



City of Orinda, California Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2022



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, 2022

Prepared by
Finance Department

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CITY OF ORINDA, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2022

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INTRODUCTORY SECTION

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22 Orinda Way • Orinda • California • 94563

December 19, 2022

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, 2022. 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, 2022, 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, 2022. 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 34.5 Full-Time Equivalent (FTE) positions supplemented by part-time employees. Sworn police services staff are employees of the Contra Costa County Sheriff's 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

As the pandemic recedes and society transitions to reflect a more active and vibrant activity level, world and national events have conspired to create an inflationary economic environment which has the potential to impact our local economy in a variety of both positive and negative ways. The increased activity level coupled with higher prices has the potential to drive up revenue in the short term but could result in a recession or slow growth over the longer-term. World and national 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 2021-2022 the City experienced an overall 7.11% increase in taxable assessed values. This was a slight increase from the nearly 5.12% growth in the previous fiscal year, and was also slightly above 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 2021 was up 18% over the previous year. A September 2022 consensus economic forecast prepared by HdL and Beacon Economics projected that over the next 12 months, home prices are expected to progressively rise. The pandemic unleashed a strong desire to purchase a home in California and heralded a wave of interest in real estate from private equity or institutional buyers. While increasing mortgage rates and tighter financial conditions will pose challenges on financed purchases, cash buyers and institutional buyers will welcome the decreased competition and support pricing.

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 60% of the City's local sales tax base. The allocation of sales tax for on-line sales are distributed via a County pool based on the City's share of point of sale transactions compared to the other cities in the County. Due to changes in State law 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 2021-22 the pool contributed approximately 21% of the total City general purpose sales tax revenue.

Because of conditions which existed in 2020-21 (the pandemic, curtailment of brick and mortar store transactions, reductions in typical commute schedules), on a percentage basis some of the sales tax categories showed large gains in 2021-2022, particularly Fuel/ Service stations (66% increase) and Restaurants (33% increase). This was primarily due to restaurants increasing operating hours and fuel sales increasing due to both travel and work commutes, compounded by skyrocketing fuel costs. The estimated increases for the coming fiscal year are projected to be moderate and overall the City expects only a modest increase in general purpose sales tax. Overall the Fiscal Year 2022-2023 sales tax forecast expects the total taxes collected to remain relatively modest despite inflation causing many taxable items to increase in cost. The City remains cautious and continues to monitor this revenue with assistance from HdL, given that the inflationary 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 in place for the entire fiscal year 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. Measure R exceeded initial estimates of \$2,850,000 by roughly \$822,000 in Fiscal year 2021-2022 which is significantly more than the \$1.4 million collected in FY 2019-2020 from Measure L (last full year of collections for 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.

Other Revenues

With the impacts of the pandemic receding, the City has experienced an increased demand for recreational services. As a result of the pandemic, revenue associated with recreation programs and facility rentals dropped by 33%, or roughly \$675,000 in fiscal year 2019-20. In fiscal year 2022-23 those revenues are projected to exceed pre-pandemic levels for the first time. Although this additional revenue is great news overall, it is accompanied by increases in operating costs associated with providing the services, such as the cost of instructors and the need for additional staff resources to handle the additional customer service demands.

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 5.5 positions and changes are carefully reviewed by the City Council as part of the Budget process.

In addition to help fund capital investment in stormwater and road improvements, new Measure R related programs intended to enhance public safety, including wildfire risk reduction throughout Orinda and preparation for emergencies and disasters, are an area in which the City has begun and will continue making investments going forward. These programs include expenditures for salaries and benefit costs, operating costs associated with the Chipper truck, the Fire Fuels Reduction Incentive Program, and other ongoing operating expenditures anticipated to cost roughly \$1 million annually.

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 has received \$4.8 million in American Recovery Plan Act (ARPA) funds. City Council has appropriately allocated these one-time funds for one-time expenditures, addressing critical needs such as storm drain repairs which have a projected cost of more than \$3 million. The Federal Government has issued clarifications of the program regulations and the City has formally incorporated 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 facilitate larger projects. This can account for the increase in fund balance in certain funds.

A significant budgetary impact in Fiscal Year 2021-22 was the 2021 Pavement Improvement Project which included almost \$3 million in funding from a variety of sources. This project continued the important progress being made on the conditions of streets and roadways was funded by residual Measure L funds, Road Maintenance Funds, and Gas Tax. 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 2021 the City achieved a rating of "Very Good" with a rating of 83, the second highest ranking in the Bay Area.

The City has also made progress reducing liabilities for OPEB (retiree health benefits). In Fiscal Year 2021-22 the City was able to reduce the net retiree health liability to \$103,358. 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, 2022 cover 71% 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 2019-2021. For each of these years the City of Orinda's score compared to other cities in Contra Costa County and across the state 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, 2021. A copy of the award from GFOA is included in this report. This award represents the 8th 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, 2022 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



Douglas Alessio
Administrative Services Director

**City of Orinda
List of City Officials
For the year ended June 30, 2022**

City Council

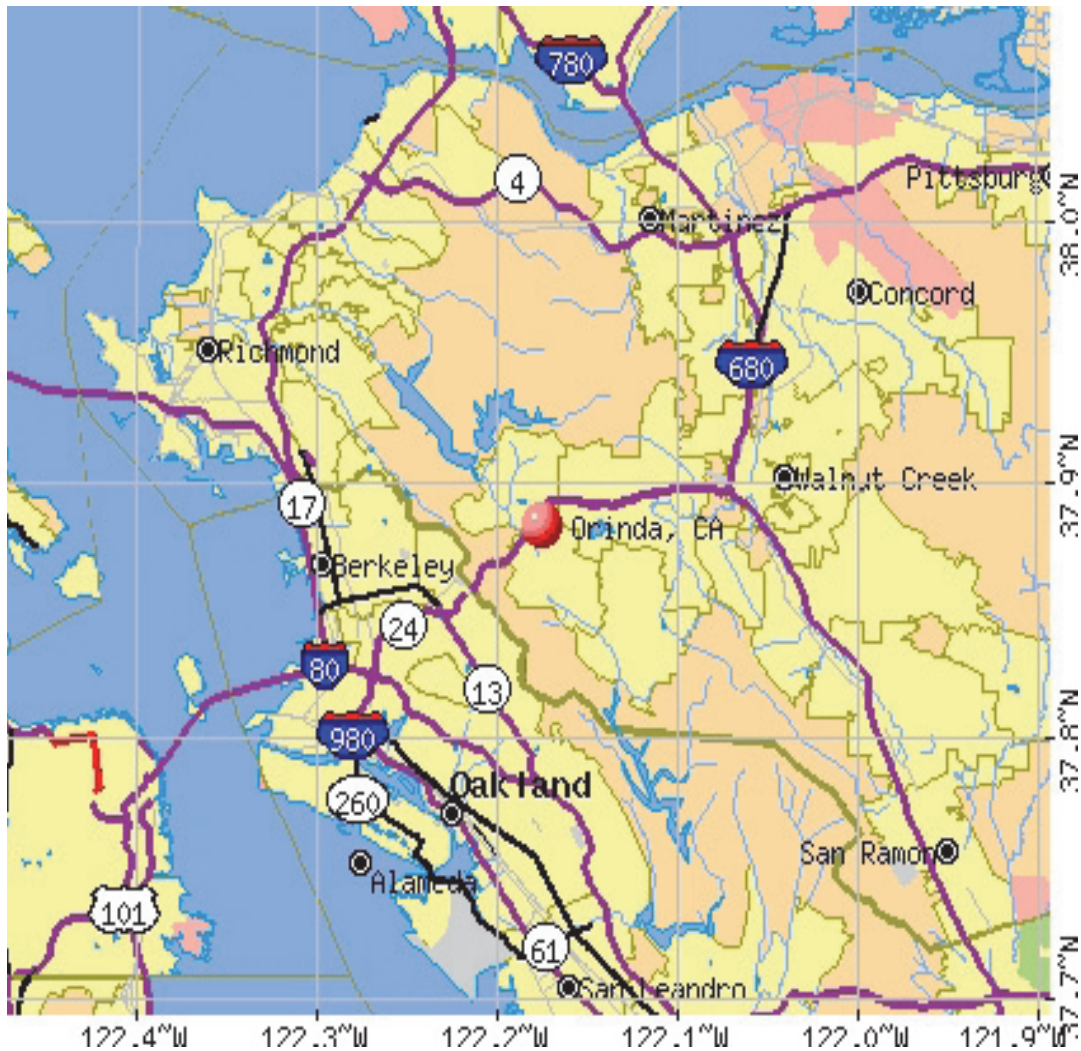
Dennis Fay, Mayor
Inga Miller, Vice Mayor
Darlene K. Gee, Councilmember
Nick Kosla, Councilmember
Amy R. Worth, Councilmember

City Officials

David Biggs, City Manager
Osa Wolff, City Attorney (Contract)
Sheri Smith, City Clerk
Douglas Alessio, Administrative Services Director
Ginger Staton, Human Resources Manager
Todd Trimble, Parks & Recreation Director
Drummond Buckley, Planning Director
Ryan Sullivan, Police Chief (Contract)
Scott Christie, Public Works Director
Sivakumar Natarajan, City Engineer

ORINDA MISSION STATEMENT

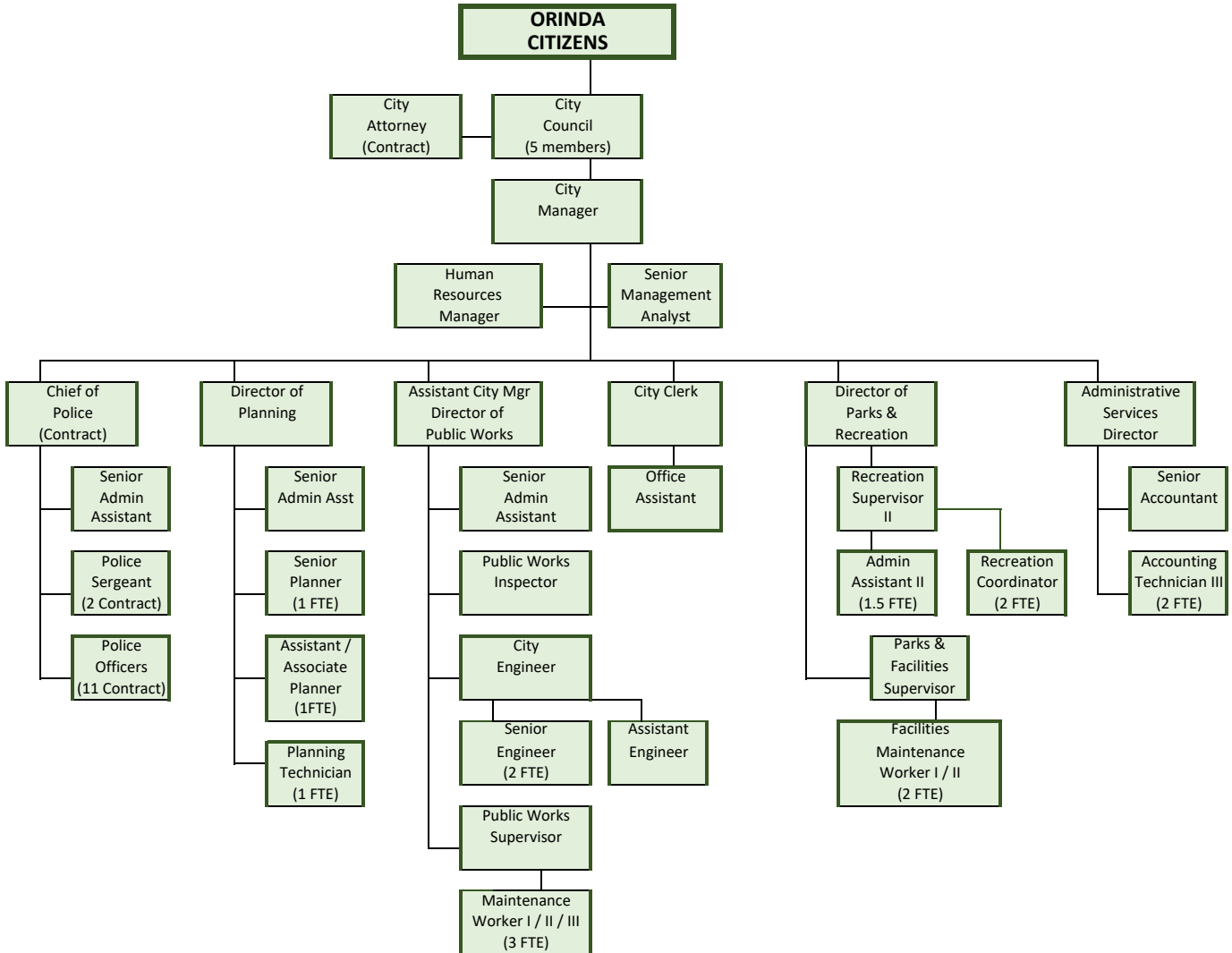
“Orinda strives to provide excellent service in a fiscally responsible manner to promote a safe, friendly and vibrant community.”



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



Fiscal Year 2021-2022 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, 2021

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 the Audit of the Financial Statements

Opinions

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, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 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 Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze + Associates

Pleasant Hill, California
December 19, 2022

City of Orinda
Management's Discussion and Analysis (MDA)
June 30, 2022

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, 2022. 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, 2022 and 2021**

	Governmental Activities			
	June 30, 2022	June 30, 2021	\$ Change	% Change
Current and other assets	\$46,265,222	\$38,074,053	\$8,191,169	21.5%
Capital assets	111,983,701	111,490,924	492,777	0.4%
Total Assets	158,248,923	149,564,977	8,683,946	5.8%
Deferred Outflow of Resources (Related to OPEB - Note 12)	78,606	56,703	21,903	38.6%
Current liabilities	10,041,947	6,130,611	3,911,336	63.8%
Noncurrent liabilities	44,556,953	46,559,081	(2,002,128)	-4.3%
Total Liabilities	54,598,900	52,689,692	1,909,208	3.6%
Deferred Inflow of Resources (Related to OPEB - Note 12)	211,775	261,050	(49,275)	-18.9%
Net Position:				
Invested in capital assets	65,924,720	63,759,559	2,165,161	3.4%
Restricted for:				
Capital projects	2,972,733	3,496,524	(523,791)	-15.0%
Special purpose projects	12,816,101	11,278,372	1,537,729	13.6%
Unrestricted	21,803,300	18,136,483	3,666,817	20.2%
Total Net Position	\$103,516,854	\$96,670,938	\$6,845,916	7.1%

As illustrated in the table above, the City's net position increased by \$6.8 million (7.1%) during FY 2021-2022. This is primarily due to the following:

- Total assets increased by \$8.7 million, due primarily to the change in current assets of \$8.2 million which accounted for 95% of the total change. The change in current assets due to an increase in cash and cash equivalents which was primarily the result of revenue generated by Measure R and the receipt of American Recovery Plan Act (ARPA) grant revenue.
- Total liabilities increased by approximately \$1.9 million (3.6%). Current liabilities totaled \$10.0 million which was an increase of approximately \$3.9 million. This was primarily attributable to an increase in accounts payable as of June 30, 2022. Non-current liabilities decreased by approximately \$2.0 million. The primary factors for this change were a reduction in long-term COP and GO bonds outstanding after the annual debt service payments.
- 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, 2022 (Outflow = \$78,606 | Inflow = \$211,775) have minimal impact on the total Net Assets.

- The City's nearly \$65.9 million invested in capital assets represents 64% of total \$103.5 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 2021 and 2022. 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, 2022 and 2021)

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>\$ Change</u>	<u>% Change</u>
Revenues:				
<u>Program revenues:</u>				
Charges for services	\$7,320,408	\$6,961,426	\$358,982	5.2%
Operating grants and contributions	540,158	331,698	\$208,460	62.8%
Capital grants and contributions	4,254,383	1,017,913	\$3,236,470	318.0%
<u>General revenues:</u>				
Property Tax	11,585,920	10,824,872	761,048	7.0%
Sales Tax	5,188,474	3,139,364	2,049,110	65.3%
Franchise Taxes	1,198,111	1,161,418	36,693	3.2%
Transfer Tax	488,348	519,674	(31,326)	-6.0%
Transient Occupancy Tax	42,920	34,660	8,260	23.8%
Rent and Interest	(506,563)	106,663	(613,226)	-574.9%
Other	587,922	2,630,490	(2,042,568)	-77.6%
Total Revenues	30,700,081	26,728,178	3,971,903	14.9%
Expenses:				
General Government	2,949,215	2,893,144	56,071	1.9%
Police Services	4,503,300	4,439,418	63,882	1.4%
Public Works and Engineering	8,337,279	7,311,925	1,025,354	14.0%
Parks, Recreation & Library	5,183,902	4,169,449	1,014,453	24.3%
Planning	1,364,738	1,020,329	344,409	33.8%
Interest on bonds payable	1,515,731	1,551,387	(35,656)	-2.3%
Total Governmental Activities	23,854,165	21,385,652	2,468,513	11.5%
Increase In Net Position	6,845,916	5,342,526	1,503,390	28.1%
Net Position Beginning of Year	96,670,938	91,328,412	5,342,526	5.8%
Net Position - End of Year	\$103,516,854	\$96,670,938	\$6,845,916	7.1%

As shown in Table 2 revenues from all sources totaled \$30.7 million and expenses for all city programs totaled approximately \$23.9 million in Fiscal Year 2021-2022.

Revenues

When compared to the previous year, overall revenues increased by approximately \$4.0 million or 14.9%. The net change is made up of both increases and decreases. A significant portion of the increase is in capital grants and contributions and includes approximately \$2.4 million of ARPA funding. The other main source of increase in revenues were taxes, specifically property tax and sales tax. The increase in property tax is largely the result of increased assessed values. The Sales Tax revenue reflects a full year 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 loss of approximately \$509,000 in Fiscal Year 2020-21 based market values at June 30th. The City continued to hold the investments and they are

expected to mature at full value.

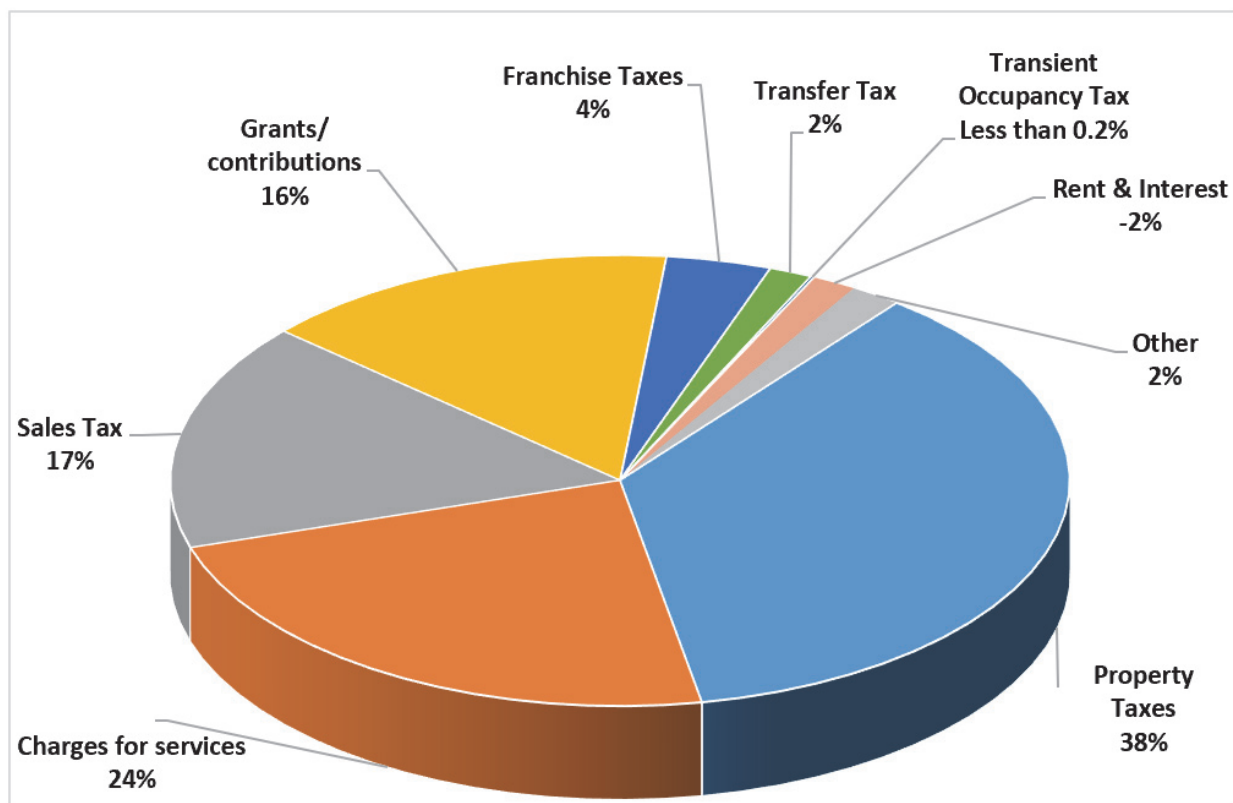
Expenses

Overall expenses as shown in the Statement of Activities increased by approximately \$2.5 million or 11.5%. The largest factors contributing to the increase were increased costs of operation including contracted costs. Parks, Recreation & Library had a significant operating increase of approximately \$1.0 million which reflects the increased demand for recreation services as the pandemic recedes. Public works also experienced an increase of approximately \$1 million which is due to a high level of capital projects, including resurfacing the artificial turf at the Wilder Sports Complex. Planning related activities resulted in an additional \$344,000 of expenses that is being driven by the Plan Orinda effort, which includes the Downtown Precise Plan development as well as the Housing Element update.

Revenues and Expenses by Category

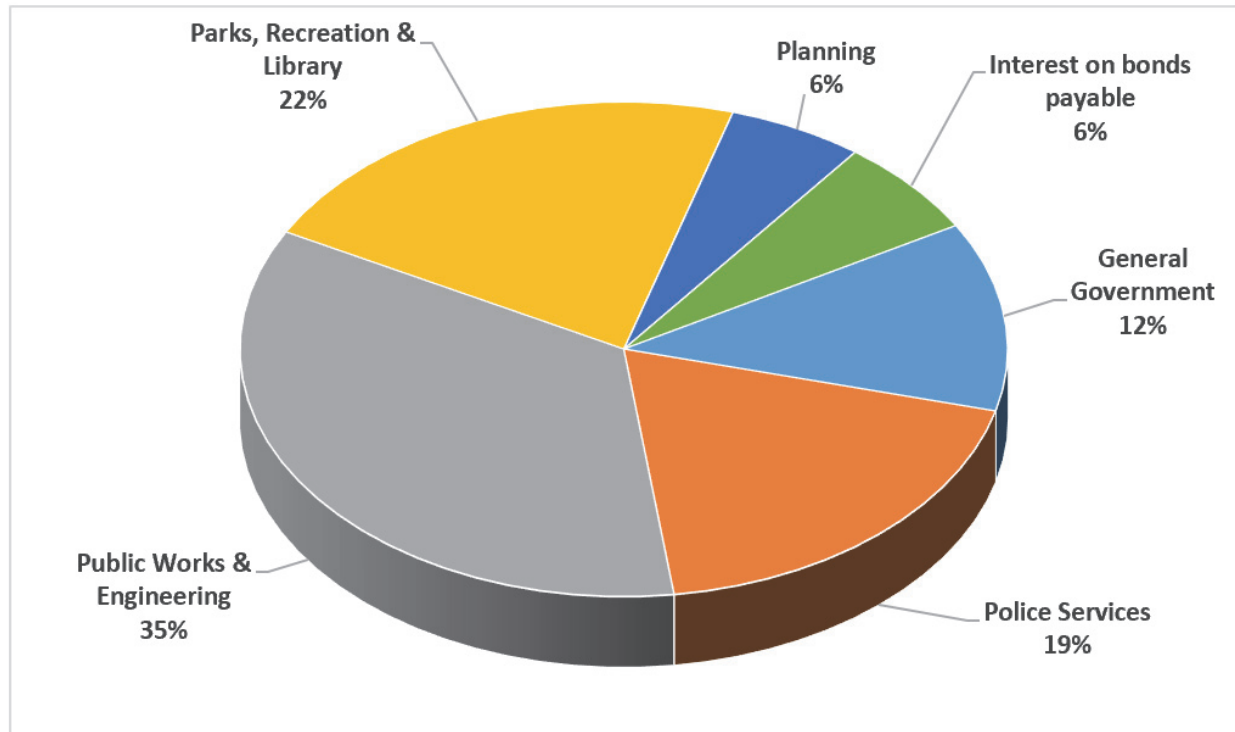
The following chart presents the Government-Wide Fiscal Year 2021-2022 revenue in a pie chart format. For analysis purposes this provides a layout which graphically provides the reader with a sense of relative comparison of the different types of Revenue. Approximately 75% of the revenues come from three sources Property Taxes, Sales Tax and Charges for Services.

Government-Wide Revenue By Type



The following chart presents the Government-Wide Fiscal Year 2021-2022 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 76% of the \$23.9 million in expenses are comprised three activities: 19% are attributable to Police Services; Public Works & Engineering account for 35% and Parks, Recreation, and Library account for 22% 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, 2022 are:

- General Fund
- City Capital Projects
- Community Facilities Maintenance
- Contra Costa Transportation Authority (CCTA)
- Affordable Housing Fund
- Road Maintenance Fund
- 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 an increase of approximately \$4.2 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, 2022

	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects	Road Maintenance	2014 & 2016 Road Bonds Debt Service	Affordable Housing	Other Governmental Funds	TOTAL Governmental Funds
Revenues	\$ 18,981,497	\$ 3,103	\$ 1,054,182	\$ 115,288	\$ 1,220,741	\$ 2,882,613	\$ 1,637	\$ 6,425,412	\$ 30,684,473
Current Expenditures	\$ 14,331,811	\$ 4,185	\$ 9,555	\$ 29,795		-	\$ 1,969	\$ 1,677,051	\$ 16,054,366
Capital outlay	704,551	1,322,131	1,205,318	513,528	\$ 1,287,612	-		2,045,539	7,078,679
Debt service	560,619		-	-	-	\$ 2,639,946			3,200,565
Total expenditures	15,596,981	1,326,316	1,214,873	543,323	1,287,612	2,639,946	1,969	3,722,590	26,333,610
Net transfers	(226,797)	-	-	-	-	-	-	47,591	(179,206)
Proceeds from debt									0
Premiums on bonds issued								0	0
Net change in fund balances	3,157,719	(1,323,213)	(160,691)	(428,035)	(66,871)	242,667	(332)	2,750,413	4,171,657
Fund balances, beginning of yr	15,255,356	1,327,494	799,947	2,157,987	948,301	2,163,070	137,767	7,240,330	30,030,252
Fund balances, end of year	\$18,413,075	\$4,281	\$639,256	\$1,729,952	\$ 881,430	\$2,405,737	\$137,435	\$9,990,743	\$34,201,909

General Fund

The General Fund is the principal operating fund and represents the most significant portion of Governmental Fund revenues and expenditures (77% of governmental revenue and 60% of expenditures). As of June 30, 2022, the fund balance was \$18.4 million which was an increase of \$3.2 million from the \$15.2 million at the beginning of the year. The General Fund column 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 \$3.2 million net change in General Fund balance the add-on sales taxes contributed approximately \$2.2 million. This was largely due to the fact that Measure R was in place for the entire year but had limited expenditures as the related programs get up and running. The portion of the \$18.4 million fund balance assigned for add-on tax priority expenditures total \$6.5 million (\$3.1 million Measure L and \$3.4 million Measure R). A separate schedule detailing the combining of these funds is included as part of the Other Supplementary Information. Approximately \$450,000 of the fund balance is assigned for use in completing General and Long-Term Plans. The total funds designated as unassigned increased by \$1.2 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.

Wilder Facilities Endowment

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, 2022 the balance in this fund was approximately \$4,281. The decrease of \$1.3 million in this fund was due to the resurfacing of the artificial turf fields at the Wilder Sports Complex during this fiscal year.

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 4% of governmental revenues and 4% of expenditures. The fund balance decreased by approximately \$161,000. 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 \$115,288 of revenue recorded in this fund in the current Fiscal Year and expenditures were approximately \$543,000 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, 2022 the balance in this fund was approximately \$1.7 million.

Road Maintenance Fund

The Road Maintenance Fund accounts for fees from the franchised garbage hauler based on a study of allocated impact on street conditions from garbage/recycling vehicles. For fiscal year 2021-22 these fees totaled a little more than \$1.2 million. The funds have been expended on various street maintenance project total almost \$1.3 million. This fund accounted for 5% of the total revenues and 5% of total expenditures in governmental funds.

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 \$2.9 million and expenditures of approximately \$2.6 million. In combination these funds represented approximately 12% 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 \$1.2 million in Revenue and expenditures were approximately \$1.1 million. The ending fund balance for the 2014 debt service fund was approximately \$1.1 million.

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 \$1.7 million in Revenue and expenditures were \$1.5 million. The ending fund balance for the 2016 debt service fund was approximately \$1.3 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 5% 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 \$1,600 related to interest and miscellaneous fees collected. This fund has an ending balance of approximately \$137,000 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, 2022 the combined fund balance was approximately \$10.0 million. These funds represented 26% of the total governmental fund revenues and 14% of the expenditures. There was an overall net increase in fund balance of approximately \$2.8 million. The change was comprised of both increases and decreases between the individual funds. The most significant factor was the receipt of approximately \$2.4 million of ARPA funding which has been allocated by City Council to a variety of storm water capital improvement projects (as well as some information technology improvements and a records retention project), but not yet spent.

Proprietary Fund

The City maintains one type of Proprietary fund - Internal Services Funds (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 \$3.0 million as of June 30, 2022. This was approximately \$438,000 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, 2022 the net position of this fund was \$2,637,265.

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 2021-2022 the original General Fund budgeted revenue was increased by approximately \$298,500 and the General Fund Budgeted expenditures were increased by approximately \$748,000 which would produce a net difference of approximately (\$449,000). 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, 2022

	Original Budget	Final Budget	Budget Variance
<u>Resources:</u>			
Revenues	\$17,725,090	\$18,023,590	\$298,500
Transfers In	16,850	16,850	-
Total Resources	17,741,940	18,040,440	298,500
<u>Appropriations</u>			
Expenditures	18,672,856	19,420,761	(\$747,905)
Transfers Out	44,088	44,088	\$0
Total Appropriations	18,716,944	19,464,849	(747,905)

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 \$958,000, while the General Fund Expenditures (including operating transfers) were \$3.6 million less than the authorized Budget.

Factors impacting the revenue results included: increased sales tax primarily attributable to one entire year of the new voter approved Measure R; increased revenue from property transfer tax due to a very active real estate market which peaked in April; 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 as the pandemic receded. The various positive results in revenue were partially offset by the recording of an unrealized market value adjustment (loss) 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 \$2.0 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, 2022</u>	<u>Variance Final Budget</u>
<u>Resources:</u>			
Revenues	\$18,023,590	\$18,981,497	\$957,907
Transfers In	16,850	2,695	(14,155)
Total Resources	18,040,440	18,984,192	943,752
<u>Appropriations</u>			
Expenditures	19,420,761	15,596,981	\$3,823,780
Transfers Out	44,088	229,492	(\$185,404)
Total Appropriations	19,464,849	15,826,473	3,638,376
Appropriations (over) resources	(1,424,409)	3,157,719	
Fund balance beginning of year		15,255,356	
Fund balance end of year		18,413,075	

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, 2022 amounted to \$112.0 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, 2022</u>	<u>June 30, 2021</u>	<u>\$ Change</u>	<u>% Change</u>
Land	\$2,442,087	\$2,442,087	\$0	0.0%
Parkland and improvements	1,295,205	1,295,205	-	0.0%
Work in progress	7,020,379	15,816,655	(8,796,276)	-55.6%
Buildings, grounds and improvements	37,469,853	36,047,672	1,422,181	3.9%
Furniture and equipment	2,618,690	2,439,483	179,207	7.3%
Infrastructure	155,590,097	141,529,830	14,060,267	9.9%
Subtotal	206,436,311	199,570,932	6,865,379	3.4%
Less: Accumulated depreciation	94,452,610	88,080,009	6,372,601	7.2%
Total Net of Depreciation	\$111,983,701	\$111,490,923	\$492,778	0.4%

As shown in Table 5 the combined total change was approximately \$6.9 million. Major capital asset additions during FY 2021-2022 included: Annual Pavement Rehabilitation projects (over \$12.0 million); \$1.4 million related to roadway improvements; and \$1.4 million on Wilder Sports fields; which are offset by a reduction in amounts previously accumulated as Work in progress.

Debt Administration

As of June 30, 2022 the total balance outstanding was approximately \$46.1 million. The combined balance outstanding decreased by \$1.7 million from the prior year. At June 30, 2022, the City had total long-term debts and obligations as summarized in Table 6 below.

TABLE 7: OUTSTANDING LONG-TERM OBLIGATIONS

	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>\$ Change</u>
2015 Refunding COP (City Hall)	\$6,224,287	\$6,569,906	(\$345,619)
2014 GO Bond Series A	6,860,234	7,167,036	(306,802)
2014 GO Bond Series B	9,834,688	10,105,000	(270,312)
2016 GO Bond Series A	23,139,772	23,889,423	(749,651)
TOTAL	\$46,058,981	\$47,731,365	(\$1,672,384)

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 events. 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.

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, record levels of inflation, and looming recession while balancing resources and expenditures. One positive factor was the receipt of the American Recovery Plan Act 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.

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 additional 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 position, 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, 2022

	Governmental Activities
ASSETS	
Current Assets:	
Cash, cash equivalents and investments (Note 3)	\$37,642,678
Restricted cash (Note 3)	2,410,312
Accounts receivable (Note 4)	2,796,535
Interest receivable	75,938
Loans receivable (Note 5)	2,050,000
Prepaid items and deposits	610,251
Due from other agencies	679,508
Total current assets	46,265,222
Noncurrent Assets:	
Capital assets not being depreciated (Note 6):	
Land	2,442,087
Parkland and improvements	1,295,205
Work in progress	7,020,379
Capital assets, net of accumulated depreciation (Note 6):	
Buildings, grounds and improvements	22,605,696
Furniture and equipment	574,464
Infrastructure	78,045,870
Total noncurrent assets	111,983,701
Total assets	158,248,923
DEFERRED OUTFLOW OF RESOURCES	
Related to OPEB (Note 12)	78,606
LIABILITIES	
Current Liabilities:	
Accounts payable and accrued liabilities (Note 7)	5,228,424
Interest payable	478,756
Unearned revenue	30,000
Current portion of long-term debt (Note 9)	1,897,384
Current portion of accrued compensated absences (Note 1)	73,000
Planning and engineering deposits	2,334,383
Total current liabilities	10,041,947
Noncurrent Liabilities:	
Long-term debt (Note 9):	
COP payable, due in more than one year	5,868,668
GO Bonds, due in more than one year	38,292,929
Long-term portion of accrued compensated absences (Note 1)	291,998
Net OPEB liability (Note 12)	103,358
Total noncurrent liabilities	44,556,953
Total liabilities	54,598,900
DEFERRED INFLOW OF RESOURCES	
Related to OPEB (Note 12)	211,775
NET POSITION (Note 10):	
Net investment in capital assets	65,924,720
Restricted for:	
Capital projects	2,972,733
Special purpose projects	12,816,101
Unrestricted	21,803,300
Total net position	\$103,516,854

See accompanying notes to financial statements

CITY OF ORINDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<i>Governmental Activities:</i>					
General government	\$2,949,215				(\$2,949,215)
Police services	4,503,300	\$168,893			(4,334,407)
Public works and engineering	8,307,484	2,751,498	\$540,158	\$4,254,383	(761,445)
Parks, recreation and library	5,213,697	3,320,051			(1,893,646)
Planning	1,364,738	1,079,966			(284,772)
Interest on bonds payable	1,515,731				(1,515,731)
Total primary government	\$23,854,165	\$7,320,408	\$540,158	\$4,254,383	(11,739,216)

Property taxes	11,585,920
Sales taxes	5,188,474
Franchise taxes	1,198,111
Transfer tax	488,348
Transient Occupancy Tax	42,920
Interest income	(506,563)
Miscellaneous	587,922
Total general revenues	18,585,132
Change in net position	6,845,916
Net position - beginning	96,670,938
Net position - ending	\$103,516,854

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 2021-22. 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 MAINTENANCE FUND

Accounts for fees from the franchised garbage hauler based on a study of the allocated impact on street maintenance from garbage/recycling vehicles. The expenditures are for maintenance of public streets.

ROAD BONDS 2016 DEBT SERVICE FUND

Accounts for the collections of tax proceeds and the payments of debt service for 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.

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, 2022

	Major Funds				
	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects Fund	Road Maintenance
<u>ASSETS</u>					
Cash, cash equivalents and investments (Note 3)	\$20,107,425	\$124,840	\$1,251,305	\$1,881,778	\$1,842,979
Restricted cash (Note 3)					
Accounts receivable (Note 4)	1,773,061				105,805
Interest receivable	65,320	87	808		1,234
Loans receivable (Note 5)					
Prepaid items and deposits	487,298				
Due from other agencies			400,000		
Due from other funds	386,421				
Total assets	\$22,819,525	\$124,927	\$1,652,113	\$1,881,778	\$1,950,018
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>					
LIABILITIES:					
Accounts payable and accrued liabilities (Note 7)	\$1,677,069	\$120,646	\$750,317	\$151,826	\$1,068,588
Other current liabilities	364,998				
Unearned revenue	30,000				
Due to other funds			262,540		
Planning and engineering deposits	2,334,383				
Total Liabilities	4,406,450	120,646	1,012,857	151,826	1,068,588
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue					
Total Deferred Inflows of Resources					
FUND BALANCES					
Fund balances (Note 10):					
Nonspendable	487,298				
Restricted		4,281	639,256		881,430
Assigned	6,923,684				
Committed				1,729,952	
Unassigned	11,002,093				
Total fund balances	18,413,075	4,281	639,256	1,729,952	881,430
Total liabilities, Deferred Inflows and fund balance	\$22,819,525	\$124,927	\$1,652,113	\$1,881,778	\$1,950,018

See accompanying notes to financial statements

Major Funds

Road Bonds 2014 Debt Service	Road Bonds 2016 Debt Service	Affordable Housing	Other Governmental Funds	Total
		\$137,340	\$9,856,316	\$35,201,983
\$1,064,351	\$1,345,961			2,410,312
			917,669	2,796,535
693	872	95	5,128	74,237
		2,050,000		2,050,000
			122,953	610,251
			279,508	679,508
				386,421
<u>\$1,065,044</u>	<u>\$1,346,833</u>	<u>\$2,187,435</u>	<u>\$11,181,574</u>	<u>\$44,209,247</u>
\$4,640	\$1,500		\$1,066,950	\$4,841,536
				364,998
				30,000
			123,881	386,421
				2,334,383
<u>4,640</u>	<u>1,500</u>		<u>1,190,831</u>	<u>7,957,338</u>
		<u>\$2,050,000</u>		<u>2,050,000</u>
		<u>2,050,000</u>		<u>2,050,000</u>
			122,953	610,251
1,060,404	1,345,333	137,435	8,957,153	13,025,292
			150,886	7,074,570
			759,751	2,489,703
				11,002,093
<u>1,060,404</u>	<u>1,345,333</u>	<u>137,435</u>	<u>9,990,743</u>	<u>34,201,909</u>
<u>\$1,065,044</u>	<u>\$1,346,833</u>	<u>\$2,187,435</u>	<u>\$11,181,574</u>	<u>\$42,159,247</u>

CITY OF ORINDA
 Reconciliation of the
 GOVERNMENTAL FUNDS - BALANCE SHEET
 with the
 STATEMENT OF NET POSITION
 JUNE 30, 2022

Fund balances of governmental funds \$34,201,909

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	10,757,671
Capital assets, depreciated, net	100,709,826

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	(46,058,981)
Compensated absences	(364,998)
Interest payable	(478,756)
Net OPEB liability, deferred inflows and deferred outflows	(236,527)

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

2,936,710

Net position of governmental activities

\$103,516,854

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, 2022

	Major Funds				
	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects Fund	Road Maintenance
Revenues					
Taxes:					
Property tax and assessments	\$8,712,136				
Sales tax	5,188,474				
Franchise tax	1,198,111				
Transient Occupancy Tax	42,920				
Property transfer tax	488,348				
Use of money and properties	(596,855)	\$3,103	\$6,440		\$9,640
Service fees:					
Business license registration	18,830				
Vehicle fees and parking fines	40,779				
NPDES					
Building inspection	768,218				
Parks and recreation	2,206,073				
Planning	292,918				
Public works and engineering	155,396				
Police	5,336				
Other agencies:					
Federal					
State and local					
Gasoline taxes					
Homeowners tax reimbursement	32,125				
Vehicle abatement	2,272				
CCTA return to source			1,047,742		
Development impact fees					1,211,101
Miscellaneous	426,416			\$115,288	
Total Revenues	18,981,497	3,103	1,054,182	115,288	1,220,741

See accompanying notes to financial statements

<u>Road Bonds 2014 Debt Service</u>	<u>Road Bonds 2016 Debt Service</u>	<u>Affordable Housing</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$1,228,581	\$1,645,203		\$1,086,262	\$12,672,182
				5,188,474
				1,198,111
				42,920
				488,348
3,933	4,896	\$887	45,785	(522,171)
				18,830
				40,779
			124,367	124,367
				768,218
			85,631	2,291,704
				292,918
				155,396
			161,285	166,621
			3,174,516	3,174,516
			499,379	499,379
			844,158	844,158
				32,125
				2,272
				1,047,742
			358,561	1,569,662
		750	45,468	587,922
<u>1,232,514</u>	<u>1,650,099</u>	<u>1,637</u>	<u>6,425,412</u>	<u>30,684,473</u>

(Continued)

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

	Major Funds				
	General Fund	Wilder Facilities Endowment	CCTA	City Capital Projects Fund	Road Maintenance
Expenditures					
Current:					
City management	734,285				
City attorney	467,650				
City clerk	318,470				
Administrative services	1,201,518				
Parks and recreation	3,566,279	4,185		29,795	
Public works and engineering	2,281,972		9,555		
Police services	4,439,572				
Planning	1,266,998				
Capital improvements					
Lighting and landscaping district					
Library operations	55,067				
Capital outlay	704,551	1,322,131	1,205,318	513,528	1,287,612
Debt service:					
Interest and fiscal charges	225,619				
Principal	335,000				
Total Expenditures	<u>15,596,981</u>	<u>1,326,316</u>	<u>1,214,873</u>	<u>543,323</u>	<u>1,287,612</u>
Excess (deficiency) of revenues over expenditures	<u>3,384,516</u>	<u>(1,323,213)</u>	<u>(160,691)</u>	<u>(428,035)</u>	<u>(66,871)</u>
Other financing sources (uses):					
Transfers in (Note 8)	2,695				
Transfers out (Note 8)	<u>(229,492)</u>				
Total other financing sources (uses)	<u>(226,797)</u>				
Net changes in fund balance	3,157,719	(1,323,213)	(160,691)	(428,035)	(66,871)
Fund balance - beginning of year	<u>15,255,356</u>	<u>1,327,494</u>	<u>799,947</u>	<u>2,157,987</u>	<u>948,301</u>
Fund balance - end of year	<u>\$18,413,075</u>	<u>\$4,281</u>	<u>\$639,256</u>	<u>\$1,729,952</u>	<u>\$881,430</u>

See accompanying notes to financial statements

Major Funds				
Road Bonds 2014 Debt Service	Road Bonds 2016 Debt Service	Affordable Housing	Nonmajor Governmental Funds	Total Governmental Funds
				734,285
		209		467,859
				318,470
			5,834	1,207,352
			388,977	3,989,236
			532,271	2,823,798
			100,000	4,539,572
		1,760	130,535	1,399,293
			105,143	105,143
			414,291	469,358
			2,045,539	7,078,679
585,696	884,250			1,695,565
530,000	640,000			1,505,000
1,115,696	1,524,250	1,969	3,722,590	26,333,610
116,818	125,849	(332)	2,702,822	4,350,863
			50,889	53,584
			(3,298)	(232,790)
			47,591	(179,206)
116,818	125,849	(332)	2,750,413	4,171,657
943,586	1,219,484	137,767	7,240,330	30,030,252
<u>\$1,060,404</u>	<u>\$1,345,333</u>	<u>\$137,435</u>	<u>\$9,990,743</u>	<u>\$34,201,909</u>

CITY OF ORINDA
Reconciliation of the
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
with the
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Changes in fund balances of governmental funds \$4,171,657

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	7,078,679
Amount charged to Public Works	(392,507)
Depreciation expense	(6,186,525)

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	1,505,000
Amortization of bond premium	167,384
Accrued interest	12,450

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	62,200
Unavailable revenue	
Total OPEB Liabilities and related deferred inflow of resources	1,162

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.

426,416

Changes in net position of governmental activities \$6,845,916

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, 2022

<u>ASSETS</u>	<u>Total Internal Service Funds</u>
Current Assets:	
Cash, cash equivalents and investments (Note 3)	\$2,440,695
Interest receivable	1,701
Total Current Assets	2,442,396
Non-Current Assets	
Property and equipment net of accumulated depreciation (Note 6)	516,204
Total Assets	2,958,600
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable	21,890
Total Liabilities	21,890
<u>NET POSITION</u>	
Net Position (Note 10):	
Investments in capital assets	516,204
Unrestricted	2,420,506
Total Net Position	\$2,936,710

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, 2022

	Total Internal Service Funds
Operating revenues	
Charges for services	\$974,149
Total operating revenues	974,149
Operating expenses	
Contract services	60,641
Services and supplies	91,137
Special department expenses	441,784
Capital Outlay	
Depreciation	186,076
Total operating expenses	779,638
Operating income (loss)	194,511
Non-operating revenues	
Investment income	15,608
Other revenue	37,091
Total non-operating revenues	52,699
Other financing sources (uses):	
Transfers in (Note 8)	179,206
Total other financing sources (uses)	179,206
Change in net position	426,416
Net position at beginning of year	2,510,294
Net position at end of year	\$2,936,710

See accompanying notes to financial statements

CITY OF ORINDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30,2022

	Total Internal Service Funds
Cash flows from operating activities:	
Cash received from department users	\$974,939
Cash payments to suppliers of goods and services	(132,000)
Cash payments to employees for services	(441,784)
Net cash provided by (used for) operating activities	401,155
Cash flows from noncapital financing activities:	
Other revenue	37,091
Transfers from other funds	179,206
Net cash provided by noncapital financing activities	216,297
Cash flows from capital and related financing activities:	
(Acquisition) of capital assets	(179,206)
Net cash (used for) capital and related financing activities	(179,206)
Cash flows from investing activities:	
Interest received on investments	16,303
Net cash provided by investing activities	16,303
Net (decrease) in cash and cash equivalents	454,549
Cash and cash equivalents at beginning of year	1,986,146
Cash and cash equivalents at end of year	\$2,440,695
Reconciliation of operating income to net cash flows provided by operating activities:	
Operating income (loss)	\$194,511
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation	186,076
Decrease in accounts receivable	790
(Increase) in prepaid items	7,930
(Decrease) in accounts payable	11,848
Net cash provided by (used for) operating activities	\$401,155

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, 2022

<u>ASSETS</u>	<u>GHAD Custodial Fund</u>
Cash, cash equivalents and investments (Note 3)	\$2,651,927
Interest receivable	<u>4,467</u>
Total assets	<u>2,656,394</u>
<u>LIABILITIES</u>	
Accounts payable and accrued expenses	10,627
Deposits payable	<u>8,502</u>
Total liabilities	<u>19,129</u>
<u>NET POSITION (Note 10)</u>	
Restricted for GHAD Improvements	<u>2,637,265</u>
Total net position	<u><u>\$2,637,265</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, 2022

	GHAD Custodial Fund
Addition	
Contributions	
Property Tax	\$817,800
Total contributions	817,800
Investment Earnings	
Interest	8,402
Net investment earnings	8,402
Total additions	826,202
Deductions	
Administration and accounting	11,050
Maintenance and operations	98,289
Total deductions	109,339
Net increase in fiduciary net position	716,863
Net position at beginning of year	1,920,402
Net position at end of year	\$2,637,265

See accompanying notes to financial statements

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CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2022

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, 2022 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.

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, 2022

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.
Road Maintenance Fund	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.
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 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 or committed 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, 2022

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, 2022

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, 2022

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, 2022

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, 2021	Additions	Reductions	Balance as of June 30, 2022	Current Portion
\$427,198	\$101,421	\$163,621	\$364,998	\$73,000

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2022

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, 2022

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 2021-22:

Fund	Amount
Road Bonds 2016 Debt Service Fund	\$2,230
Assessment District M-11 Special Revenue Fund	22,703
Recycling Special Revenue Fund	2,935
2014 Road Bonds Debt Service Fund	2,008

I. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position 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 assets 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, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the statement of net position 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 assets that applies to a future period(s) and so will not be recognized as an inflow of 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.

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, 2022

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, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Classifications

The City had the following cash and investments at June 30, 2022:

Reconciliation to Financial Statements:

Governmental Funds Balance Sheet:

Cash, cash equivalents and investments	\$35,202,003
Restricted cash	2,410,312
	37,612,315
Subtotal	37,612,315

Internal Service Funds:

Cash, cash equivalents and investments	2,440,695
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Custodial Funds:

Cash, cash equivalents and investments	2,651,927
Total cash and investments	\$42,704,937

Statement of Net Position:

Cash, cash equivalents and investments	\$37,642,698
Restricted cash	2,410,312

Statement of Fiduciary Net Position:

Custodial Funds - cash, cash equivalents and investments	2,651,927
	\$42,704,937

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, 2022, these investments matured in an average of 311 days.

At June 30, 2022, the book amount of the City's deposits were \$1,985,963 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, 2022

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:

Authorized Investment Type	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:

Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Limit of Pool	Maximum per Issuer
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, 2022

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		\$1,237,183	\$1,637,792	\$987,791	\$3,862,766
U.S. Government Agency Securities	\$1,158,077	1,506,564	454,654	183,874	3,303,169
Medium-Term Corporate Notes	748,240	755,342	760,391	28,345	2,292,318
Money Market	32,664				32,664
Local Agency Investment Fund	29,909,482				29,909,482
Asset-Backed Securities		60,943	331,115	499,623	891,681
Supranational		62,685	160,779		223,464
Total Investments	<u>\$31,848,463</u>	<u>\$3,622,717</u>	<u>\$3,344,731</u>	<u>\$1,699,633</u>	40,515,544
Cash on Hand and Cash in Bank					<u>2,189,373</u>
Total Cash and Investments					<u>\$42,704,917</u>

E. Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the City of Orinda’s actual Standard and Poor’s rating as of June 30, 2022 for each investment type:

	Fair Value	AAA/AAAm	AA+/AA/AA-	A+/A/A-	Not Rated
U.S. Government Agency Securities	\$3,303,169		\$3,303,169		
Medium-Term Corporate Notes	2,292,318		330,289	\$1,962,029	
Money Market	32,664	\$32,664			
Local Agency Investment Fund	29,909,482				\$29,909,482
Asset-Backed Securities	891,681	543,325			348,356
Supranational	223,464	223,464			
Total Investments	<u>36,652,778</u>	<u>\$799,453</u>	<u>\$3,633,458</u>	<u>\$1,962,029</u>	<u>\$30,257,838</u>
Exempt:					
U.S. Treasury Notes	3,862,766				
Cash on Hand and Cash in Bank	<u>2,189,373</u>				
Total Cash and Investments	<u>\$42,704,917</u>				

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2022:

Issuer	Investment Type	Amount
Federal National Mortgage Association	Federal Agency Securities	\$694,318
Federal Home Loan Bank	Federal Agency Securities	973,620
Federal Farm Credit Bank	Federal Agency Securities	770,180
Federal Home Loan Mortgage Corporation	Federal Agency Securities	865,051

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, 2022

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, 2022:

Investments By Fair Value Level:

	Level 2	Note
U.S. Treasury Notes	\$3,862,766	(A)
U.S. Government Agency Securities	3,303,169	(A)
Medium-Term Corporate Notes	2,292,318	(A)
Asset-Backed Securities	891,681	(A)
Supranational	223,464	(A)
Total By Fair Value Level	10,573,398	

Investments Measured at Amortized Cost:

Money Market	32,664	
Investment Exempt from Fair Value Hierarchy:		
Local Agency Investment Fund	29,909,482	(B)
Total Investments	40,515,544	
Cash on Hand and Cash in Bank	2,189,373	
Total Cash and Investments	\$42,704,917	

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, 2022. They included:

State of California	\$1,202,450
Wilder Assessment	504,431
Contra Costa County	272,389
Other Government Agencies	239,675
Comcast/Franchise Fees	89,712
Park and Rec Field Rentals	202,327
Miscellaneous	285,551
Total	\$2,796,535

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2022 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, 2022, were as follows:

	Balance June 30, 2021	Additions	Transfers	Balance June 30, 2022
Capital assets not being depreciated				
Land	\$2,442,087			\$2,442,087
Parkland and improvements	1,295,205			1,295,205
Work in progress	15,816,655	\$3,481,781	(\$12,278,057)	7,020,379
Total capital assets not being depreciated	19,553,947	3,481,781	(12,278,057)	10,757,671
Capital assets being depreciated				
Buildings, grounds and improvements	36,047,672	1,360,196	61,985	37,469,853
Furniture and equipment	2,439,483	179,207		2,618,690
Infrastructure	141,529,830	1,844,195	12,216,072	155,590,097
Total capital assets being depreciated	180,016,985	3,383,598	12,278,057	195,678,640
Accumulated depreciation				
Buildings, grounds and improvements	13,723,631	1,140,526		14,864,157
Furniture and equipment	1,847,498	196,728		2,044,226
Infrastructure	72,508,880	5,035,347		77,544,227
Total accumulated depreciation	88,080,009	6,372,601		94,452,610
Net capital assets being depreciated	91,936,976	(2,989,003)	12,278,057	101,226,030
Total net capital assets	\$111,490,923	\$492,778		\$111,983,701

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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	5,035,347
Culture and recreation	828,911
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	186,076
Total depreciation expense - governmental activities	<u><u>\$6,372,601</u></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, 2022, the most significant general fund payable was the payable to Contra Costa County totaling \$338,428.

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, 2022 were as follows:

<u>Fund Making Transfer</u>	<u>Fund Receiving Transfers</u>	<u>Amount</u>
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	50,006 B
	Internal Service Funds	179,206 A
Park Dedication Fund	Other Grants Capital Project Fund	526 A
TDA Grant Fund	General Fund	2,695 A
	Transportation Impact Fund Special Revenue	<u>77 A</u>
		<u><u>\$232,790</u></u>

A: To fund capital projects

B: To finance programs

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2021	Retirements	Balance at June 30, 2022	Current Portion
2015 Refunding Certificates of Participation, 2% to 5.0%, due 7/1/2035	\$7,945,000	\$6,400,000	(\$335,000)	\$6,065,000	\$345,000
Add: Unamortized Bond Premium		169,906	(10,619)	159,287	10,619
2014 General Obligation Bonds, Series A 2.0 to 4.0%, due 9/1/35	10,000,000	6,915,000	(290,000)	6,625,000	310,000
Add: Unamortized Bond Premium		252,036	(16,802)	235,234	16,802
2014 General Obligation Bonds, Series B 1.4% to 5.0%, due 9/1/37	10,000,000	9,620,000	(240,000)	9,380,000	320,000
Add: Unamortized Bond Premium		485,000	(30,312)	454,688	30,312
2016 General Obligation Bonds, Series A 1.4% to 5.0%, due 9/1/37	25,000,000	22,135,000	(640,000)	21,495,000	755,000
Add: Unamortized Bond Premium		1,754,423	(109,651)	1,644,772	109,651
Total		<u>\$47,731,365</u>	<u>(\$1,672,384)</u>	<u>\$46,058,981</u>	<u>\$1,897,384</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, 2022

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, 2022.

General Fund Key Revenues	2021-2022 Revenue	Percent of Total
Property Taxes	\$6,205,065	41%
Property Tax in Lieu VLF	2,507,071	17%
Sales Tax	5,188,474	34%
Franchise Taxes	1,198,111	8%
Total	\$15,098,721	

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
2023	\$345,000	\$215,419
2024	355,000	204,919
2025	370,000	190,344
2026	385,000	175,319
2027	395,000	163,619
2028-2032	2,160,000	617,466
2033-2036	2,055,000	168,700
Total	6,065,000	\$1,735,786
Premium, net of amortization	159,287	
	\$6,224,287	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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
2023	\$310,000	\$212,912
2024	330,000	201,662
2025	355,000	187,962
2026	380,000	173,262
2027	405,000	157,562
2028-2032	2,405,000	584,410
2033-2036	2,440,000	167,337
Total	6,625,000	\$1,685,107
Premium, net of amortization	235,234	
	\$6,860,234	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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
2023	\$320,000	\$355,825
2024	325,000	343,025
2025	325,000	326,775
2026	355,000	313,775
2027	385,000	296,025
2028-2032	2,425,000	1,207,475
2033-2037	3,915,000	734,138
2038	1,330,000	44,888
Total	9,380,000	\$3,621,926
Premium, net of amortization	454,688	
	\$9,834,688	

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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
2023	\$755,000	\$878,350
2024	865,000	840,600
2025	955,000	823,300
2026	1,080,000	775,550
2027	1,055,000	721,550
2028-2032	6,360,000	2,833,100
2033-2037	8,350,000	1,457,400
2038	2,075,000	83,000
Total	21,495,000	\$8,412,850
Premium, net of amortization	1,644,772	
	\$23,139,772	

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, 2022

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, 2022

NOTE 10 – NET POSITION AND FUND BALANCES (Continued)

The emergency / contingency reserve is \$7,940,766 as of June 30, 2022 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 \$850,000 for Road and Slope Stabilization. As of June 30, 2022, balance for future capital projects in the Road Stabilization fund of \$759,751 and \$300,000 in the General Fund. 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, 2022, are stated below:

	General Fund	Community Facilities Maintenance	CCTA	City Capital Projects Fund	Road Maintenance Fund	2014 GO Bond Debt Service	2016 GO Bond Debt Service	Affordable Housing	Other Governmental Funds	Total
Nonspendable:										
Prepaid items	\$487,298								\$122,953	\$610,251
Total nonspendable	487,298								122,953	610,251
Restricted:										
Streets and roads			\$639,256		\$881,430				3,283,464	4,804,150
Debt service						\$1,060,404	\$1,345,333			2,405,737
Public facilities		\$4,281							1,186,184	1,190,465
Parks development improvements									952,459	952,459
Trees and landscaping									12,889	12,889
Police									215,403	215,403
Affordable housing								\$137,435		137,435
Storm drain									1,965,114	1,965,114
Library									395,368	395,368
Traffic mitigation									946,272	946,272
Total restricted		4,281	639,256		881,430	1,060,404	1,345,333	137,435	8,957,153	13,025,292
Committed:										
Streets and trails				\$556,641					759,751	1,316,392
City facility improvements				737,668						737,668
Drainage				435,643						435,643
Total committed				1,729,952					759,751	2,489,703
Assigned:										
Long term and general plan	449,141								150,886	600,027
Add-on sales tax (Measure L)	3,127,430									3,127,430
Add-on sales tax (Measure R)	3,347,113									3,347,113
Total assigned	6,923,684								150,886	7,074,570
Unassigned:										
Contingency / emergency	7,940,766									7,940,766
Fleet Replacement Contingency	300,000									300,000
Road Maintenance Contingency	300,000									300,000
Long term and General plan Contingency	300,000									300,000
Unassigned	2,081,327									2,081,327
OPEB Retiree Medical	80,000									80,000
Total unassigned	11,002,093									11,002,093
Total Fund Balances	\$18,413,075	\$4,281	\$639,256	\$1,729,952	\$881,430	\$1,060,404	\$1,345,333	\$137,435	\$9,990,743	\$34,201,909

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2021	\$8,902,683
Contributions	633,817
Loans, net	(1,155)
Disbursements, net	(755,176)
Earnings	<u>(1,012,527)</u>
Balance at June 30, 2022	<u><u>\$7,767,642</u></u>

Deferred compensation plan (Internal Revenue Code Section 457)

For the fiscal year ended June 30, 2022, 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, 2021	\$7,395,307
Contributions	422,102
Disbursements, net	(609,122)
Earnings	<u>(764,036)</u>
Balance at June 30, 2022	<u><u>\$6,444,251</u></u>

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2022:

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 \$143 for 2021 and \$149 for 2022, 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.

	Hired prior to 11/1/2019	Hired on or after 11/1/2019
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, 2022:

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

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2022
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, 2022

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, 2021	\$306,084	\$272,742	\$33,342
Changes Recognized for the Measurement Period:			
Service cost	36,655		36,655
Interest on the total OPEB liability	19,362	(34,259)	53,621
Employer contributions		21,918	(21,918)
Benefit payments	(3,418)	(3,418)	
Administrative expenses		(1,658)	1,658
Experience (gains)/losses			
Changes in assumptions			
Other			
Net changes	52,599	(17,417)	70,016
Balance at June 30, 2022 (Measurement Date)	\$358,683	\$255,325	\$103,358

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%)
\$151,090	\$103,358	\$63,442

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%)	1% Increase (7.0% decreasing to 5.5%)	
\$47,660	\$103,358	\$173,242

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2022, the City recognized OPEB expense of \$128,783. At June 30, 2022, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience		(\$151,240)
Changes of assumptions	\$46,433	(60,535)
Net difference between projected and actual return on assets	32,173	
Total	\$78,606	(\$211,775)

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
2023	(\$20,049)
2024	(20,048)
2025	(21,628)
2026	(17,666)
2027	(27,891)
Thereafter	(25,887)
Total	(\$133,169)

CITY OF ORINDA
Notes to Financial Statements
For the Year Ended June 30, 2022

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, 2022:

	Participating Cities' Total Coverage	Deductible (City Portion)
All risk fire and property	\$800,000,000	\$25,000*
Boiler and machinery	100,000,000	10,000
Cyber liability	2,000,000	50,000
Excess cyber liability	3,000,000	2,000,000
Public Entity Pollution Liability	1,000,000	250,000
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, 2022, the risk management fund had net position of \$160,240.

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	6/30/2022
Total OPEB Liability (1)					
Service Cost	\$44,208	\$42,927	\$23,572	\$24,279	\$36,655
Interest	15,049	17,516	30,444	16,603	19,362
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)	(3,418)
Net change in total OPEB liability	34,045	76,346	(217,203)	34,976	52,599
Total OPEB liability - beginning (a)	377,920	411,965	488,311	271,108	306,084
Total OPEB liability - ending (b)	\$411,965	\$488,311	\$271,108	\$306,084	\$358,683
Plan fiduciary net position					
Contributions - employer			\$116,245	\$151,863	\$21,918
Contributions - employee					
Interest				30,229	(34,259)
Net investment income			5,598		
Difference between expected and actual investment income			(7,901)		
Administrative expense			(218)	(766)	(1,658)
Benefit payments			(9,245)	(13,063)	(3,418)
Net change in plan fiduciary net position			104,479	168,263	(17,417)
Plan fiduciary net position - beginning (c)				104,479	272,742
Plan fiduciary net position - ending (d)			\$104,479	\$272,742	\$255,325
Net OPEB liability - beginning (a)-(c)			\$488,311	\$166,629	\$33,342
Net OPEB liability - ending (b)-(d)			\$166,629	\$139,455	\$103,358
Plan fiduciary net position as a percentage of the total OPEB liability			39%		71%
Covered-employee payroll	\$3,489,277	\$3,593,955	\$3,724,660	\$3,427,722	\$3,486,581
Net OPEB liability as a percentage of covered-employee payroll	11.81%	13.59%	7.28%	8.93%	10.29%

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	2022
Actuarially determined required contribution	\$116,245	\$151,863	\$21,918
Contributions in relation to the actuarially required contributions	116,245	151,863	21,918
Contribution deficiency (excess)	\$0	\$0	\$0
Covered-employee payroll	\$3,724,660	\$3,427,722	\$3,486,581
Contributions as a percentage of covered-employee payroll	3.12%	4.43%	0.63%

Notes to Schedule:

Valuation Date	July 1, 2019	July 1, 2021	July 1, 2022
Measurement Date	June 30, 2020	June 30, 2021	June 30, 2022
Actuarial Cost Method	Entry Age, Level Percent of Pay	Entry Age, Level Percent of Pay	Entry Age, Level Percent of Pay
Actuarial Assumptions:			
Discount Rate	6.00%	6.00%	6.00%
Inflation	2.50%	2.50%	2.50%
Payroll Growth	2.75%	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.	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, 2022

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$6,115,000	\$6,115,000	\$6,205,065	\$90,065
Property tax in lieu of VLF	2,480,000	2,525,000	2,507,071	(17,929)
Sales tax	3,940,000	4,065,000	5,188,474	1,123,474
Franchise tax	1,190,000	1,190,000	1,198,111	8,111
Transient Occupancy Tax	75,000	75,000	42,920	(32,080)
Property transfer tax	300,000	400,000	488,348	88,348
Rent and interest	213,220	213,220	(596,855)	(810,075)
Service fees				
Business license registration	17,920	17,920	18,830	910
Vehicle and parking fines	85,000	45,000	40,779	(4,221)
Building inspection	600,000	600,000	768,218	168,218
Parks and recreation	1,717,000	1,717,000	2,206,073	489,073
Planning	400,000	400,000	292,918	(107,082)
Public works and engineering	200,000	200,000	155,396	(44,604)
Police	13,000	13,000	5,336	(7,664)
Other agencies				
Federal				
Homeowners tax reimbursement	31,850	31,850	32,125	275
Vehicle abatement	8,000	8,000	2,272	(5,728)
Miscellaneous	339,100	407,600	426,416	18,816
Total revenues	<u>17,725,090</u>	<u>18,023,590</u>	<u>18,981,497</u>	<u>957,907</u>
Expenditures				
Current:				
City management	889,677	969,677	734,285	235,392
City attorney	640,000	640,000	467,650	172,350
City clerk	332,283	332,283	318,470	13,813
Administrative services	1,243,594	1,314,094	1,201,518	112,576
Police services	5,233,288	5,240,288	4,439,572	800,716
Public works/ engineering	2,658,563	2,959,063	2,281,972	677,091
Parks and recreation	3,180,675	3,280,675	3,566,279	(285,604)
Planning	1,359,282	1,429,187	1,266,998	162,189
Library operations	37,875	37,875	55,067	(17,192)
Capital outlay	2,537,000	2,657,000	704,551	1,952,449
Debt Service:				
Interest and fiscal charges	225,619	225,619	225,619	
Principal	335,000	335,000	335,000	
Total expenditures	<u>18,672,856</u>	<u>19,420,761</u>	<u>15,596,981</u>	<u>3,823,780</u>
Excess (deficiency) of revenues over expenditures	<u>(947,766)</u>	<u>(1,397,171)</u>	<u>3,384,516</u>	<u>4,781,687</u>
Other financing sources (uses)				
Transfers in	16,850	16,850	2,695	(14,155)
Transfers out	(44,088)	(44,088)	(229,492)	(185,404)
Total other financing sources (uses)	<u>(27,238)</u>	<u>(27,238)</u>	<u>(226,797)</u>	<u>(199,559)</u>
Net changes in fund balance	<u>(\$975,004)</u>	<u>(\$1,424,409)</u>	3,157,719	<u>\$4,582,128</u>
Fund balance - beginning of year			<u>15,255,356</u>	
Fund balance - end of year			<u>\$18,413,075</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, 2022

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Interest	\$500	\$500	\$3,103	\$2,603
Total revenues	<u>500</u>	<u>500</u>	<u>3,103</u>	<u>2,603</u>
Expenditures				
Current:				
Parks and recreation			4,185	(4,185)
Capital Outlay	1,334,680	1,334,680	1,322,131	12,549
Total expenditures	<u>1,334,680</u>	<u>1,334,680</u>	<u>1,326,316</u>	<u>12,549</u>
Excess (deficiency) of revenues over expenditures	<u>(1,334,180)</u>	<u>(1,334,180)</u>	<u>(1,323,213)</u>	<u>15,152</u>
Net changes in fund balance	<u>(\$1,334,180)</u>	<u>(\$1,334,180)</u>	<u>(1,323,213)</u>	<u>\$15,152</u>
Fund balance - beginning of year			<u>1,327,494</u>	
Fund balance - end of year			<u><u>\$4,281</u></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, 2022

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Rent and interest	\$3,200	\$3,200	\$6,440	\$3,240
CCTA Return to Source	<u>929,330</u>	<u>929,330</u>	<u>1,047,742</u>	<u>118,412</u>
Total revenues	<u>932,530</u>	<u>932,530</u>	<u>1,054,182</u>	<u>121,652</u>
Expenditures				
Current:				
Public works and engineering	27,800	27,800	9,555	18,245
Capital outlay	<u>1,275,000</u>	<u>1,489,928</u>	<u>1,205,318</u>	<u>284,610</u>
Total expenditures	<u>1,302,800</u>	<u>1,517,728</u>	<u>1,214,873</u>	<u>302,855</u>
Excess (deficiency) of revenues over expenditures	<u>(370,270)</u>	<u>(585,198)</u>	<u>(160,691)</u>	<u>424,507</u>
Net changes in fund balance	<u><u>(\$370,270)</u></u>	<u><u>(\$585,198)</u></u>	<u>(160,691)</u>	<u><u>\$424,507</u></u>
Fund balance - beginning of year			<u>799,947</u>	
Fund balance - end of year			<u><u>\$639,256</u></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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$887	\$387
Miscellaneous	<u>500</u>	<u>500</u>	<u>750</u>	<u>250</u>
Total revenues	<u>1,000</u>	<u>1,000</u>	<u>1,637</u>	<u>637</u>
Expenditures:				
Current:				
Planning	<u>2,000</u>	<u>2,000</u>	<u>1,969</u>	<u>31</u>
Total expenditures	<u>2,000</u>	<u>2,000</u>	<u>1,969</u>	<u>31</u>
Excess of revenues over expenditures	<u>(1,000)</u>	<u>(1,000)</u>	<u>(332)</u>	<u>668</u>
Net changes in fund balance	<u><u>(\$1,000)</u></u>	<u><u>(\$1,000)</u></u>	<u>(332)</u>	<u><u>\$668</u></u>
Fund balance at beginning of year			<u>137,767</u>	
Fund balance at end of year			<u><u>\$137,435</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Rent and interest	\$1,000	\$1,000	\$9,640	\$8,640
Development impact fees	1,100,000	1,100,000	1,211,101	111,101
Total revenues	1,101,000	1,101,000	1,220,741	119,741
Expenditures:				
Current:				
Capital outlay	1,530,000	2,137,850	1,287,612	850,238
Total expenditures	1,530,000	2,137,850	1,287,612	850,238
Excess of revenues over expenditures	(429,000)	(1,036,850)	(66,871)	969,979
Net changes in fund balance	(\$429,000)	(\$1,036,850)	(66,871)	\$969,979
Fund balance at beginning of year			948,301	
Fund balance at end of year			\$881,430	

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.

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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, 2022

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Miscellaneous		\$20,000	\$115,288	\$95,288
Total revenues		<u>20,000</u>	<u>115,288</u>	<u>95,288</u>
Expenditures:				
Current:				
Public works and engineering		48,188	29,795	18,393
Capital outlay	\$1,594,650	<u>1,614,650</u>	<u>513,528</u>	<u>1,101,122</u>
Total expenditures	<u>1,594,650</u>	<u>1,662,838</u>	<u>543,323</u>	<u>1,119,515</u>
Excess of revenues over expenditures	<u>(1,594,650)</u>	<u>(1,642,838)</u>	<u>(428,035)</u>	<u>1,214,803</u>
Net changes in fund balance	<u><u>(\$1,594,650)</u></u>	<u><u>(\$1,642,838)</u></u>	<u>(428,035)</u>	<u><u>\$1,214,803</u></u>
Fund balance - beginning of year			<u>2,157,987</u>	
Fund balance - end of year			<u><u>\$1,729,952</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$1,150,000	\$1,150,000	\$1,228,581	\$78,581
Interest	5,000	5,000	3,933	(1,067)
Homeowners tax reimbursement				
Total revenues	<u>1,155,000</u>	<u>1,155,000</u>	<u>1,232,514</u>	<u>77,514</u>
Expenditures:				
Debt service:				
Principal	530,000	530,000	530,000	
Interest and fiscal charges	583,688	583,688	585,696	(2,008)
Total expenditures	<u>1,113,688</u>	<u>1,113,688</u>	<u>1,115,696</u>	<u>(2,008)</u>
Excess of revenues over expenditures	<u>41,312</u>	<u>41,312</u>	<u>116,818</u>	<u>75,506</u>
Net changes in fund balance	<u>\$41,312</u>	<u>\$41,312</u>	116,818	<u>\$75,506</u>
Fund balance at beginning of year			<u>943,586</u>	
Fund balance at end of year			<u>\$1,060,404</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$1,550,000	\$1,550,000	\$1,645,203	\$95,203
Interest	7,000	7,000	4,896	(2,104)
Homeowners tax reimbursement				
Total revenues	<u>1,557,000</u>	<u>1,557,000</u>	<u>1,650,099</u>	<u>93,099</u>
Expenditures:				
Debt Service:				
Principal	640,000	640,000	640,000	
Interest and fiscal charges	886,480	886,480	884,250	2,230
Total expenditures	<u>1,526,480</u>	<u>1,526,480</u>	<u>1,524,250</u>	<u>2,230</u>
Excess of revenues over expenditures	<u>30,520</u>	<u>30,520</u>	<u>125,849</u>	<u>95,329</u>
Net changes in fund balance	<u>\$30,520</u>	<u>\$30,520</u>	<u>125,849</u>	<u>\$95,329</u>
Fund balance at beginning of year			<u>1,219,484</u>	
Fund balance at end of year			<u><u>\$1,345,333</u></u>	

CITY OF ORINDA, CALIFORNIA
COMBINING FUNDS
FISCAL YEAR ENDED JUNE 30, 2022

<u>Fund</u>	<u>Description</u>
<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>	
<p>General Purpose</p>	<p>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.</p>
<p>Add-On Sales Tax (Measure L)</p>	<p>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.</p>
<p>Add-On Sales Tax (Measure R)</p>	<p>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.</p>

CITY OF ORINDA
Combining Balance Sheet
General Fund
June 30, 2022

	<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	\$13,853,918	\$3,578,768	\$2,674,739	\$20,107,425
Accounts receivable	1,080,142	3,963	688,956	1,773,061
Accrued interest receivable	61,119	2,492	1,709	65,320
Prepaid items and deposits	487,298			487,298
Due from other funds	386,421			386,421
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total assets	<u>\$15,868,898</u>	<u>\$3,585,223</u>	<u>\$3,365,404</u>	<u>\$22,819,525</u>
LIABILITIES AND FUND BALANCES				
Accounts payable and accrued liabilities	\$1,200,983	\$457,794	\$18,292	\$1,677,069
Other current liabilities	364,998			364,998
Unearned revenue	30,000			30,000
Planning and engineering deposits	2,334,383			2,334,383
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities	<u>3,930,364</u>	<u>457,794</u>	<u>18,292</u>	<u>4,406,450</u>
Fund balances:				
Nonspendable	487,298			487,298
Assigned	449,143	3,127,429	3,347,112	6,923,684
Unassigned	11,002,093			11,002,093
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total fund balances	<u>11,938,534</u>	<u>3,127,429</u>	<u>3,347,112</u>	<u>18,413,075</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total liabilities and fund balance	<u>\$15,868,898</u>	<u>\$3,585,223</u>	<u>\$3,365,404</u>	<u>\$22,819,525</u>

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the year ended June 30, 2022

	<u>General Purpose</u>	<u>Add - On Sales Tax (Measure L)</u>	<u>Add - On Sales Tax (Measure R)</u>	<u>Total</u>
Revenues				
Taxes				
Property tax and assessments	\$8,712,136			\$8,712,136
Sales tax	1,407,977	\$108,922	\$3,671,575	5,188,474
Franchise tax	1,198,111			1,198,111
Transient Occupancy Tax	42,920			42,920
Property transfer tax	488,348			488,348
Use of money and properties	(631,046)	23,006	11,185	(596,855)
Service fees				
Business license registration	18,830			18,830
Vehicle fees and parking fines	40,779			40,779
Building inspection	768,218			768,218
Parks and recreation	2,206,073			2,206,073
Planning	292,918			292,918
Public works and engineering	155,396			155,396
Police	5,336			5,336
Other agencies				
Federal				
Homeowners tax reimbursement	32,125			32,125
Vehicle abatement	2,272			2,272
Miscellaneous	426,416			426,416
Total Revenues	15,166,809	131,928	3,682,760	18,981,497
Expenditures				
Current:				
City management	450,901		283,384	734,285
City attorney	463,257		4,393	467,650
City clerk	318,470			318,470
Administrative services	1,199,194		2,324	1,201,518
Parks and recreation	3,307,717		258,562	3,566,279
Public works and engineering	2,078,768		203,204	2,281,972
Police services	4,439,572			4,439,572
Planning	1,266,998			1,266,998
Library operations	55,067			55,067
Capital outlay	53,965	650,586		704,551
Debt Service:				
Interest	225,619			225,619
Principal payments on bonds	335,000			335,000
Total Expenditures	14,194,528	650,586	751,867	15,596,981
Excess (deficiency) of revenues over expenditures	972,281	(518,658)	2,930,893	3,384,516
Other financing sources (uses):				
Transfers in	2,695			2,695
Transfers out	(58,363)		(171,129)	(229,492)
Total other financing sources (uses)	(55,668)		(171,129)	(226,797)
Net changes in fund balance	916,613	(518,658)	2,759,764	3,157,719
Fund balance - beginning of year	11,021,921	3,646,087	587,348	15,255,356
Fund balance - end of year	\$11,938,534	\$3,127,429	\$3,347,112	\$18,413,075

CITY OF ORINDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
General Fund
For the year ended June 30, 2022

	General Purpose			
	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$6,115,000	\$6,115,000	\$6,205,065	\$90,065
Property tax in lieu of VLF	2,480,000	2,525,000	2,507,071	(17,929)
Sales tax	1,090,000	1,215,000	1,407,977	192,977
Franchise tax	1,190,000	1,190,000	1,198,111	8,111
Transient Occupancy Tax	75,000	75,000	42,920	(32,080)
Property transfer tax	300,000	400,000	488,348	88,348
Rent and interest	204,920	204,920	(631,046)	(835,966)
Service fees				
Business License Registration	17,920	17,920	18,830	910
Vehicle and parking fines	85,000	45,000	40,779	(4,221)
Building inspection	600,000	600,000	768,218	168,218
Parks and recreation	1,717,000	1,717,000	2,206,073	489,073
Planning	400,000	400,000	292,918	(107,082)
Public works and engineering	200,000	200,000	155,396	(44,604)
Police	13,000	13,000	5,336	(7,664)
Other agencies				
Federal				
Homeowners tax reimbursement	31,850	31,850	32,125	275
Vehicle abatement	8,000	8,000	2,272	(5,728)
Miscellaneous	339,100	407,600	426,416	18,816
Total revenues	<u>14,866,790</u>	<u>15,165,290</u>	<u>15,166,809</u>	<u>1,519</u>
Expenditures				
Current:				
City management	528,302	528,302	450,901	77,401
City attorney	635,000	635,000	463,257	171,743
City clerk	332,283	332,283	318,470	13,813
Finance/ administrative services	1,239,594	1,310,094	1,199,194	110,900
Police services	5,033,288	5,040,288	4,439,572	600,716
Public works/ engineering	2,198,853	2,317,853	2,078,768	239,085
Parks and recreation	3,145,675	3,245,675	3,307,717	(62,042)
Planning	1,359,282	1,429,187	1,266,998	162,189
Library operations	37,875	37,875	55,067	(17,192)
Capital outlay			53,965	(53,965)
Debt service:				
Interest	225,619	225,619	225,619	
Principal payments on bonds	335,000	335,000	335,000	
Total expenditures	<u>15,070,771</u>	<u>15,437,176</u>	<u>14,194,528</u>	<u>1,242,648</u>
Excess (deficiency) of revenues over expenditures	<u>(203,981)</u>	<u>(271,886)</u>	<u>972,281</u>	<u>1,244,167</u>
Other financing sources (uses)				
Transfers in	16,850	16,850	2,695	(14,155)
Transfers out	(44,088)	(44,088)	(58,363)	(14,275)
Total Other Financing Sources (Uses)	<u>(27,238)</u>	<u>(27,238)</u>	<u>(55,668)</u>	<u>(28,430)</u>
Net changes in fund balance	<u>(\$231,219)</u>	<u>(\$299,124)</u>	916,613	<u>\$1,215,737</u>
Fund balance - beginning of year			11,021,921	
Fund balance - end of year			<u>\$11,938,534</u>	

<u>Add - On Sales Tax (Measure L)</u>				<u>Add - On Sales Tax (Measure R)</u>			
<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
		\$108,922	\$108,922	\$2,850,000	\$2,850,000	\$3,671,575	\$821,575
\$5,000	\$5,000	23,006	18,006	3,300	3,300	11,185	7,885
<u>5,000</u>	<u>5,000</u>	<u>131,928</u>	<u>126,928</u>	<u>2,853,300</u>	<u>2,853,300</u>	<u>3,682,760</u>	<u>829,460</u>
				361,375	441,375	283,384	157,991
				5,000	5,000	4,393	607
				4,000	4,000	2,324	1,676
				35,000	35,000		35,000
				459,710	641,210	203,204	438,006
				200,000	200,000	258,562	(58,562)
2,537,000	2,657,000	650,586	2,006,414				
<u>2,537,000</u>	<u>2,657,000</u>	<u>650,586</u>	<u>2,006,414</u>	<u>1,065,085</u>	<u>1,326,585</u>	<u>751,867</u>	<u>574,718</u>
<u>(2,532,000)</u>	<u>(2,652,000)</u>	<u>(518,658)</u>	<u>2,133,342</u>	<u>1,788,215</u>	<u>1,526,715</u>	<u>2,930,893</u>	<u>1,404,178</u>
						(171,129)	(171,129)
						(171,129)	(171,129)
<u>(\$2,532,000)</u>	<u>(\$2,652,000)</u>	(518,658)	<u>\$2,133,342</u>	<u>\$1,788,215</u>	<u>\$1,526,715</u>	2,759,764	<u>\$1,233,049</u>
		3,646,087				587,348	
		<u>\$3,127,429</u>				<u>\$3,347,112</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, 2022

	Total			
	Original Budget	Amended Budget	Actual	Variance
Revenues				
Taxes				
Property tax and assessments	\$6,115,000	\$6,115,000	\$6,205,065	\$90,065
Property tax in lieu of VLF	2,480,000	2,525,000	2,507,071	(17,929)
Sales tax	3,940,000	4,065,000	5,188,474	1,123,474
Franchise tax	1,190,000	1,190,000	1,198,111	8,111
Transient Occupancy Tax	75,000	75,000	42,920	(32,080)
Property transfer tax	300,000	400,000	488,348	88,348
Rent and interest	213,220	213,220	(596,855)	(810,075)
Service fees				
Business License Registration	17,920	17,920	18,830	910
Vehicle and parking fines	85,000	45,000	40,779	(4,221)
Building inspection	600,000	600,000	768,218	168,218
Parks and recreation	1,717,000	1,717,000	2,206,073	489,073
Planning	400,000	400,000	292,918	(107,082)
Public works and engineering	200,000	200,000	155,396	(44,604)
Police	13,000	13,000	5,336	(7,664)
Other agencies				
Federal				
Homeowners tax reimbursement	31,850	31,850	32,125	275
Vehicle abatement	8,000	8,000	2,272	(5,728)
Miscellaneous	339,100	407,600	426,416	18,816
Total revenues	<u>17,725,090</u>	<u>18,023,590</u>	<u>18,981,497</u>	<u>957,907</u>
Expenditures				
Current:				
City management	889,677	969,677	734,285	235,392
City attorney	640,000	640,000	467,650	172,350
City clerk	332,283	332,283	318,470	13,813
Finance/ administrative services	1,243,594	1,314,094	1,201,518	112,576
Police services	5,233,288	5,240,288	4,439,572	800,716
Public works/ engineering	2,658,563	2,959,063	2,281,972	677,091
Parks and recreation	3,180,675	3,280,675	3,566,279	(285,604)
Planning	1,359,282	1,429,187	1,266,998	162,189
Library operations	37,875	37,875	55,067	(17,192)
Capital outlay	2,537,000	2,657,000	704,551	1,952,449
Debt service:				
Interest	225,619	225,619	225,619	
Principal payments on bonds	335,000	335,000	335,000	
Total expenditures	<u>18,672,856</u>	<u>19,420,761</u>	<u>15,596,981</u>	<u>3,823,780</u>
Excess (deficiency) of revenues over expenditures	<u>(947,766)</u>	<u>(1,397,171)</u>	<u>3,384,516</u>	<u>4,781,687</u>
Other financing sources (uses)				
Transfers in	16,850	16,850	2,695	(14,155)
Transfers out	(44,088)	(44,088)	(229,492)	(185,404)
Total Other Financing Sources (Uses)	<u>(27,238)</u>	<u>(27,238)</u>	<u>(226,797)</u>	<u>(199,559)</u>
Net changes in fund balance	<u>(\$975,004)</u>	<u>(\$1,424,409)</u>	<u>3,157,719</u>	<u>\$4,582,128</u>
Fund balance - beginning of year			<u>15,255,356</u>	
Fund balance - end of year			<u>\$18,413,075</u>	

CITY OF ORINDA, CALIFORNIA
NON-MAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED JUNE 30, 2022

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, 2022

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.
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, 2022

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, 2022

	Special Revenue Funds			
	Gas Tax	Transportation Impact	Drainage Impact	Library
<u>ASSETS</u>				
Cash, cash equivalents and investments	\$969,887	\$994,463	\$1,890,307	\$443,089
Accounts receivable	106,134			
Interest receivable	614	700	1,312	333
Prepaid items				13,203
Due from other agencies	200,000			
Total assets	\$1,276,635	\$995,163	\$1,891,619	\$456,625
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts payable and accrued liabilities	\$707,329	\$48,891	\$62,033	\$48,054
Due to other funds				
Total liabilities	707,329	48,891	62,033	48,054
Fund balance				
Nonspendable				13,203
Restricted	569,306	946,272	\$1,829,586	395,368
Committed				
Assigned				
Total fund balance	569,306	946,272	1,829,586	408,571
Total liabilities and fund balance	\$1,276,635	\$995,163	\$1,891,619	\$456,625

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
\$959,944	\$12,880	\$2,393,829	\$84,976	\$215,253	\$12,097	\$3,101
679	9	11,480	98	150	8	2
		79,508	109,750			
<u>\$960,623</u>	<u>\$12,889</u>	<u>\$2,484,817</u>	<u>\$194,824</u>	<u>\$215,403</u>	<u>\$12,105</u>	<u>\$3,103</u>
\$8,164		\$49,579			\$300	\$904
<u>8,164</u>		<u>49,579</u>			<u>300</u>	<u>904</u>
952,459	\$12,889	2,435,238	\$109,750 85,074	\$215,403	11,805	2,199
<u>952,459</u>	<u>12,889</u>	<u>2,435,238</u>	<u>194,824</u>	<u>215,403</u>	<u>11,805</u>	<u>2,199</u>
<u>\$960,623</u>	<u>\$12,889</u>	<u>\$2,484,817</u>	<u>\$194,824</u>	<u>\$215,403</u>	<u>\$12,105</u>	<u>\$3,103</u>

(Continued)

CITY OF ORINDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds			
	Assessment District M-11	Wilder CFD	Stormwater	TDA Grants
<u>ASSETS</u>				
Cash and cash equivalents	\$8,188		\$31,589	
Accounts receivable		\$504,431	113,129	\$49,101
Interest receivable		17	54	
Prepaid items				
Due from other agencies				
Total assets	\$8,188	\$504,448	\$144,772	\$49,101
<u>LIABILITIES AND FUND BALANCES</u>				
Accounts payable and accrued liabilities	\$8,188	\$16,795	\$9,244	\$28,143
Due to other funds		39,737		20,958
Total liabilities	8,188	56,532	9,244	49,101
Fund balance				
Nonspendable				
Restricted		447,916	135,528	
Committed				
Assigned				
Total fund balance		447,916	135,528	
Total liabilities and fund balance	\$8,188	\$504,448	\$144,772	49,101

Special Revenue Funds				Capital Project Funds	
<u>General Plan Surcharge</u>	<u>Field Maintenance Surcharge</u>	<u>Facility Improvement Surcharge</u>	<u>Permit Technology Surcharge</u>	<u>Oaksprings Assessments District Improvements</u>	<u>State Grants</u>
\$150,783	\$265,025	\$123,265	\$35,446	\$278,724	\$169,497
103	11,040	18	24	196	59,608
	180	84			
<u>\$150,886</u>	<u>\$276,245</u>	<u>\$123,367</u>	<u>\$35,470</u>	<u>\$278,920</u>	<u>\$229,105</u>
		\$2			\$24,995
		2			24,995
	\$276,245	123,365	\$35,470	\$278,920	204,110
<u>\$150,886</u>					
<u>150,886</u>	<u>276,245</u>	<u>123,365</u>	<u>35,470</u>	<u>278,920</u>	<u>204,110</u>
<u>\$150,886</u>	<u>\$276,245</u>	<u>\$123,367</u>	<u>\$35,470</u>	<u>\$278,920</u>	<u>\$229,105</u>

(Continued)

CITY OF ORINDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

Capital Project Funds

	Other Grants	Road Stabilization	Total
<u>ASSETS</u>			
Cash and cash equivalents	\$1,534	\$812,439	\$9,856,316
Accounts receivable	62,728		917,669
Interest receivable		565	5,128
Prepaid items			122,953
Due from other agencies			279,508
Total assets	\$64,262	\$813,004	\$11,181,574
<u>LIABILITIES AND FUND BALANCES</u>			
Accounts payable and accrued liabilities	\$1,076	\$53,253	\$1,066,950
Due to other funds	63,186		123,881
Total liabilities	64,262	53,253	1,190,831
Fund balance			
Nonspendable			122,953
Restricted			8,957,153
Committed		759,751	759,751
Assigned			150,886
Total fund balance	759,751	759,751	9,990,743
Total liabilities and fund balance	\$64,262	\$813,004	\$11,181,574

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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, 2022

	<u>Special Revenue Funds</u>			
	<u>Gas Tax</u>	<u>Transportation Impact</u>	<u>Drainage Impact</u>	<u>Library</u>
Revenues				
Property tax and assessments				\$523,917
Interest	\$4,776	\$6,323	\$11,929	2,319
Parks and recreation				
Gasoline taxes	844,158			
State and local grants	275,117			
Development impact fees		48,599	205,559	
C.O.P.S. - State AB 3229				
Federal agencies				
NPDES revenue				
Miscellaneous				
Total revenue	<u>1,124,051</u>	<u>54,922</u>	<u>217,488</u>	<u>526,236</u>
Expenditures				
Current:				
Administrative services				
City attorney				
Parks and Recreation				
Public works and engineering	172,946	5,472	18,941	
Police				
Planning				
Landscaping and street maintenance				
Library services				414,291
Capital outlay	834,342	80,188	146,758	5,497
Debt service:				
Interest and fiscal charges				
Principal				
Total expenditures	<u>1,007,288</u>	<u>85,660</u>	<u>165,699</u>	<u>419,788</u>
Excess (deficiency) of revenues over expenditures	<u>116,763</u>	<u>(30,738)</u>	<u>51,789</u>	<u>106,448</u>
Transfers in		77		
Transfers out				
Net transfers in (out)		<u>77</u>		
Net changes in fund balance	116,763	(30,661)	51,789	106,448
Fund balances at beginning of year	<u>452,543</u>	<u>976,933</u>	<u>1,777,797</u>	<u>302,123</u>
Fund balances at end of year	<u>\$569,306</u>	<u>\$946,272</u>	<u>\$1,829,586</u>	<u>\$408,571</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>
\$6,325	\$83		\$946	\$1,344	\$8,595 58	\$11,353 9
104,403			32,986	161,285		
		\$3,174,516				
<u>110,728</u>	<u>83</u>	<u>3,174,516</u>	<u>33,932</u>	<u>162,629</u>	<u>8,653</u>	<u>11,362</u>
		5,834				
			126,935	100,000		
145,303		733,444			5,559	11,611
<u>145,303</u>		<u>739,278</u>	<u>126,935</u>	<u>100,000</u>	<u>5,559</u>	<u>11,611</u>
<u>(34,575)</u>	<u>83</u>	<u>2,435,238</u>	<u>(93,003)</u>	<u>62,629</u>	<u>3,094</u>	<u>(249)</u>
<u>(526)</u>					240	40
<u>(526)</u>					240	40
(35,101)	83	2,435,238	(93,003)	62,629	3,334	(209)
<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>\$952,459</u>	<u>\$12,889</u>	<u>\$2,435,238</u>	<u>\$194,824</u>	<u>\$215,403</u>	<u>\$11,805</u>	<u>\$2,199</u>

(Continued)

CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the year ended June 30, 2022

	Special Revenue Funds			
	Assessment District M-11	Wilder CFD	Stormwater	TDA Grants
Revenues				
Property tax and assessments	\$37,967	\$504,430		
Use of money and properties		262	\$868	
Parks and recreation				
Gasoline tax				
State and local grants				\$68,301
Development impact fees				
C.O.P.S. - State AB 3229				
Federal agencies				
NPDES			124,367	
Miscellaneous			1,418	
Total revenue	<u>37,967</u>	<u>504,692</u>	<u>126,653</u>	<u>68,301</u>
Expenditures				
Current:				
Administrative services				
City attorney				
Parks and Recreation		262,042		
Public works and engineering			270,789	
Police				
Planning				
Landscaping and street maintenance	87,973			
Library services				
Capital outlay				68,301
Debt service:				
Interest and fiscal charges				
Principal				
Total expenditures	<u>87,973</u>	<u>262,042</u>	<u>270,789</u>	<u>68,301</u>
Excess (deficiency) of revenues over expenditures	<u>(50,006)</u>	<u>242,650</u>	<u>(144,136)</u>	
Transfers in	50,006			
Transfers out				(2,772)
Net transfers in (out)	<u>50,006</u>			<u>(2,772)</u>
Net changes in fund balance		242,650	(144,136)	(2,772)
Fund balances at beginning of year		<u>205,266</u>	<u>279,664</u>	<u>2,772</u>
Fund balances at end of year		<u><u>\$447,916</u></u>	<u><u>\$135,528</u></u>	

Special Revenue Funds				Capital Project Funds	
General Plan Surcharge	Field Maintenance Surcharge	Facility Improvement Surcharge	Permit Technology Surcharge	Oaksprings Assessments District Improvements	State Grants
\$899	\$1,638 50,015	\$694 35,616	\$205	\$1,832	
					\$60,246
33,872			10,178		
34,771	51,653	36,310	10,383	1,832	60,246
				9,916	5,456
					74,254
					9,406
				9,916	89,116
34,771	51,653	36,310	10,383	(8,084)	(28,870)
34,771	51,653	36,310	10,383	(8,084)	(28,870)
116,115	224,592	87,055	25,087	287,004	232,980
\$150,886	\$276,245	\$123,365	\$35,470	\$278,920	\$204,110

(Continued)

CITY OF ORINDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the year ended June 30, 2022

	Capital Project Funds		
	Other Grants	Road Stabilization	Total
Revenues			
Property tax and assessments			\$1,086,262
Interest		\$5,275	45,785
Parks and recreation			85,631
Gasoline tax			844,158
State and local grants	\$62,729		499,379
Development impact fees			358,561
C.O.P.S. - State AB 3229			161,285
Federal agencies			3,174,516
NPDES revenue			124,367
Miscellaneous			45,468
Total revenue	62,729	5,275	6,425,412
Expenditures			
Current:			
Administrative services			5,834
City attorney			
Parks and Recreation			388,977
Public works and engineering		48,751	532,271
Police			100,000
Planning	56,281		130,535
Landscaping and street maintenance			105,143
Library services			414,291
Capital outlay		22,300	2,045,539
Debt service:			
Interest and fiscal charges			
Principal			
Total expenditures	56,281	71,051	3,722,590
Excess (deficiency) of revenues over expenditures	6,448	(65,776)	2,702,822
Transfers in	526		50,889
Transfers out			(3,298)
Net transfers in (out)	526		47,591
Net changes in fund balance	6,974	(65,776)	2,750,413
Fund balances at beginning of year	(6,974)	825,527	7,240,330
Fund balances at end of year	\$759,751	\$759,751	\$9,990,743

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, 2022

	<u>Original Budget</u>	<u>Amended Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Gasoline taxes	\$1,011,500	\$1,011,500	\$844,158	(\$167,342)
State and local grants			275,117	275,117
Interest	<u>3,000</u>	<u>3,000</u>	<u>4,776</u>	<u>1,776</u>
Total revenue	<u>1,014,500</u>	<u>1,014,500</u>	<u>1,124,051</u>	<u>109,551</u>
Expenditures				
Current:				
Public works and engineering	383,858	383,858	172,946	210,912
Capital outlay	<u>831,000</u>	<u>931,000</u>	<u>834,342</u>	<u>96,658</u>
Total expenditures	<u>1,214,858</u>	<u>1,314,858</u>	<u>1,007,288</u>	<u>307,570</u>
Excess (deficiency) of revenues over expenditures	<u>(200,358)</u>	<u>(300,358)</u>	<u>116,763</u>	<u>417,121</u>
Net changes in fund balance	<u><u>(\$200,358)</u></u>	<u><u>(\$300,358)</u></u>	116,763	<u><u>\$417,121</u></u>
Fund balance at beginning of year			<u>452,543</u>	
Fund balance at end of year			<u><u>\$569,306</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Transportation Impact Special Revenue Fund
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Development impact fees	\$40,000	\$40,000	\$48,599	\$8,599
Interest	5,000	5,000	6,323	1,323
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>54,922</u>	<u>9,922</u>
Expenditures:				
Public works and engineering	102,500	102,500	5,472	97,028
Capital outlay	142,200	142,200	80,188	62,012
Total expenditures	<u>244,700</u>	<u>244,700</u>	<u>85,660</u>	<u>62,012</u>
Other financing sources:				
Transfers in			77	77
Total other financing sources			<u>77</u>	<u>77</u>
Excess (deficiency) of revenues over expenditures	<u>(199,700)</u>	<u>(199,700)</u>	<u>(30,661)</u>	<u>71,934</u>
Net changes in fund balance	<u>(\$199,700)</u>	<u>(\$199,700)</u>	(30,661)	<u>\$71,934</u>
Fund balance at beginning of year			<u>976,933</u>	
Fund balance at end of year			<u>\$946,272</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Development impact fees	\$150,000	\$150,000	\$205,559	\$55,559
Interest	2,000	2,000	11,929	9,929
Total revenues	152,000	152,000	217,488	65,488
Expenditures:				
Current:				
Public works and engineering	15,000	15,000	18,941	(3,941)
Capital outlay	448,000	448,000	146,758	301,242
Total expenditures	463,000	463,000	165,699	(3,941)
Excess (deficiency) of revenues over expenditures	(311,000)	(311,000)	51,789	61,547
Net changes in fund balance	(\$311,000)	(\$311,000)	51,789	\$61,547
Fund balance at beginning of year			1,777,797	
Fund balance at end of year			\$1,829,586	

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$523,158	\$523,158	\$523,917	\$759
Interest	<u>1,000</u>	<u>1,000</u>	<u>2,319</u>	<u>1,319</u>
Total revenues	<u>524,158</u>	<u>524,158</u>	<u>526,236</u>	<u>2,078</u>
Expenditures:				
Current:				
Capital outlay	148,750	148,750	5,497	143,253
Library services	<u>356,690</u>	<u>356,690</u>	<u>414,291</u>	<u>(57,601)</u>
Total expenditures	<u>505,440</u>	<u>505,440</u>	<u>419,788</u>	<u>85,652</u>
Excess (deficiency) of revenues over expenditures	<u>18,718</u>	<u>18,718</u>	<u>106,448</u>	<u>87,730</u>
Net changes in fund balance	<u>\$18,718</u>	<u>\$18,718</u>	106,448	<u>\$87,730</u>
Fund balance at beginning of year			<u>302,123</u>	
Fund balance at end of year			<u>\$408,571</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$5,000	\$5,000	\$6,325	\$1,325
Development impact fees	50,000	50,000	104,403	54,403
Total revenues	55,000	55,000	110,728	55,728
Expenditures:				
Capital outlay	658,000	658,000	145,303	512,697
Total expenditures	658,000	658,000	145,303	512,697
Excess (deficiency) of revenues over expenditures	(603,000)	(603,000)	(34,575)	568,425
Other financing sources (uses):				
Transfers in	_____	_____	(526)	(526)
Total other financing sources (uses)	_____	_____	(526)	(526)
Net changes in fund balance	(\$603,000)	(\$603,000)	(35,101)	\$568,425
Fund balance at beginning of year			987,560	
Fund balance at end of year			\$952,459	

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$100	\$100	\$83	(\$17)
Fees	<u>500</u>	<u>500</u>		<u>(500)</u>
Total revenues	<u>600</u>	<u>600</u>	<u>83</u>	<u>(517)</u>
Excess (deficiency) of revenues over expenditures	<u>600</u>	<u>600</u>	<u>83</u>	<u>(517)</u>
Net changes in fund balance	<u>\$600</u>	<u>\$600</u>	83	<u>(\$517)</u>
Fund balance at beginning of year			<u>12,806</u>	
Fund balance at end of year			<u>\$12,889</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, 2022

	Original Budget	Amended Budget	Actual	Variance
Revenues				
Grants	\$1,008,200	\$1,008,200	\$3,174,516	\$2,166,316
Total revenues	<u>1,008,200</u>	<u>1,008,200</u>	<u>3,174,516</u>	<u>2,166,316</u>
Expenditures				
Administrative services		150,000	5,834	144,166
Public works and engineering	1,008,200	1,008,200	733,444	274,756
Total expenditures	<u>1,008,200</u>	<u>1,158,200</u>	<u>739,278</u>	<u>418,922</u>
Excess (deficiency) of revenues over expenditures		<u>(150,000)</u>	<u>2,435,238</u>	<u>2,585,238</u>
Net changes in fund balance		<u>(\$150,000)</u>	<u>2,435,238</u>	<u>\$2,585,238</u>
Fund balance - beginning of year				
Fund balance - end of year			<u>\$2,435,238</u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Recycling Special Revenue Fund
For the year ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
State and local			\$32,986	\$32,986
Interest			946	946
Total revenues			<u>33,932</u>	<u>33,932</u>
Expenditures:				
Current:				
Parks and recreation	\$124,000	\$124,000	126,935	(2,935)
Total expenditures	<u>124,000</u>	<u>124,000</u>	<u>126,935</u>	<u>(2,935)</u>
Excess (deficiency) of revenues over expenditures	<u>(124,000)</u>	<u>(124,000)</u>	<u>(93,003)</u>	<u>30,997</u>
Net changes in fund balance	<u><u>(\$124,000)</u></u>	<u><u>(\$124,000)</u></u>	<u>(93,003)</u>	<u><u>\$30,997</u></u>
Fund balance at beginning of year			<u>287,827</u>	
Fund balance at end of year			<u><u>\$194,824</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
C.O.P.S. - State AB 3229	\$135,000	\$135,000	\$161,285	\$26,285
Interest	1,500	1,500	1,344	(156)
Total revenues	136,500	136,500	162,629	26,129
Expenditures:				
Current:				
Police	200,000	200,000	100,000	(100,000)
Total expenditures	200,000	200,000	100,000	(100,000)
Excess (deficiency) of revenues over expenditures	(63,500)	(63,500)	62,629	126,129
Net changes in fund balance	(\$63,500)	(\$63,500)	62,629	\$126,129
Fund balance at beginning of year			152,774	
Fund balance at end of year			\$215,403	

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Property tax and assessments	\$8,705	\$8,705	\$8,595	(\$110)
Interest	<u>10</u>	<u>10</u>	<u>58</u>	<u>48</u>
Total revenues	<u>8,715</u>	<u>8,715</u>	<u>8,653</u>	<u>(62)</u>
Expenditures:				
Current:				
Landscaping and street maintenance	<u>6,920</u>	<u>6,920</u>	<u>5,559</u>	<u>1,361</u>
Total expenditures	<u>6,920</u>	<u>6,920</u>	<u>5,559</u>	<u>1,361</u>
Other financing sources (uses):				
Transfers in	240	240	240	
Transfers out	<u>(600)</u>	<u>(600)</u>	<u></u>	<u>600</u>
Total other financing sources (uses)	<u>(360)</u>	<u>(360)</u>	<u>240</u>	<u>600</u>
Net changes in fund balance	<u>\$1,435</u>	<u>\$1,435</u>	3,334	<u>\$1,899</u>
Fund balance at beginning of year			<u>8,471</u>	
Fund balance at end of year			<u>\$11,805</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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Property tax and assessments	\$11,498	\$11,498	\$11,353	(\$145)
Interest	<u>10</u>	<u>10</u>	<u>9</u>	<u>(1)</u>
Total revenues	<u>11,508</u>	<u>11,508</u>	<u>11,362</u>	<u>(146)</u>
Expenditures:				
Current:				
Landscaping and street maintenance	<u>11,240</u>	<u>11,240</u>	<u>11,611</u>	<u>(371)</u>
Total expenditures	<u>11,240</u>	<u>11,240</u>	<u>11,611</u>	<u>(371)</u>
Other financing sources:				
Transfers in	<u>40</u>	<u>40</u>	<u>40</u>	
Total other financing sources	<u>40</u>	<u>40</u>	<u>40</u>	
Net changes in fund balance	<u>\$308</u>	<u>\$308</u>	(209)	<u>(\$517)</u>
Fund balance at beginning of year			<u>2,408</u>	
Fund balance at end of year			<u>\$2,199</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$37,712	\$37,712	\$37,967	\$255
Total revenues	37,712	37,712	37,967	255
Expenditures:				
Current:				
Landscaping and street maintenance	65,270	65,270	87,973	(22,703)
Total expenditures	65,270	65,270	87,973	(22,703)
Excess of revenues over expenditures	(27,558)	(27,558)	(50,006)	(22,448)
Other financing sources:				
Transfers in	43,808	43,808	50,006	6,198
Transfers out	(16,250)	(16,250)		16,250
Total other financing sources	27,558	27,558	50,006	22,448
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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Property tax and assessments	\$451,200	\$451,200	\$504,430	\$53,230
Interest	300	300	262	(38)
Total revenues	451,500	451,500	504,692	53,192
Expenditures:				
Current:				
Police	185,000	185,000		185,000
Landscaping and street maintenance	266,200	266,200	262,042	4,158
Total expenditures	451,200	451,200	262,042	189,158
Net changes in fund balance	\$300	\$300	242,650	\$242,350
Fund balance at beginning of year			205,266	
Fund balance at end of year			\$447,916	

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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$868	\$368
NPEDES revenue	310,000	310,000	124,367	(185,633)
Miscellaneous	500	500	1,418	918
Total revenues	311,000	311,000	126,653	(184,347)
Expenditures:				
Current:				
Public works and engineering	292,287	292,287	270,789	21,498
Total expenditures	292,287	292,287	270,789	21,498
Net changes in fund balance	\$18,713	\$18,713	(144,136)	(\$162,849)
Fund balance at beginning of year			279,664	
Fund balance at end of year			\$135,528	

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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
State and local grants	\$112,300	\$112,300	\$68,301	(\$43,999)
Total revenues	<u>112,300</u>	<u>112,300</u>	<u>68,301</u>	<u>(43,999)</u>
Expenditures:				
Capital outlay	112,300	112,300	68,301	43,999
Total expenditures	<u>112,300</u>	<u>112,300</u>	<u>68,301</u>	<u>43,999</u>
Other financing sources (uses)				
Transfer out			(2,772)	2,772
Total other financing sources (uses)			<u>(2,772)</u>	<u>2,772</u>
Net changes in fund balance			<u>(2,772)</u>	
Fund balance at beginning of year			<u>2,772</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
General Plan Special Revenue Fund
For the year ended June 30, 2022

	Original Budget	Amended Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$899	\$399
Miscellaneous	<u>50,000</u>	<u>50,000</u>	<u>33,872</u>	<u>(16,128)</u>
Total revenue	<u>50,500</u>	<u>50,500</u>	<u>34,771</u>	<u>(15,729)</u>
Expenditures:				
Current:				
Planning	<u>100,000</u>	<u>100,000</u>	<u> </u>	<u>100,000</u>
Total expenditures	<u>100,000</u>	<u>100,000</u>	<u> </u>	<u>100,000</u>
Excess (deficiency) of revenues over expenditures	<u>(49,500)</u>	<u>(49,500)</u>	<u>34,771</u>	<u>(15,729)</u>
Net changes in fund balance	<u><u>(\$49,500)</u></u>	<u><u>(\$49,500)</u></u>	<u>34,771</u>	<u><u>(\$15,729)</u></u>
Fund balance at beginning of year			<u>116,115</u>	
Fund balance at end of year			<u><u>\$150,886</u></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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$500	\$500	\$1,638	\$1,138
Recreation fees	<u>20,000</u>	<u>20,000</u>	<u>50,015</u>	<u>30,015</u>
Total revenues	<u>20,500</u>	<u>20,500</u>	<u>51,653</u>	<u>31,153</u>
Net changes in fund balance	<u><u>\$20,500</u></u>	<u><u>\$20,500</u></u>	<u>51,653</u>	<u><u>\$31,153</u></u>
Fund balance at beginning of year			<u>224,592</u>	
Fund balance at end of year			<u><u>\$276,245</u></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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$694	\$194
Recreation fees	<u>37,500</u>	<u>37,500</u>	<u>35,616</u>	<u>(1,884)</u>
Total revenues	<u>38,000</u>	<u>38,000</u>	<u>36,310</u>	<u>(1,690)</u>
Expenditures:				
Current:				
Parks and recreation	<u>15,000</u>	<u>15,000</u>	<u></u>	<u>15,000</u>
Total expenditures	<u>15,000</u>	<u>15,000</u>	<u></u>	<u>15,000</u>
Excess of revenues over expenditures	<u>23,000</u>	<u>23,000</u>	<u>36,310</u>	<u>13,310</u>
Net changes in fund balance	<u><u>\$23,000</u></u>	<u><u>\$23,000</u></u>	36,310	<u><u>\$13,310</u></u>
Fund balance at beginning of year			<u>87,055</u>	
Fund balance at end of year			<u><u>\$123,365</u></u>	

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, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Interest	\$100	\$100	\$205	\$105
Miscellaneous	<u>18,000</u>	<u>18,000</u>	<u>10,178</u>	<u>(7,822)</u>
Total revenues	<u>18,100</u>	<u>18,100</u>	<u>10,383</u>	<u>(7,717)</u>
Net changes in fund balance	<u><u>\$18,100</u></u>	<u><u>\$18,100</u></u>	<u>10,383</u>	<u><u>(\$7,717)</u></u>
Fund balance at beginning of year			<u>25,087</u>	
Fund balance at end of year			<u><u>\$35,470</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
Oaksprings Assessments District Improvements Capital Projects Fund
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$500	\$500	\$1,832	\$1,332
Total Revenues	<u>500</u>	<u>500</u>	<u>1,832</u>	<u>1,332</u>
Expenditures:				
Current:				
Parks and recreation			9,916	(9,916)
Total expenditures			<u>9,916</u>	<u>(9,916)</u>
Excess of revenues over expenditures	<u>500</u>	<u>500</u>	<u>(8,084)</u>	<u>(8,584)</u>
Net changes in fund balance	<u><u>\$500</u></u>	<u><u>\$500</u></u>	<u>(8,084)</u>	<u><u>\$1,332</u></u>
Fund balance at beginning of year, as adjusted			<u>287,004</u>	
Fund balance at end of year			<u><u>\$278,920</u></u>	

CITY OF ORINDA
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual
State Grants Fund
For the year ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Grants	\$176,800	\$176,800	\$60,246	(\$116,554)
Total revenues	<u>176,800</u>	<u>176,800</u>	<u>60,246</u>	<u>(116,554)</u>
Expenditures:				
Public works and engineering	40,000	40,000	5,456	34,544
Planning	120,000	129,134	74,254	54,880
Capital outlay	<u>234,351</u>	<u>234,351</u>	<u>9,406</u>	<u>224,945</u>
Total expenditures	<u>234,351</u>	<u>234,351</u>	<u>89,116</u>	<u>224,945</u>
Net changes in fund balance	<u>(\$57,551)</u>	<u>(\$57,551)</u>	(28,870)	<u>\$108,391</u>
Fund balance at beginning of year			<u>232,980</u>	
Fund balance at end of year			<u>\$204,110</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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Grants - Local	\$4,000	\$79,000	\$62,729	(\$16,271)
Miscellaneous	235,000	235,000		(235,000)
Total revenues	239,000	314,000	62,729	(251,271)
Expenditures:				
Current:				
Planning	4,000	97,553	56,281	41,272
Capital outlay	235,000	235,000		235,000
Total expenditures	239,000	332,553	56,281	235,000
Excess (deficiency) of revenues over expenditures		(18,553)	6,448	(486,271)
Other financing sources (uses):				
Transfers in			526	526
Total other financing sources (uses)			526	526
Net changes in fund balance	(18,553)	(18,553)	6,974	(\$16,271)
Fund balance at beginning of year			(6,974)	
Fund balance at end of year				

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, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Interest	\$5,000	\$5,000	\$5,275	\$275
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>5,275</u>	<u>275</u>
Expenditures:				
Current:				
Public works and engineering	20,000	20,000	48,751	(28,751)
Capital outlay	70,000	70,000	22,300	47,700
Total expenditures	<u>90,000</u>	<u>90,000</u>	<u>71,051</u>	<u>18,949</u>
Net changes in fund balance	<u>(\$85,000)</u>	<u>(\$85,000)</u>	<u>(65,776)</u>	<u>\$29,026</u>
Fund balance at beginning of year			<u>825,527</u>	
Fund balance at end of year			<u>\$759,751</u>	

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CITY OF ORINDA, CALIFORNIA
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED JUNE 30, 2022

Fund	Description
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, 2022

	<u>Information Systems</u>	<u>Buildings Maintenance</u>	<u>Vehicle Replacement</u>	<u>Risk Management</u>	<u>Total</u>
Assets					
Current Assets:					
Cash, cash equivalents and investments	\$538,629	\$983,048	\$758,889	\$160,129	\$2,440,695
Accounts receivable					
Interest receivable	377	685	528	111	1,701
Prepays and deposits					
Total Current Assets	<u>539,006</u>	<u>983,733</u>	<u>759,417</u>	<u>160,240</u>	<u>2,442,396</u>
Non-current assets:					
Capital assets, net of Accumulated depreciation	<u>69,859</u>	<u>35,587</u>	<u>410,758</u>		<u>516,204</u>
Total Assets	<u>608,865</u>	<u>1,019,320</u>	<u>1,170,175</u>	<u>160,240</u>	<u>2,958,600</u>
Liabilities					
Current Liabilities:					
Accounts payable	<u>21,057</u>	<u>833</u>			<u>21,890</u>
Total Liabilities	<u>21,057</u>	<u>833</u>			<u>21,890</u>
Net Position					
Net position:					
Net investments in capital assets	69,859	35,587	410,758		516,204
Unrestricted	<u>517,949</u>	<u>982,900</u>	<u>759,417</u>	<u>160,240</u>	<u>2,420,506</u>
Total Net Position	<u>\$587,808</u>	<u>\$1,018,487</u>	<u>\$1,170,175</u>	<u>\$160,240</u>	<u>\$2,936,710</u>

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Information Systems</u>	<u>Buildings Maintenance</u>	<u>Vehicle Replacement</u>	<u>Risk Management</u>	<u>Total</u>
Operating revenues:					
Charges for services	<u>\$236,201</u>	<u>\$156,609</u>	<u>\$138,119</u>	<u>\$443,220</u>	<u>\$974,149</u>
Total operating revenues	<u>236,201</u>	<u>156,609</u>	<u>138,119</u>	<u>443,220</u>	<u>974,149</u>
Operating expenses:					
Contract services	60,641				60,641
Services and supplies	53,649	37,488			91,137
Special department expenses				441,784	441,784
Capital outlay					
Depreciation	<u>60,481</u>	<u>9,322</u>	<u>116,273</u>		<u>186,076</u>
Total operating expenses	<u>174,771</u>	<u>46,810</u>	<u>116,273</u>	<u>441,784</u>	<u>779,638</u>
Operating income (loss)	<u>61,430</u>	<u>109,799</u>	<u>21,846</u>	<u>1,436</u>	<u>194,511</u>
Non-operating revenues (expenses):					
Investment income	3,590	6,369	4,866	783	15,608
Other revenue				37,091	37,091
Gain on disposal of capital asset					
Total non-operating revenues	<u>3,590</u>	<u>6,369</u>	<u>4,866</u>	<u>37,874</u>	<u>52,699</u>
Other financing sources (uses):					
Transfers in		<u>8,077</u>	<u>171,129</u>		<u>179,206</u>
Total other financing sources (uses)		<u>8,077</u>	<u>171,129</u>		<u>179,206</u>
Change in net position	65,020	124,245	197,841	39,310	426,416
Net position at beginning of year	<u>522,788</u>	<u>894,242</u>	<u>972,334</u>	<u>120,930</u>	<u>2,510,294</u>
Net position at end of year	<u><u>\$587,808</u></u>	<u><u>\$1,018,487</u></u>	<u><u>\$1,170,175</u></u>	<u><u>\$160,240</u></u>	<u><u>\$2,936,710</u></u>

CITY OF ORINDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Equipment and Information Systems	Buildings Maintenance	Vehicle Replacement	Risk Management	Total
Cash flows from operating activities:					
Cash received from department users	\$236,201	\$156,609	\$138,909	\$443,220	\$974,939
Cash payments to suppliers of goods and services	(90,803)	(38,597)		(2,600)	(132,000)
Cash payments to employees for services				(441,784)	(441,784)
Net cash provided by (used for) operating activities	<u>145,398</u>	<u>118,012</u>	<u>138,909</u>	<u>(1,164)</u>	<u>401,155</u>
Cash flows from noncapital financing activities:					
Other revenue				37,091	37,091
Transfers from other funds		8,077	171,129		179,206
Net cash provided by noncapital financing activities		<u>8,077</u>	<u>171,129</u>	<u>37,091</u>	<u>216,297</u>
Cash flows from capital and related financing activities:					
(Acquisition) of capital assets		(8,077)	(171,129)		(179,206)
Proceeds from sale of capital assets					
Net cash (used for) capital and related financing activities		<u>(8,077)</u>	<u>(171,129)</u>		<u>(179,206)</u>
Cash flows from investing activities:					
Interest received on investments	3,696	6,714	5,075	818	16,303
Net cash provided by investing activities	<u>3,696</u>	<u>6,714</u>	<u>5,075</u>	<u>818</u>	<u>16,303</u>
Net increase (decreased) in cash and cash equivalents	149,094	124,726	143,984	36,745	454,549
Cash and cash equivalents at beginning of year	<u>389,535</u>	<u>858,322</u>	<u>614,905</u>	<u>123,384</u>	<u>1,986,146</u>
Cash and cash equivalents at end of year	<u>\$538,629</u>	<u>\$983,048</u>	<u>\$758,889</u>	<u>\$160,129</u>	<u>\$2,440,695</u>
Reconciliation of operating income to net cash flows provided by operating activities:					
Operating income (loss)	\$61,430	\$109,799	\$21,846	\$1,436	\$194,511
Adjustments to reconcile operating income to net cash provided by operating activities:					
Decrease in accounts receivable			790		790
Depreciation	60,481	9,322	116,273		186,076
Decrease in prepaid items	7,930				7,930
Increase (decreased) in accounts payable	15,557	(1,109)		(2,600)	11,848
Net cash provided by (used for) operating activities	<u>\$145,398</u>	<u>\$118,012</u>	<u>\$138,909</u>	<u>(\$1,164)</u>	<u>\$401,155</u>

STATISTICAL SECTION

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CITY OF ORINDA, CALIFORNIA
STATISTICAL SECTION
FISCAL YEAR ENDED JUNE 30, 2022

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.	138-145
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.	146-150
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.	152-157
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.	158
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.	159-163

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
 Ten Fiscal Years
 Fiscal year ended June 30, 2022
 (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.

Fiscal Year Ended June 30,

2017	2018	2019	2020	2021	2022
\$ 49,771,041	\$ 52,843,727	\$ 62,085,833	\$ 62,775,273	\$ 63,759,559	\$ 65,924,720
9,768,262	10,697,044	11,769,764	14,727,541	14,774,896	15,788,834
6,621,778	8,723,981	10,819,487	13,825,598	18,136,483	21,803,300
<u>\$ 66,161,081</u>	<u>\$ 72,264,752</u>	<u>\$ 84,675,084</u>	<u>\$ 91,328,412</u>	<u>\$ 96,670,938</u>	<u>\$ 103,516,854</u>

City of Orinda
 Changes in Net Position
 Ten Fiscal Years
 Fiscal year ended June 30, 2022
 (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 position:				
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 position	\$ 2,413,558	\$ 3,111,069	\$ 3,176,957	\$ 1,275,192

Fiscal Year Ended June 30,

	2017	2018	2019	2020	2021	2022
\$	2,299,303	\$ 2,336,578	\$ 2,612,766	\$ 2,716,501	\$ 2,893,144	\$ 2,949,215
	4,102,948	4,175,273	4,407,099	4,236,572	4,439,418	4,503,300
	2,919,281	3,946,827	7,335,169	6,511,462	7,311,925	8,337,279
	3,677,620	3,997,130	4,411,986	4,725,088	4,169,449	5,183,902
	908,403	879,871	1,012,380	1,102,985	1,020,329	1,364,738
	721,750	1,559,887	1,394,652	1,602,013	1,551,387	1,515,731
	14,629,305	16,895,566	21,174,052	20,894,621	21,385,652	23,854,165
	-	-	-	-	-	-
	128,437	160,729	219,717	115,137	166,466	168,893
	1,779,708	1,662,106	2,075,783	2,486,667	2,931,859	1,540,397
	2,364,387	3,262,864	3,059,501	2,583,734	2,524,123	3,320,051
	1,039,671	1,237,921	1,261,469	982,722	1,338,978	1,079,966
	168,031	902,369	275,290	867,374	331,698	540,158
	2,904,294	756,620	9,876,949	3,505,205	1,017,913	4,254,383
	8,384,528	7,982,609	16,768,709	10,540,839	8,311,037	10,903,848
	(6,244,777)	(8,912,957)	(4,405,343)	(10,353,782)	(13,074,615)	(12,950,317)
	7,648,593	8,633,632	9,795,495	10,350,583	10,824,872	11,585,920
	2,106,881	2,281,872	2,277,395	2,449,156	3,139,364	5,188,474
	1,118,568	1,139,414	1,127,003	1,152,773	1,161,418	1,198,111
	262,260	316,381	301,824	296,104	519,674	488,348
	-	58,658	79,128	49,763	34,660	42,920
	-	-	-	-	-	-
	282,691	561,504	1,231,128	1,067,239	106,663	(506,563)
	-	-	-	-	-	-
	290,073	2,403,087	2,003,702	1,510,369	2,630,490	1,799,023
	11,709,066	15,394,548	16,815,675	16,875,987	18,417,141	19,796,233
\$	5,464,289	\$ 6,481,591	\$ 12,410,332	\$ 6,522,205	\$ 5,342,526	\$ 6,845,916

City of Orinda
Fund Balances, Governmental Funds
Ten Fiscal Years
Fiscal year ended June 30, 2022
(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

Fiscal Year Ended June 30,

2017	2018	2019	2020	2021	2022
\$ 98,306	\$ 49,122	\$ 495,087	\$ 485,345	\$ 483,516	\$ 487,298
-	-	-	-	-	-
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	6,923,684
612,209	1,434,723	1,080,000	7,938,597	9,772,014	11,002,093
6,938,615	8,966,308	10,848,878	13,307,285	15,255,356	18,413,075
\$ 4,490	\$ 294,666	\$ 119,729	\$ 11,903	\$ 121,494	\$ 122,953
44,485,762	35,110,833	25,128,833	15,642,291	11,669,888	13,025,294
1,196,263	-	801,346	2,364,424	2,983,514	2,489,702
-	-	21,513	-	-	150,886
(729,717)	1,722,506	-	-	-	-
44,956,798	37,128,005	26,071,421	18,018,618	14,774,896	15,788,835
\$ 51,895,413	\$ 46,094,313	\$ 36,920,299	\$ 31,325,903	\$ 30,030,252	\$ 34,201,910

City of Orinda
 Changes in Fund Balances, Governmental Funds
 Ten Fiscal Years
 Fiscal year ended June 30, 2022
 (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%

Source: City of Orinda Finance Department

Fiscal Year Ended June 30,

2017	2018	2019	2020	2021	2022
\$ 11,858,635	\$ 13,197,191	\$ 14,639,971	\$ 15,307,257	\$ 16,661,861	\$ 19,622,160
1,364,512	1,366,535	1,606,422	1,807,932	2,476,037	1,145,609
95,347	110,859	130,675	78,346	30,175	40,779
3,697,094	2,431,226	2,549,007	5,348,766	2,375,336	5,692,434
173,572	553,626	1,207,421	1,032,624	85,296	(522,171)
2,505,242	3,306,755	2,744,798	2,296,917	2,447,616	2,906,639
390,992	2,403,087	1,994,783	1,510,369	580,490	1,799,023
20,085,394	23,369,279	24,873,077	27,382,211	24,656,811	30,684,473
2,016,142	1,910,182	2,245,745	2,520,202	2,676,936	2,727,966
4,112,216	4,196,825	4,561,519	4,333,927	4,481,608	4,539,572
4,108,748	2,061,156	2,626,771	2,647,239	2,744,631	2,823,798
2,761,601	2,947,811	3,257,467	3,577,291	2,961,143	3,989,236
922,311	911,161	1,127,138	1,159,179	1,050,736	1,399,293
339,516	331,063	417,423	89,104	80,504	105,143
299,905	440,347	474,501	427,188	424,038	469,358
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	7,078,679
-	-	-	-	-	-
858,822	1,727,271	1,698,345	1,781,866	1,733,015	1,695,565
1,360,000	1,220,000	1,475,000	1,875,000	1,320,000	1,505,000
29,748,059	29,401,774	34,047,091	33,082,285	25,896,571	26,333,610
(9,662,665)	(6,032,495)	(9,174,014)	(5,700,074)	(1,239,760)	4,350,863
2,782,818	2,870,343	817,981	662,105	64,637	53,584
(2,782,818)	(2,638,948)	(817,981)	(687,550)	(120,528)	(232,790)
35,000,000	-	-	-	-	-
2,908,926	-	-	-	-	-
37,908,926	231,395	-	(25,445)	(55,891)	(179,206)
\$ 28,246,261	\$ (5,801,100)	\$ (9,174,014)	\$ (5,725,519)	\$ (1,295,651)	\$ 4,171,657
12.77%	18.43%	16.14%	19.57%	17.47%	16.62%

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 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%
FY 2021-22	8,241,762,070	40,137,411	116,397,009	8,165,502,472	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 2012/13 - 2021/22 Combined Tax Rolls

City of Orinda
Direct and Overlapping Debt
As of June 30, 2022

City Assessed Valuation		\$ 8,165,502,472	
	Percentage Applicable (1)	Outstanding Debt 6/30/2022	Estimated Share of Overlapping Debt
<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Bay Area Rapid Transit District	3.487%	\$ 660,703,057	\$ 23,038,250
Contra Costa Community College District	3.498%	936,870,000	32,776,328
Acalanes Union High School District	19.647%	240,767,772	47,303,519
Lafayette School District	0.177%	72,150,000	127,483
Moraga School District	0.027%	29,500,000	8,066
Orinda Union School District	99.354%	18,190,265	18,072,834
East Bay Regional Park District	3.487%	77,146,356	2,690,039
City of Orinda General Obligation Bonds	100.000%	39,834,694	39,834,694
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			163,851,213
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Contra Costa County General Fund Obligations	3.487%	334,729,873	11,671,795
Moraga Orinda Fire Pension Obligation Bonds	61.739%	4,262,000	2,631,335
City of Orinda Certificates of Participation	100.000%	6,224,287	6,224,287
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			20,527,417
TOTAL DIRECT DEBT			46,058,981
TOTAL GROSS OVERLAPPING DEBT			184,378,630
TOTAL NET OVERLAPPING DEBT			138,319,649

- (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 2021-22			FY 2012-13		
	Taxable Assessed Value	Rank	% of Total	Taxable Assessed Value	Rank	% of Total
OPG Partners LLC	\$ 35,200,382	1	0.43%			
Orinda Dunhill LLC	34,894,303	2	0.43%			
YSMA LLC	12,876,936	3	0.16%			
Orinda Country Club	11,099,191	4	0.14%			
Comcast	10,417,791	5	0.13%			
25 Orinda Way LLC	9,060,106	6	0.11%			
Raymond L and Julie Quon	8,928,694	7	0.11%			
Motels Mission Sierra Inc	8,920,929	8	0.11%			
29 Orinda Way LLC	8,751,059	9	0.11%			
John Wesley and Mary H Smith Trust	8,597,153	10	0.11%			
OG Property Owner, LLC				\$ 131,099,763	1	2.79%
GLL BVK Properties LP				25,000,000	2	0.53%
Pine Grove LLC				19,038,387	3	0.41%
Richard S. Wiley				10,764,089	4	0.23%
Orinda Country Club				10,448,692	5	0.22%
Bow Leasing Company Inc				10,411,564	6	0.22%
J Ariel Holdings Trust				6,604,561	7	0.14%
John H. and Wendy Lou Hambergren				6,327,613	8	0.13%
Scott C. and Lisa A. Kovalik Trust				6,205,000	9	0.13%
AXA Rosenberg Group LLC				6,185,831	10	0.13%
Total	\$ 148,746,544		1.84%	\$ 232,085,500		4.93%

Source: Contra Costa County Assessor 2021/22 and 2012/13 Combined Tax Rolls

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

(listed in alphabetical order)

2022 (represents 78.66% of total sales tax)	2013* (represents 78.73% of total sales tax)
76 Orinda	BevMo
Benefit Marketing	Casa Orinda
BevMo	Chevron
Casa Orinda	CVS Pharmacy
Chevron	Energy Comm
CVS Pharmacy	Europa Hofbrau, Deli & Pub
Energy Comm	Fourth Bore Tap Room & Grill
Europa Hofbrau	Insight Resource Group
Fourth Bore Tap Room & Grill	Juvenon Inc
Keepcool Usa Llc	La Piazza
Mash Gas & Food 5	Maria Tenaglia Design
McDonnell Nursery	McCaulou's
Morrison's Jewelers	McDonnell Nursery
Nation's Giant Hamburgers	Nation's Giant Hamburgers
Orinda Country Club	Orinda 76
Orinda Hardware & Rental	Orinda Country Club
Orinda Motors	Orinda Hardware & Rental
Orinda Shell	Orinda Motors
P & M Window Co	Orinda Shell
Paco Pumps	P & M Window Co
Rite Aid	Rite Aid
Safeway	Safeway
Saffron Indian Restaurant & Bar	Siam Orchid
Siam Orchid	Village Inn Café
Sushi Island	Wild Magnolia

*The City of Orinda prepared its first ACFR 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>
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%
2022	6,023,764	6,023,764	100%	-	6,023,764	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 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
FY 2021-22	1.00000	1.00000	0.03360	0.00600	0.01760	0.00200

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 2012/13 - 2021/22 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
0.02840	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
0.02290	0.03870	0.06170	0.03300	1.21550	0.07391

City of Orinda
Outstanding Debt
For the last ten fiscal years

Fiscal Year Ending June 30th:	<u>General Obligation Bonds</u>			<u>CERTIFICATES OF PARTICIPATION</u>		% of Total Outstanding Debt Personal Income
	Debt Outstanding (1), (2)	Debt Per Capita	Ratio Debt To Assessed Value of Property	Debt Outstanding (3)	Debt Per Capita	
2013	\$ -	\$ -	0.00%	\$ 8,520,000	\$ 478	0.6%
2014	-	-	0.00%	8,280,000	461	0.6%
2015	10,352,848	570.72	0.19%	8,030,000	443	1.3%
2016	10,021,046	537.41	0.17%	8,168,001	438	1.2%
2017	46,738,519	2,481.08	0.76%	7,862,382	417	3.4%
2018	45,661,754	2,378.34	0.70%	7,551,763	393	3.0%
2019	44,029,989	2,260.85	0.64%	7,231,144	371	2.7%
2020	42,313,224	2,225.96	0.57%	6,905,525	363	2.3%
2021	41,161,459	2,157.54	0.53%	6,569,906	344	2.3%
2022	39,834,694	2,045.11	0.49%	6,224,287	320	2.0%

Notes:

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

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

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

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

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

	Fiscal Year Ended June 30,			
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Assessed Value Secured	\$ 4,656,504,710	\$ 4,942,008,441	\$ 5,387,051,165	\$ 5,835,129,469
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Value	1,164,126,178	1,235,502,110	1,346,762,791	1,458,782,367
Debt Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	174,618,927	185,325,317	202,014,419	218,817,355
Total net debt applicable to limit	-	-	10,000,000	9,685,000
Legal debt margin	<u>\$ 174,618,927</u>	<u>\$ 185,325,317</u>	<u>\$ 212,014,419</u>	<u>\$ 209,132,355</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	4.95%	4.43%

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>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 6,172,625,746	\$ 6,537,156,590	\$ 6,904,577,718	\$ 7,369,358,656	\$ 7,748,564,991	\$ 8,133,060,130
<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
1,543,156,437	1,634,289,148	1,726,144,430	1,842,339,664	1,937,141,248	2,033,265,033
<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
231,473,465	245,143,372	258,921,664	276,350,950	290,571,187	304,989,755
43,620,000	42,700,000	44,029,989	39,665,000	41,161,459	39,834,694
<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>	<u>\$ 265,155,061</u>

18.84%	17.42%	17.01%	14.35%	14.17%	13.06%
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City of Orinda
Demographic and Economic Statistics
For the last ten years

<u>Year</u>	<u>Population</u>	Personal Income City of Orinda (in thousands)	Per Capita Personal Income	Unemployment Rate City of Orinda	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
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%
2021	19,478	2,312,495	118,723	3.7%	49.2	98.4%	85.2%

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>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>	<u>2022</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	94.12	93.48
Streetlights***										
Parks and recreation										
Parks	5	5	5	5	5	5	5	5	5	5
Community centers	1	1	1	1	1	1	2	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 Ten Fiscal Years*
 Fiscal year ended June 30, 2022

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	-	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>	<u>2022</u>
119	107	124	127	93	92
2,415	1,878	2,403	1,156	195	357
10.82	13.20	14.68	17.23	6.22	7.04
383	349	320	318	330	325
10,046	10,475	10,569	8,707	1,775	5,047
5,780	6,942	7,234	5,667	4,493	8,446
9,925	10,384	10,730	7,438	9,047	10,787
-	-	1,707	1,440	2,007	3,351
11,965,873	14,839,696	15,132,128	21,640,147	26,704,397	31,937,819
54,122,263	51,818,127	58,955,489	36,859,488	51,917,632	36,922,484
66,088,137	66,657,823	74,087,618	58,499,635	78,622,029	68,860,304

City of Orinda
 Full-time and Part-time** City Employees by Function
 Last Ten 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
2022	9.02	1.55	-	11.00	5.00	10.47	37.04

*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
2021-22 and Eight Years Ago*

Employer	FY 2021-2022			FY 2013-2014**		
	Employees	Rank	Percentage of Top 10 Employment	Employees	Rank	Percentage of Top 10 Employment
Orinda Union School District	325	1	32.44%	300	1	34.13%
Orinda Country Club	175	2	17.47%	110	2	12.51%
Miramonte High School	120	3	11.98%	103	3	11.72%
Orinda Care Center	73	4	7.29%	37	8	4.21%
Moraga-Orinda Fire District	70	5	6.99%	73	5	8.30%
Safeway	63	6	6.29%	86	4	9.78%
Fourth Bore Tap Room & Grill	53	7	5.29%			
EBMUD	53	7	5.29%			
Casa Orinda	36	9	3.59%	35	9	3.98%
City of Orinda	34	10	3.39%			
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, 2022, and have issued our report thereon dated December 19, 2022.

Report on 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) as a basis for designing 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.

Report on Compliance and Other Matters

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

We have also issued a separate Memorandum on Internal Control dated December 19, 2022 which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

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

Maze + Associates

Pleasant Hill, California
December 19, 2022