000)</u></u>	<u><u>(\$123,000)</u></u>	354,353	<u><u>\$198,779</u></u>
Fund balance at beginning of year			<u>1,423,444</u>	
Fund balance at end of year			<u><u>\$1,777,797</u></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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$520,928	\$520,928	\$522,468	\$1,540
Interest	<u>1,000</u>	<u>1,000</u>	<u>2,278</u>	<u>1,278</u>
Total revenues	<u>521,928</u>	<u>521,928</u>	<u>524,746</u>	<u>2,818</u>
Expenditures:				
Current:				
Library services	<u>562,830</u>	<u>571,430</u>	<u>390,213</u>	<u>181,217</u>
Total expenditures	<u>562,830</u>	<u>571,430</u>	<u>390,213</u>	<u>181,217</u>
Excess (deficiency) of revenues over expenditures	<u>(40,902)</u>	<u>(49,502)</u>	<u>134,533</u>	<u>184,035</u>
Net changes in fund balance	<u><u>(\$40,902)</u></u>	<u><u>(\$49,502)</u></u>	<u>134,533</u>	<u><u>\$184,035</u></u>
Fund balance at beginning of year			<u>167,590</u>	
Fund balance at end of year			<u><u>\$302,123</u></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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$3,000	\$3,000	\$11,176	\$8,176
Development impact fees	80,000	80,000	35,020	(44,980)
Total revenues	83,000	83,000	46,196	(36,804)
Expenditures:				
Capital Outlay	782,500	821,697	315,665	506,032
Total expenditures	782,500	821,697	315,665	506,032
Excess (deficiency) of revenues over expenditures	(699,500)	(738,697)	(269,469)	469,228
Net changes in fund balance	(\$699,500)	(\$738,697)	(269,469)	\$469,228
Fund balance at beginning of year			1,257,029	
Fund balance at end of year			\$987,560	

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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$100	\$100	\$133	\$33
Fees	<u>500</u>	<u>500</u>		<u>(500)</u>
Total revenues	<u>600</u>	<u>600</u>	<u>133</u>	<u>(467)</u>
Excess (deficiency) of revenues over expenditures	<u>600</u>	<u>600</u>	<u>133</u>	<u>(467)</u>
Net changes in fund balance	<u>\$600</u>	<u>\$600</u>	133	<u>(\$467)</u>
Fund balance at beginning of year			<u>12,673</u>	
Fund balance at end of year			<u>\$12,806</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, 2021

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Grants	\$1,615,440	\$1,626,450	\$275,995	(\$1,350,455)
Total revenues	1,615,440	1,626,450	275,995	(1,350,455)
Expenditures				
Capital Outlay	1,615,440	1,626,450	275,996	1,350,454
Total expenditures	1,615,440	1,626,450	275,996	1,350,454
Excess (deficiency) of revenues over expenditures			(1)	(1)
Other financing sources (uses)				
Transfer out			(3,627)	3,627
Total other financing sources (uses)			(3,627)	3,627
Net changes in fund balance			(3,628)	\$3,626
Fund balance - beginning of year			3,628	
Fund balance - end of year				

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, 2021

	<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	\$5,016	\$16
Interest	<u>4,800</u>	<u>4,800</u>	<u>2,730</u>	<u>(2,070)</u>
Total revenues	<u>9,800</u>	<u>9,800</u>	<u>7,746</u>	<u>(2,054)</u>
Expenditures:				
Current:				
Parks and recreation	<u>121,000</u>	<u>121,000</u>	<u>123,984</u>	<u>(2,984)</u>
Total expenditures	<u>121,000</u>	<u>121,000</u>	<u>123,984</u>	<u>(2,984)</u>
Excess (deficiency) of revenues over expenditures	<u>(111,200)</u>	<u>(111,200)</u>	<u>(116,238)</u>	<u>(5,038)</u>
Net changes in fund balance	<u><u>(\$111,200)</u></u>	<u><u>(\$111,200)</u></u>	<u>(116,238)</u>	<u><u>(\$5,038)</u></u>
Fund balance at beginning of year			<u>404,065</u>	
Fund balance at end of year			<u><u>\$287,827</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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
C.O.P.S. - State AB 3229	\$140,000	\$140,000	\$156,727	\$16,727
Interest	<u>2,000</u>	<u>2,000</u>	<u>2,010</u>	<u>10</u>
Total revenues	<u>142,000</u>	<u>142,000</u>	<u>158,737</u>	<u>16,737</u>
Expenditures:				
Current:				
Police	<u>147,000</u>	<u>147,000</u>	<u>147,000</u>	
Total expenditures	<u>147,000</u>	<u>147,000</u>	<u>147,000</u>	
Excess (deficiency) of revenues over expenditures	<u>(5,000)</u>	<u>(5,000)</u>	<u>11,737</u>	<u>16,737</u>
Net changes in fund balance	<u>(\$5,000)</u>	<u>(\$5,000)</u>	<u>11,737</u>	<u>\$16,737</u>
Fund balance at beginning of year			<u>141,037</u>	
Fund balance at end of year			<u>\$152,774</u>	

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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Property tax and assessments	\$8,570	\$8,570	\$8,548	(\$22)
Interest	<u>10</u>	<u>10</u>	<u>68</u>	<u>58</u>
Total revenues	<u>8,580</u>	<u>8,580</u>	<u>8,616</u>	<u>36</u>
Expenditures:				
Current:				
Landscaping and street maintenance	<u>8,760</u>	<u>8,760</u>	<u>5,383</u>	<u>3,377</u>
Total expenditures	<u>8,760</u>	<u>8,760</u>	<u>5,383</u>	<u>3,377</u>
Other financing sources (uses):				
Transfers in			240	240
Transfers out	<u>(600)</u>	<u>(600)</u>	<u>(600)</u>	
Total other financing sources (uses)	<u>(600)</u>	<u>(600)</u>	<u>(360)</u>	<u>240</u>
Net changes in fund balance	<u>(\$780)</u>	<u>(\$780)</u>	2,873	<u>\$3,653</u>
Fund balance at beginning of year			<u>5,598</u>	
Fund balance at end of year			<u>\$8,471</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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Property tax and assessments	\$11,321	\$11,321	\$11,292	(\$29)
Interest	<u>10</u>	<u>10</u>	<u>11</u>	<u>1</u>
Total revenues	<u>11,331</u>	<u>11,331</u>	<u>11,303</u>	<u>(28)</u>
Expenditures:				
Current:				
Landscaping and street maintenance	<u>11,275</u>	<u>11,275</u>	<u>9,690</u>	<u>1,585</u>
Total expenditures	<u>11,275</u>	<u>11,275</u>	<u>9,690</u>	<u>1,585</u>
Other financing sources:				
Transfers in	<u> </u>	<u> </u>	<u>40</u>	<u>40</u>
Total other financing sources	<u> </u>	<u> </u>	<u>40</u>	<u>40</u>
Net changes in fund balance	<u>\$56</u>	<u>\$56</u>	1,653	<u>\$1,597</u>
Fund balance at beginning of year			<u>755</u>	
Fund balance at end of year			<u>\$2,408</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$37,860	\$37,860	\$37,763	(\$97)
Total revenues	37,860	37,860	37,763	(97)
Expenditures:				
Current:				
Landscaping and street maintenance	57,730	57,730	65,431	(7,701)
Total expenditures	57,730	57,730	65,431	(7,701)
Excess of revenues over expenditures	(19,870)	(19,870)	(27,668)	(7,798)
Other financing sources:				
Transfers in	35,630	35,630	43,428	7,798
Transfers out	(15,760)	(15,760)	(15,760)	
Total other financing sources	19,870	19,870	27,668	7,798
Net changes in fund balance				
Fund balance at beginning of year				
Fund balance at end of year				

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$495,725	\$495,725	\$359,537	(\$136,188)
Interest	100	100	686	586
Total revenues	495,825	495,825	360,223	(135,602)
Expenditures:				
Current:				
Police	172,205	172,205	156,228	15,977
Landscaping and street maintenance	323,520	323,520	203,306	120,214
Total expenditures	495,725	495,725	359,534	136,191
Net changes in fund balance	\$100	\$100	689	\$589
Fund balance at beginning of year			204,577	
Fund balance at end of year			\$205,266	

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$1,492	\$992
NPEDES revenue	304,000	304,000	316,547	12,547
Miscellaneous	500	500	1,396	896
	<u>305,000</u>	<u>305,000</u>	<u>319,435</u>	<u>14,435</u>
Total revenues				
Expenditures:				
Current:				
Public works and engineering	224,996	249,440	228,471	20,969
	<u>224,996</u>	<u>249,440</u>	<u>228,471</u>	<u>20,969</u>
Total expenditures				
Net changes in fund balance	<u>\$80,004</u>	<u>\$55,560</u>	90,964	<u>\$35,404</u>
Fund balance at beginning of year			<u>188,700</u>	
Fund balance at end of year			<u>\$279,664</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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
State and local grants	<u>\$39,091</u>	<u>\$104,130</u>	<u>\$44,192</u>	<u>(\$59,938)</u>
Total revenues	<u>39,091</u>	<u>104,130</u>	<u>44,192</u>	<u>(59,938)</u>
Expenditures:				
Capital outlay	<u>89,091</u>	<u>154,130</u>	<u>44,192</u>	<u>109,938</u>
Total expenditures	<u>89,091</u>	<u>154,130</u>	<u>44,192</u>	<u>109,938</u>
Net changes in fund balance	<u>(\$50,000)</u>	<u>(\$50,000)</u>		<u>\$50,000</u>
Fund balance at beginning of year			<u>2,772</u>	
Fund balance at end of year			<u><u>\$2,772</u></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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Rent and interest	\$4,000	\$4,000	\$9,233	\$5,233
Miscellaneous	<u>1,050,000</u>	<u>1,050,000</u>	<u>1,101,569</u>	<u>51,569</u>
Total revenues	<u>1,054,000</u>	<u>1,054,000</u>	<u>1,110,802</u>	<u>56,802</u>
Expenditures:				
Current:				
Public works and engineering				
Capital outlay	<u>1,373,638</u>	<u>1,404,847</u>	<u>863,656</u>	<u>541,191</u>
Total expenditures	<u>1,373,638</u>	<u>1,404,847</u>	<u>863,656</u>	<u>541,191</u>
Excess of revenues over expenditures	<u>(319,638)</u>	<u>(350,847)</u>	<u>247,146</u>	<u>597,993</u>
Net changes in fund balance	<u><u>(\$319,638)</u></u>	<u><u>(\$350,847)</u></u>	<u>247,146</u>	<u><u>\$597,993</u></u>
Fund balance at beginning of year			<u>701,155</u>	
Fund balance at end of year			<u><u>\$948,301</u></u>	

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, 2021

	Original Budget	Amended Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$1,048	\$548
Miscellaneous	47,500	47,500	52,803	5,303
Total revenue	<u>48,000</u>	<u>48,000</u>	<u>53,851</u>	<u>5,851</u>
Excess (deficiency) of revenues over expenditures	<u>48,000</u>	<u>48,000</u>	<u>53,851</u>	<u>5,851</u>
Net changes in fund balance	<u>\$48,000</u>	<u>\$48,000</u>	53,851	<u>\$5,851</u>
Fund balance at beginning of year			<u>62,264</u>	
Fund balance at end of year			<u>\$116,115</u>	

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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest			\$2,063	\$2,063
Recreation fees	\$20,000	\$20,000	37,428	17,428
Total revenues	<u>20,000</u>	<u>20,000</u>	<u>39,491</u>	<u>19,491</u>
Net changes in fund balance	<u>\$20,000</u>	<u>\$20,000</u>	39,491	<u>\$19,491</u>
Fund balance at beginning of year			<u>185,101</u>	
Fund balance at end of year			<u>\$224,592</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest			\$877	\$877
Recreation fees	\$10,000	\$10,000	23,906	13,906
Total revenues	10,000	10,000	24,783	14,783
Expenditures:				
Current:				
Parks and recreation		15,000	9,990	5,010
Total expenditures		15,000	9,990	5,010
Excess of revenues over expenditures	10,000	(5,000)	14,793	19,793
Net changes in fund balance	\$10,000	(\$5,000)	14,793	\$19,793
Fund balance at beginning of year			72,262	
Fund balance at end of year			\$87,055	

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, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest			\$212	\$212
Miscellaneous	<u>\$30,000</u>	<u>\$30,000</u>	<u>15,753</u>	<u>(14,247)</u>
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>15,965</u>	<u>(14,035)</u>
Net changes in fund balance	<u>\$30,000</u>	<u>\$30,000</u>	<u>15,965</u>	<u>(\$14,035)</u>
Fund balance at beginning of year			<u>9,122</u>	
Fund balance at end of year			<u>\$25,087</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$3,000	\$3,000	\$2,999	(\$1)
Total Revenues	3,000	3,000	2,999	(1)
Net changes in fund balance	\$3,000	\$3,000	2,999	(\$1)
Fund balance at beginning of year, as adjusted			284,005	
Fund balance at end of year			\$287,004	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
State Grants Fund
For the year ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Grants	<u>\$240,000</u>	<u>\$240,000</u>	<u>\$103,513</u>	<u>(\$136,487)</u>
Total revenues	<u>240,000</u>	<u>240,000</u>	<u>103,513</u>	<u>(136,487)</u>
Expenditures:				
Capital outlay	<u>527,551</u>	<u>527,551</u>	<u>88,084</u>	<u>439,467</u>
Total expenditures	<u>527,551</u>	<u>527,551</u>	<u>88,084</u>	<u>439,467</u>
Net changes in fund balance	<u>(\$287,551)</u>	<u>(\$287,551)</u>	<u>15,429</u>	<u>\$302,980</u>
Fund balance at beginning of year			<u>217,551</u>	
Fund balance at end of year			<u>\$232,980</u>	

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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Grants - Local	\$150,000	\$150,000	\$148,802	(\$1,198)
Miscellaneous	235,000	235,000		(235,000)
Total revenues	<u>385,000</u>	<u>385,000</u>	<u>148,802</u>	<u>(236,198)</u>
Expenditures:				
Current:				
Capital outlay	385,000	385,000	155,776	229,224
Total expenditures	<u>385,000</u>	<u>385,000</u>	<u>155,776</u>	<u>229,224</u>
Net changes in fund balance			(6,974)	<u>(\$6,974)</u>
Fund balance at beginning of year				
Fund balance at end of year			<u>(\$6,974)</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, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$1,000	\$1,000	\$8,654	\$7,654
Total Revenues	1,000	1,000	8,654	7,654
Expenditures:				
Current:				
Public works and engineering				
Capital outlay		53,000	2,434	50,566
Total expenditures		53,000	2,434	50,566
Net changes in fund balance	\$1,000	(\$52,000)	6,220	\$7,654
Fund balance at beginning of year			819,307	
Fund balance at end of year			\$825,527	

CITY OF ORINDA, CALIFORNIA
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED JUNE 30, 2021

<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, 2021

	Information Systems	Buildings Maintenance	Vehicle Replacement	Risk Management	Total
Assets					
Current Assets:					
Cash, cash equivalents and investments	\$389,535	\$858,322	\$614,905	\$123,384	\$1,986,146
Accounts receivable			790		790
Interest receivable	484	1,029	737	146	2,396
Prepays and deposits	7,930				7,930
Total Current Assets	<u>397,949</u>	<u>859,351</u>	<u>616,432</u>	<u>123,530</u>	<u>1,997,262</u>
Non-current assets:					
Capital assets, net of Accumulated depreciation	<u>130,339</u>	<u>36,833</u>	<u>355,902</u>		<u>523,074</u>
Total Assets	<u>528,288</u>	<u>896,184</u>	<u>972,334</u>	<u>123,530</u>	<u>2,520,336</u>
Liabilities					
Current Liabilities:					
Accounts payable	<u>5,500</u>	<u>1,942</u>		<u>2,600</u>	<u>10,042</u>
Total Liabilities	<u>5,500</u>	<u>1,942</u>		<u>2,600</u>	<u>10,042</u>
Net Position					
Net position:					
Net investments in capital assets	130,339	36,833	355,902		523,074
Unrestricted	<u>392,449</u>	<u>857,409</u>	<u>616,432</u>	<u>120,930</u>	<u>1,987,220</u>
Total Net Position	<u>\$522,788</u>	<u>\$894,242</u>	<u>\$972,334</u>	<u>\$120,930</u>	<u>\$2,510,294</u>

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Information Systems</u>	<u>Buildings Maintenance</u>	<u>Vehicle Replacement</u>	<u>Risk Management</u>	<u>Total</u>
Operating revenues:					
Charges for services	\$200,000	\$165,340	\$159,455	\$392,160	\$916,955
Total operating revenues	<u>200,000</u>	<u>165,340</u>	<u>159,455</u>	<u>392,160</u>	<u>916,955</u>
Operating expenses:					
Contract services	67,363	9,900			77,263
Services and supplies	60,984	33,600	850		95,434
Special department expenses				369,667	369,667
Capital outlay		36,200			36,200
Depreciation	45,418	8,426	118,897		172,741
Total operating expenses	<u>173,765</u>	<u>88,126</u>	<u>119,747</u>	<u>369,667</u>	<u>751,305</u>
Operating income (loss)	<u>26,235</u>	<u>77,214</u>	<u>39,708</u>	<u>22,493</u>	<u>165,650</u>
Non-operating revenues (expenses):					
Investment income	4,561	9,209	6,688	909	21,367
Gain on disposal of capital asset			790		790
Total non-operating revenues	<u>4,561</u>	<u>9,209</u>	<u>7,478</u>	<u>909</u>	<u>22,157</u>
Other financing sources (uses):					
Transfers in	38,617	4,484	12,790		55,891
Total other financing sources (uses)	<u>38,617</u>	<u>4,484</u>	<u>12,790</u>		<u>55,891</u>
Change in net position	69,413	90,907	59,976	23,402	243,698
Net position at beginning of year	<u>453,375</u>	<u>803,335</u>	<u>912,358</u>	<u>97,528</u>	<u>2,266,596</u>
Net position at end of year	<u>\$522,788</u>	<u>\$894,242</u>	<u>\$972,334</u>	<u>\$120,930</u>	<u>\$2,510,294</u>

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2021

	Equipment and Information Systems	Buildings Maintenance	Vehicle Replacement	Risk Management	Total
Cash flows from operating activities:					
Cash received from department users	\$200,000	\$165,340	\$158,665	\$392,160	\$916,165
Cash payments to suppliers of goods and services	(141,087)	(79,362)	(850)	(5,550)	(226,849)
Cash payments to employees for services				(369,667)	(369,667)
Net cash provided by (used for) operating activities	<u>58,913</u>	<u>85,978</u>	<u>157,815</u>	<u>16,943</u>	<u>319,649</u>
Cash flows from noncapital financing activities:					
Transfers from other funds	<u>38,617</u>	<u>4,484</u>	<u>12,790</u>		<u>55,891</u>
Net cash provided by noncapital financing activities	<u>38,617</u>	<u>4,484</u>	<u>12,790</u>		<u>55,891</u>
Cash flows from capital and related financing activities:					
(Acquisition) of capital assets	(45,188)	(4,484)	(142,536)		(192,208)
Proceeds from sale of capital assets			790		790
Net cash (used for) capital and related financing activities	<u>(45,188)</u>	<u>(4,484)</u>	<u>(141,746)</u>		<u>(191,418)</u>
Cash flows from investing activities:					
Interest received on investments	<u>4,682</u>	<u>9,517</u>	<u>6,963</u>	<u>951</u>	<u>22,113</u>
Net cash provided by investing activities	<u>4,682</u>	<u>9,517</u>	<u>6,963</u>	<u>951</u>	<u>22,113</u>
Net increase (decreased) in cash and cash equivalents	57,024	95,495	35,822	17,894	206,235
Cash and cash equivalents at beginning of year	<u>332,511</u>	<u>762,827</u>	<u>579,083</u>	<u>105,490</u>	<u>1,779,911</u>
Cash and cash equivalents at end of year	<u><u>\$389,535</u></u>	<u><u>\$858,322</u></u>	<u><u>\$614,905</u></u>	<u><u>\$123,384</u></u>	<u><u>\$1,986,146</u></u>
Reconciliation of operating income to net cash flows provided by operating activities:					
Operating income (loss)	\$26,235	\$77,214	\$39,708	\$22,493	\$165,650
Adjustments to reconcile operating income to net cash provided by operating activities:					
Decrease in accounts receivable			(790)		(790)
Depreciation	45,418	8,426	118,897		172,741
Decrease in prepaid items	(1,207)				(1,207)
Increase (decreased) in accounts payable	<u>(11,533)</u>	<u>338</u>		<u>(5,550)</u>	<u>(16,745)</u>
Net cash provided by (used for) operating activities	<u><u>\$58,913</u></u>	<u><u>\$85,978</u></u>	<u><u>\$157,815</u></u>	<u><u>\$16,943</u></u>	<u><u>\$319,649</u></u>

STATISTICAL SECTION

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CITY OF ORINDA, CALIFORNIA
STATISTICAL SECTION
FISCAL YEAR ENDED JUNE 30, 2021

This part of the City of Orinda's annual comprehensive 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 annual comprehensive financial reports for the relevant year. The fiscal year 2013 report was the City's first Annual Comprehensive 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
 Nine Fiscal Years*
 Fiscal year ended June 30, 2021
 (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 ACFR for the fiscal year ended June 30, 2013

Fiscal Year Ended June 30,

2017	2018	2019	2020	2021
\$ 49,771,041	\$ 52,843,727	\$ 62,085,833	\$ 62,775,273	\$ 63,759,559
9,768,262	10,697,044	11,769,764	14,727,541	14,774,896
6,621,778	8,723,981	10,819,487	13,825,598	18,136,483
\$ 66,161,081	\$ 72,264,752	\$ 84,675,084	\$ 91,328,412	\$ 96,670,938

City of Orinda
 Changes in Net Position
 Nine Fiscal Years*
 Fiscal year ended June 30, 2021
 (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 ACFR for the fiscal year ended June 30, 2013

Fiscal Year Ended June 30,

	2017	2018	2019	2020	2021
\$	2,299,303	\$ 2,336,578	\$ 2,612,766	\$ 2,716,501	\$ 2,893,144
	4,102,948	4,175,273	4,407,099	4,236,572	4,439,418
	2,919,281	3,946,827	7,335,169	6,511,462	7,311,925
	3,677,620	3,997,130	4,411,986	4,725,088	4,169,449
	908,403	879,871	1,012,380	1,102,985	1,020,329
	721,750	1,559,887	1,394,652	1,602,013	1,551,387
	14,629,305	16,895,566	21,174,052	20,894,621	21,385,652
	-	-	-	-	-
	128,437	160,729	219,717	115,137	166,466
	1,779,708	1,662,106	2,075,783	2,486,667	2,931,859
	2,364,387	3,262,864	3,059,501	2,583,734	2,524,123
	1,039,671	1,237,921	1,261,469	982,722	1,338,978
	168,031	902,369	275,290	867,374	331,698
	2,904,294	756,620	9,876,949	3,505,205	1,017,913
	8,384,528	7,982,609	16,768,709	10,540,839	8,311,037
	(6,244,777)	(8,912,957)	(4,405,343)	(10,353,782)	(13,074,615)
	7,648,593	8,633,632	9,795,495	10,350,583	10,824,872
	2,106,881	2,281,872	2,277,395	2,449,156	3,139,364
	1,118,568	1,139,414	1,127,003	1,152,773	1,161,418
	262,260	316,381	301,824	296,104	519,674
	-	58,658	79,128	49,763	34,660
	-	-	-	-	-
	282,691	561,504	1,231,128	1,067,239	106,663
	-	-	-	-	-
	290,073	2,403,087	2,003,702	1,510,369	2,630,490
	11,709,066	15,394,548	16,815,675	16,875,987	18,417,141
	5,464,289	6,481,591	12,410,332	6,522,205	5,342,526

City of Orinda
Fund Balances, Governmental Funds
Nine Fiscal Years*
Fiscal year ended June 30, 2021
(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 ACFR for the fiscal year ended June 30, 2013

Fiscal Year Ended June 30,

2017	2018	2019	2020	2021
\$ 98,306	\$ 49,122	\$ 495,087	\$ 485,345	\$ 483,516
-	-	-	-	-
5,532,561	5,586,807	6,098,187	350,637	-
695,539	1,895,656	3,175,604	4,532,706	4,999,826
612,209	1,434,723	1,080,000	7,938,597	9,772,014
6,938,615	8,966,308	10,848,878	13,307,285	15,255,356
\$ 4,490	\$ 294,666	\$ 119,729	\$ 11,903	\$ 121,494
44,485,762	35,110,833	25,128,833	15,642,291	11,669,888
1,196,263	-	801,346	2,364,424	2,983,514
-	-	21,513	-	-
(729,717)	1,722,506	-	-	-
44,956,798	37,128,005	26,071,421	18,018,618	14,774,896
\$ 51,895,413	\$ 46,094,313	\$ 36,920,299	\$ 31,325,903	\$ 30,030,252

City of Orinda
 Changes in Fund Balances, Governmental Funds
 Nine Fiscal Years*
 Fiscal year ended June 30, 2021
 (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 ACFR for the fiscal year ended June 30, 2013
 Source: City of Orinda Finance Department

Fiscal Year Ended June 30,

2017	2018	2019	2020	2021
\$ 11,858,635	\$ 13,197,191	\$ 14,639,971	\$ 15,307,257	\$ 16,661,861
1,364,512	1,366,535	1,606,422	1,807,932	2,476,037
95,347	110,859	130,675	78,346	30,175
3,697,094	2,431,226	2,549,007	5,348,766	2,375,336
173,572	553,626	1,207,421	1,032,624	85,296
2,505,242	3,306,755	2,744,798	2,296,917	2,447,616
390,992	2,403,087	1,994,783	1,510,369	580,490
20,085,394	23,369,279	24,873,077	27,382,211	24,656,811
2,016,142	1,910,182	2,245,745	2,520,202	2,676,936
4,112,216	4,196,825	4,561,519	4,333,927	4,481,608
4,108,748	2,061,156	2,626,771	2,647,239	2,744,631
2,761,601	2,947,811	3,257,467	3,577,291	2,961,143
922,311	911,161	1,127,138	1,159,179	1,050,736
339,516	331,063	417,423	89,104	80,504
299,905	440,347	474,501	427,188	424,038
600,017	245,508	1,780,242	272,361	1,813
12,368,781	13,410,450	14,382,940	14,398,928	8,422,147
-	-	-	-	-
858,822	1,727,271	1,698,345	1,781,866	1,733,015
1,360,000	1,220,000	1,475,000	1,875,000	1,320,000
29,748,059	29,401,774	34,047,091	33,082,285	25,896,571
(9,662,665)	(6,032,495)	(9,174,014)	(5,700,074)	(1,239,760)
2,782,818	2,870,343	817,981	662,105	64,637
(2,782,818)	(2,638,948)	(817,981)	(687,550)	(120,528)
35,000,000	-	-	-	-
2,908,926	-	-	-	-
37,908,926	231,395	-	(25,445)	(55,891)
\$ 28,246,261	\$ (5,801,100)	\$ (9,174,014)	\$ (5,725,519)	\$ (1,295,651)
12.77%	18.43%	16.14%	19.57%	17.47%

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 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%
FY 2020-21	7,855,455,822	33,581,157	115,203,562	7,773,833,417	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 2011/12 - 2020/21 Combined Tax Rolls

City of Orinda
Direct and Overlapping Debt
As of June 30, 2021

City Assessed Valuation		\$ 7,773,833,417	
	Percentage Applicable (1)	Outstanding Debt 6/30/2021	Estimated Share of Overlapping Debt
<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Bay Area Rapid Transit District	3.434%	\$ 328,172,932	\$ 11,268,189
Contra Costa Community College District	3.445%	939,870,000	32,379,852
Acalanes Union High School District	19.479%	240,767,772	46,898,506
Lafayette School District	0.182%	72,150,000	131,596
Moraga School District	0.028%	29,500,000	8,299
Orinda Union School District	99.352%	18,190,265	18,072,389
East Bay Regional Park District	3.434%	125,395,149	4,305,584
City of Orinda General Obligation Bonds	100.000%	41,161,459	41,161,459
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			154,225,874
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Contra Costa County General Fund Obligations	3.434%	334,729,873	11,493,328
Moraga Orinda Fire Pension Obligation Bonds	61.496%	8,695,791	5,347,605
City of Orinda Certificates of Participation	100.000%	6,569,906	6,569,906
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			23,410,839
TOTAL DIRECT DEBT			47,731,365
TOTAL GROSS OVERLAPPING DEBT			177,636,713
TOTAL NET OVERLAPPING DEBT			129,905,348

(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 2020-21			FY 2011-12		
	Taxable Assessed Value	Rank	% of Total	Taxable Assessed Value	Rank	% of Total
Pine Grove, LLC	\$ 34,839,447	1	0.45%			
Orinda Dunhill, LLC	34,505,922	2	0.44%			
LS Wilder	21,700,000	3	0.28%			
Taylor Morrison of CA LLC	14,532,497	4	0.19%			
YSMA	12,744,900	5	0.16%			
Orinda Country Club	11,546,785	6	0.15%			
25 Orinda Way LLC	8,967,207	7	0.12%			
Raymond L Quon Trust	8,837,152	8	0.11%			
Motels Mission Sierra	8,829,458	9	0.11%			
29 Orinda Way LLC	8,661,329	10	0.11%			
OG Property Owner, LLC				\$ 134,891,264	1	2.90%
GLL BVK Properties LP				25,000,000	2	0.54%
Pine Grove LLC				24,039,325	3	0.52%
Richard S. Wiley				11,234,470	4	0.24%
Orinda Country Club				10,404,760	5	0.22%
Axa Rosenberg Group LLC				6,651,995	6	0.14%
Sanford J. Colen Trust				6,475,060	7	0.14%
John H. and Wendy Lou Hammergren				6,203,543	8	0.13%
Scott C. and Lisa A. Kovalik Trust				6,128,500	9	0.13%
Michael A. and Susan G. Harrison				5,902,949	10	0.13%
Total	\$ 165,164,697		2.12%	\$ 236,931,866		5.09%

Source: Contra Costa County Assessor 2020/21 and 2011/12 Combined Tax Rolls

City of Orinda
 Schedule of Top 25 Principal Sales Tax Remitters
 Current Year and Nine Years Ago

(listed in alphabetical order)

2021 (represents 81.43% of total sales tax)	2013* (represents 79.31% of total sales tax)
76 Orinda	Barbacoa Restaurant
Benefit Marketing	Beverages & More
Beverages & More	Casa Orinda Restaurant
Casa Orinda Restaurant	Chevron Service Station
Chevron Service Station	CVS Pharmacy
CVS Pharmacy	Energy Comm
Energy Comm	Europa Hofbrau, Deli & Pub
Europa Hofbrau, Deli & Pub	Insight Resource Group
Fourth Bore Tap Room & Grill	Juvenon
Maria Tenaglia Design	La Pizza Restaurant
Mash Gas & Food 5	Maria Tenaglia Architecture
McDonnell Moraga Nursery	McCaulou's Department Store
Monti Kids	McDonnell Moraga Nursery
Morrison's Jewelers	Nations Giant Hamburgers
Nations Giant Hamburgers	Orinda Country Club
Orinda Books	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>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
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%
2021	5,749,358	5,749,358	100%	-	5,749,358	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 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
FY 2020-21	1.00000	1.00000	0.03270	0.01390	0.01610	0.00140

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 2011/12 - 2020/21 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
0.02790	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
0.03810	0.02810	0.06030	0.03220	1.22280	0.07391

City of Orinda
Outstanding Debt
For the last ten fiscal years

Fiscal Year Ending June	<u>General Obligation Bonds</u>			<u>CERTIFICATES OF PARTICIPATION</u>		% of Total Outstanding Debt Personal Income
	Debt Outstanding (1), (2)	Debt Per Capita	Ratio Debt To Assessed Value of Property	Debt Outstanding (3)	Debt Per Capita	
2012	\$ -	\$ -	0.00%	\$ 8,755,000	\$ 506	0.7%
2013	-	-	0.00%	8,520,000	491	0.7%
2014	-	-	0.00%	8,280,000	474	0.6%
2015	10,352,848	551.27	0.19%	8,030,000	456	1.3%
2016	10,021,046	519.39	0.17%	8,168,001	426	1.1%
2017	46,738,519	2,315.53	0.71%	7,862,382	406	3.2%
2018	45,661,754	2,224.07	0.65%	7,551,763	367	2.8%
2019	44,029,989	2,260.85	0.64%	7,231,144	371	2.7%
2020	42,313,224	2,086.64	0.54%	6,905,525	354	2.2%
2021	41,161,459	2,157.54	0.53%	6,569,906	344	2.3%

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Assessed Value Secured	\$ 4,615,128,899	\$ 4,656,504,710	\$ 4,942,008,441	\$ 5,387,051,165
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Value	1,153,782,225	1,164,126,178	1,235,502,110	1,346,762,791
Debt Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	173,067,334	174,618,927	185,325,317	202,014,419
Total net debt applicable to limit	-	-	-	10,000,000
Legal debt margin	<u>\$ 173,067,334</u>	<u>\$ 174,618,927</u>	<u>\$ 185,325,317</u>	<u>\$ 212,014,419</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	4.95%

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>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 5,835,129,469	\$ 6,172,625,746	\$ 6,537,156,590	\$ 6,904,577,718	\$ 7,369,358,656	\$ 7,748,564,991
<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
1,458,782,367	1,543,156,437	1,634,289,148	1,726,144,430	1,842,339,664	1,937,141,248
<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
218,817,355	231,473,465	245,143,372	258,921,664	276,350,950	290,571,187
9,685,000	43,620,000	42,700,000	44,029,989	39,665,000	41,161,459
<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>	<u>\$ 249,409,728</u>

4.43%

18.84%

17.42%

17.01%

14.35%

14.17%

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
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%
2020	19,078	2,056,137	107,775	6.4%	48.7	98.4%	82.6%

Sources: Population: California State Department of Finance
 Unemployment Data: California Employment Development Department
 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>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>	<u>2021</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	94.12
Streetlights***										
Parks and recreation										
Parks	5	5	5	5	5	5	5	5	5	5
Community centers	1	1	1	1	1	1	1	2	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 Nine Fiscal Years*
 Fiscal year ended June 30, 2021

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>	<u>2021</u>
119	107	124	127	93
2,415	1,878	2,403	1,156	195
10.82	13.20	14.68	17.23	6.22
383	349	320	318	330
10,046	10,475	10,569	8,707	1,775
5,780	6,942	7,234	5,667	4,493
9,925	10,384	10,730	7,438	9,047
-	-	1,707	1,440	2,007
11,965,873	14,839,696	15,132,128	21,640,147	26,704,397
54,122,263	51,818,127	58,955,489	36,859,488	51,917,632
66,088,137	66,657,823	74,087,618	58,499,635	78,622,029

City of Orinda
 Full-time and Part-time** City Employees by Function
 Last Nine 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
2021	8.00	1.47	-	11.00	5.42	7.56	33.45

*The City of Orinda prepared its first ACFR 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
2020-21 and Eight Years Ago*

Employer	FY 2020-2021			FY 2013-2014**		
	Employees	Rank	Percentage of Top 10 Employment	Employees	Rank	Percentage of Top 10 Employment
Orinda Union School District	335	1	33.43%	300	1	34.13%
Orinda Country Club	158	2	15.77%	110	2	12.51%
Miramonte High School	106	3	10.58%	103	3	11.72%
Safeway	83	4	8.28%	86	4	9.78%
Orinda Care Center	73	5	7.29%	37	8	4.21%
Moraga-Orinda Fire District	69	6	6.89%	73	5	8.30%
Fourth Bore Tap Room & Grill	50	7	4.99%			
EBMUD	47	8	4.69%			
John Muir Physician Network	46	9	4.59%			
Casa Orinda	35	10	3.49%	35	9	3.98%
Sleepy Hollow Swim & Tennis				60	6	6.83%
Litman Gregory Asset Management				47	7	5.35%
Orinda Academy				28	10	3.19%
Total	1,002		100.00%	879		100.00%

*The City of Orinda prepared its first ACFR 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, 2021, and have issued our report thereon dated December 14, 2021. 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are listed as findings 2021-01 in our separately issued Memorandum on Internal Control dated December 14, 2021, which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

The City's response to the findings identified in our audit is described in our separately issued Memorandum on Internal Control dated December 14, 2021, which is an integral part of our audit and should be read in conjunction with this report. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 14, 2021