



City of
LIVERMORE
CALIFORNIA

COMPREHENSIVE ANNUAL
FINANCIAL
REPORT

FISCAL YEAR ENDED
JUNE 30, 2020

Cover Photograph

Valley Dance by Timothy B located at 2nd and J Street

Comprehensive Annual Financial Report

For the Year Ended June 30, 2020

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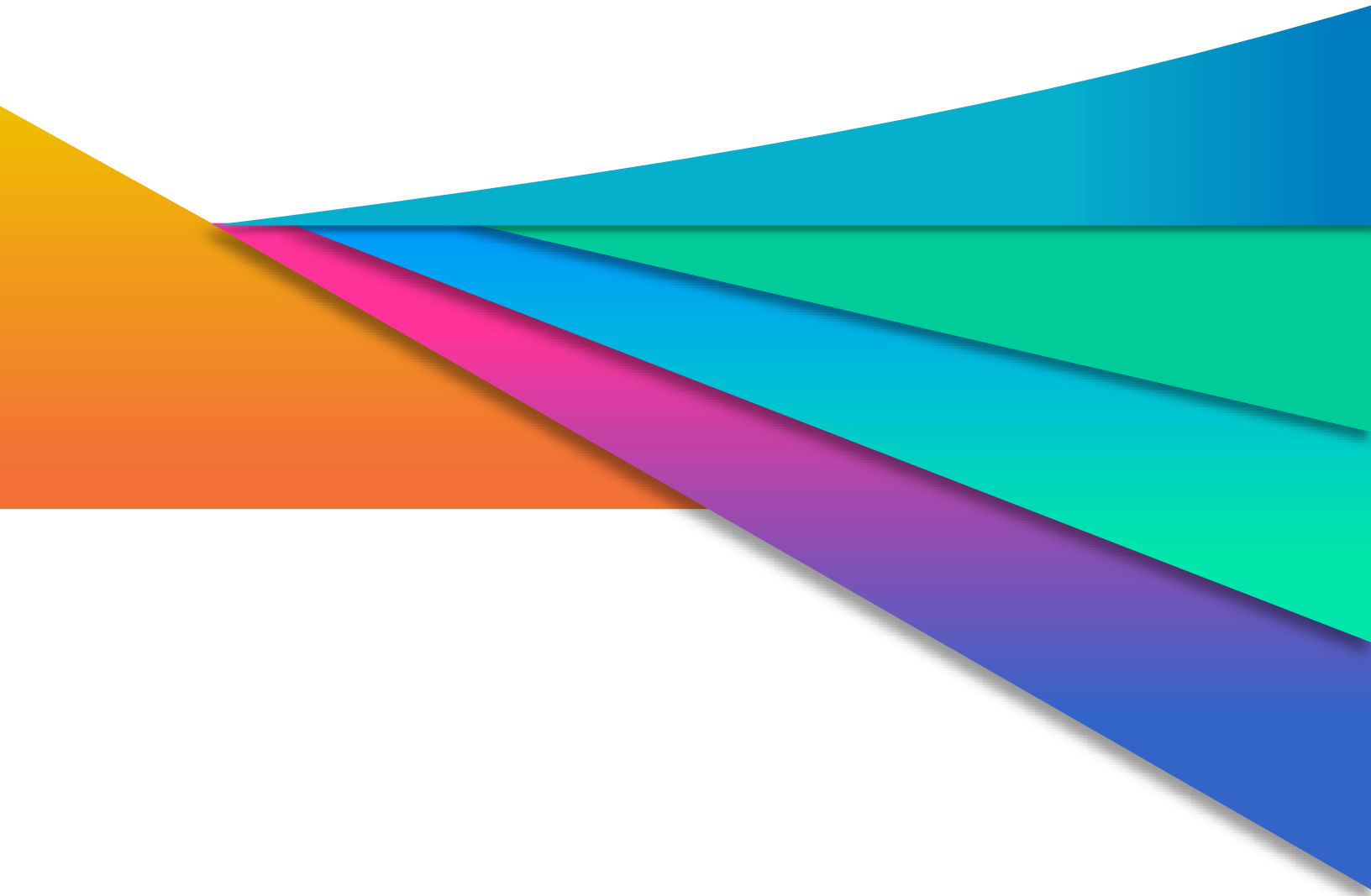
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INTRODUCTORY SECTION



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September 30, 2020

Honorable Mayor and Members of the City Council:

I am pleased to present the City's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report fulfills that requirement for the fiscal year ended June 30, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The data in this report is presented in a manner that is designed to fairly set forth the financial position and results of operations of the City of Livermore (the City). It contains the disclosures necessary to promote in-depth understanding of the City's financial affairs and evaluate its financial condition.

The City's financial statements have been audited by Maze & Associates Accountancy Corporation located in Pleasant Hill, California. The independent auditors concluded, based on their audit, that there was a reasonable basis for rendering an unmodified (or "clean") opinion that the City of Livermore's financial statements for the fiscal year (FY) ended June 30, 2020 are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is the first item presented in the financial section of this report.

In addition to the financial audit, each year the City is required to undergo an audit of federal grant expenditures. That report is commonly referred to as a Single Audit report and is issued as a separate document and is not included herein. The Single Audit report includes the Schedule of Expenditures of Federal Awards, Findings and Recommendations, and an auditor's report on the internal control structure and compliance with applicable laws and regulations.

The provisions of Governmental Accounting Standards Board (GASB) Statement 34, "Basic Financial Statements—and Management's Discussion & Analysis—for State and Local Governments" requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements entitled, "Management Discussion & Analysis" (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the MD&A, which can be found immediately following the report of the independent auditors in the financial section of the CAFR.

Profile of the City of Livermore

The City of Livermore, incorporated on April 1, 1876, is located on the southeasterly boundary of Alameda County. The City of Livermore is a General Law city and has the power to make and enforce ordinances and regulations with respect to municipal affairs to the extent expressly permitted or implied by the California constitution or specific legislation. The City is organized as a council-manager form of local municipal government. The five-member City Council is elected at large for overlapping four-year terms. The City Council includes an elected Mayor whose term of office is two years. On November 26, 2018 the City adopted an ordinance to transition from an at-large to district-based election system to comply with the California Voting Rights Act (California Government Code Section 34886 and 34871(c)). The City Council selected a district map dividing the City into four single member districts. City Council members will be elected in City Council districts

3 and 4 beginning at the general municipal election in November 2020, and every four years thereafter. Council members will be elected in City Council districts 1 and 2 beginning at the general municipal election in November 2022, and every four years thereafter. The Mayor will continue to be elected on an at large basis.

The City Council appoints the City Manager and City Attorney to carry out its adopted policies. In addition, the City Council appoints members of advisory Commissions, Committees, and Boards.

The City Council is responsible for adopting the biennial budget on or before June 30 for each of the ensuing two fiscal years, which serves as the foundation for the City's financial planning and control. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is maintained at the fund level. The City Manager may transfer resources within a fund. Supplemental appropriations and budget transfers between funds and projects, however, need approval from the City Council. The City's budgetary procedures are further discussed in Note 2 of the notes to the basic financial statements.

The City, with 414.10 full-time equivalent employees, provides a wide range of services to a residential population of 91,861. These services include public safety (police, fire, building inspection, water, and sewer); street and landscape maintenance; street lighting; planning and public improvements; public libraries; general administrative services, and municipal airport. Fire safety services are provided by a Joint Powers Authority, Livermore Pleasanton Fire Department (LPFD). Aside from the municipal golf course facility, the City does not provide recreation and leisure services. Recreational services are provided to residents by the Livermore Area Recreation and Park District (LARPD), a special district governed by a separately elected board.

The City is also financially accountable for a legally separate Livermore Capital Projects Financing Authority (LCPFA), which is reported within the City's financial statements as a blended component unit. Additional information on this legally separate entity can be found in the notes to the financial statements (see Note 1A).

Economic Factors and Local Economy

The information presented in the financial statements is perhaps better understood when it is considered from the broader perspective of the specific environment within which the City operates.

The City is the easternmost city in the San Francisco Bay Area situated in the growing Tri-Valley area which contains the cities of Pleasanton, Livermore, Dublin, and San Ramon. Livermore is conveniently located near two major freeways, I-580 and I-680, and is close to the metropolitan areas of San Francisco, Oakland, and San Jose. In addition to its proximity to the Oakland, San Francisco and San Jose International Airports, the City of Livermore owns and operates the Livermore Municipal Airport. This general aviation airport services private and corporate customers, and records more than 155,000 takeoffs and landings annually.

Livermore Valley Wine Country is one of the oldest wine regions in California. The Livermore Valley area boasts over 50 wineries. Livermore is surrounded by award-winning wineries, farmlands, and ranches that mirror the valley's history. Less than an hour east of San Francisco, Livermore Valley Wine Country's picturesque canyons and ridges welcome locals and visitors to the valley's vineyards and tasting rooms, which are an integral part of Livermore's quality of life. Popular wine bars, tasting rooms and boutique wine shops thrive in downtown Livermore as well.

Livermore is the home of two world-renowned national laboratories: Lawrence Livermore National Laboratory (LLNL) and Sandia National Laboratories (SNL). The laboratories are premier science and technology research facilities, which conduct some of the nation's most innovative research related to several national programs, including security, combustion and renewable energy, water resources and biosciences. The presence of the laboratories attracts other technology and industrial companies as well as professional services businesses. Gillig, a leading transit bus manufacturing company, and Dräxlmaier, an automotive supplier, recently built

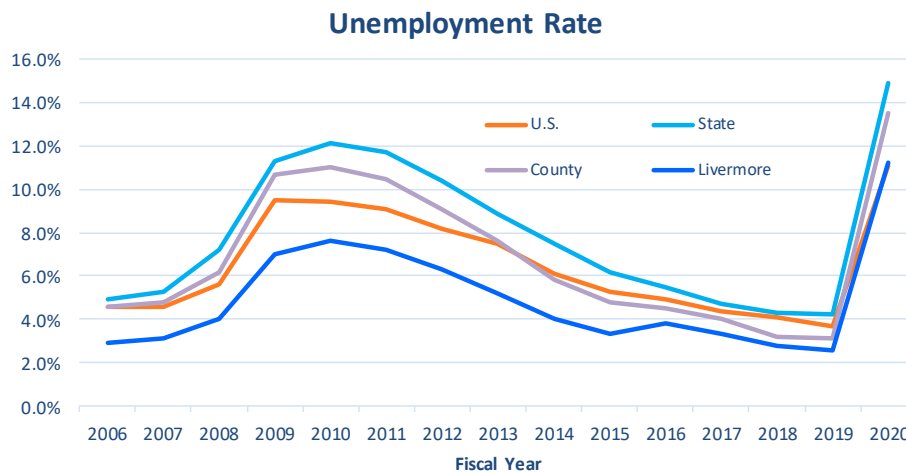
facilities in Livermore. In addition, one of the largest retail outlet malls in California is located in Livermore and is home to over 170 leading designer and name brand outlet stores.

The longest period of economic expansion in US history came abruptly to an end as a result of COVID-19 in March 2020. The outbreak of COVID-19 was declared a pandemic by the World Health Organization, a national emergency by the President of the United States (the “President”) and a state of emergency by the Governor of the State (the “Governor”). On March 19, 2020, the Governor issued a shelter-in-place order, Executive Order N-3320, ordering all California residents to stay home except to get food, care for a relative, get necessary healthcare or go to an essential job. The stay at home order went into effect immediately and will stay in effect until further notice. The County also issued a stay-at-home directive, which was still in effect at the time of this writing, though regulations have been eased for activities such as outdoor dining, curbside pickup from retail stores and vehicle-based gatherings.

Livermore’s local economy as well as the global, national, and State’s economy have been largely idled since mid-March due to strict social distancing measures across the U.S. and other countries impacted by COVID-19. There has been tremendous volatility in the markets in the United States and globally, resulting in significant declines and speculation of a national and global recession. The longer-term impacts of the pandemic event cannot be fully or accurately predicted and have the potential to fundamentally change the economy. The following highlights and charts are some of the economic factors impacting the City’s local economy:

Employment

Livermore’s unemployment rate increased from 2.6 percent in June 2019 to 11.2 percent in June 2020 due to COVID-19 pandemic-related layoffs. The City’s unemployment rate (11.2%) exceeded the national unemployment rate (11.1%) for the first time in at least 30 years. However, the City’s unemployment rate continued to rank below the average unemployment rates of the county (13.5%) and state (14.9%). Employment in Livermore has historically been less volatile due to the presence of major public sector employers. Besides the City itself, two national laboratories, a school district, a community college, and a park and recreation district are major government employers in the City. The following chart shows a 15-year comparison of unemployment rates in the state and local areas as well as the U.S. by fiscal year:



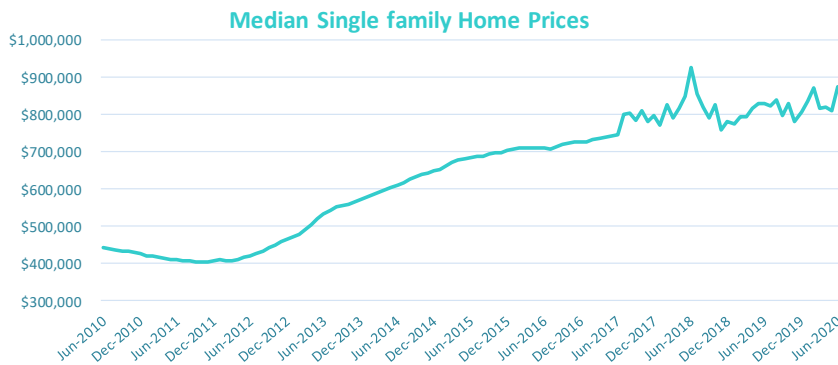
Source: Bureau of Labor Statistics

Median Income

Median household incomes within the City are higher than the state as a whole. According to the Census Reporter, the City’s median family income was \$135,350 while the County’s was \$102,125 and the State’s was \$75,277, based on 2018 1-Year American Community Survey census data.

Real Estate

Livermore’s real estate market has continued to strengthen during the current fiscal year. As reported by the East Bay Association of Realtors, the median sales price for a single-family residence in Livermore has increased six percent from \$828,750 in June 2019 to \$875,000 in June 2020. However, the number of total home sales declined about five percent from 1,102 in FY 2018-19 to 1,051 in FY 2019-20 due to low inventory of houses and COVID-19.



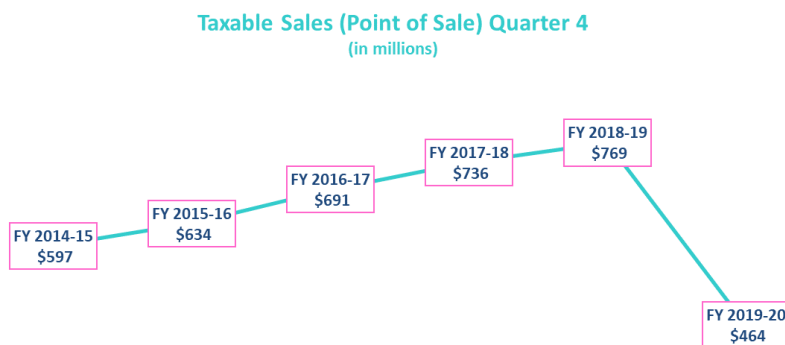
Source: East Bay Association of Realtors

Retail Sales

An important indicator of the local economy is retail sales. Sales tax revenues are highly sensitive to economic conditions such as levels of unemployment, job growth, consumer confidence, per-capita income, and tourism.

It is important to be aware that the City derives 20% of all sales tax revenue received from a very small geographic area which focuses upon retailing high-end consumer goods. A large number of shoppers are tourists visiting the San Francisco Bay area.

Consequently, sales tax revenue was severely affected by the financial impact of the COVID-19 pandemic, due to the sheltering at home measures, the California Department of Tax and Fee Administration’s Small Business Relief Payment Plan, and the State’s COVID-19 Sales Tax Deferral Program which shifts sales tax revenue from FY 2019-20 to FY 2020-21 by allowing small businesses that report under \$5.0 million in taxable sales, to delay up to \$50,000 in tax payments for twelve months (through July 31, 2021) without incurring penalties or fees. The City’s taxable sales (at point of sale) decreased 39.6% for the fourth quarter of the current fiscal year compared to that of the previous fiscal year.



Long-Term Financial Planning

Although Livermore's current financial picture is positive, there are plenty of reasons for concern when we look out further on the financial horizon. The City is on a steady financial course, but still strives to achieve long-term financial stability, which is linked to adequately funding its long-term liabilities. While General Fund reserves are currently fully funded, future liabilities, investment in downtown development, homelessness crisis, increasing employee costs, and deferred infrastructure maintenance temper the City's progress.

The single largest unaddressed financial challenge the City faces is the maintenance and replacement of its infrastructure. The City is in the process of developing a comprehensive infrastructure repair and replacement plan so that adequate resources are available when needed. In the meantime, Council directed staff to establish an Infrastructure Repair and Replacement Reserve to begin accumulating the resources necessary to address the City's aging infrastructure as part of the Council goal and priority of Asset Management.

One of the City's strategies to contain costs and leverage the buying power was to save, while the economy was doing well, so that resources are available during the economic downturn in order to take advantage of better pricing which typically occurs in this part of the cycle.. The City will need approximately two billion dollars to replace general government infrastructure in addition to another billion dollars to replace infrastructure maintained by the enterprise funds. Staff currently estimates that the City (like many local governmental agencies in the nation) is underfunding infrastructure maintenance by several million dollars per year. The City has started funding a reserve with \$2.0 million annually from General Fund. The City has accumulated \$10.0 million in this reserve as of June 30, 2020.

Rising pension costs will continue to be a challenge for most public agencies. The City contributes to the California Public Employees' Retirement System (CalPERS) for its Miscellaneous and Safety Police retirement plans. Recently CalPERS changed its actuarial assumptions related to mortality rates as well as rate "smoothing assumptions", with the effect of further increasing employer contribution rates. CalPERS has implemented a 20-year rate amortization and a five-year phase-in effective from fiscal year 2016-17. The City's "second tier" pension plan (2% at 60) coupled with the Public Employee Pension Reform Act (PEPRA) will reduce employee pension costs in the long-term. The City staff will continue to monitor CalPERS changes and suggest prudent strategies to address these increases as the opportunities arise.

The FY 2019-21 Financial Plan update allocates approximately \$12.6 million for General Fund resources for capital improvements, representing a significant investment in the Downtown in order to address the adopted City Council Goals and Priorities. The Downtown Development Plan projects include construction of Veterans Way, expansion of parking structures, various demolition and site pre work, Stockmen's Park, and Livermorium Park. Other, non-Downtown related General Fund projects include decorative wall replacement, automated license plate readers, Civic Center Meeting Hall and Hagemann Farm improvements.

The City of Livermore, along with the San Francisco Bay Area and much of California, is in the middle of a homelessness crisis. The prolonged economic expansion coupled with a housing shortage has led to median home values skyrocketing throughout the Bay Area. As mentioned above, median home price for a single-family home is \$875,000 on June 30, 2020. To purchase a median priced home with 10% down requires approximately \$87,500 for down payment, \$26,250 for closing costs, and approximately \$170,000 in annual household income. The average rent in Livermore for a two-bedroom apartment is approximately \$2,300 per month. A household will need an annual average income of \$92,000 to afford this level of rent.

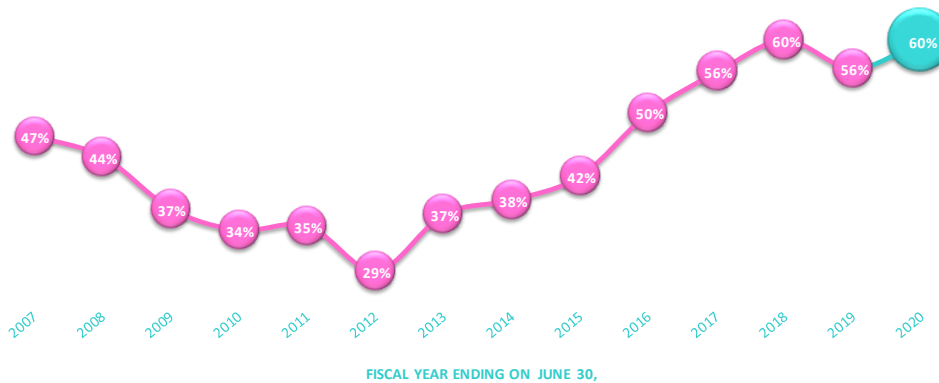
The 2019 Alameda County Point-in-Time Count concluded there were 243 individuals that are homeless in Livermore, including 102 individuals are sheltered and 141 individuals Livermore individuals were unsheltered. The Livermore Valley Joint Unified School District currently has 137 vulnerable students of which, 83 live in overcrowded/ doubled up housing, 32 live in temporary shelters and 20 live in temporary shelters. Due to the COVID-19 pandemic there has been an increase of unsheltered population in the City. Affordable Housing and Homelessness is one of the City Council priorities. The City is evaluating comprehensive approaches to

address the housing, resource needs, safety net infrastructure, and health and safety concerns of those in need, with the goal of helping people move toward self-sufficiency.

A five-year Financial Plan for General Fund is included in the City's adopted budget. This is a valuable financial planning management tool, especially in challenging financial times, which assists the City Council in setting priorities and educating the community on the long-term state of the City's finances. Inflation and historical growth rates are used to predict levels of expenditures. The expenditure base and revenue base are then adjusted for discrete changes that may occur within the five-year forecast period such as the completion of a major project, addition of a major employer or retail center, or the loss of revenues due to State take-aways.

Perhaps the best measure of the City's ability to withstand an economic downturn while maintaining current service levels and building sustained growth for the future is its level of fund balance reserves. In general, a city should maintain sufficient reserves to mitigate potential emergency scenarios. The City had committed to building and maintaining General Fund reserves equal to at least 30% of annual General Fund budgeted expenditures and transfers related to debt service.

Ratio of Fund Balance to Total Expenditures and Transfers-out



Major Initiatives and Future Projects

As part of the biennial budget process, the City Council sets goals and priorities for the two-year budget cycle. Council goals comprise of high-priority tasks or programs that the City Council intends to address during the budget plan cycle, though attainment of these goals may take several years. The key initiatives included in the adopted biennial budget for FY 2019-21 are as follows:

1. Asset Management: Establish a comprehensive Asset Management Program, ensuring the community continues to receive vital services through a sustainable infrastructure strategy.
2. Downtown: Enhance the City's vibrancy by completing critical projects downtown, ensuring the right balance of local amenities to support quality of life.
3. Emergency Management and Public Safety: Establish a comprehensive emergency management program ensuring staff and community readiness and expand the use of technology enhancing public safety.
4. Encourage an Innovation Driven Economy: Encourage an innovation-driven economy, supporting revenue-generating businesses, high-quality jobs, entrepreneurs, and unique experiences for residents and visitors.
5. Homelessness and Affordable Housing: Establish a homelessness strategy, engaging local partners to develop a coordinated response, and expand diversity of affordable housing opportunities.

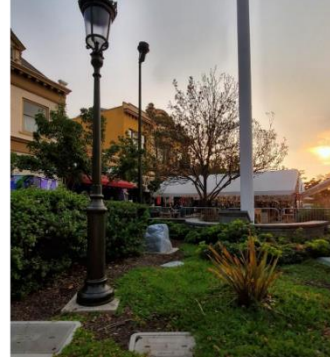
The City has made extensive progress towards each of these priorities. Some of the achievements realized during the current fiscal year are as follows:

- The first segment of the wooden fence was constructed to replace the Holmes Street wall in late 2019. The pilot project is continuing with construction of Phase 1 from Hampton Road north. The City received bids for Phase 2 Holmes Street Wall replacement, which is scheduled to begin Spring 2020. The City Council approved funding to establish design guidelines for fence replacement along backing lots throughout the City.
- The Stockmen’s park in the downtown area is near completion. Temporary solar powered light towers are in place. Power and accent lighting will be completed in late August while Statue and monument plaques and interpretive signs will be mounted in early August.



- Emergency Management Accreditation Team has been created which meets 2-4 times per month to identify and begin compiling needed documentation.
- Emergency Operations Center has been activated since early April due to the COVID-19 pandemic
- Chestnut Square Family Apartments, located at 1665 Chestnut Street, is a 42-unit affordable rental project expected to be completed in October 2020. Ten units will have a preference for homeless households. The project also has 8 units reserved for people with disabilities.
- Cross Winds Church is working with local and County partners to develop a tiny home village that will provide approximately 31 temporary and permanent housing units as well as wrap-around services to local community members experiencing homelessness.
- The City’s Economic Strategic Plan was approved by the City Council on October 28, 2019.
- Daybreak Labs (Switch Labs previously), i-Gate’s downtown Livermore incubation facilities, have been completed. Daybreak Labs is currently serving 25 startups and a large community of freelance professionals.
- Hosted i-Gate’s incubator company Savion Aerospace, who made history by executing the first liquid natural gas-powered human test flight in US history at the Livermore Municipal Airport.

- The City has been working on additional outdoor dining and retail opportunities through COVID-19 pandemic.



Other major developments projects include the following:

- A 4,750 square foot Chick-fil-A restaurant with a drive-through, on an approximate 1.5-acre parcel and annexation of 23 acres into the City.
- 23 affordable units of studio and one-bedroom apartments with on-site supportive services and property management, a Resource Center and Food Service Kitchen operated by Open Heart Kitchen.
- A 72-room, three-story, hotel on South Front Road, 1,500 feet west of Greenville Road.
- General Plan amendment to allow the Pacific Avenue Affordable Housing Project on a vacant portion of the Civic Center campus located at end of Pacific Avenue. The Amendments would allow up to 175 multifamily residential units for seniors with very low incomes, including veterans and those with special needs.
- A four-story hotel consisting of 110 guest rooms, an outdoor pool, dining/living room areas, and a fitness room on Greenville Road.
- A 42,110 square foot building consisting of three private aircraft hangar bays on Terminal Circle.
- A three-story, mixed-use building on the corner of Third Street and K Street. The project includes 950 square feet of ground floor retail space and eight market-rate rental apartments on the second and third floors.
- A 29,345 square-foot, 30-room Wine Country Inn, including a restaurant with 77 seats and caretaker's unit on corner of Hansen and Arroyo Roads.
- Development of two adjacent parcels along Contractors Place with a 25,000 square foot building and a 22,000 square foot industrial building on Contractors Place.

Relevant Financial Policies

Fund Balance Policy: In June 2016, the City Council adopted a resolution updating the Livermore Fund Balance Policy to maintain the fiscal stability of the organization, to help maintain the City's credit worthiness, and to provide funds for economic uncertainties, contingencies and cash flow requirements. The General Fund Financial Stabilization Operating Reserve is set at 15 percent of budgeted operating expenditures plus debt service transfers to be used in a catastrophic event or in a major emergency or in periods of severe fiscal crisis. The General Fund Economic Uncertainty Reserve is set at 13.5 percent of budgeted operating expenditures plus debt service transfers to be used during times of severe economic distress such as protracted recessionary periods, State raids on local resources, or other impactful unforeseen events which greatly diminish the financial

ability of the City to deliver core services. Minimum unassigned fund balance is set at 1.5 percent of the budgeted operating expenditures plus transfers for debt service.

Infrastructure Repair and Replacement Funding: Beginning with the 2015-16 fiscal year, the Council established an informal Infrastructure Repair and Replacement Reserve to begin accumulating the resources necessary to address the City's aging infrastructure and facilities. The City has started to set aside \$2 million annually of general fund discretionary resources towards Infrastructure Repair and Replacement Reserve.

Debt Management and Disclosure policy: The City's Debt Management and Disclosure Policy is intended to ensure compliance by the City with all applicable federal and state securities laws and regulations; to achieve the highest practical credit ratings within the context of the City's financing needs and financing capabilities; and to establish maximum limits on the amounts of debt outstanding and the amount of annual debt service the City will consider. This policy sets a ceiling for the cumulative annual payments related to debt from the General Fund at 7.5 percent of the previous fiscal year's General Fund revenue.

Timeliness of Financial Reporting Practices: The City believes that time is of the essence in the publication of Budget and Comprehensive Annual Financial Report documents. The budget is adopted before June 30 and loaded into the financial system on the first day of the new fiscal year. The CAFR publication date is generally within 100 days of the close of the fiscal year. The City's major financial documents are available on the web at www.cityoflivermore.net.

Achievement Awards

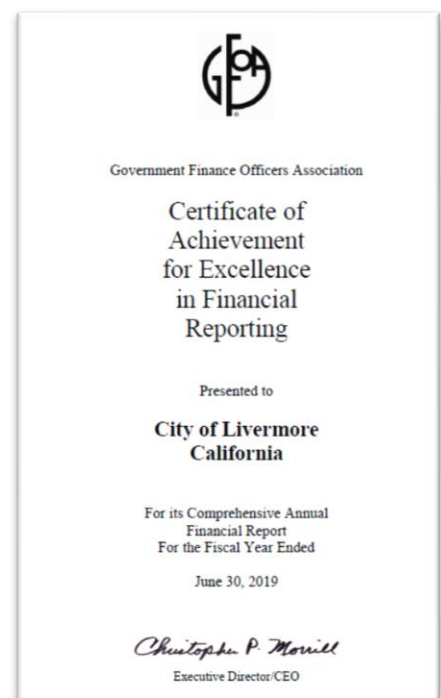
GFOA Financial Reporting Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Livermore for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. This was the 30th consecutive year that the City of Livermore has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

GFOA Popular Annual Financial Reporting Award

The City summarizes and presents key financial information contained in the City's CAFR and other information, in an easy to read and understandable manner that includes multi-year graphs to show annual changes and trends in its Popular Annual Financial Report (PAFR). The City received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for its PAFR for the fiscal year ended on June 30, 2019. This prestigious national award recognizes conformance with the highest standards for preparation of a state and local government popular reports. In order to receive this award, a government must publish a



PAFR, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only.

Acknowledgments

This report represents the culmination of dedicated efforts by City staff both inside and outside of the Finance Division. The preparation of this report on a timely basis could not have been accomplished without the hard work and team effort of the entire financial reporting staff. I wish to thank all departments for their assistance in providing the data necessary to prepare this report. I would like to express my appreciation and thanks to Grace Zhang and her staff at Maze & Associates Accountancy Corporation. Credit is also due to the mayor and the City Council members for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Very truly yours,

A handwritten signature in blue ink, appearing to read "D. Alessio", with a stylized flourish at the end.

Douglas Alessio
Administrative Services Director

Directory of City Officials
As of June 30, 2020

Elected Officials



Mayor
John Marchand



Vice Mayor
Bob Woerner



Council Member
Robert W. Carling



Council Member
Bob Coomber



Council Member
Trish Munro

Executive Team

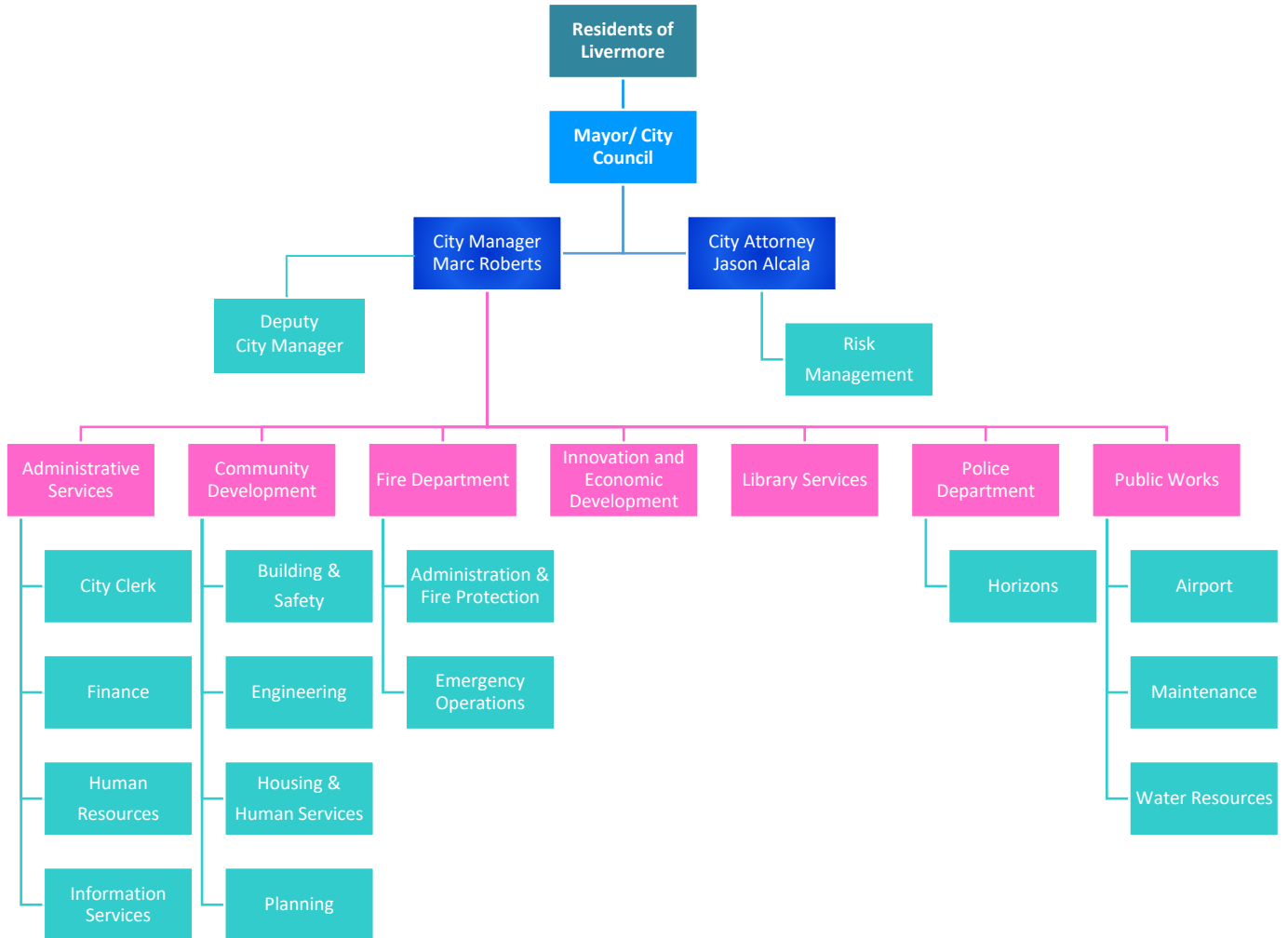
Marc Roberts
City Manager

Jason Alcala
City Attorney

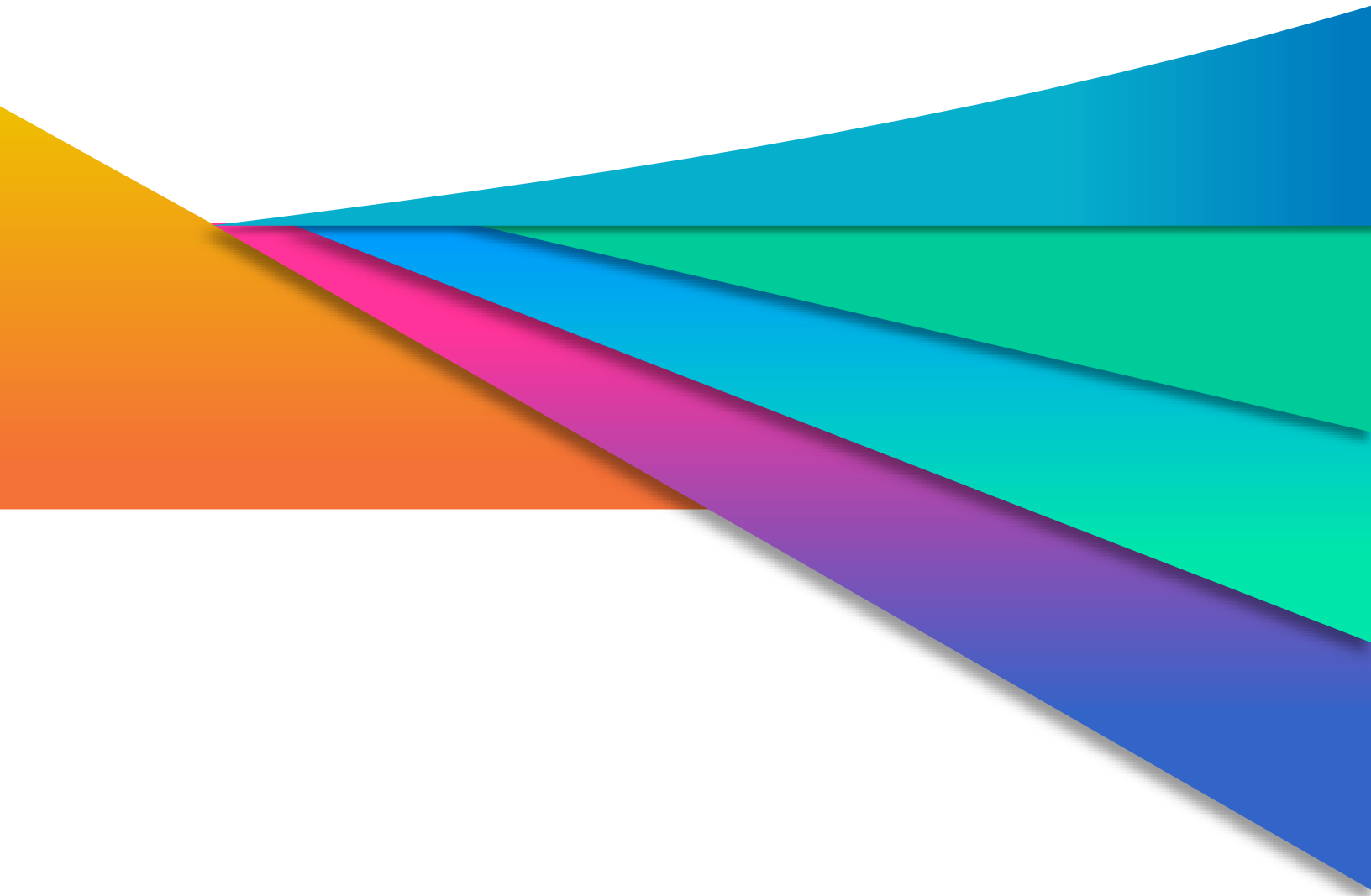
Director of Administrative Services
Director of Community Development
Director of Innovation & Economic Development
Director of Library Services
Director of Public Works
Fire Chief
Police Chief

Douglas Alessio
Paul Spence
Adam Van De Water
Tamera LeBeau
Scott Lanphier
Jeffrey Peters
Michael Harris

Organization Chart
As of June 30, 2020



FINANCIAL SECTION



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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the
City Council of the City of Livermore, California

Report on Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information and of the City as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof as part of the basic financial statements for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

The Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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.

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

Other Reporting Required by Government Auditing Standards

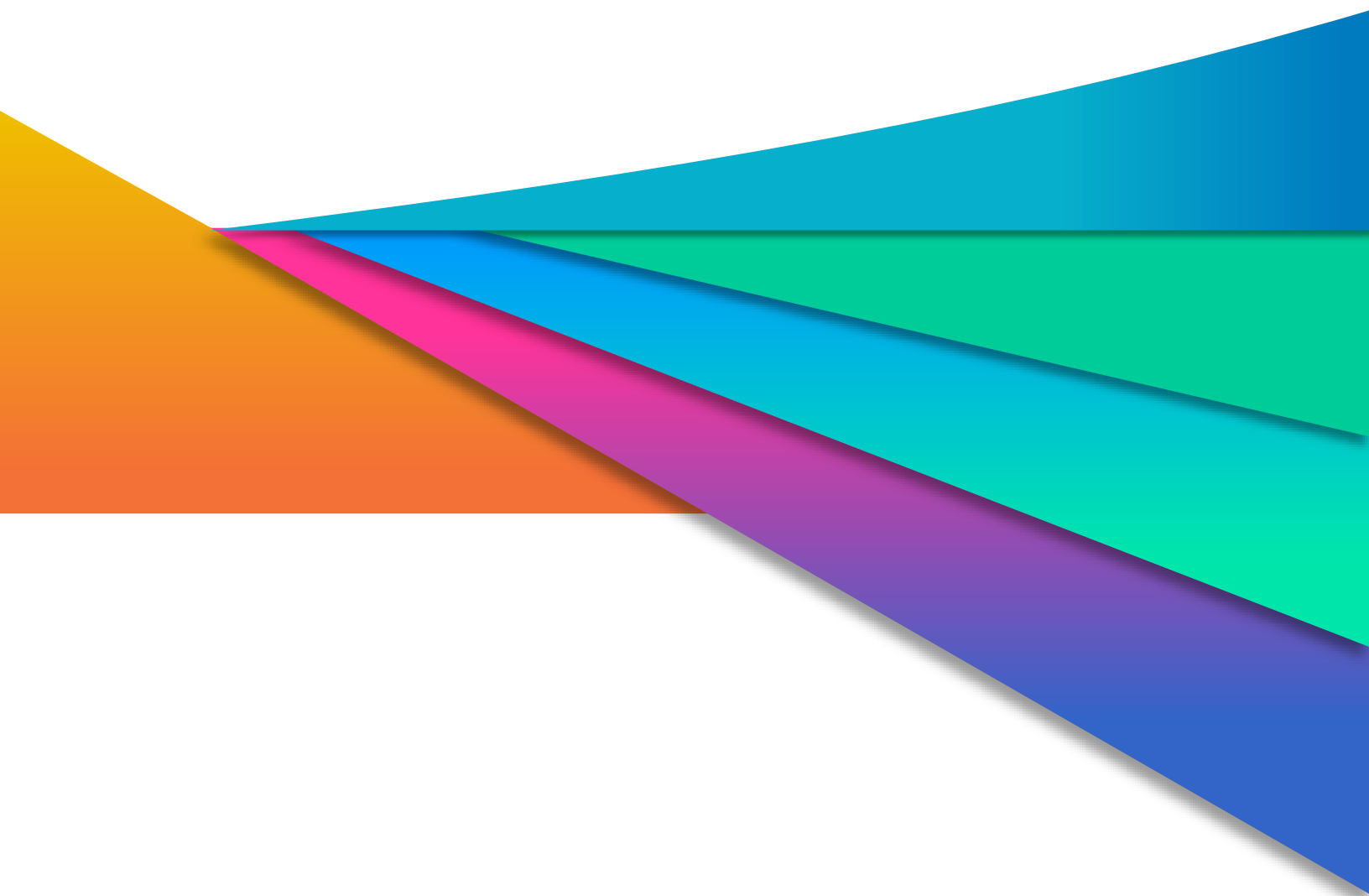
In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
September 30, 2020

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MANAGEMENT'S DISCUSSION & ANALYSIS



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MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of the Management's Discussion and Analysis is to offer to the reader of the City's financial statements a narrative overview and analysis of the financial activities of the City of Livermore for the fiscal year ended June 30, 2020. The reader is encouraged to consider the information presented here in conjunction with the additional information furnished in the letter of transmittal, which can be found on pages 7-15 of this report.

(A) Financial Highlights

- In order to correct a prior period accounting error, the City has restated the beginning net position of the Business-Type activities and Water Enterprise Fund by increasing the net position by \$1,706,802. See Note 9D to the Financial Statements for more information.
- The assets and deferred outflows of resources of the City of Livermore exceeded its liabilities and deferred inflows of resources at the close of the fiscal year 2020 by \$626.3 million (net position). Of this amount, \$76.9 million represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position increased 2.8 percent (or \$17.1 million) for the current fiscal year to \$626.3 million from a restated net position balance of \$609.2 million in the prior fiscal year of which \$8.3 million was generated by governmental activities and approximately \$8.8 million was generated by business-type activities.
- The City's total outstanding debt decreased by \$4.8 million during the current fiscal year.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$179.4 million, an increase of \$4.8 million from the prior fiscal year's balance of \$174.6 million. Approximately 12.8 percent of this amount (\$22.9 million) is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$64.3 million, or approximately 56.4 percent of total general fund expenditures, and transfers out.

(B) Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: government-wide financial statements, fund financial statements, and notes to the basic financial statements. This report also contains supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, in a manner similar to a private-sector business.

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

The *Statement of Activities* presents information showing how the City's Net Position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. This is known as the full accrual basis of accounting.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or most of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include the following functions: General Government (city council, city manager, city attorney, city clerk, finance, human resources), fire, police, public services, community development, economic development, and library. The business-type activities of the City include airport, water, sewer, and stormwater.

The government-wide financial statements include not only the City itself (known as the primary government) but also the activities of its legally separate component unit, the Livermore Capital Projects Financing Authority (LCPFA). Since the City Council acts as the governing board for LCPFA and because this component unit functions as part of the City government, its activities are blended with those of the primary government. The government-wide financial statements can be found on pages 46-47 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been designated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of 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, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This information may be useful in evaluating the City's near-term financial requirements. The basis of accounting in governmental funds is known as the modified accrual basis.

The focus of fund financial statements is narrower than that of government-wide financial statements. It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, the reader may better understand the long-term impact of the City's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities. This is required because the government-wide statements are prepared on the full accrual basis of accounting while the fund statements are prepared on the modified accrual basis of accounting.

The governmental fund financial statements provide separate information for all major funds, while non-major funds are combined in a single column. In the FY 2019-20, the City identified three major governmental funds, which are the General Fund, the Low-Income Housing Fund, and the Housing Successor Fund.

Proprietary Funds

The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its airport, water, sewer, and stormwater activities. *Internal service funds* are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the management of its retained risk for general liability and workers' compensation, and for its fleet and equipment services, information technology, and facilities rehabilitation.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for all five of the City's enterprise funds. These funds are Airport, Water, Sewer, and Stormwater. All of the City's internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the *Supplemental Information* section of this report.

Fiduciary Statements

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds activities are excluded from the City's government-wide financial statements because the City cannot use these assets to finance its own operations.

The City maintains three different types of fiduciary funds. The Private-Purpose Trust Fund is used to account for the assets and liabilities held in trust for the Successor Agency to the former Redevelopment Agency; the OPEB Pension Trust Fund is used to account for the assets and liabilities held in trust for the retirees' post-employment health benefits; and the Agency Fund is used to account for monies collected and disbursed in a custodial capacity for the Mello-Roos districts and other agencies. The fiduciary fund financial statements can be found on pages 60-61.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide important additional information that is essential to a full understanding of the data reported in the government-wide and fund financial statements. The notes to the basic financial Statements are found on pages 65-116.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information related to the City's changes in net pension liability, employer's contribution to the pension plans, the Schedule of Changes in the City's OPEB Liability, the Schedule of Contributions for other post-employment benefits, and the budgetary comparison schedules for major governmental funds. Required supplementary information can be found on pages 119-130.

Individual fund data for non-major governmental funds, internal services funds, and fiduciary funds are presented immediately following the required supplementary information beginning on pages 133-164 of this report.

(C) Government-wide Financial Analysis

As noted earlier, the City's net position may serve over time as a useful indicator of whether the City's financial position is improving or deteriorating. Other factors, such as market conditions, should be considered when measuring the City's overall financial position. This analysis focuses on the net position and changes in net position of the City as a whole. In the case of the City, total government-wide assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$626.3 million, at the close of the most recent fiscal year.

Long-term liabilities, which consist of claims, debt, compensated absences, pension and postemployment benefit obligations, increased by \$5.6 million from the previous year for governmental and business-type activities combined. The City's debt decreased by \$4.8 million primarily due to the scheduled debt service payments and refinancing of the debt, as discussed later under Debt Administration section. The claim liability decreased \$1.9 million due to reduction in actuarially determined claims liability. The decrease in debt and claim liabilities were offset by the \$11.6 million increase in the City's total pension and net OPEB liability, and \$0.7 million increase for compensated absences.

City of Livermore Net Position (in Millions)						
	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Assets:						
Current and other assets	\$ 213.4	\$ 209.6	\$ 141.1	\$ 140.0	\$ 354.5	\$ 349.6
Capital assets	375.7	370.9	152.6	142.7 ¹	528.3	513.6
Total assets	589.1	580.5	293.7	282.7	882.8	863.2
Total Deferred outflows of resources	24.0	23.7	3.2	3.2	27.2	26.9
Liabilities:						
Long-term liabilities outstanding	223.2	218.6	33.0	32.0	256.2	250.6
Other liabilities	14.8	17.6	6.2	4.7	21.0	22.3
Total liabilities	238.0	236.2	39.2	36.7	277.2	272.9
Total Deferred inflows of resources	5.7	6.9	0.8	1.1	6.5	8.0
Net position:						
Net investment in capital assets	316.4	308.5	144.5	134.2 ¹	460.9	442.7
Restricted	88.5	81.5	-	-	88.5	81.5
Unrestricted	(35.5)	(28.9)	112.4	113.9	76.9	85.0
Total net position	\$ 369.4	\$ 361.1	\$ 256.9	\$ 248.1¹	\$ 626.3	\$ 609.2

¹ restated

By far, the largest portion of the City's net position (\$460.9 million or 73.6 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (14.1 percent or \$88.5 million) represents resources that may be used only to construct specified capital projects for debt service, special revenue programs, or special assessment districts. The restrictions on these funds were placed there by outside agencies and are not subject to change by the City. The remaining balance of \$76.9 million is unrestricted and may be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions.

At the end of the current fiscal year, except for unrestricted net position, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate

business-type activities. The unrestricted category for governmental activities had a deficit balance of \$35.5 million as of the end of the current fiscal year. The deficit is caused primarily by the approximately \$93.2 million for the unfunded pension liabilities and \$39.8 million in postemployment liabilities the related deferred inflows and outflows of resources. The unfunded net pension liabilities and net OPEB liabilities will be funded annually in accordance with actuarially determined contribution rates. The positive component of the governmental unrestricted net position, excluding the effects of pension and OPEB liabilities, is \$97.5 million and may be used to meet the City's ongoing obligations to citizens and creditors.

Overall, the City's net position increased by \$17.1 million to \$626.3 million in the current fiscal year from \$609.2 million for the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Changes in Net Position (in Millions)						
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program revenues:						
Charges for services	\$ 17.0	\$ 13.4	\$ 46.4	\$ 44.5	\$ 63.4	\$ 57.9
Operating contributions and grants	16.3	14.9	-	0.6	16.3	15.5
Capital grants and contributions	12.4	11.6	7.4	7.4	19.8	19.0
Total program revenues	45.7	39.9	53.8	52.5	99.5	92.4
General revenues:						
Property taxes	37.8	35.6	-	-	37.8	35.6
Sales taxes	32.9	35.6	-	-	32.9	35.6
Other taxes	16.2	16.9	-	-	16.2	16.9
Intergovernmental	9.0	8.4	-	-	9.0	8.4
Interest	8.5	6.9	3.3	3.1	11.8	10.0
Miscellaneous	6.0	5.5	-	1.1	6.0	6.6
Change in value of investment in JPA	(1.5)	(1.4)	0.4	1.3	(1.1)	(0.1)
Total general revenues	108.9	107.5	3.7	5.5	112.6	113.0
Total Revenues	154.6	147.4	57.5	58.0	212.1	205.4
Expenses						
General Government	23.5	18.6	-	-	23.5	18.6
Fire	22.0	20.8	-	-	22.0	20.8
Police	37.3	37.9	-	-	37.3	37.9
Public Works	19.7	19.3	-	-	19.7	19.3
Community Development	32.6	36.4	-	-	32.6	36.4
Economic Development	2.8	2.8	-	-	2.8	2.8
Library	6.4	6.3	-	-	6.4	6.3
Interest on long term debt	1.7	1.4	-	-	1.7	1.4
Airport	-	-	4.2	3.5	4.2	3.5
Water	-	-	15.6	15.9	15.6	15.9
Sewer	-	-	24.0	24.1	24.0	24.1
Stormwater	-	-	5.2	6.2	5.2	6.2
Las Positas Golf Course	-	-	-	2.0	-	2.0
Total expenses	146.0	143.5	49.0	51.7	195.0	195.2
Increase (Decrease) in Net Position before transfers	8.6	3.9	8.5	6.3	17.1	10.2
Transfers, net	(0.3)	3.8	0.3	(3.8)	-	-
Changes in net position	8.3	7.7	8.8	2.5	17.1	10.2
Net position - Beginning	361.1	353.4	246.4	243.9	607.5	597.3
Beginning Net Position Adjustments	-	-	1.7	-	1.7	-
Net Position-Beginning, as restated	361.1	353.4	248.1	243.9	609.2	597.3
Net position - Ending	\$ 369.4	\$ 361.1	\$ 256.9	\$ 246.4	\$ 626.3	\$ 607.5

Governmental Activities

The *Statement of Activities* presents program revenues and expenses, and general revenues in detail. The City's governmental Net Position was \$369.4 million at June 30, 2020, an increase of \$8.3 million over the restated 2019 balance of \$361.1 million. As stated in Note 9D to the Financial Statements, the City made a prior period adjustment in the Water Enterprise Fund to correct an error in the recording of Construction in Progress assets category; this represents the expenditures related to the Dalton Tank Replacement project which were inadvertently recorded as repairs and maintenance cost in the prior years..

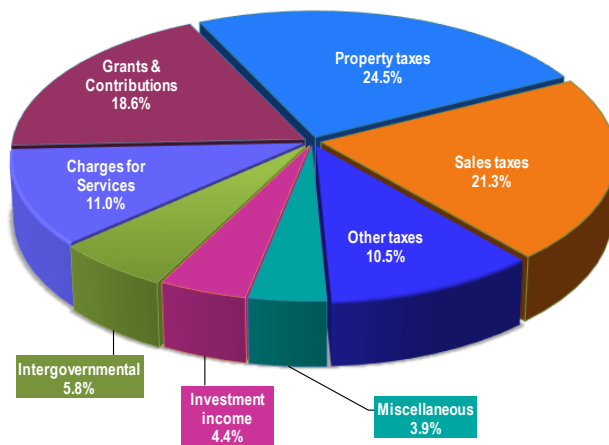
Total revenues of governmental activities were \$156.1 million. The largest component of total revenue is taxes at \$86.9 million, making up 55.7 percent of total revenues. As shown in table on the previous page, \$45.7 million, or 29.3 percent, of the City's Governmental revenue in the current year came from program revenues out of which charges for services accounted for 10.9 percent of total governmental revenues while Operating and Capital Grants made up 18.4 percent of the total governmental revenues.

Program revenues for governmental activities increased by \$5.8 million during the year mainly due to an increase in charges of services, while general revenues increased by \$1.1 million in the current year primarily due to increases in property taxes and intergovernmental revenues, which are discussed in further detail under the Fund Financial Statements Analysis.

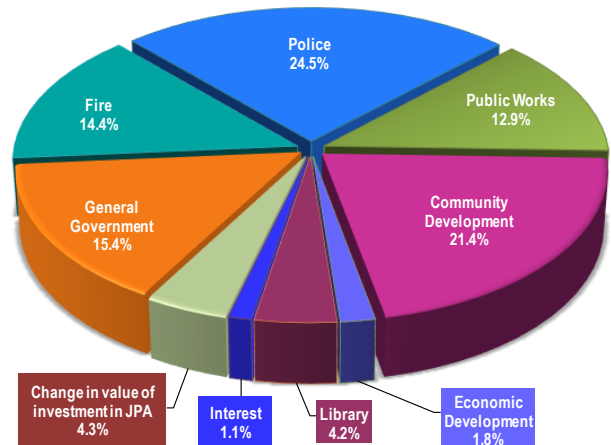
The sources of the revenues shown previously are portrayed in the chart below by percentage for the Governmental Activities. The City's reliance upon tax revenues is evident from the sources of revenue chart, indicating that more than half of the City's total governmental activities revenue comes from general tax revenues. This is consistent with the nature and purpose of governmental funds, particularly in the General Fund, where programs are largely supported by general taxes.

Citywide Governmental Activities

Sources of Revenue

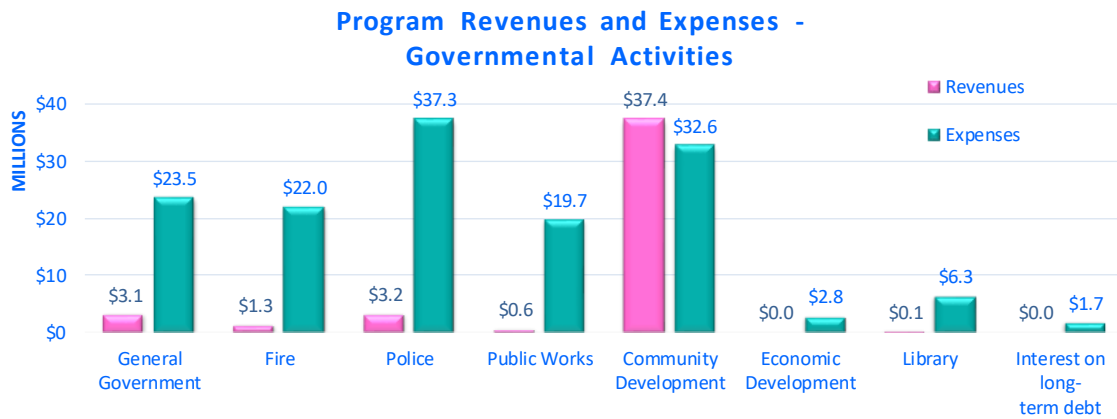


Functional Expenses



Total expenses were \$147.5 million in the current fiscal year, an increase of \$2.6 million from the prior year. Included in these amounts is depreciation expense, which is 8.8 percent of total expenses for governmental activities. The largest increase of \$4.9 million in expenses was under General Government activities, which is attributable to the administrative cost and purchase of non-capitalized assets. The Functional Expenses chart above shows Public Safety (Police and Fire) accounted for 38.9 percent of total governmental expenses while Community Development accounted for 21.4 percent, Public Works 12.9 percent and other governmental

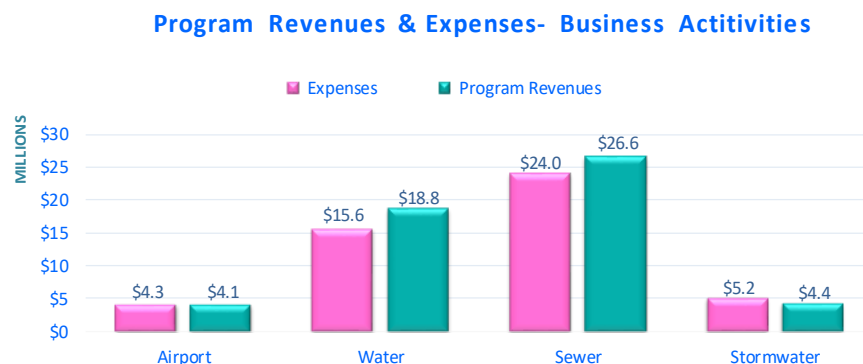
programs 26.8 percent. As shown in the graph below, during the current fiscal year, the cost of all activities exceeded the revenue generated by those programs. This is to be expected as other general sources of revenues such as property taxes, sales taxes, other taxes, and investment income are used to subsidize the gap between program expenditures and program revenues.



Business-type Activities

For the City's business-type activities, the results for the current fiscal year were positive in that the overall net position increased to reach an ending balance of \$256.9 million. The total increase in net position for business-type activities was \$10.5 million or 4.3 percent from the prior fiscal year. Overall business type program revenues increased by \$1.3 million from the prior year level of \$52.5 million to \$53.8 million in the current fiscal year. The water and sewer enterprises both experienced an increase in charges for services revenue due to annual rate increases and a rise in consumption.

Program expenses decreased by \$2.7 million to a total of \$49.0 million in the current year. A drop of \$1.4 million in stormwater repairs and maintenance expense was attributable to a deferral of the storm drain trash capture device and 2017 storm damage repair projects into future years. Another \$2.0 million decrease is attributed to the closure of the Las Positas Golf Course Enterprise Fund in the prior fiscal year.



(D) Analysis of the Fund Statements

The table below summarizes the activities and balances of governmental funds. As of June 30, 2020, the City’s governmental funds reported combined fund balances of \$179.5 million, an increase of \$4.9 million from the prior year ending fund balance of \$174.6 million. Approximately 12.8 percent of this amount (\$22.9 million) is available for spending at the government’s discretion (unassigned fund balance). See Note 9 for detailed classifications of the City’s governmental fund balances.

During the current fiscal year, the City experienced an overall increase of \$2.3 million in revenues for the governmental funds primarily due to the rise in the property tax and interest income offset by the decline in sales tax revenues.

Financial Highlights at Fund Level at June 30 (in Millions)		
Governmental Funds	2020	2019
Total assets	\$ 227.2	\$ 223.0
Total liabilities	17.9	20.7
Total deferred inflows	29.8	27.7
Total fund balances	179.5	174.6
Total revenues	150.2	147.9
Total expenditures	144.5	160.5
Total other financing sources (uses)	(0.8)	(1.4)

The following are contributing factors affecting the revenues this fiscal year:

- Property tax revenues grew \$2.2 million in the current fiscal year primarily from assessed valuation growth.
- Overall sales tax revenues decreased approximately \$2.7 million compared to the prior fiscal year because of mandatory shutdown of retail and hospitality industry due to the COVID-19 pandemic.
- Charges of services increased by \$4.4 million mainly due to an increase in Park Fee Special Revenue Fund and Traffic Impact Fee Capital Projects Fund by \$1.3 million and \$2.0 million, respectively. The increase is mainly due to multifamily housing project in the Livermore downtown. General Fund also increased by approximately \$1.0 million due to increase in engineering inspection fees and interfund charges revenues.
- Development related revenues contributions from outside sources declined by \$1.9 million mainly due to decrease in El Charro Specific Plan Capital Projects Fund

In fiscal year 2019-20 expenditures for governmental funds totaled \$144.5 million, a decrease of \$16.0 million (or 10.0%) from the fiscal year 2018-19 total of \$160.5 million. A major contributor of this decline was a decrease in capital outlay and community development expenditures. Capital outlay is \$9.7 million lower in the current fiscal year due to impact of COVID-19 on construction activities. Community development expenditures decreased by approximately \$9.8 million mainly due to approximately \$5.3 million decrease in housing loans in the prior year which were issued for BMR and Chestnut Square developments.

Community development expenditures in Park Fee special revenue fund were at \$4.0 million for the current fiscal year compared to \$8.7 million in the prior year, a decrease of \$4.0 million, due to the completion of certain projects in the prior fiscal year. Contribution of \$2.7 million for general liability in the current fiscal year was lower by approximately \$1.1 million in the current year compared to \$3.8 million in the prior year.

Analyses of Major Governmental Funds

General Fund

The General Fund is the chief operating fund of the City of Livermore. At the end of the current fiscal year, the total fund balance of the General Fund was \$70.0 million, out of which \$23.0 million was unassigned. As a measure of the general fund liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and transfers-out. The unassigned fund balance of \$23.0 million represents approximately 20.1 percent of total general fund expenditures and transfers out, while the total fund balance of \$70.0 million represents approximately 61.3 percent of the same amount. The non-spendable fund balance of \$5.6 million represents balances set aside to indicate items do not represent available, spendable resources. The Committed Fund Balance of \$16.6 million represents Financial Stabilization Operating Reserve. The Financial Stabilization Operating Reserve is to be used in a catastrophic event, major emergency, or in periods of severe fiscal crisis. The Assigned General Fund Balance of \$24.9 million represents the Economic Uncertainty Reserve and Infrastructure Replacement reserve. The Economic Uncertainty Reserve will be used during times of protracted recessionary periods. See Note 9 for further information.

Fund Balance Categories- General Fund



Local taxes, including property tax, sales taxes, transient occupancy tax, and business license taxes are the primary revenue source for the General Fund, constituting 73.1 percent of revenues in the fiscal year 2019-20. These revenue sources are highly susceptible to economic fluctuations.

The General Fund revenues were \$118.4 million in the fiscal year 2020, consistent with the prior fiscal year. As discussed in detail under “The City’s Fund Financial Statements”, increase mainly came from property tax, charges for current services and use of money and property revenue categories while sales taxes, Other taxes, which include franchise fees, business license taxes, and transient occupancy taxes, decreased from the prior year.

General Fund Statement of Revenues, Expenditures And Changes In Fund Balances		
	2020	2019
REVENUES		
Property taxes and special assessments	\$ 37,421,396	\$ 35,234,143
Sales Taxes	32,869,001	35,556,493
Other taxes	16,253,107	16,895,027
Licenses and permits	2,408,482	2,647,472
Intergovernmental	10,260,780	9,713,419
Contributions from outside sources	36,737	125,000
Fines and forfeitures	480,714	522,198
Charges for current services	8,632,078	7,752,120
Use of money and property	9,654,094	8,531,498
Miscellaneous	419,446	443,392
Total Revenues	118,435,835	117,420,762
EXPENDITURES		
Current:		
General Government:	16,564,310	14,732,073
Fire	21,956,743	21,467,182
Police	36,151,077	36,597,420
Public Works	7,298,306	7,048,763
Community Development	15,173,149	15,080,691
Economic Development	2,826,509	2,815,442
Library	5,834,282	5,587,920
Capital Outlay	3,319,627	6,906,865
Total Expenditures	109,124,003	110,236,356
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,311,832	7,184,406
OTHER FINANCING SOURCES (USES)		
Transfers in	691,026	900,260
Transfers (out)	(5,045,980)	(5,962,071)
Total Other Financing Sources (Uses)	(4,354,954)	(5,061,811)
NET CHANGE IN FUND BALANCES	4,956,878	2,122,595
FUND BALANCES- BEGINNING	65,041,635	62,919,040
FUND BALANCES- ENDING	\$ 69,998,513	\$ 65,041,635

The table on the following page shows the original budget approved on June 10, 2019, final amended budget adopted on June 15, 2020 and the actual results as of June 30, 2020. The original budget was amended to reflect the change in economic expectations between the adoption of the original and final budget. The variances computed are between the final budget and actual results.

Use of money and property actual revenues came in \$2.9 million higher than the projected numbers due to higher yield realized on the City's investment in the current fiscal year. Actual property tax revenues exceeded the budgeted amount by \$1.9 million due to increase in real property values and change in ownership. General Fund sales tax revenues were \$1.3 million lower than the budgeted amounts mainly due to financial impact of COVID-19 pandemic resulting from the sheltering at home measures, the State's COVID19 Sales Tax Deferral Program, and the California Department of Tax and Fee Administration's Small Business Relief Payment Plan.

From an expenditure perspective, total expenditures and transfers out came under budget. Expenditures for most departments were under budget except for those in General Government. The General Government expenditures are higher mainly due to additional contribution to facilities rehabilitation program and information technology.

General Fund Budgetary and Actual Variance Analysis					
	Original Budget Adopted June 10, 2019	Final Budget Adopted June 15, 2020	Actual	Variance Final Budget to Actual Positive/ (Negative)	Variance Final Budget to Actual (%)
Revenues and transfers in:					
Property taxes	\$ 35,302,380	\$ 35,527,077	\$ 37,421,396	\$ 1,894,319	5.33%
Sales taxes	36,924,000	32,834,450	32,869,001	34,551	0.11%
Other taxes	17,131,191	15,800,954	16,244,765	443,811	2.81%
Licenses and permits	2,322,000	2,452,500	2,408,482	(44,018)	-1.79%
Intergovernmental	9,947,437	10,123,768	10,260,780	137,012	1.35%
Contributions from outside sources	-	82,960	36,737	(46,223)	-55.72%
Fines and forfeitures	431,500	375,000	480,714	105,714	28.19%
Other in lieu taxes	8,100	7,900	8,342	442	5.59%
Charges for current services	7,283,541	7,817,133	8,631,185	814,052	10.41%
Use of money and property	5,462,477	6,794,564	9,654,094	2,859,530	42.09%
Miscellaneous	720,417	445,920	420,339	(25,581)	-5.74%
Total revenues	115,533,043	112,262,226	118,435,835	6,173,609	5.50%
Transfers in	1,942,858	4,571,463	691,026	(3,880,437)	-84.88%
Total revenues and transfers in	\$ 117,475,901	\$ 116,833,689	\$ 119,126,861	\$ 2,293,172	1.96%
Expenditures and transfers out:					
General Government:	\$ 14,869,299	\$ 13,157,558	\$ 16,564,310	\$ (3,406,752)	-25.9%
Fire	22,061,654	22,590,877	21,956,743	634,134	2.8%
Police	38,782,873	38,211,807	36,151,077	2,060,730	5.4%
Public Works	8,956,461	8,015,749	7,298,306	717,443	9.0%
Community Development	16,724,589	16,838,121	15,173,149	1,664,972	9.9%
Economic Development	2,829,204	2,888,359	2,826,509	61,850	0.0%
Library	6,052,177	6,065,626	5,834,282	231,344	3.8%
Capital Outlay	13,596,000	3,696,339	3,319,627	376,712	10.2%
Total expenditures	123,872,257	111,464,436	109,124,003	2,340,433	2.1%
Transfers out	4,902,688	4,801,959	5,045,980	(244,021)	-5.08%
Total expenditures and transfers out	\$ 128,774,945	\$ 116,266,395	\$ 114,169,983	\$ 2,096,412	1.80%

Low Income Housing Fund

This fund is established to account for the receipt and disbursement of in-lieu low-income housing impact fees collected from developers and used to finance affordable housing developed offsite. In the current year revenues and expenditures decreased by \$0.8 million and \$5.4 million, respectively, over the prior year.

Use of money and property revenues were down by \$1.0 million in the current fiscal year; the variance is mainly due to recording of \$1.7 million gain on sale of land held for resale in the prior year, whereas, in the current year, the gain on sale of properties totaled to \$0.8 million; however, this decrease was offset by an increase of \$0.2 million in charges for current services due to slight increase in developmental activities. The decrease in expenditures is cyclical in nature; in the prior year, higher level of new housing development loans were issued which was not the case in the current year.

Housing Successor Fund

This fund is established to account for the assets and liabilities assumed by the City from the former Redevelopment Agency low- and moderate-income housing fund. Revenues are lower by approximately \$125K due to a timing of the receipt of a loan payment which the City received after the fiscal year-end and was not recorded in the current fiscal year.

Analysis of Major Enterprise Funds**Airport Fund**

The Livermore Municipal Airport is a General Aviation Reliever Airport, which serves private, business and corporate tenants and customers. Airport revenues are primarily comprised of short-and medium-term hangar and tie-down space rents as well as Fixed Base Operator (FBO) and approved non-aeronautical ground rents. The Airport leases 393 hangar units and has approximately 150 aircraft tie-down spaces. Approximately 490 aircraft are currently based at the Airport and all hangar units are occupied.

The revenues were consistent with prior fiscal years. Repairs and maintenance expense increased by \$0.7 million due to the Airport old terminal building demolition and hangar painting projects.

Water Fund

The Water Enterprise purchases potable water from water wholesaler Zone 7 Water Agency, and then distributes the water to customers in the Livermore Municipal Water service area. The City's municipal water service area has a combined residential and commercial customer base of approximately 10,500 water accounts. Each water bill consists of a flat rate City meter service charge based on the size of meter that is located at the property (fixed charge), a City consumption charge for water used at the property (variable charge), and pass-through of wholesale water charges. Effective January 1, 2017, the wholesale rate structure was changed by Zone 7 to include fixed and volume-based rates.

Water revenues increased by \$1.9 million in the current fiscal year to \$16.8 million from \$14.9 million in the prior fiscal year. This variance resulted from a combination of increased water consumption and annual rate increases. Operating expenses were consistent with the prior year expenses. Capital contributions (conveyed property) increased by \$1.5 million when the City accepted water public improvements for maintenance as new development projects from Shea and Ponderosa Homes were completed. Connection fees revenue decreased by \$0.5 million which was likely due to a slowdown in construction related to COVID-19 pandemic shelter-in-place orders.

Sewer Fund

The Sewer Enterprise is responsible for the operation, maintenance, and periodic replacement of the City's sewer, collection system, wastewater treatment and recycled water production systems. It operates and maintains the Livermore Water Reclamation Plant, which provides wastewater treatment and disposal, and produces recycled water for landscape irrigation and other uses. The Plant currently treats approximately 5.5 million gallons of wastewater each day from throughout the Livermore area.

The Sewer Fund's net operating income amounted to \$0.1 million in the current fiscal year as compared to an operating loss of \$1.1 million in fiscal year 2018-19. Operating revenues amounted to \$24.5 million in the current year, up from \$22.9 million in the prior fiscal year primarily due to an increase in sewer rates. Revenue is expected to continue to rise as the City Council has approved rate increases in each of the next five fiscal years. Operating expenses of \$24.4 million experienced a slight increase of 0.4 million from \$24.0 million in the prior year. An increase in cost of sales, salaries and benefits expense of \$1.4 million was partially offset by a decrease of \$0.7 million of repairs and maintenance expense. Repairs and maintenance expenses were lower

in the current fiscal year because of water reclamation plant hot water loop and sewer line projects completed in the previous fiscal year.

Sewer connection fees revenue decreased \$1.0 million from \$2.3 million in fiscal year 2018-19 to \$1.3 million in fiscal year 2019-20. The drop was likely due to a slowdown in construction related to the COVID-19 pandemic shelter-in-place orders.

Stormwater Fund

The Stormwater Enterprise is responsible for costs associated with the implementation of the City's stormwater management and discharge control program along with the operation and periodic replacement of the stormwater conveyance system. The two major sources of funding for this work is an "Urban Runoff" property-based fee and transfers in from the General Fund. The "Urban Runoff" fee revenue is consistent with prior revenue of \$1.1 million. Capital contributions conveyed property revenue increased by \$1.2 million when the City accepted storm drain public improvements for maintenance as new development projects from Shea and Ponderosa Homes were completed. Capital grants revenue decreased by \$1.7 million as FEMA approved most of the 2017 Storm Damage project in the prior fiscal year.

Operational expenses decreased by \$1.0 million as a decrease in repairs and maintenance expense of \$1.4 million was partially offset by an increase of \$0.5 million for contracted services. The decrease in repairs and maintenance expense was due to a deferral of the Storm Drain Trash Capture Device and 2017 Storm Damage Repair projects into future years. The increase in contracted services was caused by a City review of all Stormwater program expenditures and corresponding consolidation into the Stormwater fund.

(E) Capital Assets

GASB 34 requires the City to record all its capital assets including infrastructure. Infrastructure includes roads, bridges, signals and similar assets used by the entire population. The City depreciates all its capital assets over their estimated useful lives, as required by GASB 34. The purpose of depreciation is to spread the cost of a capital asset over the years of its useful life so that an allocable portion of the cost of the asset is borne by all users.

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$528.3 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, roads, highways, and the water reclamation plant. At the end of fiscal years 2019-20 and 2018-19, the cost of capital assets recorded on the City's financial statements was as shown in the table as following:

Capital Assets at Year-end (in Millions)						
	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Land and Land Improvements	\$ 39.0	\$ 38.9	\$ 14.0	\$ 14.0	\$ 53.0	\$ 52.9
Intangible Assets	4.5	4.5	-	-	4.5	4.5
Construction in progress	86.5	75.0	29.4	16.8 ¹	115.9	91.8
Buildings	118.1	118.1	22.7	22.7	140.8	140.8
Equipment and vehicles	40.5	38.9	4.6	3.8	45.1	42.7
Infrastructure	339.9	336.3	-	-	339.9	336.3
Airport Infrastructure	-	-	11.6	11.6	11.6	11.6
Water Infrastructure	-	-	50.9	49.1	50.9	49.1
Sewer Infrastructure	-	-	133.0	132.3	133.0	132.3
Stormwater Infrastructure	-	-	106.5	105.0	106.5	105.0
Las Positas Golf Course Infrastructure	-	-	-	-	-	-
Less accumulated depreciation	(252.8)	(240.8)	(220.1)	(212.6)	(472.9)	(453.4)
Totals	\$ 375.7	\$ 370.9	\$ 152.6	\$ 142.7	\$ 528.3	\$ 513.6

¹ Restated

The total capital assets for the current fiscal year increased approximately \$14.7 million (or 2.9 percent). Major capital asset events during the current fiscal year included the following:

- Construction in progress for governmental activities grew \$11.5 million which included \$5.3 million for the Livermore Downtown Revitalization project, and \$2.4 million for the Civic Center Meeting Hall.
- Beginning balance of construction in progress for business type activities was restated to \$16.8 million from \$15.1 million because the cost of \$1.7 million associated with the Dalton Tank Replacement project was mistakenly recorded as repair and maintenance expense in the prior fiscal year.
- The addition of \$12.6 million in construction in progress within business-type activities included approximately \$6.6 million for the Dalton Tank Replacement project and \$5.5 million for the Sewer Treatment Plant projects.

Additional information on capital assets may be found in Note 6 on pages 82-85 of this report.

(F) Debt Administration

Each of the City’s debt issues is discussed in detail in Note 7 to the financial statements. As of June 30, 2020 and 2019, the City’s debt comprised the following:

	Outstanding Debt (in Millions)					
	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Certificates of Participation	\$ 50.9	\$ 54.3	\$ 7.8	\$ 8.4	\$ 58.7	\$ 62.7
Notes payable	1.5	1.7	-	-	1.5	1.7
Capital Leases	7.6	8.2	0.3	0.3	7.9	8.5
Totals	\$ 60.0	\$ 64.2	\$ 8.1	\$ 8.7	\$ 68.1	\$ 72.9

The outstanding debt in the current fiscal year decreased \$4.2 million and \$0.6 million for the governmental activities and business type activities respectively. This decrease is primarily due to the scheduled principal payments as well as refinancing of the 2011 Certificates of Participation (COP) and 2014 COP. The City used reserve balance of \$1.1 million for the 2011 COP to reduce the principal needed to be refinanced. Refer to Footnote 7 for further information.

In June 2020, the S&P global rating services reaffirmed the City’s bond ratings at AA despite the risk of recessionary impact of COVID-19 on the City’s revenues. The credit reports highlighted the City’s consistent positive financial performance, strong reserves and unassigned fund balance, as well as strong management throughout economic cycles.

(G) Economic Factors and Next Year’s Budget

The economic factors affecting the City and long-term financial plan are discussed in detail in the accompanying Transmittal Letter.

As the COVID-19 pandemic event unfolds, the potential long-term fiscal impacts to the City cannot yet be accurately projected. The City will reevaluate these forecasts as the progression of COVID-19 related events evolve.

The FY 2019-21 Budget Plan Update as adopted includes the effects of further extension of shelter-in-place orders and the “phased opening” approach currently outlined by the state and federal governments; however, healthy fund balance continues to support a wide variety of programs and initiatives.

The total appropriation for FY 2020-21 is \$263.4 million for all City activities, including funding for fund balance reserves. The FY 2020-21 budget continues to provide resources for the City’s long-term obligations, including fleet and information technology replacement needs, capital improvements, and other post-employment benefits.

The City currently expects the COVID-19 pandemic event to have the most dramatic impact on sales tax revenue and transient occupancy tax revenue. Sales tax is projected to be \$30.9 million, a reduction of 6%, or \$2.0 million, for the next fiscal year compared to the current year’s actual revenue. However, the revised forecast for sales tax is a \$6.8 million (or 18%) reduction of the original forecast of \$37.7 million. This revised forecast takes into consideration the impact of COVID-19 on the City’s portfolio of sales tax producers, specifically the concentration of retailers of general consumer goods. Transient occupancy tax revised projections of \$2.8 million are reduced \$1.6 million (or 35%) compared to the original forecast of \$4.4 million for the next fiscal year. Other revenues have also been projected downward to reflect anticipated reductions in demand for services.

The General Fund budget for FY 2020-21 provides \$112.4 million in resources and \$127 million in appropriations, including \$7.5 million for the Capital Improvement Plan (CIP). The Proposed Financial Plan Update shows a General Fund budget shortfall of \$14.6 million in FY 2020-21 that will require use of the accumulated fund balance. This shortfall reflects the short-term impacts of COVID-19 as well as the additional resources needed for large-scale capital infrastructure improvements related to the development of the City-owned catalyst sites in Downtown, as well as contribution to the Stormwater Enterprise Fund and Horizons Special Revenue Fund.

Operating expenditures are projected to grow \$12.8 million from FY 2019-20 actual expenditures primarily related to increasing employment-related costs, election costs, consulting services and other costs associated with the downtown development process, as well as the undertaking of other important projects such as the General Plan Update, Housing Plan Update, and asset management-related efforts.

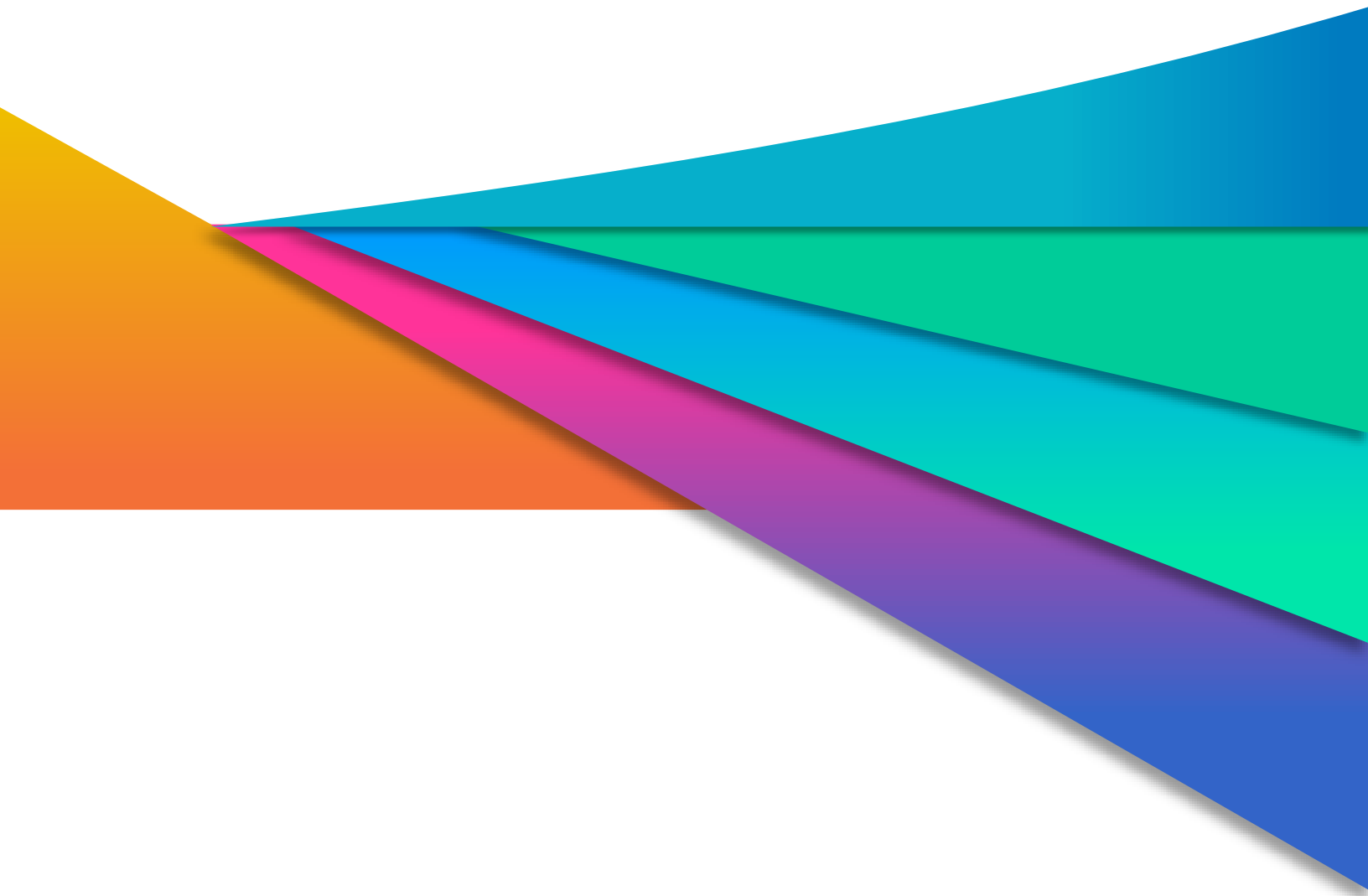
The fund balance for the General Fund at the end of operations for FY 2020-21 is estimated at \$52.3 million with \$44.4 million in reserves and \$2.2 million in spendable fund balance available for appropriations.

(H) Requests for Information

The Comprehensive Annual Financial Report is intended to provide a general overview of the City’s finances for readers of the financial statements. Questions concerning any of the information in this report or requests for additional financial information should be addressed to the *Administrative Services Director, 1052 South Livermore Avenue, Livermore, CA 94550-4899*.

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BASIC FINANCIAL STATEMENTS



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Government-Wide Financial Statements

Statement of Net Position and 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 of the City's assets, deferred outflows, liabilities, and deferred inflows 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 City's total assets, liabilities, and deferred inflows/outflows of resources including all the City's capital assets and all its long-term debt. The Statement of Net Position presents similar information in a way that focuses the reader on the composition of the City's Net Position, by subtracting total liabilities and deferred inflows of resources from total assets and deferred outflows of resources.

The Statement of Net Position summarizes the financial position of the entire City's Governmental Activities in a single column and the financial position of the entire City's Business-Type Activities in a single column. These columns are followed by a Total column that presents the financial position of the entire City.

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, their activities are consolidated with Governmental Activities, after eliminating inter-fund transactions and balances. The City's Business-Type Activities include all its Enterprise Fund activities.

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, measurable and available revenues, and measurable expenditures.

The format of the Statement of Activities presents the City's expenses first, listed by program, and follows these with the expenses of its business-type activities. 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 and business-type program. The City's general revenues are then listed in the Governmental Activities or Business-type Activities column, as appropriate, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

Both these Statements include the financial activities of the City as well as the Livermore Capital Projects Financing Authority, which is a legally separate but is a component unit of the City because it is controlled by the City, which is financially accountable for its activities.

These financial statements along with the fund financial statements and footnotes are called *Basic Financial Statements*.

STATEMENT OF NET POSITION			
JUNE 30, 2020			
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash and investments in City Treasury (Note 3)	\$ 202,678,410	\$ 112,110,401	\$ 314,788,811
Cash and investments with Trustees (Note 3)	633,890	-	633,890
Accounts receivables, net	9,623,328	7,101,939	16,725,267
Interest receivable	1,540,378	-	1,540,378
Inventory	278,994	-	278,994
Internal balances (Note 4D)	(612,778)	612,778	-
Prepays, deposits and supplies	81,365	2,489,730	2,571,095
Notes receivable (Note 5)	30,565,792	-	30,565,792
Investment (Deficit) in JPA Equity (Note 13A and 13E)	(42,698,672)	18,812,833	(23,885,839)
Land held for investment (Note 1J)	11,321,586	-	11,321,586
Land, easements and construction in progress (Note 6)	130,042,117	43,408,773	173,450,890
Capital assets, net of accumulated depreciation (Note 6)	245,689,560	109,162,373	354,851,933
Total Assets	589,143,970	293,698,827	882,842,797
DEFERRED OUTFLOWS OF RESOURCES			
Related to pension (Notes 10)	21,746,758	2,775,845	24,522,603
Related to OPEB (Notes 11)	2,222,323	382,508	2,604,831
	23,969,081	3,158,353	27,127,434
LIABILITIES			
Accounts payable and other accruals	8,214,375	5,307,128	13,521,503
Accrued payroll	1,558,879	266,885	1,825,764
Interest payable	22,287	-	22,287
Deposit payable and unearned revenue	5,006,105	584,162	5,590,267
Non-current liabilities:			
Due within one year:			
Claims payable (Note 14B)	1,380,000	-	1,380,000
Accrued compensated absences (Note 7D)	1,347,548	235,235	1,582,783
Long-term debt (Note 7)	1,313,702	99,064	1,412,766
Due in more than one year:			
Claims payable (Note 14B)	6,518,728	-	6,518,728
Accrued compensated absences (Note 7D)	2,678,614	395,259	3,073,873
Long-term debt (Note 7)	58,644,704	7,981,327	66,626,031
Net pension liability (Note 10)	111,239,701	17,403,498	128,643,199
Net OPEB liabilities (Note 11)	40,054,369	6,894,186	46,948,555
Total Liabilities	237,979,012	39,166,744	277,145,756
DEFERRED INFLOWS OF RESOURCES			
Related to pension (Notes 10)	3,743,662	407,883	4,151,545
Related to OPEB (Notes 11)	2,003,175	344,788	2,347,963
Total Deferred Inflows of Resources	5,746,837	752,671	6,499,508
NET POSITION (Note 9)			
Net investment in capital assets	316,407,161	144,490,755	460,897,916
Restricted:			
Capital projects	65,144,270	-	65,144,270
Debt service	19,004	-	19,004
Special assessment administration	8,699,396	-	8,699,396
Affordable Housing	1,236,126	-	1,236,126
Solid waste	492,298	-	492,298
City street sweeping	131,288	-	131,288
Park fee	8,773,723	-	8,773,723
Community cable programming	863,415	-	863,415
Art programs	2,601,327	-	2,601,327
Nonexpendable endowment fund	537,115	-	537,115
Unrestricted	(35,517,921)	112,447,010	76,929,089
Total Net Position	\$ 369,387,202	\$ 256,937,765	\$ 626,324,967

See accompanying notes to financial statements

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities:							
General Government	\$ 23,532,602	\$ 1,502,556	\$ 1,594,975	\$ -	\$ (20,435,071)	\$ -	\$ (20,435,071)
Fire	21,975,048	1,339,356	-	-	(20,635,692)	-	(20,635,692)
Police	37,301,780	1,781,262	1,101,727	291,331	(34,127,460)	-	(34,127,460)
Public Works	19,665,609	237,566	319,486	-	(19,108,557)	-	(19,108,557)
Community Development	32,628,435	12,068,342	13,233,720	12,088,394	4,762,021	-	4,762,021
Economic Development	2,805,692	-	-	-	(2,805,692)	-	(2,805,692)
Library	6,349,762	29,584	99,515	-	(6,220,663)	-	(6,220,663)
Interest on long term debt	1,682,372	-	-	-	(1,682,372)	-	(1,682,372)
	<u>145,941,300</u>	<u>16,958,666</u>	<u>16,349,423</u>	<u>12,379,725</u>	<u>(100,253,486)</u>	<u>-</u>	<u>(100,253,486)</u>
Business-type Activities:							
Airport	4,250,953	3,988,814	-	127,598	-	(134,541)	(134,541)
Water	15,625,538	16,757,972	-	2,000,407	-	3,132,841	3,132,841
Sewer	24,049,671	24,535,578	-	2,023,835	-	2,509,742	2,509,742
Stormwater	5,157,718	1,137,063	-	3,229,209	-	(791,446)	(791,446)
	<u>49,083,880</u>	<u>46,419,427</u>	<u>-</u>	<u>7,381,049</u>	<u>-</u>	<u>4,716,596</u>	<u>4,716,596</u>
Total	<u>\$ 195,025,180</u>	<u>\$ 63,378,093</u>	<u>\$ 16,349,423</u>	<u>\$ 19,760,774</u>	<u>(100,253,486)</u>	<u>4,716,596</u>	<u>(95,536,890)</u>
General revenues:							
Property taxes					37,797,380	-	37,797,380
Sales taxes					32,869,001	-	32,869,001
Business license taxes					6,633,083	-	6,633,083
Transient occupancy and franchise taxes					9,620,024	-	9,620,024
Intergovernmental, unrestricted					8,962,999	-	8,962,999
Investment income					8,520,096	3,254,594	11,774,690
Miscellaneous					6,001,803	39,337	6,041,140
Change of value from investment in JPA (Note 13A and 13E)					(1,522,359)	445,399	(1,076,960)
Transfers, net (Note 4B)					(323,790)	323,790	-
Total general revenues and transfers					<u>108,558,237</u>	<u>4,063,120</u>	<u>112,621,357</u>
Change in Net Position					8,304,751	8,779,716	17,084,467
Net Position-Beginning					361,082,451	246,451,247	607,533,698
Beginning Net Position Adjustments (Note 9D)					-	1,706,802	1,706,802
Net Position-Beginning, as restated					<u>361,082,451</u>	<u>248,158,049</u>	<u>609,240,500</u>
Net Position-Ending					<u>\$ 369,387,202</u>	<u>\$ 256,937,765</u>	<u>\$ 626,324,967</u>

See accompanying notes to financial statements

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Fund Financial Statements

Only individual major funds are presented in the Fund Financial Statements, while non-major funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year.

The City has identified the funds below as major governmental funds in fiscal year 2019-20:

GENERAL FUND

The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds and related expenditures.

LOW INCOME HOUSING SPECIAL REVENUE FUND

Established to account for the receipt and disbursement of in-lieu low-income housing impact fees collected from developers.

HOUSING SUCCESSOR SPECIAL REVENUE FUND

Established to account for the assets and liabilities assumed by the City from the former Redevelopment Agency's Low and Moderate Income Housing Fund.

**GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020**

	General Fund	Low Income Housing Special Revenue Fund	Housing Successor Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments in City Treasury (Note 3)	\$ 62,232,532	\$ 10,453,436	\$ 2,220,453	\$ 94,786,779	\$ 169,693,200
Cash and investments with Trustees (Note 3)	-	-	-	633,890	633,890
Accounts receivables (net of applicable allowable for uncollectibles)	6,501,251	1,679	672	2,920,969	9,424,571
Interest receivable	1,540,378	-	-	-	1,540,378
Due from other funds (Note 4A)	102,953	-	-	-	102,953
Advances to other funds (Note 4C)	3,880,245	-	-	-	3,880,245
Prepays and deposits	20,000	5,095	-	-	25,095
Notes receivable (Note 5)	-	20,999,163	5,070,977	4,495,652	30,565,792
Land held for redevelopment (Note 1J)	1,727,437	9,594,149	-	-	11,321,586
Total Assets	\$ 76,004,796	\$ 41,053,522	\$ 7,292,102	\$ 102,837,290	\$ 227,187,710
LIABILITIES					
Accounts payable and other accrued liabilities	\$ 3,514,024	\$ 295,191	\$ -	\$ 3,734,395	\$ 7,543,610
Accrued payroll and benefits	1,394,778	-	-	71,015	1,465,793
Deposit payable	1,085,290	7,537	-	996,261	2,089,088
Due to other funds (Note 4A)	-	-	-	102,953	102,953
Advance from other funds (Note 4C)	-	-	-	3,880,245	3,880,245
Unearned rents and revenue	-	-	-	2,817,116	2,817,116
Total Liabilities	5,994,092	302,728	-	11,601,985	17,898,805
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	12,191	20,999,163	4,327,540	4,501,359	29,840,253
Total deferred inflows of resources	12,191	20,999,163	4,327,540	4,501,359	29,840,253
FUND BALANCES (Note 9)					
Nonspendable	5,627,682	5,095	-	532,840	6,165,617
Restricted	-	19,746,536	2,964,562	83,603,163	106,314,261
Committed	16,561,703	-	-	2,597,943	19,159,646
Assigned	24,905,533	-	-	-	24,905,533
Unassigned	22,903,595	-	-	-	22,903,595
Total fund balances	69,998,513	19,751,631	2,964,562	86,733,946	179,448,652
Total Liabilities, deferred inflows of resources, and fund balances	\$ 76,004,796	\$ 41,053,522	\$ 7,292,102	\$ 102,837,290	\$ 227,187,710

[See accompanying notes to financial statements](#)

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

Amount reported in the Governmental Balance Sheet as Fund Balance	\$ 179,448,652
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	\$357,510,375
ALLOCATION OF INTERNAL SERVICE FUND NET POSITION	
Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance, to individual governmental funds. The assets and liabilities of the Internal Service Funds are therefore included in Governmental Activities in the following line items in the Statement of Net Position.	
Cash and investments	32,985,210
Accounts receivable	198,757
Inventory	278,994
Internal balances	(612,778)
Prepays, deposits and supplies	56,270
Capital assets	18,221,302
Deferred pension outflows	1,005,263
Accounts payable and other accruals	(670,765)
Accrued payroll	(93,086)
Deposits payable	(\$99,901)
Claims payable	(7,898,728)
Net pension liability	(6,302,609)
Net OPEB liabilities	(2,389,738)
Long term debt	(7,563,146)
Deferred outflow of resources related to OPEB	132,589
Deferred inflow for resources related to pension	(165,889)
ACCUAL OF NON-CURRENT REVENUES AND EXPENSES	
Revenues which are deferred on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities.	29,840,253
LONG-TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Investment (Deficit) in JPA Equity	(42,698,672)
Compensated absences	(4,026,162)
Long-term debt	(52,395,260)
Interest payable	(22,287)
Net OPEB liabilities	(37,664,631)
Deferred outflow of resources related to OPEB	2,089,734
Deferred inflow of resources related to OPEB	(1,883,661)
Net pension liability	(104,937,092)
Deferred outflow of resources related to pension	20,741,495
Deferred inflow of resources related to pension	(3,577,773)
NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 369,387,202

[See accompanying notes to financial statements](#)

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

	General Fund	Low Income Housing-Special Revenue Fund	Housing Successor Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Property taxes and special assessments	\$ 37,421,396	\$ -	\$ -	\$ 3,462,778	\$ 40,884,174
Sales Taxes	32,869,001	-	-	-	32,869,001
Other taxes	16,253,107	-	-	-	16,253,107
Licenses and permits	2,408,482	-	-	-	2,408,482
Intergovernmental	10,260,780	-	-	10,890,932	21,151,712
Contributions from outside sources	36,737	80,295	-	1,618,300	1,735,332
Fines and forfeitures	480,714	-	-	-	480,714
Charges for current services	8,632,078	659,912	-	11,100,621	20,392,611
Use of money and property	9,654,094	1,315,839	68,388	1,629,120	12,667,441
Miscellaneous	419,446	285,939	3,334	629,366	1,338,085
Total Revenues	118,435,835	2,341,985	71,722	29,331,117	150,180,659
EXPENDITURES					
Current:					
General Government:					
City Council	146,052	-	-	156,125	302,177
City Manager	1,845,388	-	-	47,821	1,893,209
City Attorney	1,750,605	-	-	-	1,750,605
Administrative Services	5,752,797	-	-	-	5,752,797
General Services	7,069,468	-	-	-	7,069,468
Fire	21,956,743	-	-	6,656	21,963,399
Police	36,151,077	-	-	1,704,278	37,855,355
Public Works	7,298,306	-	-	3,998,680	11,296,986
Community Development	15,173,149	3,447,043	585	13,252,116	31,872,893
Economic Development	2,826,509	-	-	-	2,826,509
Library	5,834,282	-	-	62,516	5,896,798
Capital Outlay:					
Capital projects	3,319,627	-	-	7,708,517	11,028,144
Debt service:					
Principal	-	-	-	3,125,453	3,125,453
Interest and fiscal charges	-	-	-	1,505,596	1,505,596
Issuance cost	-	-	-	407,260	407,260
Total Expenditures	109,124,003	3,447,043	585	31,975,018	144,546,649
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,311,832	(1,105,058)	71,137	(2,643,901)	5,634,010
OTHER FINANCING SOURCES (USES)					
Refunding bonds issued (Note 7)	-	-	-	42,932,418	42,932,418
Premium on refunding bonds issued (Note 7)	-	-	-	7,922,280	7,922,280
Payment to refunded bond escrow (Note 7)	-	-	-	(51,296,699)	(51,296,699)
Transfers in (Note 4B)	691,026	189	-	55,912,878	56,604,093
Transfers (out) (Note 4B)	(5,045,980)	(226,786)	-	(51,655,117)	(56,927,883)
Total Other Financing Sources (Uses)	(4,354,954)	(226,597)	-	3,815,760	(765,791)
NET CHANGE IN FUND BALANCES	4,956,878	(1,331,655)	71,137	1,171,859	4,868,219
FUND BALANCES- BEGINNING	65,041,635	21,083,286	2,893,425	85,562,087	174,580,433
FUND BALANCES- ENDING	\$ 69,998,513	\$ 19,751,631	\$ 2,964,562	\$ 86,733,946	\$ 179,448,652

[See accompanying notes to financial statements](#)

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020**

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 4,868,219

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital outlay asset addition expenditures are therefore added back to fund balance 11,028,144

Depreciation expense is deducted from the fund balance

(Depreciation expense is net of internal service fund depreciation of

\$1,878,379 which has already been allocated to internal service funds.) (11,144,733)

Contributions of infrastructure and improvements by developers are capitalized in the Statement of Net Position, but are not recorded in the Fund Statements because no cash changed hands. 3,754,519

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 in the Statement of Net Position the repayment reduces long-term liabilities.

Repayment of debt principal is added back to fund balance 54,422,152

Long-term debt issued (42,932,418)

Premium on long-term debt (7,922,280)

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 or expenditures in governmental funds (net change):

Long-term compensated absences (589,125)

Interest payable 230,490

Unavailable revenue 2,157,010

Change in equity in JPA (1,522,359)

CONTRIBUTIONS TO PENSION and OPEB PLAN

Governmental funds report City pension and OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension and OPEB benefits earned net of employee contributions is reported as pension expense and OPEB expense.

Deferred outflow of resources related to pension 599,166

Deferred inflow of resources related to pension (350,529)

Change in net pension liability (8,982,900)

Deferred outflow of resources related to OPEB (402,549)

Deferred inflow of resources related to OPEB 1,473,184

Change in net OPEB liability (515,662)

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Position - All Internal Service Funds 4,751,839

Change in Net Position of Internal Service Funds reported with Business-Type Activities (617,417)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 8,304,751

[See accompanying notes to financial statements](#)

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Major Proprietary Funds

Proprietary funds account for City operations financed and operated in a manner similar to a private business enterprise. The intent of the City is that the cost of providing goods and services be financed primarily through user charges.

The City has identified the funds below as major proprietary funds in fiscal year 2019-20.

AIRPORT FUND

Established to account for the operations of the Livermore Municipal Airport.

WATER FUND

Established to account for the operations of the self-supporting municipal water service. Services are rendered on a user charge basis and impact fees are collected for future water storage needs.

SEWER FUND

Established to account for operations of the self-supporting wastewater disposal plant, the export pipeline, impact fees collected for sewer connections, and urban runoff fees.

STORMWATER FUND

Established to account for operations of the self-supporting storm water operations and impact fees collected for storm drain infrastructure.

PROPRIETARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2020						
	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Airport	Water	Sewer	Stormwater	Totals	
ASSETS						
Current Assets:						
Cash and investments in City Treasury (Note 3)	\$ 5,314,569	\$ 32,352,850	\$ 66,896,955	\$ 7,546,027	\$ 112,110,401	\$ 32,985,210
Accounts receivables (net of allowable for uncollectibles)	370,745	2,519,534	645,928	3,565,732	7,101,939	198,757
Inventory	-	-	-	-	-	278,994
Prepays, deposits and supplies	-	94,083	2,395,647	-	2,489,730	56,270
Total current assets	5,685,314	34,966,467	69,938,530	11,111,759	121,702,070	33,519,231
Noncurrent Assets:						
Investment in JPA-LAVVMA (Note 13A)	-	-	18,812,833	-	18,812,833	-
Land and construction in progress (Note 6)	14,823,944	8,421,520	15,077,753	5,085,556	43,408,773	674,502
Capital assets, net of accumulated depreciation (Note 6)	7,632,821	27,016,295	53,626,168	20,887,089	109,162,373	17,546,800
Total noncurrent assets	22,456,765	35,437,815	87,516,754	25,972,645	171,383,979	18,221,302
Total assets	28,142,079	70,404,282	157,455,284	37,084,404	293,086,049	51,740,533
DEFERRED OUTFLOWS OF RESOURCES						
Related to pension (Note 10)	339,224	471,604	1,860,215	104,802	2,775,845	1,005,263
Related to OPEB (Note 11)	47,555	58,835	265,782	10,336	382,508	132,589
Total deferred outflows of resources	386,779	530,439	2,125,997	115,138	3,158,353	1,137,852
LIABILITIES						
Current Liabilities:						
Accounts payable and other accruals	225,096	2,594,162	1,770,659	717,211	5,307,128	670,765
Accrued payroll and benefits	33,471	46,268	176,372	10,774	266,885	93,086
Accrued compensated absences (Note 7D)	29,240	39,673	159,052	7,270	235,235	-
Claims payable (Note 14B)	-	-	-	-	-	1,380,000
Deposit payable	249,935	104,635	213,928	15,664	584,162	99,901
Long-term debt (Note 7):						
Due within one year	57,746	41,318	-	-	99,064	679,300
Total current liabilities	595,488	2,826,056	2,320,011	750,919	6,492,474	2,923,052
Noncurrent Liabilities:						
Accrued compensated absences (Note 7D)	61,103	51,749	273,159	9,248	395,259	-
Claims payable (Note 14B)	-	-	-	-	-	6,518,728
Net pension liability (Note 10)	2,126,806	2,956,779	11,662,851	657,062	17,403,498	6,302,609
Net OPEB liabilities (Note 11)	857,118	1,060,415	4,790,353	186,300	6,894,186	2,389,738
Long-term debt (Note 7):						
Due in more than one year	4,665,419	3,315,908	-	-	7,981,327	6,883,846
Total non-current liabilities	7,710,446	7,384,851	16,726,363	852,610	32,674,270	22,094,921
Total liabilities	8,305,934	10,210,907	19,046,374	1,603,529	39,166,744	25,017,973
DEFERRED INFLOWS OF RESOURCES						
Related to pension (Note 10)	40,939	61,129	285,291	20,524	407,883	165,889
Related to OPEB (Note 11)	42,866	53,033	239,572	9,317	344,788	119,514
Total deferred inflows of resources	83,805	114,162	524,863	29,841	752,671	285,403
NET POSITION (Note 9)						
Net investment in capital assets	17,733,600	32,080,589	68,703,921	25,972,645	144,490,755	10,658,156
Unrestricted	2,405,519	28,529,063	71,306,123	9,593,527	111,834,232	16,916,853
Total net position	\$ 20,139,119	\$ 60,609,652	\$ 140,010,044	\$ 35,566,172	256,324,987	\$ 27,575,009
Some amounts reported for <i>business-type activities</i> in the Statement of Net Position are different because certain internal service fund assets and liabilities are included with business-type activities.					612,778	
Net position business-type activities					\$ 256,937,765	

See accompanying notes to financial statements

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

	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Airport	Water	Sewer	Stormwater	Totals	
OPERATING REVENUES						
Charges for services	\$ 2,741,549	\$ -	\$ 24,503,188	\$ 1,131,985	\$ 28,376,722	\$ 17,446,639
Sales	385,508	16,752,872	-	-	17,138,380	-
Miscellaneous	16,635	5,100	24,972	5,078	51,785	552,987
Total Operating Revenues	<u>3,143,692</u>	<u>16,757,972</u>	<u>24,528,160</u>	<u>1,137,063</u>	<u>45,566,887</u>	<u>17,999,626</u>
OPERATING EXPENSES						
Cost of sales, salaries and benefits	2,234,072	12,862,335	11,765,117	1,264,881	28,126,405	4,633,758
Contracted services	204,585	441,514	5,197,592	811,659	6,655,350	2,272,585
Insurance premiums	68,551	271,597	333,734	43,222	717,104	1,579,554
Materials, supplies and other	70,375	116,539	1,028,472	858,738	2,074,124	930,387
Utilities	179,192	298,146	1,048,112	4,488	1,529,938	461,013
Depreciation	306,829	1,527,115	3,669,911	2,066,528	7,570,383	1,878,379
Repairs and maintenance	990,403	207,787	1,335,470	159,371	2,693,031	1,879,673
Claims expense	-	-	-	-	-	(557,742)
Total Operating Expenses	<u>4,054,007</u>	<u>15,725,033</u>	<u>24,378,408</u>	<u>5,208,887</u>	<u>49,366,335</u>	<u>13,077,607</u>
Operating Income (Loss)	<u>(910,315)</u>	<u>1,032,939</u>	<u>149,752</u>	<u>(4,071,824)</u>	<u>(3,799,448)</u>	<u>4,922,019</u>
NONOPERATING REVENUES (EXPENSES)						
Investment income (loss)	159,117	1,031,704	1,955,582	267,308	3,413,711	-
Interest and fiscal charges (expense)	(257,047)	(75,914)	-	-	(332,961)	(204,794)
Change of value from investment in JPA - LAVWMA	-	-	445,399	-	445,399	-
Other nonoperating revenues	686,006	39,334	7,418	-	732,758	526,880
Gain (loss) on disposal of surplus property	(2,000)	-	-	-	(2,000)	(492,266)
Net Nonoperating Revenues (Expenses)	<u>586,076</u>	<u>995,124</u>	<u>2,408,399</u>	<u>267,308</u>	<u>4,256,907</u>	<u>(170,180)</u>
Income (Loss) Before Contributed Assets and Transfers	<u>(324,239)</u>	<u>2,028,063</u>	<u>2,558,151</u>	<u>(3,804,516)</u>	<u>457,459</u>	<u>4,751,839</u>
Capital contributions - Conveyed Property	-	1,857,041	681,877	1,428,661	3,967,579	-
Capital contributions - Connection fees	-	143,366	1,341,958	440,109	1,925,433	-
Capital Grants	127,599	-	-	1,360,439	1,488,038	-
Transfers in (Note 4B)	-	-	-	345,527	345,527	-
Transfers out (Note 4B)	(5,393)	(16,344)	-	-	(21,737)	-
Change in net position	<u>(202,033)</u>	<u>4,012,126</u>	<u>4,581,986</u>	<u>(229,780)</u>	<u>8,162,299</u>	<u>4,751,839</u>
Total net position (deficit)-beginning	20,341,152	54,890,724	135,428,058	35,795,952	246,455,886	22,823,170
Beginning Net Position Adjustments (Note 9D)	-	1,706,802	-	-	1,706,802	-
Net Position-Beginning, as restated (Note 9D)	<u>20,341,152</u>	<u>56,597,526</u>	<u>135,428,058</u>	<u>35,795,952</u>	<u>248,162,688</u>	<u>22,823,170</u>
Total net position(deficit)-ending	<u>\$ 20,139,119</u>	<u>\$ 60,609,652</u>	<u>\$ 140,010,044</u>	<u>\$ 35,566,172</u>	<u>\$ 275,158,596</u>	<u>\$ 27,575,009</u>
Some amounts reported for <i>business-type activities</i> in the Statement of Activities are different because the portion of the net income of certain internal service funds is reported with the business-type activities which those funds service.					<u>617,417</u>	
Net business-type activities reported on the Statement of Activities					<u>\$ 8,779,716</u>	

See accompanying notes to financial statements

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2020						
	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Airport	Water	Sewer	Stormwater	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 2,959,687	\$ 16,265,508	\$ 24,632,434	\$ (230,394)	\$ 43,627,235	\$ 18,209,536
Payments to suppliers	(2,006,380)	(11,571,709)	(13,417,817)	(3,153,840)	(30,149,746)	(7,157,121)
Payments to employees	(1,416,224)	(2,023,165)	(7,519,540)	(461,221)	(11,420,150)	(4,141,462)
Claims paid	-	-	-	-	-	(1,417,395)
Net cash provided by (used for) operating activities	(462,917)	2,670,634	3,695,077	(3,845,455)	2,057,339	5,493,558
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in	-	-	-	345,527	345,527	-
Transfers (out)	(5,393)	(16,344)	-	-	(21,737)	-
Net cash provided by (used for) noncapital financing activities	(5,393)	(16,344)	-	345,527	323,790	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital Grants	127,599	-	-	1,360,439	1,488,038	-
Capital contributions	-	2,000,407	2,023,835	1,868,770	5,893,012	-
Capital asset additions	(214,257)	(8,578,428)	(6,444,209)	(2,203,360)	(17,440,254)	(3,544,654)
Long term debt:						
Proceeds from bond refunding	4,426,463	3,357,226	-	-	7,783,689	-
Repayment of principal	(197,703)	(273,793)	-	-	(471,496)	(625,970)
Payment to bond escrow	(4,670,484)	(3,312,217)	-	-	(7,982,701)	-
Interest paid	(338,321)	(87,930)	-	-	(426,251)	(204,794)
Net cash provided by (used for) capital and related financing activities	(868,703)	(6,894,735)	(4,420,374)	1,025,849	(11,157,963)	(4,375,418)
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment Income	845,123	1,071,038	1,963,000	267,308	4,146,469	526,880
Net cash provided by (used for) investing activities	845,123	1,071,038	1,963,000	267,308	4,146,469	526,880
Net increase (decrease) in cash and cash equivalents	(491,890)	(3,169,407)	1,237,703	(2,206,771)	(4,630,365)	1,645,020
Cash and investments at beginning of period	5,806,459	35,522,257	65,659,252	9,752,798	116,740,766	31,340,190
Cash and investments at end of period	\$ 5,314,569	\$ 32,352,850	\$ 66,896,955	\$ 7,546,027	\$ 112,110,401	\$ 32,985,210
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ (910,315)	\$ 1,032,939	\$ 149,752	\$ (4,071,824)	\$ (3,799,448)	\$ 4,922,019
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	306,829	1,527,115	3,669,911	2,066,528	7,570,383	1,878,379
Change in assets and liabilities:						
Accounts receivable	(210,876)	(489,659)	(70,085)	(1,342,544)	(2,113,164)	168,508
Prepays, deposits and supplies	-	(86,323)	(2,391,127)	-	(2,477,450)	11,241
Deferred pension outflows	7,377	10,444	(15,132)	35,023	37,712	(45,843)
Net pension liability	236,421	231,474	1,171,216	(122,722)	1,516,389	592,072
Net OPEB liabilities	2,265	(32,052)	104,442	(81,944)	(7,289)	31,235
Accounts payable and other accruals	97,175	519,223	985,852	(275,011)	1,327,239	19,274
Accrued payroll	10,658	13,804	61,704	1,288	87,454	3,530
Accrued compensated absences	24,260	16,984	92,323	(10,211)	123,356	-
Deposits payable	26,871	(2,805)	174,359	(24,913)	173,512	-
Claims Payable	-	-	-	-	-	(1,975,137)
Deferred pension inflows	(53,582)	(70,510)	(238,138)	(19,125)	(381,355)	(111,720)
Net Cash provided by (Used for) operating activities	\$ (462,917)	\$ 2,670,634	\$ 3,695,077	\$ (3,845,455)	\$ 2,057,339	\$ 5,493,558
Non-cash transactions:						
Investment in LAVVMA JPA equity	\$ -	\$ -	\$ 445,399	\$ -	\$ 445,399	\$ -
Loss on disposal	(2,000)	-	-	-	(2,000)	(492,266)
Capital assets contributed	-	1,857,041	681,877	1,428,661	3,967,579	-
	\$ (2,000)	\$ 1,857,041	\$ 1,127,276	\$ 1,428,661	\$ 4,410,978	\$ (492,266)

See accompanying notes to financial statements

Fiduciary Funds

Fiduciary funds account for assets held by the City acting as an agent for various functions. The City has the following fiduciary funds:

SUCCESSOR AGENCY TO THE LIVERMORE REDEVELOPMENT AGENCY PRIVATE PURPOSE TRUST FUND

Established for the assets received from the City's former redevelopment agency in order to liquidate its enforceable obligations, pursuant to Assembly Bill X1 26 which dissolved redevelopment agencies in California.

OTHER POST EMPLOYMENT BENEFITS (OPEB) PENSION TRUST FUND

Established in accordance with GASB statement no. 74 for the defined benefit OPEB plans administered through trusts that meet the specified criteria.

AGENCY FUNDS

Established to account for assets held by the City in a fiduciary capacity for special assessment districts, Livermore Pleasanton Fire Department, and agency pass through fees.

FIDUCIARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2020			
	Successor Agency to the Livermore Redevelopment Agency Private-Purpose Trust Fund	OPEB Trust Fund	Agency Funds
ASSETS			
Cash and investments in City Treasury (Note 3B)	\$ 4,103,999	\$ -	\$ 16,207,108
Investments with Trustees (Note 3B):			
Cash equivalents	97	2,688,900	6,067,448
Equity	-	21,911,625	-
Fixed income	-	6,622,367	-
Negotiable certificates of deposit	-	-	239,882
Mutual funds	-	-	8,356
U.S. Agency Securities	-	-	2,039,202
Real estate investment trust	-	1,027,737	-
	<u>4,104,096</u>	<u>32,250,629</u>	<u>24,561,996</u>
Total Assets			
LIABILITIES			
Accrued interest	331,237	-	-
Loans payable to City of Livermore:			
Due in more than one year (Note 5 and 17B)	743,438	-	-
Long-term debt (Note 17A):			
Due within one year	1,372,489	-	-
Due in more than one year	19,467,747	-	-
Due to special assessment districts and other agencies	-	-	24,561,996
	<u>21,914,911</u>	<u>-</u>	<u>\$ 24,561,996</u>
Total Liabilities			
NET POSITION			
Held in trust	<u>\$ (17,810,815)</u>	<u>\$ 32,250,629</u>	

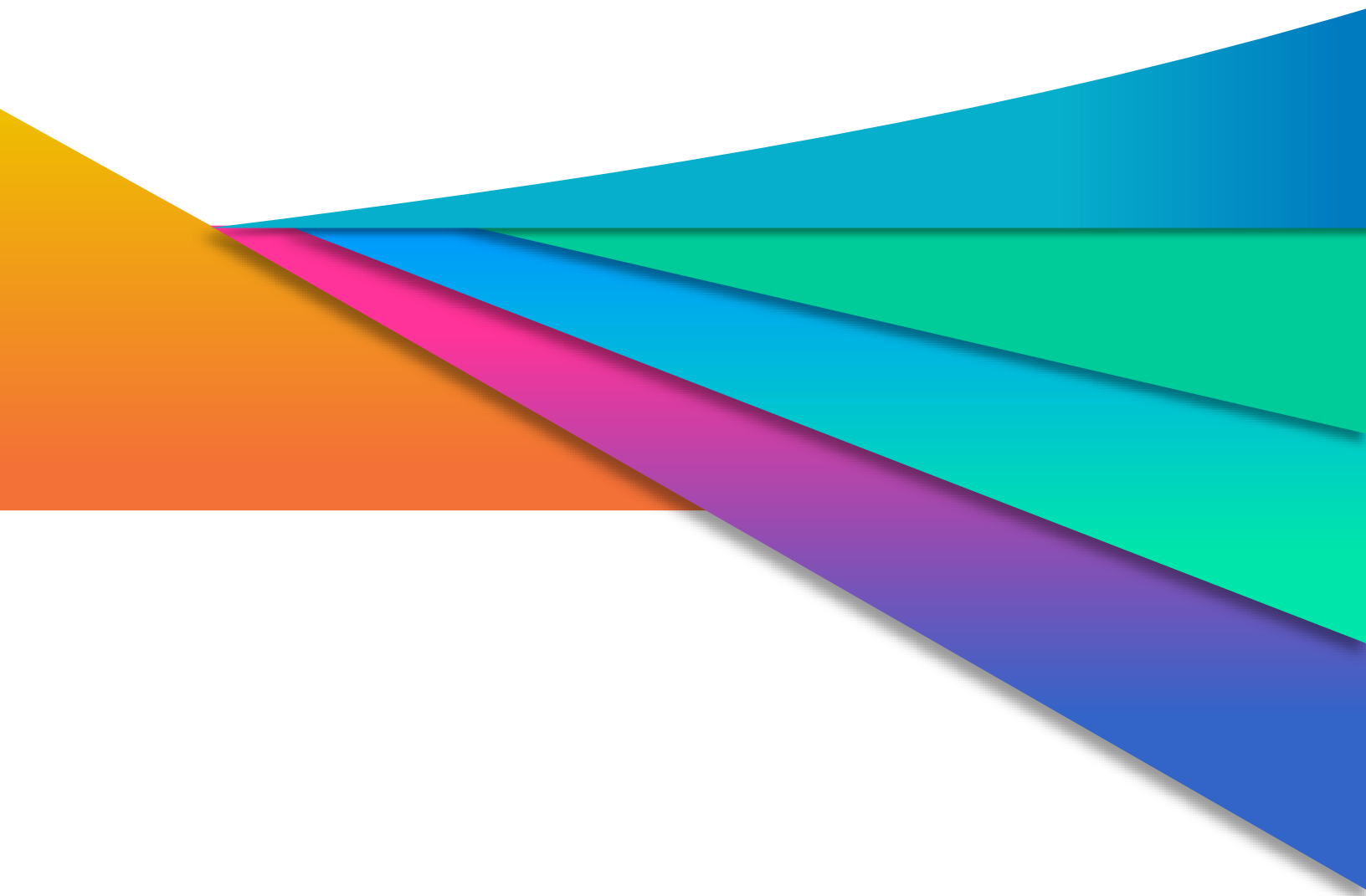
[See accompanying notes to financial statements](#)

FIDUCIARY FUNDS STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED ON JUNE 30, 2020		
	Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund	OPEB Trust Fund
ADDITIONS		
Property taxes	\$ 2,209,569	\$ -
Investment income:		
Net increase in fair value of investments	-	(131,962)
Interest and dividends	726	937,806
Less: Investments expenses	-	(121,024)
Employer contributions	-	1,536,089
Total Additions	<u>2,210,295</u>	<u>2,220,909</u>
DEDUCTIONS		
Administrative Fee	19,433	-
Development services	9,568	-
Debt service:		
Interest and fiscal charges	<u>707,562</u>	<u>-</u>
Total Deductions	<u>736,563</u>	<u>-</u>
Net Change in Net Position	1,473,732	2,220,909
NET POSITION		
Beginning of year	<u>(19,284,547)</u>	<u>30,029,720</u>
End of year	<u>\$ (17,810,815)</u>	<u>\$ 32,250,629</u>

[See accompanying notes to financial statements](#)

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NOTES TO BASIC FINANCIAL STATEMENTS



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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

The City of Livermore was incorporated on April 1, 1876. The City operates under the Council-Manager form of government and provides the following services; public safety (police and fire), highways and streets, sewer, water, public improvements, planning and zoning, general administration services and housing services.

The accounting policies of the City conform with generally accepted accounting principles in the United States of America as applicable to governments. The following is a summary of these policies:

A. Reporting Entity

The accompanying basic financial statements present the financial activity of the City, which is the primary government presented, along with the financial activities of its component units, which are entities for which the City is financially accountable. Although they are separate legal entities, *blended* component units are in substance part of the City's operations and are reported as an integral part of the City's financial statements. The City's blended component unit is described below.

COMPONENT UNITS INCLUDED IN THE REPORTING ENTITY:

The **Livermore Capital Projects Financing Authority (LCPFA)** provides financing assistance to the City and has been included in these financial statements in the LCPFA Debt Service Funds, LCPFA Capital Projects Funds, and as part of the Airport and Water Enterprise Funds. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority.

B. Basis of Presentation

The City's basic financial statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Standards require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Certain indirect costs are included in program expenses reported for individual functions and activities.

Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**B. Basis of Presentation (Continued)**

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary*—are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary funds distinguish operating revenues and expenses from non-operating items. *Operating* revenues and expenses generally result from exchange transactions associated with a proprietary fund's principal ongoing operations. Exchange transactions are those in which each party receives and gives up essentially equal values. The principal operating revenues of the City's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. *Non-operating* revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

C. Major Funds

The City's major governmental and business-type funds are identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of their fund-type.

Major funds are defined as funds that have either assets, liabilities, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

The City reported the following major governmental funds in the accompanying financial statements:

General Fund – The general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Low Income Housing Special Revenue Fund – Established to account for the receipt and disbursement of in-lieu low-income housing impact fees collected from developers.

Housing Successor Special Revenue Fund - The City opted to act as the Housing Successor during the time of redevelopment dissolution. This fund was established to account for those transactions related to the former redevelopment agency's low and moderate housing function.

The City reported the following business-type funds as major funds in the accompanying financial statements.

Airport Fund – Established to account for the operations of the Livermore Municipal Airport.

Water Fund - Established to account for the operations of the self-supporting municipal water service. Services are rendered on a user charge basis and impact fees are collected for future water storage needs.

Sewer Fund – Established to account for operations of the self-supporting wastewater disposal plant, the export pipeline, impact fees collected for sewer connections, and urban runoff fees.

Stormwater Fund – Established to account for operations of the self-supporting storm water operations and impact fees collected for storm drain infrastructure.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**C. Major Funds (Continued)**

The City also reports the following fund types:

Internal Service Funds – These funds are used to account for the financing of services and supplies provided by one City department to another on a cost-reimbursement basis. The City operates the Liability Insurance Reserve Fund, Workers Compensation Fund, Fleet and Equipment Services Fund, Information Technology Fund, and Facilities Rehabilitation Projects Fund.

Fiduciary Funds – These funds are used to account for assets held by the City as an agent for various functions. The financial activities of these funds are excluded from the City wide financial statements but are presented in separate Fiduciary Fund financial statements. The City has the following three types of fiduciary funds:

Successor Agency to the Livermore Redevelopment Agency Private Purpose Trust Fund – Established for the assets received from the City's former redevelopment agency in order to liquidate its enforceable obligations, pursuant to Assembly Bill X1 26 which dissolved redevelopment agencies in California as of January 31, 2012. Funds received from the county to pay off enforceable obligations are held in this fund.

Other Post-Employment Benefits (OPEB) Trust Fund – Established in accordance with GASB statement no. 74 for the defined benefit OPEB plans administered through trusts that meet the specified criteria.

Agency Funds – Established to account for assets held by the City as an agent for special assessment districts, Livermore Pleasanton Fire Department, and agency pass through fees.

Permanent Fund – The permanent fund is used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the government's programs. Doolan Canyon Endowment Fund accounts for an endowment restricted for items related to mitigation of the burrowing owl habitat.

D. Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis of accounting*. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City's accrual period is sixty days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability has incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. Thus, such amounts are not current liabilities as their settlement will not require expenditures of existing fund assets.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**D. Basis of Accounting (continued)**

Financial resources usually are appropriated in other funds for transfer to a debt service fund in the period in which maturing debt principal and interest must be paid. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items including fines, license, and permits are considered to be measurable and available only when cash is received by the government.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and accrual basis of accounting. The Agency funds utilize accrual basis of accounting but has no measurement focus since these are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

E. Inventories and Prepaid items

Inventories are valued at cost on an average cost basis and consist of expendable supplies, fuel, and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

F. Deferred outflows/Inflows of resources

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

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

G. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Livermore's California Public Employees' Retirement System (CalPERS) pension plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**H. Property Tax Levy, Collection and Maximum Rates**

The State of California Constitution Article XIII(A) provides that the combined maximum property tax rate on any given property may not exceed one percent of its assessed value unless an additional amount for general obligation debt has been approved by voters. Assessed value is calculated at 100 percent of market value as defined by Article XIII(A), generally equivalent to the latest sale price, and may be increased by no more than two percent per year unless the property is sold or transferred. Assessed values may be reduced as a result of taxpayer initiated re-assessments or declining sales prices. The State Legislature has determined the method of distribution of receipts from this tax levy among the counties, cities, school districts and other districts.

Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1, and become delinquent on August 31.

The term "unsecured" refers to taxes on personal property other than real estate, land and buildings, such as airplanes, boats, etc. These taxes are secured by liens on the property being taxed.

I. Revenue Recognition for Water and Sewer Operations

Revenues from residential sewer customers are based on annual billings collected on the tax rolls by Alameda County. Revenues for sewer services provided but not billed at the end of the fiscal year are estimated and accrued.

J. Land Held for Redevelopment

Land held for redevelopment includes land parcels used to develop or redevelop blighted properties and are accounted for as investments on the balance sheet at the lower of cost or net realizable value or agreed-upon sales price if a disposition agreement has been made with a developer. Individual parcels which have experienced a market value decline are written down to estimated current market value. No appreciation is recorded if the current market value of an individual parcel exceeds cost.

As of June 30, 2020, the balance of land held for redevelopment was \$1,727,437 in the General Fund and \$9,594,149 in the Low Income Housing Special Revenue Fund.

K. Use of Estimates

The preparation of 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.

L. New Accounting Pronouncements

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. This statement is effective for reporting periods beginning after December 15, 2018. The effective date of this pronouncement has been postponed by one year in accordance with the GASB statement No. 95. The City has not yet determined its effect on the financial statements.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**L. New Accounting Pronouncements (Continued)**

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This statement is effective for reporting periods beginning after December 15, 2019. The effective date of this pronouncement has been postponed by 18 months in accordance with the GASB statement No. 95. The City has not yet determined its effect on the financial statements.

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement is originally effective for reporting periods beginning after December 15, 2019. Per GASB Statement No. 95, the effective date is postponed for one year. The City has not yet determined its effect on the financial statements.

GASB Statement No. 90 – In August 2018, GASB issued Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. This statement is effective for reporting periods beginning after December 15, 2018. Per GASB Statement No. 95, the effective date is postponed for one year. The City has not yet determined its effect on the financial statements.

GASB Statement No. 91 – In May 2019, GASB Issued Statement No. 91, *Conduit Debt Obligation*. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement clarifies the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. This Statement is effective for reporting periods beginning after December 15, 2020. Per GASB Statement No. 95, the effective date is postponed for one year. The City has not yet determined its effect on the financial statements.

GASB Statement No. 92 – *In January 2020, GASB issued GASB Statement No. 92, Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement is effective for reporting periods beginning after June 15, 2020 except that the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The City has not yet determined its effect on the financial statements.

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**L. New Accounting Pronouncements (Continued)**

GASB Statement No. 93 – In March 2020, GASB issued Statement NO. 93, Replacement of Interbank Offered Rates. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). Providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The Statement is effective for reporting periods beginning after June 15, 2020, except the removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. The City has not yet determined its effect on the financial statements.

GASB Statement No. 94 - In March 2020, GASB issued GASB Statement No. 94 Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). This Statement also provides specific guidance in financial statements prepared using the economic resources measurement focus for a government that is an operator in a PPP that either (1) meets the definition of an SCA or (2) is not within the scope of Statement 87, as amended (as clarified in this Statement). This Statement also requires a government to account for PPP and non-PPP components of a PPP as separate contracts. This Statement also requires an amendment to a PPP to be considered a PPP modification, unless the operator's right to use the underlying PPP asset decreases, in which case it should be considered a partial or full PPP termination. This Statement is effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The City has not yet determined its effect on the financial statements.

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

GASB Statement No. 96 - In May 2020, GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objectives of this Statement are to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. This Statement is effective for fiscal year beginning after June 15, 2022, and all reporting periods thereafter. The City has not yet determined its effect on the financial statements.

GASB Statement No. 97 - In June 2020, GASB issued GASB Statement No. 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. The guidance will reduce the costs associated with reporting on certain employee benefit plans as well as improve the reporting of IRS Section 457 deferred compensation plans that meet the definition of a pension plan, and for benefits provided through those plans. The requirements of this Statement as it applies to component unit criteria for defined contribution pension plans, defined contribution OPEB plans and other employee benefit plans are effective immediately. All other requirements of this statement that is related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. The City has not yet determined its effect on its financial statements.

NOTE 2- STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgeting Procedures

The City, in general, adopts a biennial operating budget on or before June 30 for each of the ensuing two fiscal years for all funds except the Fiduciary Funds. The operating budget takes the form of a two-year financial plan which is adopted in its entirety by the City Council by a resolution. A mid-period review is conducted in the off-year and appropriations are adjusted accordingly. The fiscal year begins on July 1 and ends on June 30 of the following year. As Livermore is a general law city, it is not subject to a budgetary process prescribed by statute or charter.

The operating budget is subject to supplemental appropriations throughout its term in order to provide flexibility to meet changing needs and conditions. A resolution approving a supplemental appropriation is necessary when the original total appropriations for that fund would be exceeded. Similarly, supplemental appropriations and budget transfers between funds and projects need approval from the City Council. Budget adjustments within the same fund may be approved by the City Manager as long as the total appropriation does not exceed the total approved limit for that fund. All appropriations and encumbrances lapse at year-end. Valid outstanding encumbrances (those for which performance under executory contract is expected in the next fiscal year) are re-appropriated and become part of the subsequent year's budget.

The operating budget is on a program basis; however, the legal level of budgetary control is at the fund level. For governmental funds, the budget is prepared on a modified accrual basis consistent with generally accepted accounting principles (GAAP), except that land held for redevelopment is treated as an expenditure when purchased, proceeds from the disposition of this land is treated as revenue when measurable and available, and transfers (to) or from different fund categories are treated as budgetary resources (uses). Organizational priorities which have been developed by City Council and City staff are implemented at the program level.

B. Expenditures in Excess of Appropriations

The funds below incurred expenditures in excess of appropriations in the amounts below. These funds had sufficient fund balances or expected future revenues to finance these expenditures.

Fund	Excess of Expenditures Over Appropriations
Transportation Fund	\$ 272,532
Gas Tax Fund	371,952
Host Community Impact Fee Fund	34,715
TVTC 20% Fee Fund	15,791
State and Federal Grants Fund	1,729,341
2020 COP Debt Service Fund	96,342
Street Capital Project Fund	469,654

C. Fund Balance Deficits / Net Position Deficits

As of June 30, 2020, none of the funds had fund balance/net position deficits.

NOTE 3 – CASH AND INVESTMENTS

The City pools cash from all sources and all funds, except Cash and Investments held by Trustees, so that it can be invested at the maximum yield consistent with safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the City's name and the City is placed ahead of general creditors of the institution.

The City invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the City employs the Trust Department of a bank as the custodian of certain City managed investments, regardless of their form.

The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or Agency agreements.

Cash and investments in City Treasury	\$ 314,788,811
Cash and investments with Trustees	633,890
Total City cash and investments	<u>315,422,701</u>
Cash and investments in Fiduciary Funds (Separate Statement)	
In City Treasury	20,311,107
With Trustees	40,605,614
Total Fiduciary cash and investments	<u>60,916,721</u>
Total cash and investments	<u>\$ 376,339,422</u>

Cash and investments available for operations is used in preparing proprietary fund statements of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

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

The City's Investment Policy and the California Government Code allow the City to invest in the following Investment types, provided the credit ratings of the issuers are acceptable to the City and the approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the City's Investment Policy where the City's Investment Policy is more restrictive.

NOTE 3 – CASH AND INVESTMENTS (Continued)

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
California Local Agency Bonds*	5 years	A	None	None
U.S. Treasury Bills and Notes	5 years	N/A	None	None
Obligations issued by United States Government Agencies	5 years	N/A	None	None
Bankers Acceptances	180 days	A	40%	30%
Commercial Paper	270 days	A1/P1	10%	10%
Negotiable Certificates of Deposit	5 years	None	30%	None
Repurchase Agreements	1 year	None	20%	None
Reverse Repurchase Agreements	92 days	None	20%	None
Medium Term Corporate Notes	5 years	A	30%	None
Money Market Mutual Funds	5 years	Top rating category	15%	10%
Collateralized Notes, Bonds, or Other Obligations Secured by First Priority Security Interest	5 years	N/A	None	None
Certificates of Deposit	5 years	N/A	30%	None
California Local Agency Investment Fund	5 years	N/A	\$75 million per account	\$75 million per account
Passbook Savings Account	N/A	N/A	N/A	N/A
Supranationals	5 Years	AA	30%	None

* No Maximum Maturity or minimum rating on Bonds issued by the City of Livermore.

Under the City's Investment Policy, investments not described above are ineligible investments. In addition, the City may not invest any funds in inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages in accordance with the California Government Code. With the exception of callable federal agency securities, any security that derives its value from another asset or index is prohibited. In addition, the City may not invest any funds in any security that could result in zero interest accrual if held to maturity.

NOTE 3 – CASH AND INVESTMENTS (Continued)

D. Investments Authorized by Debt and Trust Agreements

The City and the Successor Agency to the former Redevelopment Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City and/or the Successor Agency fail to meet their obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with the City resolutions, bond indentures or State statutes. The Public Agency Retirement Services (PARS) administers the City’s retiree healthcare benefit trust and related investments. These investments are covered under a separate investment policy managed by PARS. Refer to footnote 11B for details. The table below identifies the investment types that are authorized for investments held by fiscal agents.

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum % Allowed
U.S. Treasury Bills and Notes	No Limit	NA	No Limit
Federal and Local Agency Obligations	No Limit	NA	No Limit
Federal funds, unsecured certificates of deposit, time deposits & bankers acceptances	Not more than 360 days	A-1 or A-1+ by S&P and P-1 by Moody	No Limit
Commercial Paper	Not more than 270 days	A-1+ by S&P and P-1 by Moody	No Limit
Money Market Mutual Funds	No Limit	AAAm or AAAM-G or better by S&P	No Limit
Municipal Bonds	No Limit	Aaa or AAA or general obligations of states with a rating of A2/A or high by Moody, S&P, or Fitch	No Limit
California Local Agency Investment Fund (LAIF)	NA	NA	\$75 million per account
Repurchase Agreements	6 mo. or less	Equal to or better than existing Certificates by Moody’s	No Limit
Investment Agreements	No Limit	Equal to or better than existing Certificates by Moody’s	No Limit
Pre-refunded municipal obligations	No Limit	Aaa by Moody’s & AAA by S&P; if no Moody’s rating, then must have been pre-refunded with cash.	No Limit
PARS	See Note 11B(v)	NA	See Note 11B(v)

NOTE 3 – CASH AND INVESTMENTS (Continued)**E. Interest Rate Risk**

Interest rate risk represents how changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City generally manages its interest rate risk by holding investments to maturity. Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) 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 60 Months	More than 60 Months	Total
U.S. Government-Sponsored Enterprise Agencies -					
Callable	\$ -	\$ 5,054,900	\$ 52,390,350	\$ -	\$ 57,445,250
Non-callable	23,545,530	11,697,950	66,016,645	-	101,260,125
California Local Agency Investment Fund	65,894,510	-	-	-	65,894,510
Mutual Funds	988,514	-	-	-	988,514
Money Market Mutual Funds - Sweep Account	16,239,514	-	-	-	16,239,514
Negotiable Certificates of Deposit	5,448,186	3,537,200	11,940,132	-	20,925,518
Medium Term Corporate Notes	5,046,300	5,279,583	64,844,075	-	75,169,958
Municipal Bonds	-	-	2,312,694	919,537	3,232,231
Total Investments	<u>\$ 117,162,554</u>	<u>\$ 25,569,633</u>	<u>\$ 197,503,896</u>	<u>\$ 919,537</u>	<u>341,155,620</u>
Cash Equivalent (Overdraft)					35,183,802
Total Cash and Investments					<u>\$ 376,339,422</u>

F. Credit Risk

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 actual rating as of June 30, 2020 for each investment type as provided by Standard and Poor's investment rating service.

Investment Type	AAA	AA	A	BBB	Not Rated	Total
<i>Rated:</i>						
U.S. Government-Sponsored Enterprise Agencies -						
Callable	\$ 18,006,840	\$ 39,438,410	\$ -	\$ -	\$ -	\$ 57,445,250
Non-callable	649,960	97,500,965	-	-	3,109,200	101,260,125
California Local Agency Investment Fund	-	-	-	-	65,894,510	65,894,510
Mutual Funds	988,514	-	-	-	-	988,514
Money Market Mutual Funds - Sweep Account	-	-	-	-	16,239,514	16,239,514
Negotiable Certificates of Deposit	-	-	-	-	20,925,518	20,925,518
Medium Term Corporate Notes	-	1,591,178	67,641,346	5,937,434	-	75,169,958
Municipal Bonds	-	2,312,694	-	-	919,537	3,232,231
Total Investments	<u>\$ 19,645,314</u>	<u>\$ 140,843,247</u>	<u>\$ 67,641,346</u>	<u>\$ 5,937,434</u>	<u>\$ 107,088,279</u>	<u>341,155,620</u>
Cash Equivalent (Overdraft)						35,183,802
Total Cash and Investments						<u>\$ 376,339,422</u>

NOTE 3 – CASH AND INVESTMENTS (Continued)**G. Local Agency Investment Fund**

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. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2020, these investments matured in an average of 191 days.

Money Market funds and mutual funds were available for withdrawal on demand at June 30, 2020 with an average maturity of 30 days or less.

H. Concentration of Credit Risk

Investments in the securities of any individual issuer, other than U. S. Treasury securities, mutual funds, and external investment funds that represent 5% or more of total investments are as follows at June 30, 2020:

Issuer	Type of Investments	Amount
<i>Entity-wide:</i>		
Federal Home Loan Bank	U.S. Agency Securities	\$ 56,110,408
Federal Farm Credit Bank	U.S. Agency Securities	36,454,410
Federal Home Loan Mortgage Association	U.S. Agency Securities	26,128,340
Fannie Mae	U.S. Agency Securities	18,960,690

I. Fair Value Measurement of Investments

The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the City has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the City's own data. The City should adjust that data if reasonable available information indicates that other market participants would use different data or certain circumstances specific to the City are not available to other market participants.

NOTE 3 – CASH AND INVESTMENTS (Continued)

I. Fair Value Measurement of Investments (Continued)

The City's fair value measurements are as follows at June 30, 2020:

	Fair Value Measurements Using Levels		
	Level 2	Level 3	June 30, 2020
U.S. Government-Sponsored Enterprise Agencies			
Callable	\$ 57,445,250	\$ -	\$ 57,445,250
Non-callable	101,260,125	-	101,260,125
Medium Term Corporate Notes	75,169,958	-	75,169,958
Municipal Bonds	2,312,694	919,537	3,232,231
Negotiable Certificates of Deposit	20,925,518	-	20,925,518
Total investments measured at fair value	\$ 257,113,545	\$ 919,537	258,033,082
Investments Measured at Amortized Cost:			
Mutual Funds			988,514
Money Market Mutual Funds - Sweep Account			16,239,514
Investments Exempt from Fair Value Hierarchy:			
California Local Agency Investment Fund			65,894,510
Cash Equivalent			35,183,802
Total Cash and Investments			\$ 376,339,422

The California Local Agency Investment Fund (LAIF) is valued using a factor provided in the Pooled Money Investment Account (PMIA) Performance Report by the State Treasurer's Office. Investments classified in Level 2, were valued using prices provided by the City's custodian bank. Fair value is defined as quoted market value on the last day of the period.

The City issued Pleasant View Limited Obligation Improvement Bonds, Series 2018 for and on behalf of Assessment District No.2016-2 in the amount of \$967,537 on June 14, 2018 as a direct placement debt. The City then purchased these bonds as an investment. These investments are not traded in the open market and, therefore, measured at Level 3 as per GASB Statement No. 72 since the valuation inputs for this bond are unobservable. As of June 30, 2020, the balance outstanding for these bonds is \$919,537. Additional information is provided in Note 8.

NOTE 4 - INTERFUND TRANSACTIONS

A. Current Interfund Balances

Current interfund balances arise in the normal course of business and represent short-term borrowings occurring as a result of expenditures which are paid prior to the receipt of revenues. These balances are expected to be repaid shortly after the end of the fiscal year when revenues are received. Current amounts due from one fund to another at June 30, 2020 was as follows:

Due from Other Funds	Due to Other Funds	Amount
General Fund	Horizon Special Revenue Fund	\$ 102,953

B. Transfers between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to subsidize operations of programs and funds which are not self-sustaining. Less often, a transfer may be made to open or close a fund. Interfund transfers for the year ended June 30, 2020 are summarized below.

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred
General Fund	Non-Major Governmental Funds	\$ 464,240 A
	Housing Successor Fund	226,786 B
Low Income Housing Fund	Non-Major Governmental Funds	189 B
Non-Major Governmental Funds	General Fund	4,717,237 C
	Non-Major Governmental Funds	51,173,904 C
	Airport Enterprise fund	5,393 C
	Water Enterprise Fund	16,344 C
Stormwater Enterprise Fund	General Fund	328,743 A
	Non-Major Governmental Funds	16,784 A
Total Interfund Transfers		<u>\$ 56,949,620</u>

A - Transfer for operating costs

B - Transfer for expenditure reimbursement

C - Transfers of approximately \$55 million regarding the 2011 and 2014 COPs refinancing and debt service payments and remaining for operating costs

NOTE 4 - INTERFUND TRANSACTIONS (Continued)

C. Long-Term Interfund Advances

The City's General Fund made an advance of \$4,720,000 to the Other Impact Fees Special Revenue Fund for downtown revitalization and the loan will be repaid to the General Fund as the fees are collected. No payment was made during fiscal year 2019-2020. The balance as of June 30, 2020 is \$3,880,245.

D. Internal Balances

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's airport, water, stormwater, and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Internal balances are presented in the City-wide financial statements only. They represent the net interfund receivables and payables remaining after the elimination of all such balances within governmental and business-type activities.

NOTE 5 - NOTES RECEIVABLE

As of June 30, 2020, Notes Receivables balances are as follows:

	Housing Successor	Low Income Housing	Housing & Community Assistance	Other Local, State and Federal Grants	Other Special Revenue Funds	Total
Deferred Second Mortgage Program	\$ -	\$ 18,860,294	\$ 946,322	\$ 1,792,189	\$ -	\$ 21,598,805
Rehabilitation Loan Program	-	1,338,869	955,755	197,914	-	2,492,538
Valley Care Senior Housing Project	-	800,000	-	-	-	800,000
Livermore Housing Authority	-	-	-	510,000	-	510,000
Loans to Successor Agency of the former Redevelopment Agency	743,438	-	-	-	-	743,438
Eden Housing Project	1,346,235	-	-	-	-	1,346,235
Livermore Independent Living Associates Project	2,805,939	-	-	-	-	2,805,939
Affordable Housing Loans	175,365	-	-	-	-	175,365
California Water Service Agreement(s)	-	-	-	-	93,472	93,472
Totals	\$ 5,070,977	\$ 20,999,163	\$ 1,902,077	\$ 2,500,103	\$ 93,472	\$ 30,565,792

The City administers the Deferred Second Mortgage Program using Low Income Housing Fund revenues and a Rehabilitation Loan Program using Community Development Block Grants. Under these Programs, individuals with incomes below a certain level are eligible to receive low interest loans, secured by second deeds of trust, to help purchase their home or rehabilitate it. Upon approval of loans, the City disburses the funds, arranges for and collects repayments.

As part of the Valley Care Senior Housing Project, Agency funds transferred to the City's Housing and Community Assistance Fund in fiscal year 2001-2002 were used to finance the Developer Loan in the amount of \$800,000 which was used to partially finance City and County Development Fees. The loan bears interest at ten percent, is due in fifty-seven years and is secured by a subordinated deed of trust. If the project maintains affordability covenants through maturity the interest rate will drop to five percent and eventually the five percent interest accrued will be forgiven.

NOTE 5 - NOTES RECEIVABLE (Continued)

In fiscal year 2005-2006, the City loaned Livermore Housing Authority \$510,000 from the Housing Trust Fund to be used for the acquisition of six units for low-income individuals located at 2276-2280 Chestnut Street. The loan bears interest at 3.00% per annum on the outstanding principal from the date of the closing of the permanent loan. The principal and all the interest will be due and payable on the earlier of the date the property is sold or when the permanent loan is refinanced. In the event of residual receipts, payments of principal and interest will commence on July 1, 2008 until the loan is paid in full or terminated.

The former Redevelopment Agency (RDA) engaged in programs designed to encourage construction of or improvement to low-to-moderate income housing. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to expend these funds in accordance with the Agency's terms. With the dissolution of the former Redevelopment Agency the City became the Successor to the former Redevelopment Agency's housing activities and as a result, the Housing Successor Fund assumed the notes receivable of the former Redevelopment Agency's Low and Moderate Income Housing Fund. The balances of the notes receivable in the Housing Successor Fund at June 30, 2020 are set forth below:

During the fiscal year ended June 30, 2010, the former RDA approved an interfund advance of \$1,561,803 from the Low and Moderate Income Housing fund to the former Agency's Capital Projects Fund to make the required payment to the Supplemental Education Revenue Augmentation Fund (SERAF). During the fiscal year ended June 30, 2011, the former Agency approved a second interfund advance in the amount of \$321,548 for a total of \$1,883,351. As of June 30, 2020, the outstanding balance is \$743,438.

During fiscal year 1992, the former RDA loaned a developer \$1,520,605 as part of the Eden Housing Project agreement, the proceeds of which were used for land acquisition and development of low and moderate income housing. As of June 30, 2020, the loans had an outstanding balance of \$1,346,235. The land loan bears interest at 3% and the predevelopment loan bears interest at 9% which is due in 2049 and is subordinated to permanent bank loans.

In 2009, the former RDA agreed to a property tax loan, extended to the Livermore Senior Associates LLC, which bears interest at 4%. Annual repayments begin after the project is complete commencing in year eight from available cash flows of the project. In fiscal year 2017-18, loan advances have ceased, and the loan repayment period commenced. The principal balance was adjusted to match the repayment schedule. As of June 30, 2020, the outstanding loan balance was \$2,805,939.

In April 2011, the former RDA loaned an individual \$199,032 from Low and Moderate Income Housing Funds to be used for the purchase of an affordable housing unit. An additional loan of \$61,000 was granted to the Housing Consortium of the East Bay to assist with the acquisition of a below market rate unit. The balance of the two loans as of June 30, 2020 is \$175,365.

In July 1990 and September 1992, the City and California Water Service Company ("Calwater") entered into agreements to make annual payments for a term of 40 years to the City of Livermore for water lines sold to Calwater under Consolidated Refunding District 2002, College Avenue. The balance outstanding on this loan on June 30, 2020 is \$93,472.

NOTE 6 – CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at acquisition cost. The City’s policy is to capitalize infrastructure with a cost exceeding \$100,000 and other capital assets with a cost exceeding \$5,000 and with useful lives exceeding one year.

The City has recorded all its public domain (infrastructure) capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems in its government-wide financial statements.

All capital assets with limited useful lives are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of the assets. The amount charged to depreciation expense each year represents that year’s pro rata share of the cost of capital assets.

Depreciation of all capital assets is charged as an expense against operations each year and the total amount of depreciation taken over the years, called accumulated depreciation, is reported on statement of Net Position as a reduction in the book value of the capital assets.

Depreciation of capital assets in service is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives listed below to capital assets.

Buildings	25-50 years
Improvements	20-50 years
Equipment	3-20 years
Library books	3-20 years
Licensed Vehicles	3-20 years
Infrastructure	25-50 years

NOTE 6 – CAPITAL ASSETS (Continued)

A. Capital Asset Additions and Retirements

Capital asset activity for the year ended June 30, 2020 comprises the following:

	Balance June 30, 2019	Additions	Retirements and adjustments	Transfers/ Reclassification	Balance at June 30, 2020
Governmental activities					
Governmental Fund Capital Assets					
Capital assets not being depreciated:					
Land	\$ 38,886,411	\$ 122,400	\$ -	\$ -	\$ 39,008,811
Intangible asset - easement	4,517,994	-	-	-	4,517,994
Construction in progress	74,888,977	10,951,833	-	-	85,840,810
Subtotal	118,293,382	11,074,233	-	-	129,367,615
Capital assets being depreciated, cost:					
Office equipment	8,696,143	-	-	-	8,696,143
Other equipment	7,840,534	76,313	(35,181)	-	7,881,666
Library books	2,062,340	-	-	-	2,062,340
Licensed vehicles	261,992	-	-	-	261,992
Infrastructure	323,917,327	3,632,117	-	-	327,549,444
Buildings	118,050,206	-	-	-	118,050,206
Subtotal	460,828,542	3,708,430	(35,181)	-	464,501,791
Accumulated Depreciation:					
Office equipment	(8,229,381)	(103,257)	-	-	(8,332,638)
Other equipment	(6,874,313)	(398,108)	35,181	-	(7,237,240)
Library books	(2,062,340)	-	-	-	(2,062,340)
Licensed vehicles	(58,590)	(19,530)	-	-	(78,120)
Infrastructure	(169,070,829)	(8,246,329)	-	-	(177,317,158)
Buildings	(38,954,026)	(2,377,509)	-	-	(41,331,535)
Subtotal	(225,249,479)	(11,144,733)	35,181	-	(236,359,031)
Net Governmental Funds capital assets being depreciated	235,579,063	(7,436,303)	-	-	228,142,760
Total Governmental Funds capital assets	\$ 353,872,445	\$ 3,637,930	\$ -	\$ -	\$ 357,510,375

	Balance at June 30, 2019	Additions	Retirements and Adjustments	Transfers/ Reclassification	Balance at June 30, 2020
Internal Service Fund Capital Assets					
Capital assets not being depreciated:					
Construction in progress	\$ 94,815	\$ 633,068	\$ -	\$ (53,381)	\$ 674,502
Subtotal	94,815	633,068	-	(53,381)	674,502
Capital assets being depreciated, cost:					
Office equipment	2,552,873	-	-	-	2,552,873
Other equipment	796,353	-	-	-	796,353
Infrastructure	12,388,178	-	-	-	12,388,178
Licensed vehicles	16,800,792	2,911,586	(1,492,069)	53,381	18,273,690
Subtotal	32,538,196	2,911,586	(1,492,069)	53,381	34,011,094
Accumulated Depreciation:					
Office equipment	(1,754,250)	(276,280)	-	-	(2,030,530)
Other equipment	(515,676)	(53,925)	-	-	(569,601)
Infrastructure	(2,245,646)	(430,342)	-	-	(2,675,988)
Licensed vehicles	(11,070,146)	(1,117,832)	999,803	-	(11,188,175)
Subtotal	(15,585,718)	(1,878,379)	999,803	-	(16,464,294)
Net Internal Service Fund capital assets being depreciated	16,952,478	1,033,207	(492,266)	53,381	17,546,800
Total Internal Service Funds	17,047,293	1,666,275	(492,266)	-	18,221,302
Governmental activity capital assets, net	\$ 370,919,738	\$ 5,304,205	\$ (492,266)	\$ -	\$ 375,731,677

NOTE 6 – CAPITAL ASSETS (Continued)**A. Capital Asset Additions and Retirements (Continued)**

	Balance at June 30, 2019 as restated	Additions	Retirements and adjustments	Transfers/ Reclassification	Balance at June 30, 2020
<i>Business-type activities</i>					
Capital assets not being depreciated:					
Land	\$ 13,380,924	\$ -	\$ -	\$ -	\$ 13,380,924
Land improvements	634,433	-	-	-	634,433
Construction in progress	16,807,122 *	12,900,859	-	(314,565)	29,393,416
Subtotal	30,822,479	12,900,859	-	(314,565)	43,408,773
Capital assets being depreciated:					
Office equipment	844,864	-	-	-	844,864
Other equipment	2,414,129	61,147	-	314,565	2,789,841
Licensed Vehicles	525,266	512,669	(66,833)	-	971,102
Airport infrastructure	11,601,545	-	-	-	11,601,545
Water infrastructure	49,066,901	1,857,041	-	-	50,923,942
Sewer infrastructure	132,313,129	681,877	-	-	132,995,006
Storm Drain infrastructure	104,360,437	1,073,281	-	-	105,433,718
Stormwater infrastructure	656,093	355,380	-	-	1,011,473
Buildings	22,674,452	-	-	-	22,674,452
Subtotal	324,456,816	4,541,395	(66,833)	314,565	329,245,943
Accumulated Depreciation:					
Office equipment	(356,732)	(60,080)	-	-	(416,812)
Other equipment	(1,789,320)	(142,553)	-	-	(1,931,873)
Licensed Vehicles	(520,765)	(17,089)	64,833	-	(473,021)
Airport infrastructure	(10,871,006)	(71,941)	-	-	(10,942,947)
Water infrastructure	(23,978,885)	(1,467,121)	-	-	(25,446,006)
Sewer infrastructure	(81,627,438)	(3,297,013)	-	-	(84,924,451)
Storm Drain infrastructure	(83,442,490)	(2,019,955)	-	-	(85,462,445)
Stormwater infrastructure	(65,889)	(43,663)	-	-	(109,552)
Buildings	(9,925,495)	(450,968)	-	-	(10,376,463)
Subtotal	(212,578,020)	(7,570,383)	64,833	-	(220,083,570)
Net capital assets being depreciated	111,878,796	(3,028,988)	(2,000)	314,565	109,162,373
Business-type activity capital assets, net	\$ 142,701,275	\$ 9,871,871	\$ (2,000)	\$ -	\$ 152,571,146

* Restated. Refer to footnote 9D for more information.

B. Capital Asset Contributions

Some capital assets may be acquired using Federal and State grant funds, or they may be contributed by developers or other governments. GASB 34 requires that these contributions be accounted for as revenues at the time the capital assets are contributed.

NOTE 6 – CAPITAL ASSETS (Continued)**C. Depreciation Allocation**

Depreciation expense was charged to functions and programs based on their usage of the related assets. The amount allocated to each function or program was as follows:

	Depreciation Expense	
	<i>Governmental Activities</i>	<i>Business-Type Activities</i>
General Government	\$ 3,216	\$ -
Fire	267,187	-
Police	227,275	-
Public Works	8,710,932	-
Community Development	1,327,212	-
Library	608,911	-
Internal Service Funds	1,878,379	-
Airport	-	306,829
Water	-	1,527,115
Sewer	-	3,669,911
Storm Water	-	2,066,528
Total Depreciation Expense	<u>\$ 13,023,112</u>	<u>\$ 7,570,383</u>

NOTE 7 – LONG-TERM LIABILITIES**A. Long-Term Debt Schedule:**

The City's debt comprises bonds, loans, notes, certificates of participation (COP), and refunding certificates of participation. Certificates of participation are similar to debt; they allow investors to participate in a share of guaranteed payments, which are made by the City. Because they are similar to debt, the present value of the total of the payments to be made by the City is recorded as long-term debt. Details of the individual debt issues and transactions are set forth below:

	Balance at June 30, 2019	Additions	Retirements	Balance at June 30, 2020	Current Portion
Governmental Activities					
Certificates of Participation:					
2011, 3.00 - 5.25%, 2042	\$ 11,455,912	\$ -	\$ 11,455,912	\$ -	\$ -
2014A, variable rate, 2041	8,925,000	-	8,925,000	-	-
2020A, variable rate, 2042	-	7,465,000	-	7,465,000	-
Unamortized Premium	-	1,413,613	-	1,413,613	64,255
2014B, variable rate, 2030	33,914,482	-	33,914,482	-	-
2020B, variable rate, 2030	-	35,467,418	-	35,467,418	-
Unamortized Premium	-	6,508,667	-	6,508,667	447,540
Housing & Urban Development Loan, varies, 2030	1,667,320	-	126,758	1,540,562	122,607
Internal Service Funds:					
Capital Lease Obligations:					
Banc of America Equipment Lease/Purchase Loan	8,189,116	-	625,970	7,563,146	679,300
Total governmental activities debt	<u>\$ 64,151,830</u>	<u>\$ 50,854,698</u>	<u>\$ 55,048,122</u>	<u>\$ 59,958,406</u>	<u>\$ 1,313,702</u>
Business-type Activities					
Airport					
Certificates of Participation:					
2011, variable rate, 2042	\$ 3,884,088	\$ -	\$ 3,884,088	\$ -	\$ -
2014B, variable rate, 2030	959,508	-	959,508	-	-
2020B, variable rate, 2030	-	3,726,130	-	3,726,130	-
Unamortized Premium	-	700,333	-	700,333	31,060
Capital Lease Obligations:					
Banc of America Equipment Lease/Purchase Loan	321,293	-	24,591	296,702	26,686
Water					
Certificates of Participation:					
2014B, variable rate, 2030	3,586,010	-	3,586,010	-	-
2020B, variable rate, 2030	-	2,841,453	-	2,841,453	-
Unamortized Premium	-	515,773	-	515,773	41,318
Total business-type activities debt	<u>\$ 8,750,899</u>	<u>\$ 7,783,689</u>	<u>\$ 8,454,197</u>	<u>\$ 8,080,391</u>	<u>\$ 99,064</u>

B. Long Term Debt**CERTIFICATES OF PARTICIPATION:**2011 Certificates of Participation

On June 1, 2011, \$17,470,000 principal amount of **2011 Certificates of Participation**, (2011 COP) were issued to fund the costs of design and development of a two-mile extension of Jack London Boulevard, storm drainage facilities, including a 40 acre southern conveyance facility, and to construct a new 8,400 square foot Airport Administration Building for the Livermore Municipal Airport. Semiannual debt service payments are due February 1 and August 1, commencing February 1, 2012. Debt service payments are being made by the Airport Enterprise Fund and the General Fund. On June 25, 2020, the 2011 COP were refunded on a current basis with the proceeds of the 2020 Certificates of Participation Series B.

NOTE 7 – LONG-TERM LIABILITIES (Continued)**B. Long Term Debt (Continued)****CERTIFICATES OF PARTICIPATION (Continued)**

Thus, the refunded debt has been removed from the City's financial statements because related assets have been placed in an escrow account that, together with interest earned thereon, will provide amount sufficient for payment of outstanding principal of \$14,945,000 and interest of \$ 363,825 on August 1, 2020. See the 2020 Certificates of Participation disclosure below for further details.

2014 Variable Rate Demand Certificates of Participation

On November 7, 2014, \$9,380,000 principal amount of **2014 Variable Rate Demand Certificates of Participation Series A**, (2014 COP Series A) were issued to fund the acquisition of the site and facilities of the Bankhead Theater; and \$49,720,000 principal amount of **2014 Variable Rate Demand Certificates of Participation Series B**, (2014 COP Series B) were issued to refund the outstanding balance of the 2008 COP in the amount of \$39,411,268 and to fund the costs of executing and delivery of the Certificates.

Interest rates on the City's 2014 COP Series A and B are reset daily, using the "put" mechanism described below. The 2014 COP are periodically subject to repurchase at par, referred to as a "put". Once a put occurs, the remarketing agent resells the certificates at par by setting new interest rates and repurchase dates. Each daily interest rate is the rate of interest per annum determined by the Remarketing Agent to be the minimum interest rate that would enable the Certificates to be sold on the effective date. The City has obtained an irrevocable, direct-pay letters of credit to be used in the event the remarketing agent is unable to resell any 2014 COP. The letters of credit related to the 2014 COP expire on July 31, 2020. Debt service payments for Series A were being made by the pledged revenue of the Host Community Impact Fee Special Revenue Fund and for Series B by the General fund, Airport Enterprise Fund, and Water Enterprise Fund.

On June 25, 2020, outstanding principal of \$8,805,000 for the 2014 COP Series A and \$35,530,000 for the 2014 COP Series B were refunded with the proceeds of the 2020 Certificates of Participation Series A and Series B respectively. Refer to the 2020 Certificates of Participation disclosure below for further details.

2020 Variable Rate Demand Certificates of Participation

On June 25, 2020, the City issued tax-exempt **2020 Certificates of Participation (2020 COP)** to refinance the 2011 COP, 2014 COP Series A and 2014 COP Series B. There are two semi-annual debt service payments, consisting of principal payments due annually on April 1 and interest payments due on November 1 and April 1, which are payable solely from and secured by the lease payments made by the City to the Public Property Financing Corporation of California. Lease payments will be made by the City pursuant to the Lease Agreement for the use and occupancy of the Leased Property, which comprises of the City's police facility and civic center library located in the City's Civic Center.

The **2020 Certificates of Participation Series A** (2020 COP Series A) are qualified 501(c)(3) certificates and are issued in the principal amount \$7,465,000 to refund the 2014 COP Series A (Livermore Valley Performing Arts Center Refunding) and to pay certain costs of executing and delivering the 2020 Series A Certificates. The reacquisition price did not exceed the net carrying amount of the old debt. Thus, there is no deferred inflow/outflow of resource on the refunding. This refunding increased total debts service payments by \$486,763 to obtain an economic loss (difference between the present values of the debt service payments on the old and new debt) of \$626,852.

It should be noted that the calculations to reach to the above-mentioned economic loss do not include the savings from costs related to variable rate debt such as the letter of credit fees, remarketing fee, and letter of credit renewal fee. In addition, this refinancing eliminated risks and budgetary uncertainty associated with the variable rate of interest represented by the 2014 Certificates through a fixed rate, tax-exempt refunding. Since 2014, the 2014 COP carried a

NOTE 7 – LONG-TERM LIABILITIES (Continued)**B. Long Term Debt (Continued)****CERTIFICATES OF PARTICIPATION (Continued)**

variable interest rates based on both weekly and daily interest rates. The interest rates varied from a low of 0.01% and a high of 2.05%; however, due to the COVID-19 related market dislocation, the daily rate on the 2014 Certificates reached as high as 9% in March 2020 but has declined back to a low of 0.02% by the end of April 2020.

Lease payments for 2020 COP Series A will be made by the pledged revenue of the Host Community Impact Fee Special Revenue Fund.

The City issued \$42,035,000 principal amount of **2020 Certificates of Participation Series B**, (2020 COP Series B) to refund the outstanding principal balance of \$14,945,000 for the 2011 COP and \$35,530,000 for the 2014 COP Series B as well as to fund certain costs of executing and delivery of the Certificates. The reacquisition price did not exceed the net carrying amount of the old debt. Thus, there is no deferred inflow/outflow of resource on the refunding. This refunding decreased its total debts service payments by \$7,208,051 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$6,151,829. The higher present value savings was due to utilizing \$1.1 million in the 2011 COP reserve account cash on hand to reduce the principal amount that was needed to be refinanced. With the City's AA rating a reserve account was not required for the 2020 COP. Lease payments for 2020 COP Series B will be made by the General fund, Airport Enterprise Fund, and Water Enterprise Fund.

HUD SECTION 108 LOANS:

In fiscal year 2010, the City received a Section 108 loan in the amount of \$1,320,000 from the Department of Housing and Urban Development to purchase the Hagemann Farms. The principal payments are due annually from 2012 through 2030. As of June 30, 2020, the outstanding loan balance was \$690,000.

In fiscal year 2015, the City received a Section 108 loan in the amount of \$725,000 from the Department of Housing and Urban Development to purchase the building located at 141-145 North Livermore Avenue and the adjacent commercial units at 147-149 North Livermore Avenue. The principal payments are due annually from August 1, 2015 through 2030. As of June 30, 2020, the outstanding loan balance was \$545,000.

In May 2014, the City entered into a Public Participation Jurisdiction (PPJ) agreement with Alameda County and the Cities of Dublin and Pleasanton to jointly repay a \$1,250,000 Section 108 loan guarantee from the US Department of Housing and Urban Development (HUD). This loan was obtained to renovate a building owned by Axis Community Health at 5925 West Las Positas Boulevard, Pleasanton, to expand medical and mental health services throughout the Tri-Valley region. The City of Pleasanton drew \$950,000 only since Alameda County paid its share of \$300,000 in cash. The City of Livermore has committed to pay \$387,505 or approximately 41% of the total loan amount of \$950,000. As of June 30, 2020, the outstanding loan balance was \$ 305,562.

CAPITAL LEASE OBLIGATIONS:Banc of America Equipment Lease/Purchase Loan

On October 24, 2012, the City entered into an equipment lease/purchase agreement with Banc of America Public Capital Corp to install photovoltaic panels and streetlights throughout the City. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of minimum lease payments in the amount of \$12,538,957. Rental payments are due in 180 uneven monthly payments ranging from \$69,892 to \$115,868 and include interest at the rate of 2.59%. Monthly lease payments began on November 24, 2013 and end on October 24, 2028. Because loan payments did not begin until construction was completed in November

NOTE 7 – LONG-TERM LIABILITIES (Continued)

2013, the accrued interest of \$110,494 for July through October was capitalized and added to the principal balance. Lease payments are being made by the Facilities Rehabilitation Internal Service Fund and the Airport Enterprise Fund.

C. Debt Service Requirements

Debt service requirements are shown below for all long-term debt, including capital lease obligations.

For the Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2021	\$ 801,907	\$ 1,556,286	\$ 26,686	\$ 208,790
2022	3,549,581	1,881,222	426,418	261,419
2023	3,737,208	1,747,370	445,004	244,417
2024	3,931,537	1,606,578	464,973	226,678
2025	4,134,636	1,458,580	484,391	208,186
2026-2030	21,687,858	4,856,722	2,673,080	736,522
2031-2035	7,551,661	1,838,904	1,195,470	317,368
2036-2040	4,996,894	844,919	938,106	138,981
2041-2042	1,644,844	53,897	210,157	4,203
Total	\$ 52,036,126	\$ 15,844,478	\$ 6,864,285	\$ 2,346,564
Premium, net of amortization	7,922,280		1,216,106	
	<u>\$ 59,958,406</u>		<u>\$ 8,080,391</u>	

D. Compensated Absences

Compensated absences are comprised of unused vacation leave and certain compensated time off and are accrued as earned. Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund. The liability for compensated absences is determined annually. For all governmental funds, amounts expected to be paid out for permanent liquidations due to terminations and retirements are recorded as fund liabilities; the long-term portion is recorded in the Statement of Net Position. Sick pay does not vest and is not accrued.

The change in compensated absences was as follows at June 30, 2020:

	Governmental Activities	Business Type Activities	Total
Beginning balance	\$ 3,437,037	\$ 507,138	\$ 3,944,175
Additions	1,858,250	267,076	2,125,326
Payments	(1,269,125)	(143,720)	(1,412,845)
Ending balance	<u>\$ 4,026,162</u>	<u>\$ 630,494</u>	<u>\$ 4,656,656</u>
Current portion	<u>\$ 1,347,548</u>	<u>\$ 235,235</u>	<u>\$ 1,582,783</u>

NOTE 8 - SPECIAL ASSESSMENT DISTRICT DEBT WITH NO CITY COMMITMENT

Special assessment districts, including Mello Roos Districts, exist in various parts of the City to provide improvements to properties located in those districts. Properties are assessed for the cost of improvements; these assessments are payable over the term of the debt issued to finance the improvements and must be sufficient to repay this debt. The City acts solely as the collecting and paying agent for the special assessment district debt issues below, but it has no direct or contingent liability or moral obligation for the payment of this debt. This debt is not included in the general debt of the City. The outstanding balance of each of these issues as of June 30, 2020 is as follows:

District	Balance at June 30, 2019	Retirements	Balance at June 30, 2020	Current Portion
Community Facilities District No. 2009-1 (El Charro)				
2015 Refunding Special Tax Note	\$ 18,164,941	\$ 417,589	\$ 17,747,352	\$ 440,092
2016 Special Tax Bonds	4,611,053	93,710	4,517,343	97,365
2017 Special Tax Note	2,900,140	105,517	2,794,623	110,529
Community Facilities District No. 1999-1 (Tri-Valley Technology Park)				
Special Tax Bonds Series 2015	13,135,000	910,000	12,225,000	945,000
Community Facilities District No. 2016-2 (Shea Properties)				
Special Tax Refunding Bonds, Series 2016	9,385,000	275,000	9,110,000	295,000
Assessment District 2016-2 (Pleasant View)				
Improvement Bonds, Series 2018	964,537	45,000	919,537	-
Total	<u>\$ 49,160,671</u>	<u>\$ 1,846,816</u>	<u>\$ 47,313,855</u>	<u>\$ 1,887,986</u>

Community Facilities District (CFD) No. 2009-1 (El Charro)

2015 Refunding Special Tax Note – On June 1, 2015, the City on behalf of El Charro CFD No. 2009-1 entered into a special tax loan agreement with Livermore Premium Outlets, LLC. This loan was issued to refund the remaining principal amounts of the 2012 and 2014 loans. At June 30, 2020, the balance outstanding for this note is \$17,747,352.

2016 Special Tax Bonds – On September 1, 2016 the City on behalf of El Charro CFD No. 2009-1 entered into a special tax loan agreement with Crosswinds Church. The Bonds were issued to fund certain public infrastructure improvements within the CFD. As of June 30, 2020, the balance outstanding for these Bonds is \$4,517,343.

2017 Special Tax Note – On July 14, 2017 the City on behalf of El Charro CFD No. 2009-1 entered into a special tax loan agreement with Livermore Investments, LLC. This loan was issued to fund certain public infrastructure improvements within the CFD. As of June 30, 2020, the balance outstanding for this note is \$2,794,623.

Community Facilities District No. 1999-1 (Tri-valley Technology Park) Special Tax Bonds, Series 2015

On May 28, 2015, the City sponsored the issuance of the Community Facilities District No. 1999-1 (Tri-valley Technology Park) Special Tax Bonds, Series 2015. The Bonds were issued to defease and refund remaining principal amount of Community Facilities District No. 1999-1 (Tri-valley Technology Park) Special Tax Bonds, Series 2000. The balance outstanding for these Bonds as of June 30, 2020 is \$12,225,000.

Community Facilities District No. 2016-2 (Shea Properties) Special Tax Refunding Bonds, Series 2016

On December 22, 2016, the City sponsored the issuance of Community Facilities District No. 2016-2 (Shea Properties) Special Tax Refunding Bonds, Series 2016. The bonds were issued to defease and refund the remaining principal amount of the Community Facilities District No 2006-1 (Shea Properties) Special Tax Bonds, Series 2006. As of June 30, 2020, the balance outstanding for these bonds is \$9,110,000.

NOTE 8 - SPECIAL ASSESSMENT DISTRICT DEBT WITH NO CITY COMMITMENT (Continued)

Assessment District No. 2016-2 (Pleasant View) Limited Obligation Improvement Bonds, Series 2018

On June 14, 2018, the City issued bonds to fund certain public infrastructure improvements within the assessment district. The improvements included connections to the sanitary sewer service system, installation of streetlights, fire hydrants, provide for emergency vehicle access, and the addition of sidewalk curb and gutters to the required standards of the City. As of June 30, 2020, the balance outstanding for these bonds is \$919,537. For additional information, see Note 3(I).

NOTE 9 – NET POSITION AND FUND BALANCES

Net Position is measured on the full accrual basis, while Fund Balance is measured on the modified accrual basis.

A. Net Position

Net Position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below:

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These restrictions principally include developer fees received for use on capital projects and debt service requirements.

Unrestricted describes the portion of Net Position which is not restricted as to use.

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities. The City's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions, which requires the City to classify its fund balances based on spending constraints imposed on the use of resources.

Each category in the following hierarchy is ranked according to the degree of spending constraint:

Non-spendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of non-spendable assets are restricted, committed or assigned, then non-spendable amounts are required to be presented as a component of the applicable category.

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)**B. Fund Balances (Continued)**

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

Committed fund balances have constraints imposed by formal action of the City's highest level of decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed through Council resolution and/or budget document or its designee (City Manager) and may be changed at the discretion of the City Council or its designee. This category includes Non-spendables, when it is the City's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)**B. Fund Balances (Continued)**

Detailed classification of the City's fund balances as of June 30, 2020 are below:

Fund Balance Classifications	General Fund	Low Income Housing-Special Revenue Fund	Housing Successor Special Revenue Fund	Other Governmental Funds	Total
Nonspendable:					
Items not in spendable form:					
Prepays and deposits	\$ 20,000	\$ 5,095	\$ -	\$ 532,840	\$ 557,935
Advances	3,880,245	-	-	-	3,880,245
Land held for redevelopment	1,727,437	-	-	-	1,727,437
Total Nonspendable Fund Balances	5,627,682	5,095	-	532,840	6,165,617
Restricted for:					
Alameda County Transportation programs	-	-	-	5,887,503	5,887,503
Debt service funds	-	-	-	19,004	19,004
Gas tax program	-	-	-	6,476,849	6,476,849
Grant Programs	-	-	-	1,773,271	1,773,271
Host Community Impact program	-	-	-	1,100,673	1,100,673
Housing and human services programs	-	19,746,536	2,964,562	1,236,126	23,947,224
Maintenance Program	-	-	-	11,460,850	11,460,850
Capital improvements programs	-	-	-	15,369,363	15,369,363
Park program	-	-	-	8,773,723	8,773,723
PEG program	-	-	-	863,415	863,415
Art programs	-	-	-	2,601,327	2,601,327
Solid waste and recycling program	-	-	-	492,298	492,298
Street capital improvement program	-	-	-	3,799,283	3,799,283
Street sweeping program	-	-	-	131,288	131,288
Traffic impact program	-	-	-	23,618,190	23,618,190
Total Restricted Fund Balances	-	19,746,536	2,964,562	83,603,163	106,314,261
Committed for:					
Financial stabilization arrangement	16,561,703	-	-	-	16,561,703
Open space acquisition and management	-	-	-	2,597,943	2,597,943
Total Committed Fund Balance	16,561,703	-	-	2,597,943	19,159,646
Assigned for:					
Economic uncertainty reserve	14,905,533	-	-	-	14,905,533
Infrastructure replacement reserve	10,000,000	-	-	-	10,000,000
Total Assigned Fund Balances	24,905,533	-	-	-	24,905,533
Unassigned:					
General Fund	22,903,595	-	-	-	22,903,595
Total Unassigned Fund Balances	22,903,595	-	-	-	22,903,595
Total Fund Balances	\$ 69,998,513	\$ 19,751,631	\$ 2,964,562	\$ 86,733,946	\$ 179,448,652

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

C. Minimum Operating Reserve Policy

On June 13, 2016 the City adopted a resolution to update the City’s Fund Balance Policy. Special Revenue, Debt Service and Capital Projects Funds have no minimum funding levels due to the nature of the funds. The minimum funding levels of the policy are highlighted below.

General Fund

The Committed General Fund Financial Stabilization Operating Reserve minimum funding level is 15% of operating expenditures plus debt service transfers to be used in a catastrophic event or in a major emergency or in periods of severe fiscal crisis. The Assigned General Fund Economic Uncertainty Reserve minimum funding level is 13.5% of operating expenditures plus debt service transfers to be used during times of severe economic distress such as protracted recessionary periods. State raids on local resources, or other impactful unforeseen events which greatly diminish the financial ability of the City to deliver core services. The Unassigned General Fund balance minimum funding level is 1.5% of operating expenditures plus outgoing debt service transfers.

Enterprise Funds

The Airport and Water Funds’ unrestricted net position minimum balance is 12.5% (or 45 days’ worth of working capital) of operating expenditures plus debt service transfers. The Sewer and Storm Water Funds are recommended to maintain an unrestricted Net Position minimum balance of 50% of their operating budget plus debt service transfers.

Internal Service Funds

Liability Insurance and Workers Compensation Funds are recommended to fully fund actuarially determined claim obligations at a minimum at the seventy percent (70%) confidence level. The City will strive to fully fund actuarially determined claim obligations at the 90% confidence level.

The Fleet Services, Information Technology and Facilities Rehabilitation Funds are recommended to keep 12.5% of operating expenses as minimum unrestricted net position balance.

D. Restatement of Net Position/ Fund Balances

During the current fiscal the City made prior period adjustments in its entity-wide financial statements for business type-activities and fund-level statements for the Water Enterprise fund to correct an error in recording of costs, associated with the Dalton Tank Replacement project, as repair and maintenance expenses in prior fiscal year instead of recognizing it as a construction in progress capital asset.

	Beginning Fund Balance/Net Position, as previously reported	Prior Period Adjustment	Beginning Fund Balance/Net Position, as restated
<u>Enterprise Funds:</u>			
Water Fund	\$ 54,890,724	\$ 1,706,802	\$ 56,597,526
<u>Net Position:</u>			
Business-Type Activities	246,451,247	1,706,802	248,158,049

NOTE 10 – PENSION PLANS**A. Social Security/ Public Agency Retirement Systems (PARS)**

The Omnibus Budget Reconciliation Act of 1990 (OBRA) mandates that public sector employees who are not members of their employer's existing retirement system as of January 1, 1992 be covered by either Social Security or an alternative plan. The City's part-time, seasonal and temporary employees are not covered under Social Security. The City has an agreement with the Public Agency Retirement System (PARS) to provide an alternative retirement system for employees not eligible for the California Public Employees' Retirement System (CalPERS) Pension Plan and adopted the PARS 457 Trust including the PARS Section 457 FICA Alternative Retirement Plan.

B. California Public Employees' Retirement System (CalPERS) Pension Plans

All public employees meeting CalPERS membership requirements must participate in pension plans offered by California Public Employees Retirement System (CalPERS).

1. General Information about the Pension Plans

Plan Descriptions – All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (Police) cost-sharing and Miscellaneous (all other) agent multiple-employer defined benefit plans (Plans), administered by the CalPERS. The Miscellaneous Plans are an agent multiple-employer defined benefit pension plans administered by CalPERS, which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

The City's Safety Plans became part of a cost-sharing multiple employer defined benefit pension plan administered by CalPERS, commonly referred to as a risk pool, as of the actuarial valuation date of June 30, 2003. Risk pools exist for employers with less than 100 active plan members.

The City has three retirement benefit tiers in the Plans. Membership in the first tier of the retirement system is closed to new employees hired on or after December 31, 2012. The second tier was adopted by the City in November 2012 for all employees hired December 31, 2012. The third tier was adopted by the City effective January 1, 2013 pursuant to State Assembly Bill 340.

2. Benefits Provided and Actuarial Assumptions

CalPERS provides service and disability retirement benefits, cost of living adjustments, and death benefits to plan members and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total credited service are eligible to retire at age 50 with statutorily reduced benefits. Members may apply for a non-duty disability retirement benefit after 5 years of service. The death benefit is one of the following: The Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

NOTE 10 – PENSION PLANS (Continued)**B. California Public Employees' Retirement System (CalPERS) Pension Plans (Continued)****2. Benefits Provided and Actuarial Assumptions (Continued)**

The Plans' provisions and benefits in effect at June 30, 2020, are summarized as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Minimum retirement age	50/52	50
Employees hired prior to December 30, 2012	Tier 1	Tier 1
Monthly benefits, as a % of annual salary	2.7% at 55	3% at 50
Required member contribution rates	8%	9%
% paid by employee	8%	9% ¹
% paid by employer	0%	0% ¹
Required employer contribution rates (Normal cost)	11.354%	21.927%
Employer payment of unfunded liability	\$ 6,546,876 ⁴	\$ 2,541,936
Employees hired December 31, 2012	Tier 2	Tier 2
Monthly benefits, as a % of annual salary	2% at 60 ²	3% at 55 ³
Required member (employee) contribution rates	7%	9%
Required employer contribution rates (Normal cost)	11.354%	18.928%
Employer payment of unfunded liability	\$ -	\$ 3,432
Employees hired after December 31, 2012	Tier 3	Tier 3
Monthly benefits, as a % of annual salary	2% at 62 ²	2.7% at 57 ³
Required member (employee) contribution rates:	6.25%	12.0%
Required employer contribution rates (Normal cost)	11.354%	13.034%
Employer payment of unfunded liability	\$ -	\$ 1,904

¹ Rates presented in the table above were effective 7/1/2016.

² Newly hired Misc Employees will be enrolled in the 2% at 60 or 2% at 62 formula, dependent on the individual's eligibility, as per AB340.

³ Newly hired Safety Employees will be enrolled in the 3% at 55 or 2.7% at 57 formula, dependent on the individual's eligibility, as per AB340.

⁴ Balance mentioned above is a combined amount for all Miscellaneous plans. As a percentage of projected payroll the UAL contribution for Fiscal Year 2019-20 is 22.134% for an estimated total employer contribution rate of 33.488%.

Employees Covered – At June 30, 2020, the following employees were covered by the benefit terms of the Miscellaneous Plans, however, information for the Safety Police Plans was not provided from CalPERS for cost-sharing multiple employer defined benefit pension plans.

	<u>Miscellaneous¹</u>
Inactive employees or beneficiaries currently receiving benefits	\$ 444
Inactive employees entitled to but not yet receiving benefits	287
Active employees	317
Total	<u>\$ 1,048</u>

¹ All Tiers of the Miscellaneous plans were reported together in the Census data report by CalPERS.

NOTE 10 – PENSION PLANS (Continued)

B. California Public Employees’ Retirement System (CalPERS) Pension Plans (Continued)

3. Benefits Provided and Actuarial Assumptions (Continued)

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

For the year ended June 30, 2020, the contributions recognized as part of pension expense for the Plans were as follows:

	Miscellaneous ¹	Safety Police ¹
Contributions - employer	\$ 9,857,931	\$ 5,041,785

¹ All Tiers of the Miscellaneous and Safety Police plans were combined together on GASB 68 report by CalPERS.

Actuarial Assumptions – The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

	All Plans ⁽⁵⁾
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.00%
Projected Salary Increase	3.2% - 12.2% ⁽¹⁾
Investment Rate of Return	7.375% ⁽²⁾
Mortality ⁽⁴⁾	36.1 to 17.0 ⁽³⁾

- (1) Depending on age, service and type of employment
- (2) Net of pension plan investment expenses, including inflation
- (3) Represents life expectancy over the age ranging from 50 to 70 years. Assumptions include 20 years of mortality improvement.
- (4) 2014 CalPERS Experience Study, Recipients with attained age of 50
- (5) All of the City's plans for miscellaneous and safety police employed the same assumptions.

NOTE 10 – PENSION PLANS (Continued)

B. California Public Employees’ Retirement System (CalPERS) Pension Plans (Continued)

2. Benefits Provided and Actuarial Assumptions (Continued)

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2017 valuation were based on the results of the 2014 CalPERS Experience Study for the period 1997 to 2011. Further details of the Experience Study can be found on the CalPERS website.

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

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

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

The table below reflects long-term expected real rate of return by asset class.

Asset Class ⁽¹⁾	Current Target Allocation	Real Return Years 1 - 10 ⁽²⁾	Real Return Years 11 + ⁽³⁾
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	<u>100.0%</u>		

⁽¹⁾ In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

⁽²⁾ An expected inflation of 2.0% used for this period.

⁽³⁾ An expected inflation of 2.92% used for this period.

Note - All of the City's plans for miscellaneous and safety police employed the same strategies.

NOTE 10 – PENSION PLANS (Continued)**B. California Public Employees' Retirement System (CalPERS) Pension Plans (Continued)****3. Miscellaneous Agent Multiple-Employer Defined Benefit Pension Plan (Miscellaneous)**

The changes in the Net Pension Liability for the Miscellaneous Plan were as follows:

Miscellaneous Plan ¹ :	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2018 ²	\$ 285,936,074	\$ 207,170,047	\$ 78,766,027
Changes in the year:			
Service cost	5,434,229	-	5,434,229
Interest on the total pension liability	20,616,830	-	20,616,830
Changes of assumptions	-	-	-
Difference between expected and actual experience	6,244,408	-	6,244,408
Net plan to plan resource movement	-	-	-
Contribution - employer	-	8,682,861	(8,682,861)
Contribution - employees	-	2,383,496	(2,383,496)
Net investment income	-	13,686,966	(13,686,966)
Benefit payments, including refunds of employee contributions	(13,100,635)	(13,100,635)	-
Administrative expenses	-	(147,841)	147,841
Other miscellaneous income/(expense) ³	-	481	(481)
Net changes	19,194,832	11,505,328	7,689,504
Balance at June 30, 2019 ²	\$ 305,130,906	\$ 218,675,375	\$ 86,455,531

¹ All Tiers of the Miscellaneous plan were combined together on GASB 68 report by CalPERS.

² Represent measurement dates used in the GASB 68 valuation report.

³ During Fiscal Year 2017-18, as a result of GASB Statement No. 75, CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68.

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

NOTE 10 – PENSION PLANS (Continued)

B. California Public Employees’ Retirement System (CalPERS) Pension Plans (Continued)

4. Safety Police Cost-Sharing Multiple-Employer Defined Benefit Plan (Police Safety)

As of June 30, 2020, the City reported net pension liabilities for its proportionate share of the net pension liability of the Police Safety Plan as follows:

	Proportionate Share of Net Pension Liability ¹
Safety Police Plan	\$ 42,187,668

¹ All Tiers of the Safety Police plan were combined together on GASB 68 report by CalPERS.

The City’s net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2019, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City’s proportionate share of the net pension liability for the Plan as of the measurements dates of June 30, 2018 and 2019 was as follows:

	Safety Police
Proportion - June 30, 2018	0.66102%
Proportion - June 30, 2019	0.67581%
Change - Increase (Decrease)	0.01479%

¹ All Tiers of the Safety Police plan were combined together on GASB 68 report by CalPERS.

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

5. Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the City’s Miscellaneous Plan and the City’s proportionate share of the net pension liability for the Safety Police Plan, calculated using the discount rate for the Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate		
	1% Decrease (6.15%)	Current (7.15%)	1% Increase (8.15%)
<u>Net Pension Liability</u>			
Miscellaneous Plan ¹	\$ 126,303,443	\$ 86,455,531	\$ 53,366,629
Police Safety Plan ¹	64,455,535	42,187,668	23,931,506

¹ All Tiers of the Miscellaneous plan and Safety Police plan were combined together into on GASB 68 report by CalPERS.

NOTE 10 – PENSION PLANS (Continued)

B. California Public Employees’ Retirement System (CalPERS) Pension Plans (Continued)

6. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the fiscal year ended June 30, 2020, the City recognized pension expense of \$16,864,384 for the Miscellaneous Plan and \$8,643,150 for the Police Safety Plan. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous Plan		Safety Police Plan		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 3,931,664	\$ (263,172)	\$ 2,754,474	\$ -	\$ 6,686,138	\$ (263,172)
Changes in assumptions	-	(658,455)	1,729,199	(337,452)	1,729,199	(995,907)
Net differences between projected and actual earnings on plan investments	-	(1,168,849)	-	(580,383)	-	(1,749,232)
Change in proportion and differences between actual contributions and proportionate share of contributions	-	-	1,207,550	(1,143,234)	1,207,550	(1,143,234)
Total	\$ 3,931,664	\$ (2,090,476)	\$ 5,691,223	\$ (2,061,069)	\$ 9,622,887	\$ (4,151,545)

Pension contributions subsequent to measurement date	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Miscellaneous Plan ¹	\$ 9,857,931	\$ -	\$ 9,857,931
Safety Police Plan ¹	5,041,785	-	5,041,785
Total	\$ 14,899,716	\$ -	\$ 14,899,716

In the table above amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Miscellaneous Plan		Safety Police Plan		Total	
Year Ended June 30	Deferred Outflows/(inflows) of Resources	Year Ended June 30	Deferred Outflows/(inflows) of Resources	Year Ended June 30	Deferred Outflows/(inflows) of Resources
2021	\$ 2,135,928	2021	\$ 3,069,501	2020	\$ 5,205,429
2022	(154,115)	2022	(35,839)	2021	(189,954)
2023	(343,607)	2023	483,592	2022	139,985
2024	202,982	2024	112,900	2023	315,882
	\$ 1,841,188		\$ 3,630,154		\$ 5,471,342

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

The City has two types of retirement health benefits as determined by Council resolution and through agreements with its labor units. One plan is a Defined Benefit Plan (Other Post Employment Benefit “OPEB”) which provides health care benefits for retired employees under third party insurance plans. The second plan is a Defined Contribution Plan in which the City contributes a fixed amount to a retirement health savings account on behalf of employees who are not eligible for OPEB. The City’s Defined Benefit OPEB plan is closed to new entrants; all new employees are enrolled into the City’s Defined Contribution plan.

A summary of eligibility and retiree contribution requirements are shown below by bargaining unit. As of June 30, 2020, a total of 296 retirees were eligible to receive post-employment benefits. In addition, 199 current employees qualify to receive post-employment benefits if they retire from the City.

	Executive Management	Mid-Mgmt & Confidential	ALE	LPOA	Police Management																											
■ Hired Before	● 8/1/2014	● 2/1/2006	● 4/1/2007	● 2/1/2007	● 9/1/2004																											
■ Eligibility	<ul style="list-style-type: none"> Retire directly from the City with 10 years CalPERS service (15 years for Police safety) and a minimum of 5 years City service, or Industrial disability, for police safety (except for employees enrolled in retirement health savings account) 																															
■ Benefit	<ul style="list-style-type: none"> City reimburses up to a percentage subject to a cap that varies by bargaining group City will reimburse Medicare A & B if required for Medical coverage Reimbursement percentage based on bargaining group and CalPERS service: 																															
	<table border="1"> <thead> <tr> <th>PERS Service</th> <th>Reimb %</th> </tr> </thead> <tbody> <tr> <td>10</td> <td>75%</td> </tr> <tr> <td>15</td> <td>80%</td> </tr> <tr> <td>20</td> <td>90%</td> </tr> <tr> <td>25+</td> <td>100%</td> </tr> </tbody> </table>	PERS Service	Reimb %	10	75%	15	80%	20	90%	25+	100%	<table border="1"> <thead> <tr> <th>PERS Service</th> <th>Reimb %</th> </tr> </thead> <tbody> <tr> <td>10</td> <td>70%</td> </tr> <tr> <td>15</td> <td>80%</td> </tr> <tr> <td>20</td> <td>90%</td> </tr> <tr> <td>25+</td> <td>100%</td> </tr> </tbody> </table>	PERS Service	Reimb %	10	70%	15	80%	20	90%	25+	100%	<table border="1"> <thead> <tr> <th>PERS Service</th> <th>Reimb %</th> </tr> </thead> <tbody> <tr> <td>15</td> <td>75%</td> </tr> <tr> <td>20</td> <td>85%</td> </tr> <tr> <td>25+</td> <td>100%</td> </tr> </tbody> </table>	PERS Service	Reimb %	15	75%	20	85%	25+	100%	
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20	85%																															
25+	100%																															
■ Cap	<ul style="list-style-type: none"> DOR < 10/9/00: \$200 \$1,699 as of 6/30/17 With a current benefit maximum of \$1,812 ¹ DOH ≥ 8/1/14: No benefits, City contributes 4% of base pay to RHSA 	<ul style="list-style-type: none"> DOR < 9/25/00: \$200 DOR between 9/25/00 and 7/1/15: \$1,812 ¹ DOH ≥ 7/1/15: \$1,812 ¹ With a current benefit maximum of \$1,950 DOH ≥ 2/1/06: No benefit, City contributes 4% of base pay to RHSA 	<ul style="list-style-type: none"> DOR < 10/3/03: \$200 DOR > 10/3/03: \$1,812 ¹ DOR > 1/1/06: \$1,812 ¹ With a current benefit maximum of \$1,906 DOR > 11/9/14: \$1,812 With a current benefit maximum of \$1,906 DOR > 1/1/17: \$1,950 DOH ≥ 4/1/07: No benefits, City contributes 4% of base pay to RHSA 	<ul style="list-style-type: none"> DOR < 2/1/02: \$200 DOH < 2/1/07: \$1,858 ² DOH > 2/1/07: No benefits, City contributes 5% of base pay to RHSA, EE contributes 1% of base pay to RHSA 	<ul style="list-style-type: none"> DOR < 4/7/03: \$200 Tier 1 (PL/Cpt): (DOR < 9/1/04) \$1,812 ¹ Tier 2 (Actively employed as of 8/30/04): \$2,026 ² Tier 3 (promoted after 9/1/04): \$1,858 ² Promoted EE's stay with RHSA if RHSA was prior benefit DOH ≥ 9/1/04: No benefits; City contributes 5% of base pay to RHSA 																											

1: Will be matched to Kaiser A two party rate for an active employee
 2: Will be matched to Pre 65 Retiree Kaiser A two party rate

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

A. Funding Policy and Actuarial Assumptions

The actuarially determined contribution (ADC) to the OPEB plan was determined as part of a June 30, 2018 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 6.5% investment rate of return, (b) 3.0% projected annual salary increase, and (c) 2.75% general inflation rate and (d) health inflation decreases ranging from 4.0%-7.25%. The actuarial methods and assumptions used include techniques that smooth the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to revision at least biannually as results are compared to past expectations and new estimates are made about the future.

In accordance with the City’s budget, the actuarially determined contribution (ADC) is to be funded throughout the year as a percentage of payroll. During fiscal year ended June 30, 2010, the City joined the Public Agencies Post-Retirement Health Care Plan, a multiple employer trust administered by Public Agency Retirement Services (PARS). At June 30, 2020, the City contributed \$1,536,089 to an irrevocable trust administered by PARS, managed by an appointed board not under the control of City Council. This trust is not considered a component unit by the City and has been excluded from these financial statements. Separately issued financial statements for PARS may be obtained from PARS at 4350 Von Karman Ave., Suite 200, Newport Beach, CA 92660.

B. OPEB Trust Fund

i. Plan Administration

The City is the plan administrator. The Public Agency Retirement Services (PARS) administers the trust for the City’s retiree healthcare benefit plan – a single-employer defined benefit OPEB plan that provides healthcare benefits for eligible general and public safety employees of the City.

	Fiscal Year ended 6/30/20
Plan Type	Single Employer
OPEB Trust	Yes
Special Funding Situation	No
Nonemployer Contributing Entity	No

ii. Plan Membership

As of June 30, 2020, membership in the plan consisted of the following:

	Number of Covered Employees
Retirees and beneficiaries receiving benefits	287
Terminated plan members entitled to but not yet receiving benefits	9
Active plan members	199
	495

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

iii. Benefits Provided

Post-employment healthcare and similar benefit allowances are provided to eligible employees who retire from the City or to their surviving spouses. As noted in the table above in Note 11B(ii), there were 287 participants receiving these healthcare benefits as of June 30, 2020. Refer to the table on page 102 for the contractual maximum contribution rates for the eligible employees depending upon their association with specific bargaining groups.

iv. Contribution Information

PARS establishes rates for each employer based on an actuarially determined rate for each employer. For the year ended June 30, 2020, the City’s average contribution rate was 18.4 percent of covered-employee payroll. Plan members are not required to contribute to the plan.

For the year ended June 30, 2020, the City contributed \$4,900,000 in relation to the actuarially determined contribution.

v. Investment Policy

PARS offers different investment portfolios as part of the investment vehicle. The City invests in “Capital Appreciation” portfolio; the primary goal of the Capital Appreciation objective is growth of principal. The major portions of the assets are invested in the equity securities and market fluctuations are expected. The portfolio is constructed to control risk through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selections and monitoring helps to drive return potential while reducing portfolio risk.

The following is the City adopted asset allocation policy as of June 30, 2020.

Asset Class Component:	Target Allocation	Expected Real Rate of Return
Global Equity	73.00%	4.82%
Fixed Income	20.00%	1.47%
REITs	2.00%	3.76%
Cash	5.00%	0.06%

vi. Investment Concentration

As of June 30, 2020, the City OPEB Trust Fund did not have investments in any one organization exceeding 5% of the City’s investments.

vii. Investment Rate of Return

For the year ended June 30, 2020, the annual money-weighted rate of return on investments, net of investment expense, was 2.71%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

viii. Net OPEB Liability

The components of the net OPEB liability of the City at June 30, 2020, were as follows:

<u>Measurement Date - 6/30/2020</u>	<u>Fiscal Year ended 6/30/2020</u>
Total OPEB Liability	\$ 79,199,184
Plan Fiduciary Net Position (FNP)	(32,250,629)
City's Net OPEB Liability	\$ 46,948,555
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	40.7%

ix. Changes in Net OPEB Liability

The changes in the Net OPEB Liability are as follows

	<u>Increase (Decrease)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability/(Asset)</u>
Balance at June 30, 2019 ¹	\$ 76,438,667	\$ 30,029,720	\$ 46,408,947
Changes in the year:			
Service cost	1,188,021	-	1,188,021
Interest on the total pension liability	4,936,407	-	4,936,407
Contribution - employer	-	4,900,000	(4,900,000)
Net investment income	-	805,844	(805,844)
Benefit payments, including refunds of employee contributions	(3,363,911)	(3,363,911)	-
Administrative expenses	-	(121,024)	121,024
Net changes	2,760,517	2,220,909	539,608
Balance at June 30, 2020 ¹	\$ 79,199,184	\$ 32,250,629	\$ 46,948,555

¹ Represent measurement dates used in the GASB 75 valuation report.

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued plan financial report that may be obtained from PARS.

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

x. Actuarial Methods and Assumptions

The City’s net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2018, based on the following actuarial methods and assumptions:

Measurement Date	June 30, 2020
Valuation Date	June 30, 2018
Funding Policy	Full pre-funding to PARS trust
	PARS portfolio: Capital Appreciation
Medical Trend	Non-Medicare - 7.25% for 2021, decreasing to 4.0% in 2076
	Medicare - 6.3% for 2021, decreasing to 4.0% in 2076
Healthcare participation for future Retirees	Not in RHSA: 95%
Cap Increases	Kaiser plan A 2-party premium: Medical trend Active medical cap - Minimum of: Healthnet PPO family premium (increase with medical trend)
Actuarial Assumptions:	
Discount Rate	6.5% ⁽¹⁾
Salary Increase	3.00%
Inflation	2.75%
Investment Rate of Return	6.5% ⁽²⁾
Mortality ⁽⁴⁾	33.5 to 17.0 ⁽³⁾

- ⁽¹⁾ Crossover analysis showed benefit payments always fully funded by plan assets
- ⁽²⁾ Net of investment expenses. Furthermore, expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
- ⁽³⁾ Represents life expectancy over the age ranging from 50 to 70 years. Assumptions include 20 years of mortality improvement. Mortality projected fully generational with scale MP-18
- ⁽⁴⁾ 2017 CalPERS Experience Study, Recipients with attained age of 50

The target allocation and projected arithmetic real rates of return, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption for each major asset class are summarized below:

Asset Class Component:	Target Allocation	Expected Real Rate of Return
Global Equity	73.00%	4.82%
Fixed Income	20.00%	1.47%
REITs	2.00%	3.76%
Cash	5.00%	0.06%
Assumed Long Term Rate of Inflation		2.75%
Discount Rate		6.50%

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

xi. Discount rate

The discount rates used to measure the total OPEB liability were 6.5% as of June 30, 2020. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

xii. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

In accordance with GASB 74 and GASB 75, regarding the disclosure of the sensitivity of the net OPEB liability to changes in the discount rate, the following table presents the net OPEB liability of the Plan as of June 30, 2020, calculated using the discount rate of 6.5%, as well as what the Plan’s net 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 rate:

	Discount Rate		
	1% Decrease	Current	1% Increase
	(5.50%)	(6.50%)	(7.50%)
Net OPEB Liability	\$ 56,911,721	\$ 46,948,555	\$ 38,652,970

xiii. Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

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:

	Healthcare Trend Rate		
	1% Decrease	Current	1% Increase
	5.5% decreasing to 3.75%	6.5% decreasing to 4.0%	7.5% decreasing to 5.75%
Net OPEB Liability	\$ 42,951,980	\$ 46,948,555	\$ 50,243,615

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

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

For the year ended June 30, 2020, the City recognized OPEB Expense of \$4,102,673. As of fiscal year ended June 30, 2020, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ (2,347,963)
Changes in assumptions	1,916,016	-
Net differences between projected and actual earnings on plan investments	688,815	-
Change in proportion and differences between actual contributions and proportionate share of contributions	-	-
Total	\$ 2,604,831	\$ (2,347,963)

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five-year period. The remaining gains and losses are amortized over the expected average remaining service life.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Year Ended June 30	Deferred Outflows/(inflows) of Resources
2021	\$ (152,845)
2022	(44,856)
2023	217,751
2024	236,818
	\$ 256,868

xv. Payable to OPEB Plan

The City did not report any payables for the outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2020.

NOTE 12 – DEFERRED COMPENSATION PLAN

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements.

NOTE 13 – JOINT VENTURES

The City participates in the joint venture activities described below through formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these organizations exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each joint venture is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective joint venture, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board. Assets and liabilities of the separate entities are not those of the City. The City's sole financial responsibility is to fund annual contributions to each entity which are used along with other member contributions to finance each joint venture's annual operations.

A. Livermore-Amador Valley Water Management Agency (LAVWMA)

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

The City accounts for its investment in LAVWMA by the equity method in the Sewer Enterprise Fund. The City records its share of earnings (losses) in the Proprietary Funds Statement of Revenues, Expenses and Changes in Net Position as "Change in value in investment in JPA - LAVWMA," and the carrying value of the City's investment in LAVWMA is recorded in the Proprietary Funds Statement of Net Position as "Investment in JPA - LAVWMA."

On August 1, 2011, LAVWMA issued \$105,345,000 principal amount of 2011 Sewer Revenue Refunding Bonds. Proceeds of the issuance were used to refund and retire the Series A Sewer Revenue Bonds and to pay costs of issuance. Under an Amended and Restated Sewer Service Contract dated October 1, 2011 between LAVWMA and the Members, the Members pledged and created, in favor of LAVWMA and the Trustee for the 2011 Bonds, a lien on the Net Revenues of their respective wastewater systems to pay to LAVWMA the amounts owed in order for LAVWMA to pay the debt service on the 2011 bonds. The City's share is 27.83% of the total debt service. The City's equity interest in LAVWMA was \$18,812,833 as of June 30, 2020.

Financial statements for LAVWMA may be obtained from DSRSD at 7051 Dublin Boulevard, Dublin, California 94568.

NOTE 13 - JOINT VENTURES (Continued)**B. Livermore-Amador Valley Transit Authority (LAVTA)**

This Authority was formed in May 1985 by a joint exercise of powers agreement between the County of Alameda and the Cities of Livermore, Pleasanton and Dublin for the purpose of providing general public transportation under the business name "Wheels". Financial statements may be obtained from LAVTA, 1362 Rutan Court, Suite 100, Livermore, CA 94551.

C. Tri-Valley Transportation Council (TVTC)

The Tri-Valley Transportation Council was formed in 1991 by a joint exercise of powers agreement between the cities of Dublin, Livermore, Pleasanton, and San Ramon, the Town of Danville and the Counties of Alameda and Contra Costa for the purposes of preparing a transportation plan and providing transportation facilities within the Tri-Valley area. Financial statements may be obtained from Franklin Management Systems, Inc., Attn: Mr. Jack Harrington, 3037 Hopyard Road, Suite M, Pleasanton, CA 94588.

D. Alameda County Congestion Management Program

The Alameda County Congestion Management Program was formed in 1991 by a joint exercise of powers agreement between the County and cities of Alameda for the purpose of preparing, implementing and administering a traffic congestion management plan pursuant to California Government Code section 66531. Financial statements may be obtained from the Alameda County Congestion Management Agency at 1333 Broadway, Suite 220, Oakland, CA, 94612.

E. Livermore - Pleasanton Fire Department Joint Powers Agreement (LPFD)

On December 3, 1996, the cities of Livermore and Pleasanton signed a joint powers agreement to form a joint Fire Department covering both cities. The LPFD may own physical assets and can enter into contracts with the approval of the governing board, where applicable. Fire protection services are provided by the City of Pleasanton employees under the joint power agreement. The LPFD prepares its budget including contributions required from each City to fund operating and capital needs for the year. In January 2013, the City of Livermore began functioning as Treasurer for LPFD. The City of Livermore has 50% equity share (or deficit, when applicable) in LPFD and share all the costs at approximately 50%. The City accounts for LPFD in an Agency Fund. During the year ended June 30, 2020, the City contributed \$ 19,701,796 to LPFD representing its share of costs. The City's deficit interest in LPFD was \$42,698,672 as of June 30, 2020, based on LPFD audited financial statements for the fiscal year ended June 30, 2019.

Financial statements for LPFD may be obtained from the City of Livermore at 1052 South Livermore Avenue, Livermore, California 94550.

F. California Public Finance Authority (CalPFA)

California Public Finance Authority (CalPFA) is a political subdivision of the State of California established under the Joint Exercise of Powers Act for the purpose of issuing tax-exempt and taxable conduit bonds for public and private entities throughout California. CalPFA is empowered to promote economic, cultural, and community development opportunities that create temporary and permanent jobs, affordable housing, community infrastructure and improve the overall quality of life in local communities.

NOTE 13 - JOINT VENTURES (Continued)**F. California Public Finance Authority (CalPFA) (Continued)**

The City joined a Joint Exercise of Powers Agreement with CalPFA to issue bonds or other debt that constitute “qualified residential rental project bonds” under Section 142 (a)(7) and Section 142 (d) of the Internal Revenue Code in an amount not-to-exceed \$55,000,000 for the purpose of financing or refinancing the acquisition and construction of Ageno Apartments. CalPFA is responsible for all the reporting and monitoring components and the City has no post issuance obligations. The City’s name does not appear on any legal documents. Since the JPA is a separate legal entity, the City has no liability exposure. Additionally, the City has no ongoing obligation to the JPA, unless the City wishes to issue bonds for another development project through the JPA.

Financial statements may be obtained from the California Public Finance Authority website, <http://www.calpfa.org/general-information/audits-transaction-reports> or from California Public Finance Authority, 2999 Oak Road Suite 710, Walnut Creek, CA 94597.

G. East Bay Community Energy (EBCE)

This authority formed in October 2016 by a joint exercise of power agreement between the County of Alameda and the Cities of Livermore, Pleasanton and Dublin for the purpose of purchasing energy on a community-wide basis by pooling the buying power of the individuals within their jurisdictions. Involvement in the JPA gives opportunities to the City for gaining greater local involvement over the provision of electricity supply services, competitive electric rates, the development of local renewable energy projects, reduced greenhouse gas emissions, and the wider implementation of energy conservation and efficiency projects and programs.

H. Stopwaste

This authority formed in 1976 by a joint exercise of power agreement between the County of Alameda, all fourteen cities located within the County along with two sanitary districts for the purpose of reducing waste in Alameda county. A representative from each Member Agency serves on the Alameda County Waste Management Authority Board. The Alameda County Waste Management Authority provides solid waste planning, projects and initiatives to increase recycling and reduce waste by residents, businesses and schools. Funding is provided by waste-related fees. Some projects for reduction of waste include the Green Building in Alameda County program, curbside residential food scrap recycling and the reusable bag ordinance. These programs have reduced construction waste, increased use of recycled building materials, produced food scrap composting and reduced the number of plastic bags in the County landfills. For more information visit www.stopwaste.org.

NOTE 14 - GENERAL LIABILITY AND WORKERS COMPENSATION COVERAGE**A. Risk Management**

The City of Livermore is self-insured for general liability claims up to a self-insured retention (SIR) of \$500,000 per occurrence. It is a member of California Joint Powers Risk Management Authority (CJPRMA), an excess insurance pool that provides coverage for each occurrence that exceeds the SIR. CJPRMA provides coverage up to \$40,000,000 per occurrence. The first \$5,000,000 layer is retained by CJPRMA and the second and third layers totaling \$35,000,000 are covered by reinsurance, purchased through their broker of record, Aon. The City of Livermore contributed \$425,870 to CJPRMA for liability coverage for the fiscal year ending June 30, 2020. The City of Livermore purchases a variety of insurance products from Aon, both through the CJPRMA pooled programs and directly. The City paid \$149,412 directly to Aon, \$317,739 to Alliant through CJPRMA for property insurance, and \$50,812 for auto physical damage insurance to Aon through CJPRMA.

NOTE 14 - GENERAL LIABILITY AND WORKERS COMPENSATION COVERAGE (Continued)

A. Risk Management (Continued)

The Local Agency Workers Compensation Excess Joint Powers Authority (LAWCX) covers workers compensation up to statutory limits. The City has a deductible or uninsured liability of up to \$500,000 per claim. During the fiscal year ended June 30, 2020, the City contributed \$363,706 for program year coverage.

For the current fiscal year, the most significant change in insurance coverage was an increase in the deductible for property insurance from \$100,000 to \$250,000 per occurrence for most losses, \$500,000 for wildfire, and \$1,000,000 for flood. There were no settlements in excess of insurance coverage in any of the three prior fiscal years.

Each risk pool is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of each risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board. The City's contribution to each risk pool equals the ratio of the City's payroll to the total payrolls of all entities participating in the same layer of each program, in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

CJPRMA's financial statements may be obtained by contacting CJPRMA at (925) 837-0667. LAWCX's financial statements may be obtained by contacting LAWCX at (800) 541-4591.

B. Liability for Uninsured Claims

The City's liability for the uninsured portion of claims, including a provision for claims incurred but not reported, was computed as follows based on claims experience:

	Liability Insurance Reserve	Workers' Compensation	Total
Balances of claims payable at June 30, 2019	\$ 3,764,150	\$ 6,109,715	\$ 9,873,865
Incurred claims and change in estimated	(766,311)	208,569	(557,742)
Claims paid	<u>(314,305)</u>	<u>(1,103,090)</u>	<u>(1,417,395)</u>
Balances of claims payable at June 30, 2020	<u>\$ 2,683,534</u>	<u>\$ 5,215,194</u>	<u>\$ 7,898,728</u>
Claims payable - current	\$ 460,000	\$ 920,000	\$ 1,380,000

NOTE 15 – ECONOMIC DEVELOPMENT INCENTIVES – TAX ABATEMENTS

The City offers economic development incentive program to the entities that propose to locate or expand already established businesses within the City. This incentive program is expected to provide a stimulus to the City's economy, increase the tax base and create jobs. Each of the agreements entered into by the City, provides for a rebate of taxes paid to the City according to formulas contained in the agreements. These limited terms agreements provide for a sharing of the taxes (percentage rebates) above certain amounts with a maximum rebate not to exceed the cost of a business' improvements and/or development impact fees. The City generally expects to receive increased revenue as a result of these agreements. These incentive agreements require approval by City Council.

For financial reporting purposes, the GASB Statement No. 77 defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. According to the GASB 77, the substance of these agreements meets the definition of "tax abatements" as the revenues received were not available for general municipal services purposes, but rather used to effectively reduce the net tax liability of certain taxpayers per the conditions of an agreement.

The taxes paid to the City are included in the revenue reported in these financial statements. The payments made to the businesses based upon the taxes paid are also included as expenditures in these financial statements. For the fiscal year ended June 30, 2020, under this program the City has abatements of sales tax totaling \$1,493,546.

Pursuant to the Sales and Use Tax law (chapter 8 – Article 1 – section 7056), in order to protect the confidential information of sales taxes collected and abatements provided to each of the specific agencies, the City has presented the aggregate amount abated during the current fiscal year.

NOTE 16 - COMMITMENTS AND CONTINGENCIES

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation which is likely to have a material adverse effect on the financial position of the City.

The City participates in several Federal and State grant programs. These programs have been audited by the City's independent accountants in accordance with the provisions of the Federal Single Audit Act amendments of 1996 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 which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services.

While the business disruption is currently expected to be temporary, there is considerable uncertainty around the duration of the closings and shelter in place orders. Although many of the City's services are considered essential, the City Hall was closed to the public, certain other services transitioned to online-only and because the City's major revenue sources, including businesses that collect sales taxes, are directly impacted by these events, it is probable that this matter will negatively impact the City. However, the ultimate financial impact and duration cannot be reasonably estimated at this time.

NOTE 16 - COMMITMENTS AND CONTINGENCIES (Continued)**A. Construction Commitments**

The City has the following outstanding construction commitments at June 30, 2020:

Vendors	Amount
Auburn Contractors	\$ 3,636,204
D.L. Falk Constuction	532,847
ETIC	447,118
Goodfellow Brothers	1,840,227
Gradetech, Inc	319,328
Granite Rock Company	1,197,151
Integra Construction	947,005
Myers and Sons	770,653
Prime Mechanical	12,072
Robert Bothman	393,563
VSS International	790,120
	<u>\$ 10,886,288</u>

There were no outstanding encumbrances related to these commitments on June 30, 2020.

B. Other Contract Commitments

The City of Livermore has numerous contracts with various vendors for goods and services. Approximately 135 contracts will expire during the fiscal year 2020-21. The total remaining commitments for contracts expiring in fiscal year 2020-21 is approximately \$11.6 million. There were no outstanding encumbrances related to these commitments on June 30, 2020.

C. Animal Shelter

The Cities of Dublin, Pleasanton, and Livermore and the County of Alameda reached an agreement under which Alameda County constructed an animal shelter facility on County property. Under the agreement the entities share in the debt service and operating costs of the project based on their use of the animal shelter. The City of Livermore paid \$344,078 for its share of debt service and operating costs. The City's portion of the project fluctuates based on actual usage and was 18.94% as of June 30, 2020.

D. Alameda County

During fiscal year 2014-15, Alameda County made a \$2.8 million contribution necessary to affect the redemption and retirement of the 2006 Bankhead Theater bond and prepayment of 2006 loan and issuance of 2014 COP Series A. The City is obliged to return \$2.8 million to Alameda County in the event the Bankhead Theater is sold. At present, the City does not have any intentions of selling the Theater.

NOTE 17 – SUCCESSOR AGENCY ACTIVITIES

The City of Livermore opted to become the Livermore Successor Agency to the former Redevelopment Agency of Livermore as of January 9, 2012. Since February 1, 2012, the date of dissolution, the housing related assets and activities of the dissolved redevelopment agency are reported in the governmental Housing Successor Special Revenue Fund. The non-housing related assets and activities of the dissolved redevelopment agency are reported in the fiduciary Successor Agency to the Redevelopment Agency Private Purpose Trust Fund whose activities are subject to review and approval of the Oversight Board.

A. Long-Term Debt

The Successor Agency assumed the long-term debt of the Redevelopment Agency as of February 1, 2012. On August 1, 2001, the Redevelopment Agency issued \$36,775,000 of **2001 Tax Allocation Bonds, Series A**. Proceeds were used to refund the above outstanding Livermore Redevelopment Project 1986 Tax Allocation Bonds Series A, and to provide funds to finance various redevelopment activities within the Project Area.

Post Dissolution Assembly Bill 1484 permits the refunding of outstanding bonds of former redevelopment agencies if the total debt service (principal and interest) on the new refunding bonds is less than the total remaining debt service on the bonds being refunded (currently outstanding). The purpose for refunding redevelopment bonds is to reduce the interest rate, which lowers the annual tax increment required to make debt payments and increases the share of tax increment available to affected taxing entities.

In December 2016, the Successor Agency refinanced the 2001 Tax Allocation Bonds, Series A and issued two refunding bonds, 2016 Tax Allocation Refunding Bonds, Series A (tax exempt) and Series B (taxable). The refinancing of this debt did not extend the August 1, 2032 final maturity date or provide additional proceeds for projects; however, the anticipated present value savings are more than \$300,000 annually or approximately \$4.9 million over the life of the refunding issue. The future annual debt savings will allow more funds to flow to the affected taxing entities, including the City. The table below presents the detail of activities during current fiscal year.

	Balance at June 30, 2019	Retirements	Balance at June 30, 2020	Amount due in one year
Fiduciary Activities				
2016 Tax Allocation Refunding Bonds, 3.00%-5.00%, 2032	\$ 21,035,000	\$ 1,220,000	\$ 19,815,000	\$ 1,280,000
Unamortized Premium	1,117,725	92,489	1,025,236	92,489
Total debt	\$ 22,152,725	\$ 1,312,489	\$ 20,840,236	\$ 1,372,489

Semiannual debt service payments are due August 1 and February 1, and are repayable from tax increment revenues of the Redevelopment Agency Project Area. Annual debt service requirements combined are shown below:

For the Year Ending June 30	Principal	Interest	Total
2021	\$ 1,280,000	\$ 762,969	\$ 2,042,969
2022	1,345,000	697,344	2,042,344
2023	1,410,000	628,469	2,038,469
2024	1,485,000	556,094	2,041,094
2025	1,550,000	480,219	2,030,219
2026-2030	8,805,000	1,409,113	10,214,113
2031-2032	3,940,000	137,916	4,077,916
Total	19,815,000	\$ 4,672,124	\$ 24,487,124
Unamortized Premium	1,025,236		
Total Debt	\$ 20,840,236		

NOTE 17 – SUCCESSOR AGENCY ACTIVITIES (Continued)**B. Commitments and Contingencies**

The City and former Agency have entered into a variety of development agreements with third parties to provide needed improvements and projects. Activities under agreements for which there are continuing commitments are disclosed in the following paragraphs. Additionally, the City and Agency have other agreements that entitle them to collect certain loans or notes receivable which are disclosed in Note 5.

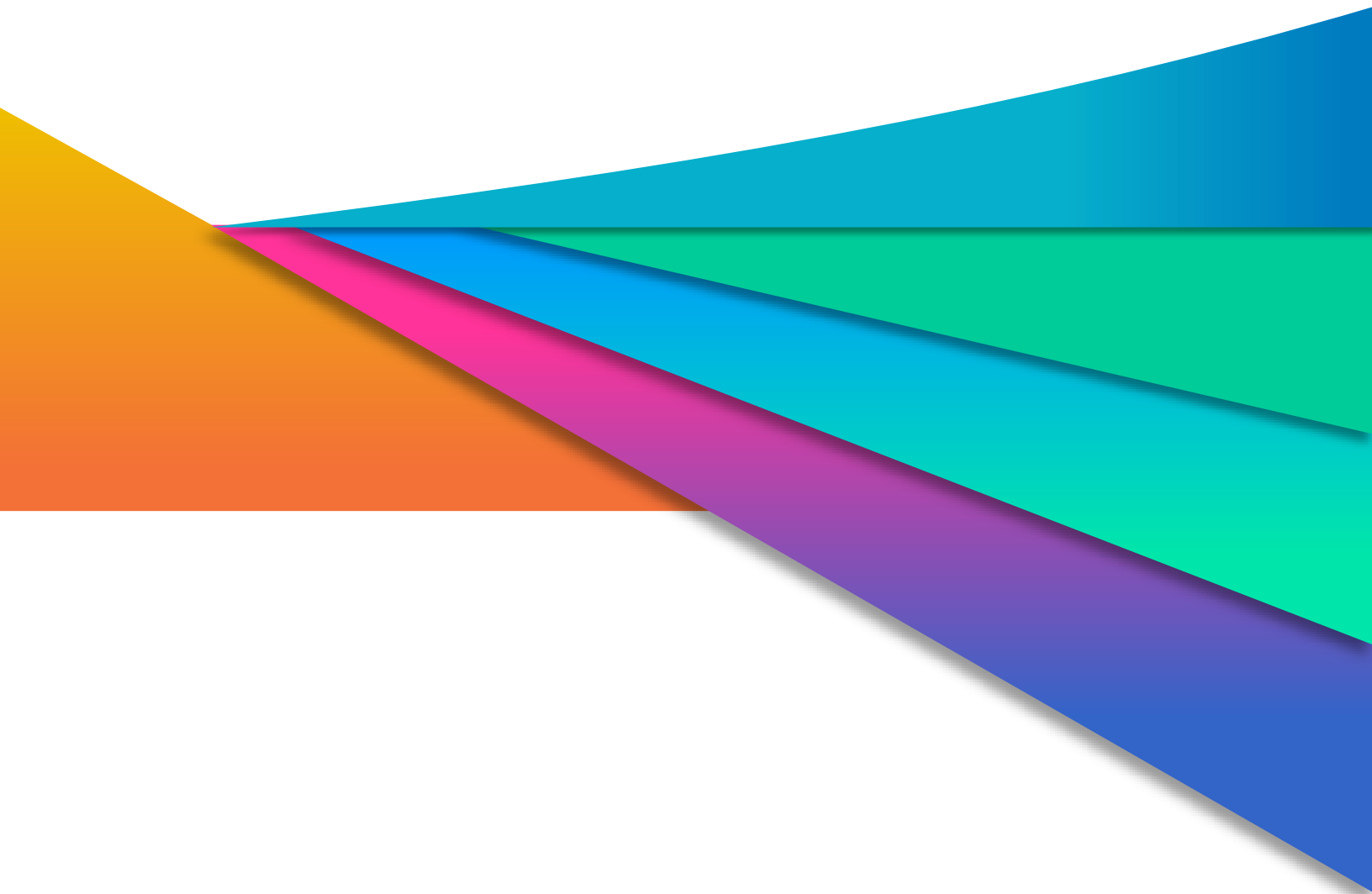
Last and Final Recognized Obligation Payment Schedule (LFROPs)

In September 2018, the State Department of Finance (DOF) approved the Successor Agency's Last and Final Recognized Obligation Payment Schedule (LFROP). The Successor Agency will continue to receive property tax increment revenue to pay items listed on the LFROPs, without any objections by the DOF, until all obligations are paid off.

Loans between the LSA and the City

The remaining loan left for the Successor agency is the SERAF Loan, with a current balance of \$743,438. Further information on the loans is provided in Note 5.

REQUIRED SUPPLEMENTARY INFORMATION



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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

1. SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET TO ACTUAL

The Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual presents the comparison of actual balances with the balances budgeted for revenues, expenses and transfers. This schedule is presented for General Fund, Low Income Housing Special Revenue Fund and Housing Successor Special Revenue Fund.

2. AGENT MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN (Miscellaneous Plan):

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

This schedule reports the beginning and ending balances of the total pension liability, the plan assets available for pension benefits (called plan net position), and the net pension liability, as well as the change in those amounts during the year presented by cause (similar to the note disclosure). It also reports the total pension liability, plan net position, net pension liability, a ratio of plan net position divided by the total pension liability, the payroll amount for current employees in the plan (covered-employee payroll), and a ratio of the net pension liability divided by covered payroll.

SCHEDULE OF CONTRIBUTIONS

This schedule reports the agent multiple-employer's contributions to the plan which are actuarially determined, the employer's actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of the actual contributions divided by covered payroll.

3. COST-SHARING EMPLOYER DEFINED BENEFIT PENSION PLAN (Safety Plan):

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

This schedule reports the proportion (percentage) of the collective net pension liability, the proportionate share (amount) of the collective net pension liability, the employer's covered employee payroll, the proportionate share (amount of the collective net pension liability as a percentage of the employer's covered employee payroll and the pension plan's fiduciary net position as a percentage of the total pension liability.

SCHEDULE OF CONTRIBUTIONS

This schedule reports the cost sharing employer's contributions to the plan which are actuarially determined, the employer's actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of the actual contributions divided by covered-employee payroll.

4. OTHER POST EMPLOYMENT BENEFITS:

SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS

This schedule presents information about the components of the net OPEB liability and related ratios, including the OPEB plan's fiduciary net position as a percentage of the total OPEB liability, and the net OPEB liability as a percentage of covered-employee payroll

SCHEDULE OF CONTRIBUTIONS

This schedule reports the City's contributions to the plan which are actuarially determined, the employer's actual contributions, the difference between the actual and actuarially determined contributions, and a ratio of the actual contributions divided by covered-employee payroll.

SCHEDULE OF INVESTMENT RETURNS

This schedule presents annual money-weighted rate of return, net of investment expenses. Money-weighted rate of returns is a method of calculating period-by-period returns on OPEB plan investments that adjusts for the changing amounts actually invested.

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance
	Original	Final		Final Budget Positive (Negative)
REVENUES				
Property taxes	\$ 35,302,380	\$ 35,527,077	\$ 37,421,396	\$ 1,894,319
Sales taxes	36,924,000	32,834,450	32,869,001	34,551
Other taxes	17,131,191	15,800,954	16,244,765	443,811
Licenses and permits	2,322,000	2,452,500	2,408,482	(44,018)
Intergovernmental	9,947,437	10,123,768	10,260,780	137,012
Contributions from outside sources	-	82,960	36,737	(46,223)
Fines and forfeitures	431,500	375,000	480,714	105,714
Other in lieu taxes	8,100	7,900	8,342	442
Charges for current services	7,283,541	7,817,133	8,631,185	814,052
Use of money and property	5,462,477	6,794,564	9,654,094	2,859,530
Miscellaneous	720,417	445,920	420,339	(25,581)
	<u>115,533,043</u>	<u>112,262,226</u>	<u>118,435,835</u>	<u>6,173,609</u>
EXPENDITURES				
Current:				
General Government:				
City Council	155,925	177,464	146,052	31,412
City Manager	1,949,360	1,981,482	1,845,388	136,094
City Attorney	1,785,939	1,720,663	1,750,605	(29,942)
Administrative Services	5,682,447	5,888,125	5,752,797	135,328
General Services	5,295,628	3,389,824	7,069,468	(3,679,644)
Fire	22,061,654	22,590,877	21,956,743	634,134
Police	38,782,873	38,211,807	36,151,077	2,060,730
Public Works	8,956,461	8,015,749	7,298,306	717,443
Community Development	16,724,589	16,838,121	15,173,149	1,664,972
Economic Development	2,829,204	2,888,359	2,826,509	61,850
Library	6,052,177	6,065,626	5,834,282	231,344
Capital Outlay:				
Capital projects	13,596,000	3,696,339	3,319,627	376,712
	<u>123,872,257</u>	<u>111,464,436</u>	<u>109,124,003</u>	<u>2,340,433</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(8,339,214)</u>	<u>797,790</u>	<u>9,311,832</u>	<u>3,833,176</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,942,858	4,571,463	691,026	(3,880,437)
Transfers (out)	(4,902,688)	(4,801,959)	(5,045,980)	(244,021)
	<u>(2,959,830)</u>	<u>(230,496)</u>	<u>(4,354,954)</u>	<u>(4,124,458)</u>
Net change in fund balance	(11,299,044)	567,294	4,956,878	<u>\$ 4,389,584</u>
Fund balance-beginning	65,041,635	65,041,635	65,041,635	
Fund balance-ending	<u>\$ 53,742,591</u>	<u>\$ 65,608,929</u>	<u>\$ 69,998,513</u>	

**LOW INCOME HOUSING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Contributions from outside sources	\$ 79,800	\$ 80,295	\$ 495
Charges for services	2,726,426	659,912	(2,066,514)
Use of money and property	210,429	1,315,839	1,105,410
Miscellaneous	<u>296,374</u>	<u>285,939</u>	<u>(10,435)</u>
Total Revenues	<u>3,313,029</u>	<u>2,341,985</u>	<u>(971,044)</u>
EXPENDITURES			
Current:			
General Government:			
Community Development	<u>7,573,629</u>	<u>3,447,043</u>	<u>4,126,586</u>
Total Expenditures	<u>7,573,629</u>	<u>3,447,043</u>	<u>4,126,586</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(4,260,600)</u>	<u>(1,105,058)</u>	<u>3,155,542</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(359,000)</u>	<u>(226,786)</u>	<u>132,214</u>
Total Other Financing Sources (Uses)	<u>(358,810)</u>	<u>(226,597)</u>	<u>132,213</u>
Net change in fund balance	<u>\$ (4,619,410)</u>	<u>(1,331,655)</u>	<u>\$ 3,287,755</u>
Fund balances - beginning		21,083,286	
Fund balances - ending		<u>\$ 19,751,631</u>	

**HOUSING SUCCESSOR SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	HOUSING SUCCESSOR		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Use of money and property	\$ 46,662	\$ 68,388	\$ 21,726
Miscellaneous	105,039	3,334	(101,705)
Total Revenues	<u>151,701</u>	<u>71,722</u>	<u>(79,979)</u>
EXPENDITURES			
Current:			
Community Development	595	585	10
Total Expenditures	<u>595</u>	<u>585</u>	<u>10</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>151,106</u>	<u>71,137</u>	<u>(79,969)</u>
Net change in fund balance	<u>\$ 151,106</u>	71,137	<u>\$ (79,969)</u>
Fund balances - beginning		<u>2,893,425</u>	
Fund balances - ending		<u>\$ 2,964,562</u>	

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
Miscellaneous Plan¹
An Agent Multiple-Employer Defined Benefit Pension Plan
Last 10 Years²

	Measurement period ended June 30,					
	2014	2015	2016	2017	2018	2019
Total Pension Liability						
Service Cost	\$ 4,972,951	\$ 4,537,193	\$ 4,562,441	\$ 5,221,025	\$ 5,353,724	\$ 5,434,229
Interest on total pension liability	16,548,323	17,148,686	18,070,523	18,672,998	19,302,859	20,616,830
Changes in assumptions	-	(4,175,908)	-	15,364,082	(2,304,595)	-
Differences between expected and actual experience	-	(3,477,134)	1,428,415	(1,649,050)	(921,100)	6,244,408
Benefit payments, including refunds of employee contributions	(9,745,631)	(10,512,026)	(11,641,525)	(11,823,392)	(12,027,431)	(13,100,635)
Net change in total pension liability	11,775,643	3,520,811	12,419,854	25,785,663	9,403,457	19,194,832
Total pension liability - beginning	223,030,646	234,806,289	238,327,100	250,746,954	276,532,617	285,936,074
Total pension liability - ending (a)	\$ 234,806,289	\$ 238,327,100	\$ 250,746,954	\$ 276,532,617	\$ 285,936,074	\$ 305,130,906
Plan fiduciary net position						
Contributions - employer	\$ 5,315,795	\$ 5,509,908	\$ 6,359,536	\$ 7,245,912	\$ 7,671,730	\$ 8,682,861
Contributions - employee	2,148,997	1,995,107	2,089,854	2,145,822	2,298,455	2,383,496
Net investment income	26,647,212	3,984,421	936,187	19,644,077	16,437,015	13,686,966
Benefit payments	(9,745,631)	(10,512,026)	(11,641,525)	(11,823,392)	(12,027,431)	(13,100,635)
Net plan to plan resource movement	-	-	-	-	(481)	-
Administrative expense	-	(201,583)	(109,139)	(260,907)	(301,784)	(147,841)
Other miscellaneous income/(expense)	-	-	-	-	(573,094)	481
Net change in plan fiduciary net position	24,366,373	775,827	(2,365,087)	16,951,512	13,504,410	11,505,328
Total fiduciary net position - beginning	153,937,012	178,303,385	179,079,212	176,714,125	193,665,637	207,170,047
Total fiduciary net position - ending (b)	\$ 178,303,385	\$ 179,079,212	\$ 176,714,125	\$ 193,665,637	\$ 207,170,047	\$ 218,675,375
Net pension liability - ending (a) - (b)	\$ 56,502,904	\$ 59,247,888	\$ 74,032,829	\$ 82,866,980	\$ 78,766,027	\$ 86,455,531
Plan fiduciary net position as a percentage of the total pension liability	75.94%	75.14%	70.48%	70.03%	72.45%	71.67%
Covered payroll	\$ 25,934,554	\$ 24,958,429	\$ 25,849,521	\$ 26,984,829	\$ 27,914,510	\$ 28,870,154
Net pension liability as percentage of covered payroll	217.87%	237.39%	286.40%	307.09%	282.17%	299.46%

¹ All Tiers of the Miscellaneous plan were combined on GASB 68 report by CalPERS.

² This schedule is intended to show information for 10 years. Information in this schedule is not available prior to 2014. Additional years will be added to this schedule in future fiscal years until 10 years of data is presented.

Notes to Schedule

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions: Discount rates	7.50%	7.65%	7.65%	7.15%	7.15%	7.15%
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SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS AS OF THE MEASUREMENT DATE							
Safety Police Plan							
A Cost Sharing Defined Benefit Pension Plan							
Last 10 Years ¹							
Measurement period ended June 30,	Plan's proportion of the net pension liability (assets)	Plan's proportionate share of the net pension liability (assets)	Plan's covered payroll ²	Plan's proportionate share of the net pension Liability/(assets) as a percentage of its covered payroll	Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability	Plan's proportionate share of aggregate employer contribution	
2014	0.35300%	\$ 21,965,368	\$ 9,836,927	223.30%	81.45%	\$ 2,724,851	
2015	0.62029%	25,558,797	9,776,879	261.42%	79.04%	2,620,740	
2016	0.63978%	33,135,364	10,332,152	320.70%	74.13%	2,894,745	
2017	0.64020%	38,253,169	10,874,918	351.76%	73.15%	3,301,561	
2018	0.66102%	38,785,811	11,599,156	334.38%	74.09%	3,759,899	
2019	0.67581%	42,187,668	12,310,910	342.69%	74.04%	4,387,258	

¹ This schedule is intended to show information for 10 years. Information in this schedule is not available prior to 2014. Additional years will be added to this schedule in future fiscal years until 10 years of data is presented.

² With the implementation of GASB 82, Covered Payroll is defined as the actual payroll on which contributions to a pension plan are based.

SCHEDULE OF CONTRIBUTIONS					
Miscellaneous Plan ¹					
An Agent Multiple-Employer Defined Benefit Pension Plan					
Last 10 Years ²					
Fiscal year ended June 30,	Actuarially determined contributions	Contributions in relation to the actuarially determined contributions	Contributions deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
2014 ³	\$ 5,315,795	\$ (5,315,795)	\$ -	\$ 25,934,554	20.50%
2015 ³	5,509,908	(5,509,908)	-	24,958,429	22.08%
2016 ³	6,359,536	(6,359,536)	-	25,849,521	24.60%
2017 ³	7,245,912	(7,245,912)	-	26,984,829	26.85%
2018 ³	7,671,730	(7,671,730)	-	27,914,510	27.48%
2019 ³	8,878,238	(8,878,238)	-	29,985,230	29.61%
2020 ⁴	10,004,357	(10,004,357)	-	30,451,705	32.85%

Notes to Schedule

Valuation date: June 30, 2016

Methods and assumptions used to determine

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Amortization period	A fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period.
Asset valuation method	Market value of assets
Inflation	2.75%
Salary increases	3.2% to 12.2%, depending on Age, Service and type of employment
Payroll growth	3.00%
Investment rate of return	7.375%, net of pension plan investment expense, including inflation
Retirement age	50 years
Mortality	The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2014 CalPERS Experience Study. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB.

Benefit changes: None

Changes in assumptions: None

¹ All Tiers of the Miscellaneous plan were combined on GASB 68 report by CalPERS.² This schedule is intended to show information for 10 years. Information in this schedule is not available prior to 2014.

Additional years will be added to this schedule in future fiscal years until 10 years of data is presented.

³ Fiscal years noted in this table match with the fiscal years presented in the GASB 68 actuarial valuation report⁴ As prescribed in GASB 68, paragraph 46, the information presented is from the most recent year

SCHEDULE OF CONTRIBUTIONS						
Safety Police Plan						
A Cost Sharing Defined Benefit Pension Plan						
Last 10 Years ¹						
Fiscal year ended June 30,	Actuarially determined contributions	Contributions in relation to the actuarially determined contributions	Contributions deficiency (excess)	Covered payroll ⁴	Contributions as a percentage of covered payroll	
2014 ²	\$ 2,334,711	\$ (2,334,711)	\$ -	\$ 9,487,559	24.61%	
2015 ²	2,620,741	(2,620,741)	-	9,776,879	26.81%	
2016 ²	2,894,745	(2,894,745)	-	10,332,152	28.02%	
2017 ²	3,301,561	(3,301,561)	-	10,874,918	30.36%	
2018 ²	3,759,899	(3,759,899)	-	11,599,156	32.42%	
2019 ²	4,387,258	(4,387,258)	-	12,310,910	35.64%	
2020 ³	5,095,707	(5,095,707)	-	13,023,674	39.13%	

Notes to Schedule

Benefit changes: None

Changes in assumptions: None

¹ This schedule is intended to show information for 10 years. Information in this schedule is not available prior to 2014.

Additional years will be added to this schedule in future fiscal years until 10 years of data is presented.

² Fiscal years noted in this table match with the fiscal years presented in the GASB 68 actuarial valuation report

³ As prescribed in GASB 68, paragraph 46, the information presented is from the most recent year

⁴ Covered Payroll is defined as the actual payroll on which contributions to a pension plan are based.

SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS
Last 10 Fiscal Years ¹

	2017	2018	2019	2020
Service Cost	\$ 1,324,000	\$ 1,364,072	\$ 1,404,890	\$ 1,188,021
Interest	4,461,000	4,645,578	4,827,840	4,936,407
Changes in assumptions	-	-	4,311,034	-
Differences between expected and actual experience	-	-	(5,282,915)	-
Benefit payments, including refunds	<u>(2,839,793)</u>	<u>(3,109,307)</u>	<u>(3,383,525)</u>	<u>(3,363,911)</u>
Net change in total OPEB liability	2,945,207	2,900,343	1,877,324	2,760,517
Total OPEB liability - beginning	68,715,793	71,661,000	74,561,343	76,438,667
Total OPEB liability - ending (a)	<u>\$ 71,661,000</u>	<u>\$ 74,561,343</u>	<u>\$ 76,438,667</u>	<u>\$ 79,199,184</u>
Plan fiduciary net position				
Contributions - employer	\$ 5,747,533	\$ 5,324,000	\$ 5,380,000	\$ 4,900,000
Net investment income	2,128,521	2,012,498	1,855,034	805,844
Benefit payments, including refunds	(2,839,793)	(3,109,307)	(3,383,525)	(3,363,911)
Administrative expense	<u>(86,886)</u>	<u>(102,288)</u>	<u>(111,259)</u>	<u>(121,024)</u>
Net change in plan fiduciary net position	4,949,375	4,124,903	3,740,250	2,220,909
Plan fiduciary net position - beginning	17,215,192	22,164,567	26,289,470	30,029,720
Plan fiduciary net position - ending (b)	<u>\$ 22,164,567</u>	<u>\$ 26,289,470</u>	<u>\$ 30,029,720</u>	<u>\$ 32,250,629</u>
City's net OPEB liability - ending (a) - (b)	<u>\$ 49,496,433</u>	<u>\$ 48,271,873</u>	<u>\$ 46,408,947</u>	<u>\$ 46,948,555</u>
Plan fiduciary net position as a percentage of the total pension liability	30.93%	35.26%	39.29%	40.72%
Covered payroll ²	\$ 29,345,533	\$ 47,169,986	\$ 28,506,581	\$ 26,656,102
City's net OPEB liability as a percentage of covered payroll	168.67%	102.34%	162.80%	176.13%

¹ This schedule is intended to show information for 10 years. Additional years will be added to this schedule in future fiscal years until 10 years of data is presented.

² With the implementation of GASB 82, Covered Payroll is defined as the actual payroll on which contributions to a pension plan are based.

Notes to Schedule

Benefit changes: None

Changes in assumptions: Amortization period changed from 19-year fixed period to 18-year

Medical trend for non-medicare changed to 7.5% decreasing to an ultimate rate of 4.0% in 2076. Prior trend for non-medicare was 6.25% decreasing to an ultimate rate of 4.75% in 2021

Similarly, medicare changed to 6.5% decreasing to an ultimate rate of 4.0% in 2076. Prior trend for non-medicare was 6.45% decreasing to an ultimate rate of 4.75% in 2021

SCHEDULE OF CONTRIBUTIONS OTHER POST EMPLOYMENT BENEFITS Last 10 Fiscal Years ¹						
Fiscal year ended June 30,	Actuarially determined contributions	Contributions in relation to the actuarially determined contributions	Contributions deficiency (excess)	Covered payroll ²	Contributions as a percentage of covered payroll	
2017	\$ 5,426,000	\$ (5,747,533)	\$ (321,533)	\$ 29,345,533	19.59%	
2018	\$ 5,060,000	\$ (5,324,000)	\$ (264,000)	\$ 47,169,986	11.29%	
2019	\$ 5,082,000	\$ (5,380,000)	\$ (298,000)	\$ 28,506,581	18.87%	
2020	\$ 4,900,000	\$ (4,900,000)	\$ -	\$ 26,656,102	18.38%	

Notes to Schedule

Valuation date: June 30, 2018

Methods and assumptions used to determine

Actuarial cost method	Entry age, level percentage of payroll
Amortization method	Level percentage of payroll
Remaining amortization period	18-year fixed period for 2019-20
Asset valuation method	Investment gains and losses spread over 5-year rolling period
Inflation	2.75%
Healthcare cost trend rates	Non-medicare - 7.5% for 2020 scaling down to 4.0% in 2076 Medicare - 6.5% for 2020 scaling down to 4.0% in 2076
Salary increases	3.00%
Investment rate of return	6.50%, net of plan investment expense
Retirement age	Average retirement age for Miscellaneous & Safety employees is 59 and 54 years, respectively.
Mortality	The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2017 CalPERS Experience Study report, derived from data collected during fiscal years 1997 to 2015. The table includes Mortality improvement projection Scale MP-2018 with 15-year convergence.

Benefit changes: None

Changes in assumptions: None

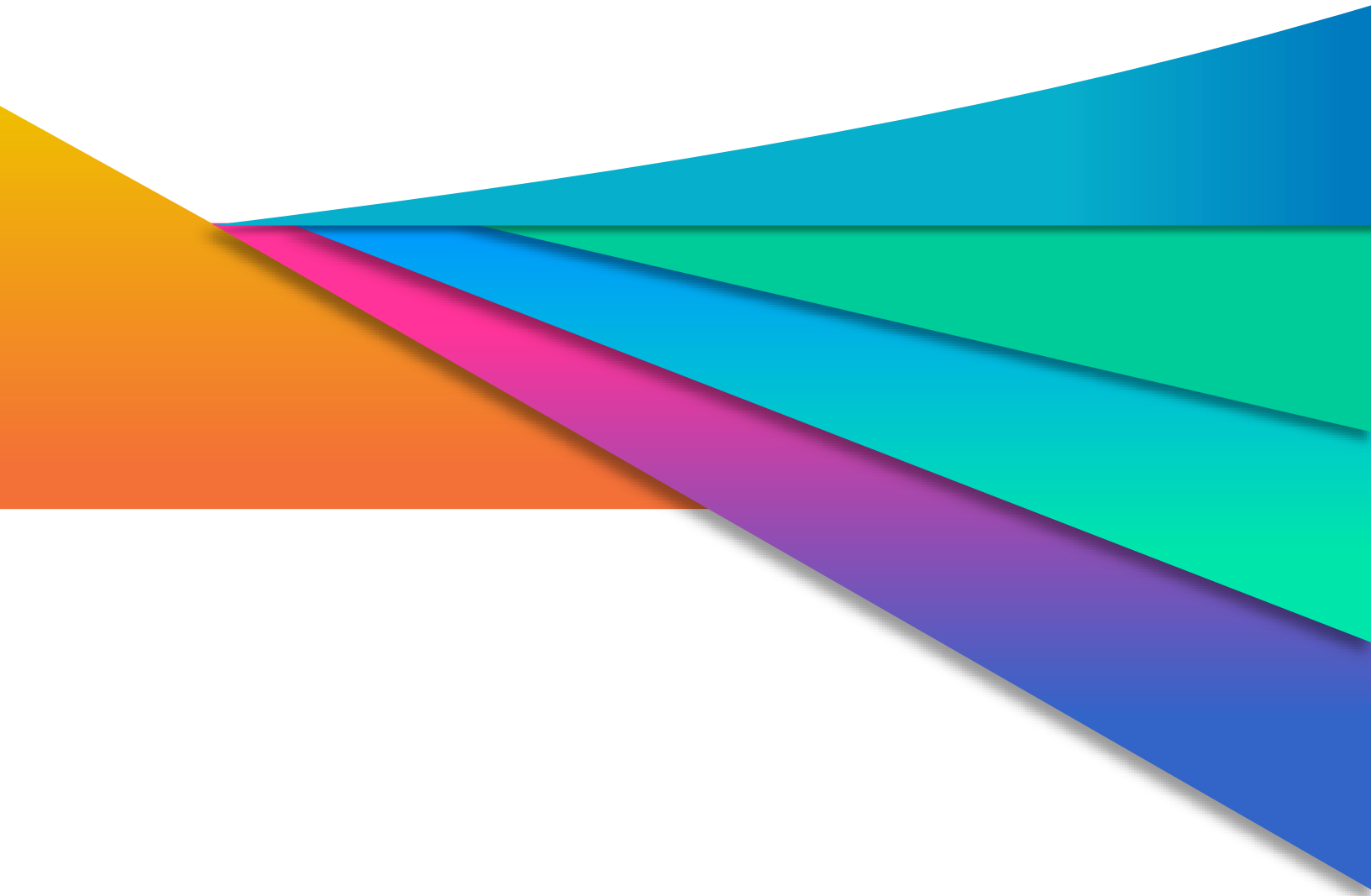
¹ This schedule is intended to show information for 10 years. Additional years will be added to this schedule in future fiscal years until 10 years of data is presented.

² With the implementation of GASB 82, Covered Payroll is defined as the actual payroll on which contributions to a pension plan are based.

SCHEDULE OF INVESTMENT RETURNS OTHER POST EMPLOYEMENT BENEFITS Last 10 Fiscal Years ¹	
Fiscal year ended June 30,	Annual money-weighted rate of return, net of investment expense
2017	11.40%
2018	8.90%
2019	6.55%
2020	2.71%

¹ This schedule is intended to show information for 10 years. Additional years will be added to this schedule in future fiscal years until 10 years of data is presented.

SUPPLEMENTARY INFORMATION



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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS are used to account for City revenues from sources that, by law or administrative action, are designated to finance particular functions or activities of government. The individual special revenue funds are as follows:

HOUSING AND COMMUNITY ASSISTANCE

Established to account for outside resources used for Housing and Human Service programs that can be used to create and expand affordable housing opportunities.

HORIZONS

Established to account for the receipt of grant funds from the Federal Department of Health and Human Services (passed through the Alameda County Probation Department and the Alameda County Health Care Services Agency) for the youth diversion program.

SOLID WASTE MANAGEMENT

Established to account for funds received from waste hauler franchise fees and Alameda County Waste Management Authority used to administer and participate in City/County planning programs to ensure compliance with the California Integrated Solid Waste Management Act, AB 939.

MAINTENANCE DISTRICT

Established to account for the receipt and disbursement of Landscape Maintenance District fees collected from developers and homeowners.

CITY STREET SWEEPING

Established to administer funds received through solid waste collection fees.

PARK FEE

Established to administer the AB1600 funds received from developers to construct new parks in the City.

OTHER SPECIAL REVENUE FUNDS

Established to account for City programs including the Public Art In-Lieu Fee Program, Altamont Open Space Program, and Brownfield Program.

PEG

Established to account for Public, Educational, and Government (PEG) Access funds received from local cable TV franchises used for capital related items for community cable programming.

ALAMEDA COUNTY TRANSPORTATION FUNDS

Established to account for funds received from the Alameda County Transportation Commission including Measure B funds, Measure F funds (Vehicle Registration Fees), and project-specific grant funds which provide funding for street maintenance and improvement programs, pedestrian programs, and transportation-related capital projects.

GAS TAX

Established to account for revenue apportioned to the City from State Street & Highways Codes 2103, 2105, 2106, and 2107, and State Department of Transportation Proposition 1B funds which are expended for construction and maintenance of City streets.

HOST COMMUNITY IMPACT FEE

Established to account for the collection of Host Community Impact Fees from the Altamont and Vasco Road Landfills which are restricted for the use of promoting the arts in Livermore.

OTHER IMPACT FEE SPECIAL REVENUE FUND

Established to account for other City impact fees including the Downtown Revitalization Impact Fee, Human Services Facilities Impact Fees, Parking Space Impact Fees, Storm Drain Impact Fees, and Solid Waste and Recycling Impact Fees to be expended according to their respective City ordinances.

TRI-VALLEY TRANSPORTATION COUNCIL (TVTC) 20% FEE

Established to account for receipts of Tri-Valley Transportation Council fees for specific capital improvement projects.

OTHER LOCAL, STATE, AND FEDERAL GRANTS SPECIAL REVENUE FUND

Established to account for various grants from local agencies, the State of California, and the Federal Government to be expended for a specific program, activity or facility.

DEBT SERVICE FUNDS are used to account for the payment of principal and interest on city-wide governmental debt.

LIVERMORE CAPITAL PROJECTS FINANCING AUTHORITY (LCPFA) 2011 COP were issued to provide financing for certain capital projects.

2014 COP

Series A were issued to provide financing for the acquisition of Bankhead Theater. Series B were issued to defease LCPFA 2008 COP.

2020 COP

Series A were issued to defease 2014 COP Series A. Series B were issued to defease LCPFA 2011 COP and the 2014 COP Series B.

CAPITAL PROJECTS FUNDS are used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

TRAFFIC IMPACT FEE

Established to account for traffic impact fees collected from developers for the purpose of constructing or providing circulation system improvements.

ISABEL AVENUE

Established to account for the construction of new interchange on I-580 at Isabel Avenue/ Route 84 Extension. Financing is provided by Other Local, State and Federal Grant Funds, Alameda County Transportation Fund, and developer impact fees.

EL CHARRO SPECIFIC PLAN

Established to account for the design and construction of the public infrastructure to serve the El Charro Specific Plan Area. Financing is provided by the Water Enterprise Fund, Storm Drain Fund, Traffic Impact Fee Fund, LCPFA COP 2008 and 2011 COP Construction Funds, Alameda County Zone 7 Water Agency, Alameda County Transportation Commission Grant Funds, State grants, City of Pleasanton, and development impact fees collected.

DEVELOPER DEPOSITS

Established to account for developer fees received pursuant to development agreements, performance deposits, public park improvement fees and transportation development fees collected.

OTHER CAPITAL PROJECTS

Established to account for various quality community improvements including Transferable Development Credits from developers, fire station, Livermore park, and to account for construction of public improvements on College Avenue Assessment District 87-2A and Shea Community Facilities District.

STREET FUND

Established to account for the construction and improvements of city streets including Vasco Road, Civic Center Bus Stop, and Route 84. Financing includes multiple source including City funds (Tri-Valley Transportation Council Funds, Traffic Impact Fees) and third parties (California Department of Transportation, LAVTA and Agency Trust).

PERMANENT FUNDS are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the government's programs.

DOOLAN CANYON ENDOWMENT FUND

Established to account for an endowment restricted for items related to mitigation of the burrowing owl habitat.

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2020

	SPECIAL REVENUE FUNDS					
	Housing & Community Assistance	Horizons	Solid Waste Management	Maintenance District	City Street Sweeping	Park Fee
ASSETS						
Cash and investments in City Treasury	\$ 582,128	\$ 3,355	\$ 449,169	\$ 8,883,748	\$ 135,777	\$ 9,932,959
Cash and investments with Trustees	-	-	-	-	-	-
Accounts receivables (net of applicable allowable for uncollectibles)	743,814	166,738	62,888	31,966	95	-
Prepays and supplies	-	-	-	-	-	-
Notes receivable	1,902,077	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total Assets	\$ 3,228,019	\$ 170,093	\$ 512,057	\$ 8,915,714	\$ 135,872	\$ 9,932,959
LIABILITIES						
Accounts payable and other accruals	\$ 79,569	\$ 33,963	\$ 10,759	\$ 192,934	\$ 328	\$ 1,039,301
Accrued payroll	6,752	24,115	9,000	23,384	4,256	-
Interest payable	-	-	-	-	-	-
Deposits payable	-	-	-	-	-	119,935
Due to other funds	-	102,953	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Unearned rents and revenue	3,495	-	-	-	-	-
Total Liabilities	89,816	161,031	19,759	216,318	4,584	1,159,236
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	1,902,077	5,707	-	-	-	-
Total deferred inflows of resources	1,902,077	5,707	-	-	-	-
FUND BALANCE						
Nonspendable	-	-	-	-	-	-
Restricted	1,236,126	3,355	492,298	8,699,396	131,288	8,773,723
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total Fund Balances (Deficits)	1,236,126	3,355	492,298	8,699,396	131,288	8,773,723
Total Liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 3,228,019	\$ 170,093	\$ 512,057	\$ 8,915,714	\$ 135,872	\$ 9,932,959

SPECIAL REVENUE FUNDS							
Other Special Revenue Funds	PEG	Alameda County Transportation Funds	Gas Tax	Host Community Impact Fee	Other Impact Fee	TVTC 20% Fee	Other Local, State and Federal Grants
\$ 6,605,891	\$ 799,920	\$ 5,861,442	\$ 7,240,382	\$ 985,629	\$ 5,699,945	\$ 3,730,322	\$ 2,253,020
-	-	-	-	-	-	-	-
399	63,495	513,960	113,529	115,044	-	-	1,108,922
-	-	-	-	-	-	-	-
93,472	-	-	-	-	-	-	2,500,103
-	-	-	-	-	-	-	-
<u>\$ 6,699,762</u>	<u>\$ 863,415</u>	<u>\$ 6,375,402</u>	<u>\$ 7,353,911</u>	<u>\$ 1,100,673</u>	<u>\$ 5,699,945</u>	<u>\$ 3,730,322</u>	<u>\$ 5,862,045</u>
\$ 9,682	\$ -	\$ 354,510	\$ 757,265	\$ -	\$ 53,194	\$ -	\$ 923,822
-	-	-	-	-	-	-	3,508
-	-	133,389	119,797	-	-	-	594,031
-	-	-	-	-	-	-	-
-	-	-	-	-	3,880,245	-	-
62,002	-	-	-	-	-	-	70,665
<u>71,684</u>	<u>-</u>	<u>487,899</u>	<u>877,062</u>	<u>-</u>	<u>3,933,439</u>	<u>-</u>	<u>1,592,026</u>
93,472	-	-	-	-	-	-	2,500,103
93,472	-	-	-	-	-	-	2,500,103
-	-	-	-	-	-	-	-
3,936,663	863,415	5,887,503	6,476,849	1,100,673	1,766,506	3,730,322	1,769,916
2,597,943	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>6,534,606</u>	<u>863,415</u>	<u>5,887,503</u>	<u>6,476,849</u>	<u>1,100,673</u>	<u>1,766,506</u>	<u>3,730,322</u>	<u>1,769,916</u>
<u>\$ 6,699,762</u>	<u>\$ 863,415</u>	<u>\$ 6,375,402</u>	<u>\$ 7,353,911</u>	<u>\$ 1,100,673</u>	<u>\$ 5,699,945</u>	<u>\$ 3,730,322</u>	<u>\$ 5,862,045</u>

(Continued)

NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2020						
	DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS		
	LCPFA 2011 COP	2014 COP	2020 COP	Traffic Impact Fee	Isabel Avenue	El Charro Specific Plan
ASSETS						
Cash and investments in City Treasury	\$ -	\$ 7,457	\$ -	\$ 23,721,306	\$ 22,415	\$ 541,410
Cash and investments with Trustees	-	-	19,925	-	-	-
Accounts receivables (net of applicable allowable for uncollectibles)	-	-	-	-	-	-
Prepays and supplies	-	-	-	-	-	-
Notes receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total Assets	\$ -	\$ 7,457	\$ 19,925	\$ 23,721,306	\$ 22,415	\$ 541,410
LIABILITIES						
Accounts payable and other accruals	\$ -	\$ 7,457	\$ 921	\$ 74,007	\$ 22,415	\$ 74,084
Accrued payroll	-	-	-	-	-	-
Interest payable	-	-	-	-	-	-
Deposits payable	-	-	-	29,109	-	-
Due to other funds	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Unearned rents and revenue	-	-	-	-	-	-
Total Liabilities	-	7,457	921	103,116	22,415	74,084
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue- loan receivable	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-
FUND BALANCE						
Nonspendable	-	-	-	-	-	-
Restricted	-	-	19,004	23,618,190	-	467,326
Committed	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
	-	-	19,004	23,618,190	-	467,326
Total Liabilities, deferred inflows of resources, and fund balances (deficits)	\$ -	\$ 7,457	\$ 19,925	\$ 23,721,306	\$ 22,415	\$ 541,410

CAPITAL PROJECTS FUNDS			PERMANENT FUND		Total Nonmajor Governmental Funds
Developer Deposits	Other Capital Projects	Street Fund	Doolan Canyon Endowment Fund		
\$ 2,703,910	\$ 14,557,752	\$ 68,842	\$ -	\$ -	\$ 94,786,779
-	76,850	-	537,115	-	633,890
-	-	119	-	-	2,920,969
-	-	-	-	-	-
-	-	-	-	-	4,495,652
-	-	-	-	-	-
<u>\$ 2,703,910</u>	<u>\$ 14,634,602</u>	<u>\$ 68,961</u>	<u>\$ 537,115</u>	<u>\$ -</u>	<u>\$ 102,837,290</u>
\$ 22,956	\$ 72,953	\$ -	\$ 4,275	\$ -	\$ 3,734,395
-	-	-	-	-	71,015
-	-	-	-	-	-
-	-	-	-	-	996,261
-	-	-	-	-	102,953
-	-	-	-	-	3,880,245
<u>2,680,954</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,817,116</u>
<u>2,703,910</u>	<u>72,953</u>	<u>-</u>	<u>4,275</u>	<u>-</u>	<u>11,601,985</u>
-	-	-	-	-	4,501,359
-	-	-	-	-	4,501,359
-	-	-	532,840	-	532,840
-	14,561,649	68,961	-	-	83,603,163
-	-	-	-	-	2,597,943
-	-	-	-	-	-
-	14,561,649	68,961	532,840	-	86,733,946
<u>\$ 2,703,910</u>	<u>\$ 14,634,602</u>	<u>\$ 68,961</u>	<u>\$ 537,115</u>	<u>\$ -</u>	<u>\$ 102,837,290</u>

NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2020						
SPECIAL REVENUE FUNDS						
	Housing & Community Assistance	Horizons	Solid Waste Management	Maintenance District	City Street Sweeping	Park Fee
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ 3,462,778	\$ -	\$ -
Intergovernmental	808,453	749,124	291,249	-	-	-
Contributions from outside sources	-	46,358	-	-	-	-
Charges for services	-	7,586	228,932	-	640,227	4,129,344
Use of money and property	19,048	-	6,374	-	-	309,896
Miscellaneous	125,549	4,328	-	-	-	-
Total Revenues	953,050	807,396	526,555	3,462,778	640,227	4,439,240
EXPENDITURES						
Current:						
General Government						
City Council	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	147,053	1,254,981	-	-	-	-
Public Works	-	-	562,505	2,709,442	512,554	-
Community Development	664,772	-	-	-	-	3,962,258
Library	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	-	-	-	-	3,204,513
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Issuance cost	-	-	-	-	-	-
Total Expenditures	811,825	1,254,981	562,505	2,709,442	512,554	7,166,771
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	141,225	(447,585)	(35,950)	753,336	127,673	(2,727,531)
OTHER FINANCING SOURCES (USES)						
Refunding bonds issued	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-
Payment to refunded bond escrow	-	-	-	-	-	-
Transfers in	-	482,484	-	121,632	-	-
Transfers (out)	-	-	-	(202,968)	-	-
Total Other Financing Sources (Uses)	-	482,484	-	(81,336)	-	-
Change in fund balances before extraordinary items	141,225	34,899	(35,950)	672,000	127,673	(2,727,531)
Net change in fund balances	141,225	34,899	(35,950)	672,000	127,673	(2,727,531)
Fund balances (deficits)- beginning	1,094,901	(31,544)	528,248	8,027,396	3,615	11,501,254
Fund balances (deficits)- ending	\$ 1,236,126	\$ 3,355	\$ 492,298	\$ 8,699,396	\$ 131,288	\$ 8,773,723

SPECIAL REVENUE FUNDS							
Other Special Revenue Funds	PEG	Alameda County Transportation Funds	Gas Tax	Host Community Impact Fee	Other Impact Fee	TVTC 20% Fee	Other Local, State and Federal Grants
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	3,075,656	3,653,520	-	-	-	2,312,930
1,009,044	-	-	-	550,371	-	-	12,527
61,984	-	-	-	-	1,654,838	743,782	43,211
71,061	-	193,468	100,350	14,396	-	100,800	116,775
135,000	251,115	-	-	-	-	-	113,374
<u>1,277,089</u>	<u>251,115</u>	<u>3,269,124</u>	<u>3,753,870</u>	<u>564,767</u>	<u>1,654,838</u>	<u>844,582</u>	<u>2,598,817</u>
-	-	-	-	-	-	-	156,125
-	47,821	-	-	-	-	-	-
-	-	-	-	-	-	-	6,656
-	-	-	-	-	-	-	302,244
-	-	153,903	-	47,457	-	-	12,819
226,840	-	3,496,074	1,704,484	-	281,729	32,963	2,277,433
-	-	-	-	-	-	-	62,516
83,334	2,662	710,265	244,958	-	-	-	909,066
-	-	-	-	-	-	-	126,758
-	-	-	-	-	-	-	56,599
-	-	-	-	-	-	-	-
<u>310,174</u>	<u>50,483</u>	<u>4,360,242</u>	<u>1,949,442</u>	<u>47,457</u>	<u>281,729</u>	<u>32,963</u>	<u>3,910,216</u>
<u>966,915</u>	<u>200,632</u>	<u>(1,091,118)</u>	<u>1,804,428</u>	<u>517,310</u>	<u>1,373,109</u>	<u>811,619</u>	<u>(1,311,399)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(20,193)	-	(304,653)	(120,998)	(290,240)	-	-	(93,435)
(20,193)	-	(304,653)	(120,998)	(290,240)	-	-	(93,435)
<u>946,722</u>	<u>200,632</u>	<u>(1,395,771)</u>	<u>1,683,430</u>	<u>227,070</u>	<u>1,373,109</u>	<u>811,619</u>	<u>(1,404,834)</u>
946,722	200,632	(1,395,771)	1,683,430	227,070	1,373,109	811,619	(1,404,834)
5,587,884	662,783	7,283,274	4,793,419	873,603	393,397	2,918,703	3,174,750
<u>\$ 6,534,606</u>	<u>\$ 863,415</u>	<u>\$ 5,887,503</u>	<u>\$ 6,476,849</u>	<u>\$ 1,100,673</u>	<u>\$ 1,766,506</u>	<u>\$ 3,730,322</u>	<u>\$ 1,769,916</u>

(Continued)

NON-MAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2020						
	DEBT SERVICE FUNDS			CAPITAL PROJECTS FUNDS		
	LCPFA 2011 COP	2014 COP	2020 COP	Traffic Impact Fee	Isabel Avenue	El Charro Specific Plan
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Contributions from outside sources	-	-	-	-	-	-
Charges for services	-	-	-	3,543,182	-	47,535
Use of money and property	16,392	5	-	665,067	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	16,392	5	-	4,208,249	-	47,535
EXPENDITURES						
Current:						
General Government:						
City Council	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Community Development	-	-	-	3,000	109,044	-
Library	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	-	-	723,966	5,365	124,383
Debt service:						
Principal retirement	294,986	2,703,709	-	-	-	-
Interest and fiscal charges	821,189	626,887	921	-	-	-
Issuance cost	-	-	407,260	-	-	-
Total Expenditures	1,116,175	3,330,596	408,181	726,966	114,409	124,383
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,099,783)	(3,330,591)	(408,181)	3,481,283	(114,409)	(76,848)
OTHER FINANCING SOURCES (USES)						
Refunding bonds issued	-	-	42,932,418	-	-	-
Premium on refunding bonds issued	-	-	7,922,280	-	-	-
Payment to refunded bond escrow	(11,160,926)	(40,135,773)	-	-	-	-
Transfers in	11,406,495	43,446,116	21,737	-	420,568	-
Transfers (out)	-	-	(50,449,250)	(173,380)	-	-
Total Other Financing Sources (Uses)	245,569	3,310,343	427,185	(173,380)	420,568	-
Change in fund balances before extraordinary items	(854,214)	(20,248)	19,004	3,307,903	306,159	(76,848)
Net change in fund balances	(854,214)	(20,248)	19,004	3,307,903	306,159	(76,848)
Fund balances (deficits)- beginning	854,214	20,248	-	20,310,287	(306,159)	544,174
Fund balances (deficits)- ending	\$ -	\$ -	\$ 19,004	\$ 23,618,190	\$ -	\$ 467,326

CITY OF LIVERMORE				
CAPITAL PROJECTS FUNDS			PERMANENT FUND	
Developer Deposits	Other Capital Projects	Street Fund	Doolan Canyon Endowment	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 3,462,778
-	-	-	-	10,890,932
-	-	-	-	1,618,300
-	-	-	-	11,100,621
-	3,177	7,241	5,070	1,629,120
-	-	-	-	629,366
-	3,177	7,241	5,070	29,331,117
-	-	-	-	156,125
-	-	-	-	47,821
-	-	-	-	6,656
-	-	-	-	1,704,278
-	-	-	-	3,998,680
-	-	469,654	23,865	13,252,116
-	-	-	-	62,516
-	1,700,005	-	-	7,708,517
-	-	-	-	3,125,453
-	-	-	-	1,505,596
-	-	-	-	407,260
-	1,700,005	469,654	23,865	31,975,018
-	(1,696,828)	(462,413)	(18,795)	(2,643,901)
-	-	-	-	42,932,418
-	-	-	-	7,922,280
-	-	-	-	(51,296,699)
-	-	-	13,846	55,912,878
-	-	-	-	(51,655,117)
-	-	-	13,846	3,815,760
-	(1,696,828)	(462,413)	(4,949)	1,171,859
-	(1,696,828)	(462,413)	(4,949)	1,171,859
-	16,258,477	531,374	537,789	85,562,087
\$ -	\$ 14,561,649	\$ 68,961	\$ 532,840	\$ 86,733,946

BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	HOUSING & COMMUNITY ASSISTANCE			HORIZONS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	814,504	808,453	(6,051)	710,435	749,124	38,689
Contributions from outside sources	-	-	-	34,500	46,358	11,858
Charges for services	-	-	-	5,000	7,586	2,586
Use of money and property	17,300	19,048	1,748	-	-	-
Miscellaneous	106,854	125,549	18,695	3,000	4,328	1,328
Total Revenues	938,658	953,050	14,392	752,935	807,396	54,461
EXPENDITURES						
Current:						
General Government:						
City Council	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Police	144,708	147,053	(2,345)	1,288,808	1,254,981	33,827
Public works	-	-	-	-	-	-
Community Development	734,241	664,772	69,469	-	-	-
Capital Outlay:						
Capital projects	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Issuance cost	-	-	-	-	-	-
Total Expenditures	878,949	811,825	67,124	1,288,808	1,254,981	33,827
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	59,709	141,225	81,516	(535,873)	(447,585)	88,288
OTHER FINANCING SOURCES (USES)						
Refunding bonds issued	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-
Payment to refunded bond escrow	-	-	-	-	-	-
Transfers in	-	-	-	567,417	482,484	(84,933)
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	567,417	482,484	(84,933)
Net change in fund balance	\$ 59,709	141,225	\$ 81,516	\$ 31,544	34,899	\$ 3,355
Fund balances (deficits)- beginning		1,094,901			(31,544)	
Fund balances (deficits)- ending		<u>\$ 1,236,126</u>			<u>\$ 3,355</u>	

SOLID WASTE MANAGEMENT			MAINTENANCE DISTRICT			CITY STREET SWEEPING		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ 2,981,442	\$ 3,462,778	\$ 481,336	\$ -	\$ -	\$ -
310,000	291,249	(18,751)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
228,932	228,932	-	-	-	-	640,000	640,227	227
1,416	6,374	4,958	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>540,348</u>	<u>526,555</u>	<u>(13,793)</u>	<u>2,981,442</u>	<u>3,462,778</u>	<u>481,336</u>	<u>640,000</u>	<u>640,227</u>	<u>227</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
564,621	562,505	2,116	2,781,033	2,709,442	71,591	538,767	512,554	26,213
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>564,621</u>	<u>562,505</u>	<u>2,116</u>	<u>2,781,033</u>	<u>2,709,442</u>	<u>71,591</u>	<u>538,767</u>	<u>512,554</u>	<u>26,213</u>
<u>(24,273)</u>	<u>(35,950)</u>	<u>(11,677)</u>	<u>200,409</u>	<u>753,336</u>	<u>552,927</u>	<u>101,233</u>	<u>127,673</u>	<u>26,440</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	121,000	121,632	632	-	-	-
-	-	-	(228,000)	(202,968)	25,032	-	-	-
-	-	-	(107,000)	(81,336)	25,664	-	-	-
<u>\$ (24,273)</u>	<u>(35,950)</u>	<u>\$ (11,677)</u>	<u>\$ 93,409</u>	<u>672,000</u>	<u>\$ 578,591</u>	<u>\$ 101,233</u>	<u>127,673</u>	<u>\$ 26,440</u>
	528,248			8,027,396			3,615	
	<u>\$ 492,298</u>			<u>\$ 8,699,396</u>			<u>\$ 131,288</u>	

(Continued)

BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	PARK FEE			OTHER SPECIAL REVENUE FUNDS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Contributions from outside sources	-	-	-	1,009,044	1,009,044	-
Charges for services	3,348,839	4,129,344	780,505	153,000	61,984	(91,016)
Use of money and property	73,801	309,896	236,095	16,072	71,061	54,989
Miscellaneous	-	-	-	235,000	135,000	(100,000)
Total Revenues	3,422,640	4,439,240	1,016,600	1,413,116	1,277,089	(136,027)
EXPENDITURES						
Current:						
General Government:						
City Council	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Community Development	5,500,000	3,962,258	1,537,742	192,959	226,840	(33,881)
Capital Outlay:						
Capital projects	2,490,000	3,204,513	(714,513)	361,700	83,334	278,366
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Issuance cost	-	-	-	-	-	-
Total Expenditures	7,990,000	7,166,771	823,229	554,659	310,174	244,485
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(4,567,360)	(2,727,531)	1,839,829	858,457	966,915	108,458
OTHER FINANCING SOURCES (USES)						
Refunding bonds issued	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-
Payment to refunded bond escrow	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(27,000)	(20,193)	6,807
Total Other Financing Sources (Uses)	-	-	-	(27,000)	(20,193)	6,807
Net change in fund balance	\$ (4,567,360)	(2,727,531)	\$ 1,839,829	\$ 831,457	946,722	\$ 115,265
Fund balances (deficits)- beginning		11,501,254			5,587,884	
Fund balances (deficits)- ending		\$ 8,773,723			\$ 6,534,606	

PEG			TRANSPORTATION FUNDS			GAS TAX		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	3,272,650	3,075,656	(196,994)	4,018,620	3,653,520	(365,100)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	47,666	193,468	145,802	23,339	100,350	77,011
250,000	251,115	1,115	-	-	-	-	-	-
250,000	251,115	1,115	3,320,316	3,269,124	(51,192)	4,041,959	3,753,870	(288,089)
-	-	-	-	-	-	-	-	-
65,678	47,821	17,857	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	124,525	153,903	(29,378)	-	-	-
-	-	-	2,551,785	3,496,074	(944,289)	1,290,490	1,704,484	(413,994)
59,000	2,662	56,338	1,411,400	710,265	701,135	287,000	244,958	42,042
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
124,678	50,483	74,195	4,087,710	4,360,242	(272,532)	1,577,490	1,949,442	(371,952)
125,322	200,632	75,310	(767,394)	(1,091,118)	(323,724)	2,464,469	1,804,428	(660,041)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	(413,745)	(304,653)	109,092	(1,234,214)	(120,998)	1,113,216
-	-	-	(413,745)	(304,653)	109,092	(1,234,214)	(120,998)	1,113,216
<u>\$ 125,322</u>	200,632	<u>\$ 75,310</u>	<u>\$ (1,181,139)</u>	(1,395,771)	<u>\$ (214,632)</u>	<u>\$ 1,230,255</u>	1,683,430	<u>\$ 453,175</u>
	662,783			7,283,274			4,793,419	
	<u>\$ 863,415</u>			<u>\$ 5,887,503</u>			<u>\$ 6,476,849</u>	

(Continued)

BUDGETED NON-MAJOR FUNDS SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2020						
	HOST COMMUNITY IMPACT FEE			OTHER IMPACT FEE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Contributions from outside sources	560,000	550,371	-	-	-	-
Charges for services	-	-	-	1,572,982	1,654,838	81,856
Use of money and property	-	14,396	-	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	560,000	564,767	4,767	1,572,982	1,654,838	81,856
EXPENDITURES						
Current:						
General Government:						
City Council	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	12,742	47,457	(34,715)	-	-	-
Community Development	-	-	-	600,000	281,729	318,271
Capital Outlay:						
Capital projects	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Issuance cost	-	-	-	-	-	-
Total Expenditures	12,742	47,457	(34,715)	600,000	281,729	318,271
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	547,258	517,310	(29,948)	972,982	1,373,109	400,127
OTHER FINANCING SOURCES (USES)						
Refunding bonds issued	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-
Payment to refunded bond escrow	-	-	-	-	-	-
Transfers in	(313,375)	(290,240)	23,135	(213,198)	-	213,198
Total Other Financing Sources (Uses)	(313,375)	(290,240)	23,135	(213,198)	-	213,198
Net change in fund balance	\$ 233,883	227,070	\$ (6,813)	\$ 759,784	1,373,109	\$ 613,325
Fund balances (deficits)- beginning		873,603			393,397	
Fund balances (deficits)- ending		\$ 1,100,673			\$ 1,766,506	

TVTC 20% FEE			STATE, AND FEDERAL GRANTS			LCPFA 2011 COP DEBT SERVICE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	3,331,760	2,312,930	(1,018,830)	-	-	-
-	-	-	48,000	12,527	(35,473)	-	-	-
1,950,675	743,782	(1,206,893)	44,490	43,211	(1,279)	-	-	-
22,128	100,800	78,672	89,449	116,775	27,326	20,000	16,392	(3,608)
-	-	-	145,675	113,374	(32,301)	-	-	-
<u>1,972,803</u>	<u>844,582</u>	<u>(1,128,221)</u>	<u>3,659,374</u>	<u>2,598,817</u>	<u>(1,060,557)</u>	<u>20,000</u>	<u>16,392</u>	<u>(3,608)</u>
-	-	-	160,000	156,125	3,875	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	521,987	302,244	219,743	-	-	-
-	-	-	16,119	12,819	3,300	-	-	-
17,172	32,963	(15,791)	939,898	2,277,433	(1,337,535)	-	-	-
-	-	-	200,000	909,066	(709,066)	-	-	-
-	-	-	126,758	126,758	-	294,986	294,986	-
-	-	-	56,595	56,599	(4)	900,397	821,189	79,208
-	-	-	-	-	-	-	-	-
<u>17,172</u>	<u>32,963</u>	<u>(15,791)</u>	<u>2,180,875</u>	<u>3,910,216</u>	<u>(1,729,341)</u>	<u>1,195,383</u>	<u>1,116,175</u>	<u>79,208</u>
<u>1,955,631</u>	<u>811,619</u>	<u>(1,144,012)</u>	<u>1,478,499</u>	<u>(1,311,399)</u>	<u>(2,789,898)</u>	<u>(1,175,383)</u>	<u>(1,099,783)</u>	<u>75,600</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	(11,160,926)	(11,160,926)	-
-	-	-	126,095	-	(126,095)	11,482,095	11,406,495	(75,600)
-	-	-	(70,023)	(93,435)	(23,412)	-	-	-
-	-	-	56,072	(93,435)	(149,507)	321,169	245,569	(75,600)
<u>\$ 1,955,631</u>	<u>811,619</u>	<u>\$ (1,144,012)</u>	<u>\$ 1,534,571</u>	<u>(1,404,834)</u>	<u>\$ (2,939,405)</u>	<u>\$ (854,214)</u>	<u>(854,214)</u>	<u>\$ -</u>
	2,918,703			3,174,750			854,214	
	<u>\$ 3,730,322</u>			<u>\$ 1,769,916</u>			<u>\$ -</u>	

(Continued)

BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	2014 COP DEBT SERVICE			2020 COP DEBT SERVICE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Contributions from outside sources	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Use of money and property	-	5	5	-	-	-
Miscellaneous	-	-	-	-	-	-
Total Revenues	-	5	5	-	-	-
EXPENDITURES						
Current:						
General Government:						
City Council	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	-	-	-	-	-
Debt service:						
Principal	2,703,709	2,703,709	-	-	-	-
Interest and fiscal charges	722,779	626,887	95,892	-	921	(921)
Issuance cost	-	-	-	311,839	407,260	(95,421)
Total Expenditures	3,426,488	3,330,596	95,892	311,839	408,181	(96,342)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(3,426,488)	(3,330,591)	95,897	(311,839)	(408,181)	(96,342)
OTHER FINANCING SOURCES (USES)						
Refunding bonds issued	-	-	-	51,026,029	42,932,418	(8,093,611)
Premium on refunding bonds issued	-	-	-	-	7,922,280	7,922,280
Payment to refunded bond escrow	(40,135,773)	(40,135,773)	-	-	-	-
Transfers in	43,542,012	43,446,116	(95,896)	-	21,737	21,737
Transfers out	-	-	-	(50,714,190)	(50,449,250)	264,940
Total Other Financing Sources (Uses)	3,406,239	3,310,343	(95,896)	311,839	427,185	115,346
Net change in fund balance	\$ (20,249)	(20,248)	\$ 1	\$ -	19,004	\$ 19,004
Fund balances (deficits)- beginning		20,248			-	
Fund balances (deficits)- ending		\$ -			\$ 19,004	

TRAFFIC IMPACT FEE			ISABEL AVENUE			EL CHARRO SPECIFIC PLAN		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
3,491,109	3,543,182	52,073	-	-	-	58,783	47,535	(11,248)
150,225	665,067	514,842	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>3,641,334</u>	<u>4,208,249</u>	<u>566,915</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>58,783</u>	<u>47,535</u>	<u>(11,248)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
100,000	3,000	97,000	-	109,044	(109,044)	-	-	-
915,768	723,966	191,802	287,650	5,365	282,285	267,333	124,383	142,950
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>1,015,768</u>	<u>726,966</u>	<u>288,802</u>	<u>287,650</u>	<u>114,409</u>	<u>173,241</u>	<u>267,333</u>	<u>124,383</u>	<u>142,950</u>
<u>2,625,566</u>	<u>3,481,283</u>	<u>855,717</u>	<u>(287,650)</u>	<u>(114,409)</u>	<u>173,241</u>	<u>(208,550)</u>	<u>(76,848)</u>	<u>131,702</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	593,809	420,568	(173,241)	267,333	-	(267,333)
<u>(363,624)</u>	<u>(173,380)</u>	<u>190,244</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(267,333)</u>	<u>-</u>	<u>267,333</u>
<u>(363,624)</u>	<u>(173,380)</u>	<u>190,244</u>	<u>593,809</u>	<u>420,568</u>	<u>(173,241)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,261,942</u>	<u>3,307,903</u>	<u>\$ 1,045,961</u>	<u>\$ 306,159</u>	<u>306,159</u>	<u>\$ -</u>	<u>\$ (208,550)</u>	<u>(76,848)</u>	<u>\$ 131,702</u>
	<u>20,310,287</u>			<u>(306,159)</u>			<u>544,174</u>	
	<u>\$ 23,618,190</u>			<u>\$ -</u>			<u>\$ 467,326</u>	

(Continued)

BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	DEVELOPER DEPOSITS			OTHER CAPITAL PROJECTS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	-	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Contributions from outside sources	20,000	-	(20,000)	-	-	-
Charges for services	-	-	-	-	-	-
Use of money and property	10,371	-	(10,371)	4,150	3,177	(973)
Miscellaneous	-	-	-	-	-	-
Total Revenues	30,371	-	(30,371)	4,150	3,177	(973)
EXPENDITURES						
Current:						
General Government:						
City Council	-	-	-	-	-	-
City Manager	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Community Development	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	-	-	1,703,359	1,700,005	3,354
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Issuance cost	-	-	-	-	-	-
Total Expenditures	-	-	-	1,703,359	1,700,005	3,354
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	30,371	-	(30,371)	(1,699,209)	(1,696,828)	2,381
OTHER FINANCING SOURCES (USES)						
Refunding bonds issued	-	-	-	-	-	-
Premium on refunding bonds issued	-	-	-	-	-	-
Payment to refunded bond escrow	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance		-		\$ (1,699,209)	(1,696,828)	\$ 2,381
Fund balances (deficits)- beginning		-			16,258,477	
Fund balances (deficits)- ending		\$ -			\$ 14,561,649	

STREET FUND			DOOLAN CANYON ENDWOMENT FUND		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
10,000	7,241	(2,759)	-	5,070	5,070
-	-	-	-	-	-
10,000	7,241	(2,759)	-	5,070	5,070
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	469,654	(469,654)	27,000	23,865	3,135
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	469,654	(469,654)	27,000	23,865	3,135
10,000	(462,413)	(472,413)	(27,000)	(18,795)	8,205
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	27,000	13,846	(13,154)
-	-	-	-	-	-
-	-	-	27,000	13,846	(13,154)
\$ 10,000	(462,413)	\$ (472,413)	\$ -	(4,949)	\$ (4,949)
	531,374			537,789	
	\$ 68,961			\$ 532,840	

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INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of services and supplies provided by one city department to another on a cost reimbursement basis.

The concept of major funds introduced by GASB 34 does not extend to internal service funds because they do not do business with outside parties. GASB 34 requires that for the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting against the operations of the other city departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

However, internal service funds are still presented separately in the Fund financial statements, including the funds below:

LIABILITY INSURANCE RESERVE

Established to account for the City's public liability self-insured program.

WORKERS COMPENSATION

Established to account for the City's self-insured workers compensation program.

FLEET AND EQUIPMENT SERVICES

Established to account for the maintenance and acquisition of the City's fleet and small equipment.

INFORMATION TECHNOLOGY

Established to account for the maintenance and acquisition of the City's software and hardware.

FACILITIES REHABILITATION PROJECTS

Established to account for the repair and maintenance of city facilities.

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF NET POSITION JUNE 30, 2020			
	Liability Insurance Reserve	Workers Compensation	Fleet and Equipment Services
ASSETS			
Current Assets:			
Cash and investments in City Treasury	\$ 3,984,232	\$ 8,996,337	\$ 4,672,675
Accounts receivable (net of applicable allowance for uncollectibles)	-	627	72,439
Inventory	-	-	278,994
Prepays, deposits and supplies	-	-	-
Total current assets	<u>3,984,232</u>	<u>8,996,964</u>	<u>5,024,108</u>
Noncurrent Assets:			
Construction in progress	-	-	212,433
Depreciable capital assets (net of depreciation)	-	-	7,312,268
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>7,524,701</u>
Total Assets	<u>3,984,232</u>	<u>8,996,964</u>	<u>12,548,809</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to pension	81,360	73,084	299,235
Related to OPEB	<u>13,675</u>	<u>4,202</u>	<u>44,823</u>
Total deferred outflows of resources	<u>95,035</u>	<u>77,286</u>	<u>344,058</u>
LIABILITIES			
Current Liabilities:			
Accounts payable and other accruals	344,744	5,354	157,873
Accrued payroll	7,287	6,378	26,787
Claims payable	460,000	920,000	-
Deposits payable	-	-	-
Long-term debt:			
Due within one year	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>812,031</u>	<u>931,732</u>	<u>184,660</u>
Noncurrent Liabilities:			
Claims payable	2,223,534	4,295,194	-
Net Pension liability	510,088	458,214	1,876,085
Net OPEB liabilities	246,470	75,740	807,870
Long-term debt:			
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>2,980,092</u>	<u>4,829,148</u>	<u>2,683,955</u>
Total liabilities	<u>3,792,123</u>	<u>5,760,880</u>	<u>2,868,615</u>
DEFERRED INFLOWS OF RESOURCES			
Related to pension	12,962	14,677	45,403
Related to OPEB	<u>12,326</u>	<u>3,788</u>	<u>40,403</u>
Total deferred inflows of resources	<u>25,288</u>	<u>18,465</u>	<u>85,806</u>
NET POSITION			
Net Investment in Capital Assets	-	-	7,524,701
Unrestricted	<u>261,856</u>	<u>3,294,905</u>	<u>2,413,745</u>
Total Net Position	<u>\$ 261,856</u>	<u>\$ 3,294,905</u>	<u>\$ 9,938,446</u>

Information Technology	Facilities Rehabilitation Projects	Total
\$ 6,073,928	\$ 9,258,038	\$ 32,985,210
-	125,691	198,757
-	-	278,994
56,270	-	56,270
<u>6,130,198</u>	<u>9,383,729</u>	<u>33,519,231</u>
-	462,069	674,502
522,344	9,712,188	17,546,800
<u>522,344</u>	<u>10,174,257</u>	<u>18,221,302</u>
<u>6,652,542</u>	<u>19,557,986</u>	<u>51,740,533</u>
417,825	133,759	1,005,263
51,493	18,396	132,589
<u>469,318</u>	<u>152,155</u>	<u>1,137,852</u>
75,341	87,453	670,765
37,611	15,023	93,086
-	-	1,380,000
-	99,901	99,901
-	679,300	679,300
<u>112,952</u>	<u>881,677</u>	<u>2,923,052</u>
-	-	6,518,728
2,619,603	838,619	6,302,609
928,096	331,562	2,389,738
-	6,883,846	6,883,846
<u>3,547,699</u>	<u>8,054,027</u>	<u>22,094,921</u>
<u>3,660,651</u>	<u>8,935,704</u>	<u>25,017,973</u>
72,618	20,229	165,889
46,415	16,582	119,514
<u>119,033</u>	<u>36,811</u>	<u>285,403</u>
522,344	2,611,111	10,658,156
2,819,832	8,126,515	16,916,853
<u>\$ 3,342,176</u>	<u>\$ 10,737,626</u>	<u>\$ 27,575,009</u>

INTERNAL SERVICE FUNDS COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION JUNE 30, 2020			
	Liability Insurance Reserve	Workers Compensation	Fleet and Equipment Services
OPERATING REVENUES			
Charges for services	\$ 2,353,000	\$ 1,614,503	\$ 4,094,660
Miscellaneous	-	61,790	387,643
Total Operating Revenues	<u>2,353,000</u>	<u>1,676,293</u>	<u>4,482,303</u>
OPERATING EXPENSES			
Salaries and benefits	350,048	235,488	1,351,235
Contracted services	1,094,420	122,264	44,346
Insurance premiums	964,085	440,449	85,701
Materials, supplies and others	43,573	42,312	592,010
Utilities	1,848	1,088	320
Depreciation	-	-	1,171,758
Repairs and maintenance	1,754	-	471,143
Claims expense	(766,311)	208,569	-
Total Operating Expenses	<u>1,689,417</u>	<u>1,050,170</u>	<u>3,716,513</u>
Operating Income (Loss)	<u>663,583</u>	<u>626,123</u>	<u>765,790</u>
NONOPERATING REVENUE (EXPENSES)			
Interest and fiscal charges (expense)	-	-	-
Other Nonoperating Income (expenses)	181,355	-	345,525
Gain (loss) on disposal of property	-	-	(492,266)
Net Nonoperating Revenues (Expenses)	<u>181,355</u>	<u>-</u>	<u>(146,741)</u>
Income (Loss) Before Transfers	<u>844,938</u>	<u>626,123</u>	<u>619,049</u>
Change in Net Position	844,938	626,123	619,049
Net position-beginning (Deficit)	(583,082)	2,668,782	9,319,397
Net position-ending	<u>\$ 261,856</u>	<u>\$ 3,294,905</u>	<u>\$ 9,938,446</u>

Information Technology	Facilities Rehabilitation Projects	Total
\$ 5,377,780	\$ 4,006,696	\$ 17,446,639
-	103,554	552,987
<u>5,377,780</u>	<u>4,110,250</u>	<u>17,999,626</u>
1,908,590	788,397	4,633,758
979,767	31,788	2,272,585
46,498	42,821	1,579,554
202,931	49,561	930,387
99,016	358,741	461,013
276,279	430,342	1,878,379
385,334	1,021,442	1,879,673
-	-	(557,742)
<u>3,898,415</u>	<u>2,723,092</u>	<u>13,077,607</u>
<u>1,479,365</u>	<u>1,387,158</u>	<u>4,922,019</u>
-	(204,794)	(204,794)
-	-	526,880
-	-	(492,266)
<u>-</u>	<u>(204,794)</u>	<u>(170,180)</u>
<u>1,479,365</u>	<u>1,182,364</u>	<u>4,751,839</u>
1,479,365	1,182,364	4,751,839
1,862,811	9,555,262	22,823,170
<u>\$ 3,342,176</u>	<u>\$ 10,737,626</u>	<u>\$ 27,575,009</u>

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

	Liability Insurance Reserve	Workers Compensation	Fleet and Equipment Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 2,500,376	\$ 1,675,666	\$ 4,523,400
Payments to suppliers	(1,831,261)	(670,915)	(1,122,314)
Payments to or on behalf of employees	(329,286)	(276,913)	(1,276,204)
Claims paid	(314,305)	(1,103,090)	-
Net cash provided (used) by operating activities	<u>25,524</u>	<u>(375,252)</u>	<u>2,124,882</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital asset additions, net	-	-	(3,124,019)
Long term Debt			
Repayments	-	-	-
Interest paid	-	-	-
Cash Flows (used for) Capital and Related Financing Activities	<u>-</u>	<u>-</u>	<u>(3,124,019)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income (loss)	<u>181,355</u>	<u>-</u>	<u>345,525</u>
Cash Flow from (used by) Investing Activities	<u>181,355</u>	<u>-</u>	<u>345,525</u>
Net Cash Flows	206,879	(375,252)	(653,612)
Cash and investments at beginning of period	<u>3,777,353</u>	<u>9,371,589</u>	<u>5,326,287</u>
Cash and Investment at end of period	<u>\$ 3,984,232</u>	<u>\$ 8,996,337</u>	<u>\$ 4,672,675</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income	\$ 663,583	\$ 626,123	\$ 765,790
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	-	-	1,171,758
Change in assets and liabilities:			
Accounts receivable	147,376	(627)	41,097
Prepays, deposits and supplies	-	-	3,682
Deferred outflows	(9,562)	(2,347)	35,707
Net pension liability	84,751	9,248	80,220
Net OPEB liabilities	(42,194)	(43,067)	(1,038)
Accounts payable and accrued liabilities	274,419	(64,802)	73,442
Accrued payroll	2,225	1,305	-
Claims payable	(1,080,616)	(894,521)	-
Deferred inflows	(14,458)	(6,564)	(45,776)
Net cash provided (used) by operating activities	<u>\$ 25,524</u>	<u>\$ (375,252)</u>	<u>\$ 2,124,882</u>
Non-cash transactions:			
Loss on disposal	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (492,266)</u>

Information Technology	Facilities Rehabilitation Projects	Total
\$ 5,378,126	\$ 4,131,968	\$ 18,209,536
(1,703,123)	(1,829,508)	(7,157,121)
(1,704,599)	(554,460)	(4,141,462)
-	-	(1,417,395)
<u>1,970,404</u>	<u>1,748,000</u>	<u>5,493,558</u>
-	(420,635)	(3,544,654)
-	(625,970)	(625,970)
-	(204,794)	(204,794)
-	(1,251,399)	(4,375,418)
-	-	526,880
-	-	526,880
1,970,404	496,601	1,645,020
4,103,524	8,761,437	31,340,190
<u>\$ 6,073,928</u>	<u>\$ 9,258,038</u>	<u>\$ 32,985,210</u>
\$ 1,479,365	\$ 1,387,158	\$ 4,922,019
276,279	430,342	1,878,379
346	(19,684)	168,508
(33,843)	41,402	11,241
(38,072)	(31,569)	(45,843)
272,375	145,478	592,072
(83)	117,617	31,235
54,396	(318,181)	19,274
-	-	3,530
-	-	(1,975,137)
(40,359)	(4,563)	(111,720)
<u>\$ 1,970,404</u>	<u>\$ 1,748,000</u>	<u>\$ 5,493,558</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (492,266)</u>

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AGENCY FUNDS

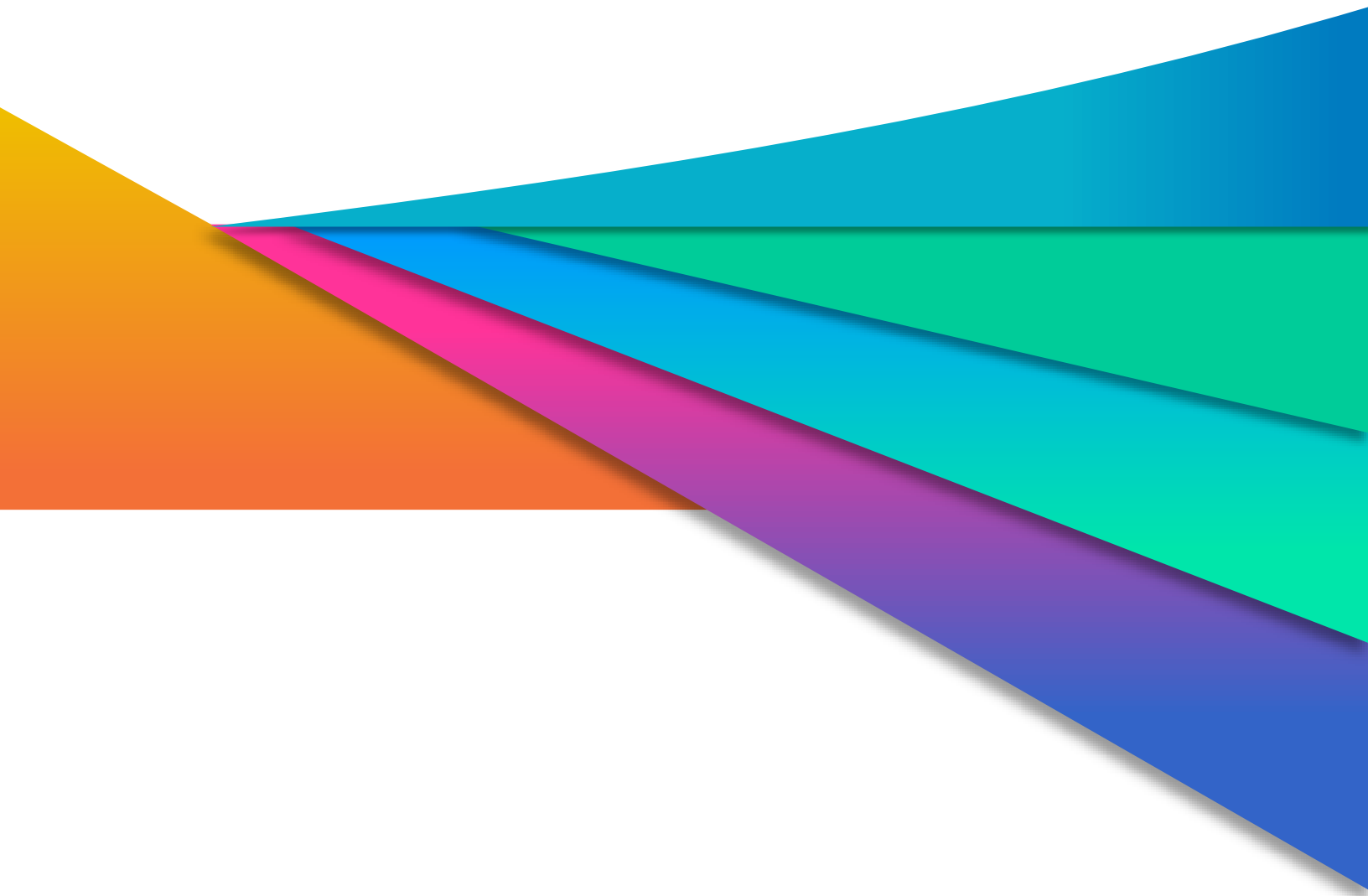
Agency funds are used to account for assets held by the City for other entities and individuals. Such funds are operated to carry out the specific actions of trust agreements, ordinances, and other governing regulations.

GASB 34 requires that Agency funds of the City have to be presented separately from the Government-wide and Fund financial statements.

Agency Funds are custodial in nature and do not involve measurement of results of operations.

AGENCY FUNDS STATEMENT OF CHANGES IN ASSETS AND LIABILITIES FOR THE YEAR ENDED JUNE 30, 2020				
Assessment Districts	Balance June 30, 2019	Additions	Deductions	Balance June 30, 2020
Cash and investments in City Treasury	\$ 14,584,956	\$ 28,386,111	\$ 26,763,959	\$ 16,207,108
Cash and investments with Trustees	2,345,451	17,553,207	11,543,770	8,354,888
Total Assets	<u>\$ 16,930,407</u>	<u>\$ 45,939,318</u>	<u>\$ 38,307,729</u>	<u>\$ 24,561,996</u>
Due to special assessment districts and other agencies	\$ 16,930,407	\$ 45,939,318	\$ 38,307,729	\$ 24,561,996
Total Liabilities	<u>\$ 16,930,407</u>	<u>\$ 45,939,318</u>	<u>\$ 38,307,729</u>	<u>\$ 24,561,996</u>

STATISTICAL SECTION



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STATISTICAL SECTION

This part of the City of Livermore’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents		Page
Financial Trends	These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.	168-174
Revenue Capacity	These schedules contain information to help the reader assess the government’s two most significant local revenue sources- the sales tax and property tax.	175-181
Debt Capacity	These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in future.	182-184
Demographic and Economic Information	These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.	185-187
Operating Information	These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.	188-196
Livermore Successor Agency	These schedules contain information to help the reader assess the Livermore RDA’s revenues, debt service, and other indicators.	197-199

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Net investment in capital assets	\$ 256,841,094	\$ 259,362,430	\$ 278,093,595	\$ 278,670,042	\$ 282,932,408	\$ 286,589,221	\$ 288,382,796	\$ 290,283,699	\$ 308,461,598	\$ 316,407,161
Restricted	44,347,993	16,216,462	22,454,139	34,034,587	61,824,573	78,250,270	76,320,882	92,305,699	81,561,447	88,497,962
Unrestricted	45,313,990	62,557,722	42,670,999	33,575,365	(59,176,525)	(36,129,816)	(20,113,778)	(31,158,732)	(28,940,594)	(35,517,921)
Total governmental activities net position	\$ 346,503,077	\$ 338,136,614	\$ 343,218,733	\$ 346,279,994	\$ 285,580,456	\$ 328,709,675	\$ 344,589,900	\$ 351,430,666	\$ 361,082,451	\$ 369,387,202
Business-type activities										
Net investment in capital assets	\$ 146,291,681	\$ 144,761,509	\$ 144,486,932	\$ 140,571,723	\$ 141,163,645	\$ 137,068,262	\$ 139,333,158	\$ 141,811,387	\$ 132,533,193	\$ 144,490,755
Unrestricted	76,526,861	92,361,887	93,219,127	97,792,547	91,680,464	96,819,619	94,747,853	102,114,754	113,918,054	112,447,010
Total business-type activities net position	\$ 222,818,542	\$ 237,123,396	\$ 237,706,059	\$ 238,364,270	\$ 232,844,109	\$ 233,887,881	\$ 234,081,011	\$ 243,926,141	\$ 246,451,247	\$ 256,937,765
Primary government										
Net investment in capital assets	\$ 403,132,775	\$ 404,123,939	\$ 422,580,527	\$ 419,241,765	\$ 424,096,053	\$ 423,657,483	\$ 427,715,954	\$ 432,095,086	\$ 440,994,791	\$ 460,897,916
Restricted	44,347,993	16,216,462	22,454,139	34,034,587	61,824,573	78,250,270	76,320,882	92,305,699	81,561,447	88,497,962
Unrestricted	121,840,851	154,919,609	135,890,126	131,367,912	32,503,939	60,689,803	74,634,075	70,956,022	84,977,460	76,929,089
Total primary government net position	\$ 569,321,619	\$ 575,260,010	\$ 580,924,792	\$ 584,644,264	\$ 518,424,565	\$ 562,597,556	\$ 578,670,911	\$ 595,356,807	\$ 607,533,698	\$ 626,324,967

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)										
	2011	2012	2013	2014	2015	2016	2017 *	2018	2019	2020
Expenses										
Governmental activities:										
City Council	\$ 334,125	\$ 203,749	\$ 323,432	\$ 320,564	\$ 319,910	\$ 305,501	\$ 320,856	\$ 317,658	\$ 311,985	\$ 292,220
City Manager	1,073,768	1,481,798	1,239,792	1,725,290	1,681,436	1,649,663	1,662,729	1,933,419	2,160,058	1,857,725
City Attorney	1,335,953	1,395,340	1,450,572	1,240,671	1,267,491	1,476,535	1,596,579	1,328,032	1,648,089	1,700,994
City Clerk	642,275	984,762	552,708	649,652	753,436	674,295	-	-	-	-
Administrative Services	7,231,414	12,744,494	3,205,106	3,692,795	3,612,507	3,602,398	4,941,962	4,982,681	5,616,900	5,587,975
General Services	-	-	9,897,780	4,960,595	4,245,719	3,724,700	2,991,868	7,167,712	8,882,653	14,093,688
Fire	15,079,053	15,840,299	15,044,679	15,368,561	16,665,396	17,222,099	23,553,737	25,472,063	20,854,960	21,975,048
Police	26,196,950	27,883,362	31,441,958	31,092,970	30,516,594	29,624,394	32,703,145	36,741,948	37,862,170	37,301,780
Public Works	14,266,864	14,963,662	14,161,650	14,383,488	14,363,304	14,985,937	18,116,391	19,060,229	19,290,328	19,665,609
Community Development	25,826,186	24,172,190	26,867,068	23,528,766	15,711,525	27,302,011	22,044,584	20,012,366	36,444,392	32,628,435
Economic Development	-	-	-	-	-	-	2,353,896	2,165,309	2,820,265	2,805,692
Library	5,306,974	5,784,086	4,906,056	5,052,341	4,863,723	4,886,840	5,858,998	6,214,109	6,341,564	6,349,762
Redevelopment	2,996,523	1,422,996	-	-	-	-	-	-	-	-
Interest on long term debt	4,038,829	2,463,121	2,886,993	1,142,866	1,288,881	1,033,661	1,266,179	1,270,061	1,397,328	1,682,372
Total governmental activities expenses	104,328,914	109,339,859	111,977,794	103,158,559	95,289,922	106,488,034	117,410,924	126,665,587	143,630,692	145,941,300
Business-type activities:										
Airport	4,953,877	5,597,645	8,098,139	6,336,579	5,637,480	3,870,139	7,017,908	3,016,304	3,504,956	4,250,953
Water	10,549,515	11,514,203	11,860,758	11,408,389	9,907,976	10,996,708	13,884,791	14,701,669	15,934,857	15,625,538
Sewer	22,617,181	22,467,214	25,582,473	21,614,437	23,005,606	25,293,809	24,879,897	21,824,590	24,081,018	24,049,671
Stormwater	-	-	-	-	-	-	-	4,572,368	6,215,290	5,157,718
Las Positas	2,253,488	2,517,171	2,631,759	3,492,698	3,331,686	3,204,730	2,935,020	3,025,888	1,986,853	-
Springtown	103,861	26,660	16,568	38,399	32,171	105,030	-	-	-	-
Total business-type activities expenses	40,477,922	42,122,893	48,189,697	42,890,502	41,914,919	43,470,416	48,717,616	47,140,819	51,722,974	49,083,880
Total primary government expenses	\$ 144,806,836	\$ 151,462,752	\$ 160,167,491	\$ 146,049,061	\$ 137,204,841	\$ 149,958,450	\$ 166,128,540	\$ 173,806,406	\$ 195,353,666	\$ 195,025,180

* Starting fiscal year 2017, City Clerk is presented as a part of Administrative Services

* Starting fiscal year 2018, Stormwater is presented separately from Sewer

(Continued)

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)										
	2011	2012	2013	2014	2015	2016	2017 *	2018	2019	2020
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	\$ 504	\$ -	\$ 125,000	\$ 774,339	\$ 1,083,813	\$ 855,888	\$ 1,534,690	2,009,308	1,598,885	1,502,556
Fire	1,123,373	1,189,918	1,254,438	1,714,973	1,634,534	1,822,267	1,813,604	2,560,405	767,507	1,339,356
Police	1,538,616	1,373,008	1,239,236	1,340,240	1,600,551	1,718,669	1,596,383	1,866,310	1,936,452	1,781,262
Public Works	-	128,206	311,393	178,263	205,163	220,715	253,942	214,104	319,336	237,566
Community Development	4,982,719	6,346,285	8,076,312	10,414,752	14,881,608	19,070,042	13,679,642	12,374,344	8,685,435	12,068,342
Economic Development	-	-	-	-	-	-	-	-	-	-
Library	143,899	139,104	150,179	147,543	121,244	113,218	109,423	106,819	102,007	29,584
Redevelopment	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	10,890,656	8,304,359	10,614,625	9,665,802	19,882,483	14,034,381	10,152,472	17,851,251	14,944,050	16,349,423
Capital grants and contributions	16,689,112	46,991,639	18,349,337	8,435,777	20,161,044	21,329,334	10,968,620	22,984,924	11,646,318	12,379,725
Total governmental activities program revenues	<u>35,368,879</u>	<u>64,472,519</u>	<u>40,120,520</u>	<u>32,671,689</u>	<u>59,570,440</u>	<u>59,164,514</u>	<u>40,108,776</u>	<u>59,967,465</u>	<u>39,999,990</u>	<u>45,687,814</u>
Business-type activities:										
Charges for services:										
Airport	5,170,897	6,976,531	7,609,923	6,925,128	6,166,771	4,671,643	3,989,363	3,638,327	3,949,727	3,988,814
Water	10,232,383	11,357,357	13,083,389	12,523,886	13,211,780	12,567,619	13,790,365	15,088,661	14,871,772	16,757,972
Sewer	18,749,866	18,553,327	18,474,750	18,822,193	20,401,801	22,853,237	20,438,612	21,391,758	22,944,348	24,535,578
Stormwater	-	-	-	-	-	-	-	1,112,473	1,136,319	1,137,063
Las Positas	2,004,170	1,932,811	2,957,505	3,259,879	3,087,554	3,016,898	2,636,577	2,733,407	1,628,472	-
Springtown	2,998	12,010	6,000	11,392	6,173	3,694	-	-	-	-
Operating grants and contributions	-	-	-	-	-	-	3,079,962	199,428	643,541	-
Capital grants and contributions	204,049	1,366,499	6,663,795	2,120,480	2,691,864	50,450	4,269,465	7,025,848	7,342,209	7,381,049
Total business-type activities program revenues	<u>36,364,363</u>	<u>40,198,535</u>	<u>48,795,362</u>	<u>43,662,958</u>	<u>45,565,943</u>	<u>43,163,541</u>	<u>48,204,344</u>	<u>51,189,902</u>	<u>52,516,388</u>	<u>53,800,476</u>
Total primary government program revenues	<u>\$ 71,733,242</u>	<u>\$ 104,671,054</u>	<u>\$ 88,915,882</u>	<u>\$ 76,334,647</u>	<u>\$ 105,136,383</u>	<u>\$ 102,328,055</u>	<u>\$ 88,313,120</u>	<u>\$ 111,157,367</u>	<u>\$ 92,516,378</u>	<u>\$ 99,488,290</u>
Net (Expense) Revenue										
Governmental activities	\$ (68,960,035)	\$ (44,867,340)	\$ (71,857,274)	\$ (70,486,870)	\$ (35,719,482)	\$ (47,323,520)	\$ (77,302,148)	\$ (66,698,122)	\$ (103,630,702)	\$ (100,253,486)
Business-type activities	(4,113,559)	(1,924,358)	605,665	772,456	3,651,024	(306,875)	(513,272)	4,049,083	793,414	4,716,596
Total primary government net expenses	<u>\$ (73,073,594)</u>	<u>\$ (46,791,698)</u>	<u>\$ (71,251,609)</u>	<u>\$ (69,714,414)</u>	<u>\$ (32,068,458)</u>	<u>\$ (47,630,395)</u>	<u>\$ (77,815,420)</u>	<u>\$ (62,649,039)</u>	<u>\$ (102,837,288)</u>	<u>\$ (95,536,890)</u>

(Continued)

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 22,994,297	\$ 25,228,218	\$ 24,340,228	\$ 24,721,318	\$ 26,379,108	\$ 28,340,602	\$ 30,494,247	32,960,384	35,577,827	37,797,380
Incremental property taxes	4,718,558	-	-	-	-	-	-	-	-	-
Sales taxes	16,734,417	20,761,599	23,711,235	25,159,952	27,278,151	29,932,022	30,684,026	32,346,374	35,556,493	32,869,001
Other taxes	9,086,835	9,811,089	11,466,048	11,859,580	13,587,065	15,204,335	15,429,188	17,211,775	16,895,027	16,253,107
Intergovernmental	6,055,422	5,633,766	5,893,271	6,055,370	6,506,780	6,964,071	7,411,648	7,897,068	8,417,344	8,962,999
Investment income	2,658,756	2,399,333	1,458,335	1,336,195	952,239	1,782,742	757,516	1,295,887	6,928,825	8,520,096
Miscellaneous	8,163,851	8,070,519	7,723,668	7,366,432	8,313,221	8,430,147	8,608,485	6,655,867	5,508,154	6,001,803
Change of value from investment in JPA	-	-	-	-	-	-	-	-	(1,354,554)	(1,522,359)
Transfers (net)	142,900	230,147	175,216	328,427	(4,258,088)	(201,180)	(202,737)	(12,507,742)	3,794,799	(323,790)
Assets transferred to/liabilities assumed by Successor Agency	-	25,136,863	(1,704,483)	-	-	-	-	-	-	-
Total governmental activities	70,555,036	97,271,534	73,063,518	76,827,274	78,758,476	90,452,739	93,182,373	85,859,613	111,323,915	108,558,237
Business-type activities:										
Interest and other income	-	-	-	281,708	388,004	1,034,225	293,279	711,495	4,250,989	3,293,931
Transfers (net)	(142,900)	(230,147)	(175,216)	(328,427)	4,258,088	201,180	202,737	12,507,742	(3,794,799)	323,790
Change in value of Investment in JPA	-	6,021,144	152,214	(232,754)	39,878	115,242	210,386	329,595	1,275,502	445,399
Total business-type activities	(142,900)	5,790,997	(23,002)	(561,181)	4,685,970	1,350,647	706,402	13,548,832	1,731,692	4,063,120
Total primary government activities	\$ 70,412,136	\$ 103,062,531	\$ 73,040,516	\$ 76,266,093	\$ 83,444,446	\$ 91,803,386	\$ 93,888,775	\$ 99,408,445	\$ 113,055,607	\$ 112,621,357
Change in Net Position										
Governmental activities	\$ 1,595,001	\$ 52,404,194	\$ 1,206,244	\$ 6,340,404	\$ 43,038,994	\$ 43,129,219	\$ 15,880,225	\$ 19,161,491	\$ 7,693,213	\$ 8,304,751
Business-type activities	(4,256,459)	3,866,639	582,663	211,275	8,336,994	1,043,772	193,130	17,597,915	2,525,106	8,779,716
Total primary government	\$ (2,661,458)	\$ 56,270,833	\$ 1,788,907	\$ 6,551,679	\$ 51,375,988	\$ 44,172,991	\$ 16,073,355	\$ 36,759,406	\$ 10,218,319	\$ 17,084,467

Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Nonspendable	\$ 9,577,624	\$ 5,262,813	\$ 6,832,287	\$ 6,317,781	\$ 5,423,421	\$ 5,220,875	\$ 5,191,768	\$ 6,911,157	\$ 5,712,441	\$ 5,627,682
Committed	-	11,500,000	12,003,511	12,548,889	12,897,711	13,980,181	14,534,792	15,689,514	15,954,446	16,561,703
Assigned	-	5,349,482	8,002,341	8,365,926	8,598,474	16,490,551	17,891,417	20,120,563	22,359,001	24,905,533
Unassigned	16,347,474	1,134,242	3,229,530	5,050,960	10,406,034	11,447,929	16,850,333	20,197,806	21,015,747	22,903,595
Total general fund	<u>\$ 25,925,098</u>	<u>\$ 23,246,537</u>	<u>\$ 30,067,669</u>	<u>\$ 32,283,556</u>	<u>\$ 37,325,640</u>	<u>\$ 47,139,536</u>	<u>\$ 54,468,310</u>	<u>\$ 62,919,040</u>	<u>\$ 65,041,635</u>	<u>\$ 69,998,513</u>
All Other Governmental Funds										
Nonspendable	\$ 17,711	\$ -	\$ -	\$ 57,439,026	\$ 4,000	\$ -	\$ 3,580	\$ 510,525	\$ 540,789	\$ 537,935
Restricted	52,011,467	63,995,900	58,524,301	-	82,222,196	106,877,672	117,117,738	122,335,628	107,752,207	106,314,261
Committed	-	-	545,378	-	-	-	-	980,960	1,583,505	2,597,943
Assigned	10,214,639	-	363,585	-	-	-	-	-	-	-
Unassigned	(5,421,592)	(5,709,086)	(3,229,530)	(1,230,719)	(548)	-	(157,775)	(66,518)	(337,703)	-
Total all other governmental funds	<u>\$ 56,822,225</u>	<u>\$ 58,286,814</u>	<u>\$ 56,203,734</u>	<u>\$ 56,208,307</u>	<u>\$ 82,225,648</u>	<u>\$ 106,877,672</u>	<u>\$ 116,963,543</u>	<u>\$ 123,760,595</u>	<u>\$ 109,538,798</u>	<u>\$ 109,450,139</u>

Changes In Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Property Taxes and special assessments	\$ 32,812,183	\$ 37,723,715	\$ 38,391,028	\$ 39,047,027	\$ 42,437,878	\$ 46,106,890	\$ 48,513,433	\$ 52,797,891	\$ 55,378,923	\$ 57,137,281
Sales taxes	16,734,417	20,761,599	23,711,235	25,159,952	27,278,151	29,932,022	30,684,026	32,346,374	35,556,493	32,869,001
Property tax increment	3,774,846	-	-	-	-	-	-	-	-	-
Licenses and permits	1,608,187	2,006,311	2,782,819	2,020,956	2,919,585	3,375,139	2,587,073	3,329,443	2,647,472	2,408,482
Intergovernmental	27,296,610	53,725,198	20,525,065	14,523,429	17,513,836	15,818,812	15,329,383	18,609,342	19,663,932	21,151,712
Contributions from outside sources	981,826	1,162,859	532,899	3,090,683	6,407,835	1,492,046	3,360,435	12,763,436	3,668,666	1,735,332
Fines and forfeitures	648,231	465,263	353,754	442,101	474,279	404,562	382,735	472,063	522,198	480,714
Charges for current services	13,638,435	14,169,779	18,826,809	18,937,543	34,250,853	39,071,843	23,669,667	25,413,665	15,988,594	20,392,611
Use of money and property	3,275,127	2,754,238	1,634,027	3,444,283	3,573,515	5,106,185	3,718,382	4,594,593	12,607,413	12,667,441
Miscellaneous	3,428,938	3,122,175	7,422,435	1,568,992	7,731,071	8,218,597	2,754,329	4,344,239	1,820,316	1,338,085
Total revenues	104,198,800	135,891,137	114,180,071	108,234,966	142,587,003	149,526,096	130,999,463	154,671,046	147,854,007	150,180,659
Expenditures										
General government	10,268,916	16,311,189	12,528,286	13,440,473	13,981,528	14,343,118	13,531,789	13,631,535	15,040,356	16,768,256
Fire	13,970,849	14,214,342	14,505,466	15,293,516	16,392,361	17,593,133	18,160,089	19,742,654	21,484,772	21,963,399
Police	24,514,993	25,979,732	27,091,180	30,000,873	32,114,470	31,248,269	32,611,631	35,474,413	37,991,489	37,855,355
Public Works	6,030,850	6,282,113	5,766,027	6,259,095	6,479,506	7,125,447	9,801,590	10,649,264	10,858,274	11,296,986
Community Development	18,160,406	16,606,896	30,608,371	22,660,129	23,177,157	26,435,968	22,366,625	26,613,789	41,744,030	31,872,893
Economic Development	-	-	-	-	-	-	2,355,266	2,169,717	2,815,442	2,826,509
Library	4,393,096	4,735,732	4,232,678	4,369,666	4,455,160	4,540,660	5,287,778	5,639,115	5,665,784	5,896,798
Redevelopment	2,272,062	996,524	-	-	-	-	-	-	-	-
Capital outlay	26,369,541	41,750,672	13,800,868	5,641,979	18,897,678	6,211,698	4,065,706	9,106,715	20,651,425	11,028,144
Debt service funds:										
Principal	4,377,745	3,663,583	8,583,683	8,445,369	4,703,788	5,597,905	3,908,648	3,274,972	2,817,102	3,125,453
Interest and fiscal charges	3,990,127	2,463,121	1,554,416	1,414,883	1,872,291	1,555,850	1,292,959	1,274,238	1,400,431	1,505,596
Issuance cost	-	-	-	-	-	-	-	-	-	407,260
Total Expenditures	114,348,585	133,003,904	118,670,975	107,525,983	122,073,939	114,652,048	113,382,081	127,576,412	160,469,105	144,546,649
Excess of Revenues over (under) expenditures	(10,149,785)	2,887,233	(4,490,904)	708,983	20,513,064	34,874,048	17,617,382	27,094,634	(12,615,098)	5,634,010

(Continued)

Changes In Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Other Financing Sources (Uses)										
Assets transferred to/liabilities assumed by Successor Agency	\$ -	\$ (6,520,981)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from long term debt	13,046,596	-	5,964,051	-	49,776,268	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-	(39,411,268)	-	-	-	-	(51,296,699)
Refunding bonds issued	-	-	-	-	-	-	-	-	-	42,932,418
Premium on refunding bonds issued	-	-	-	-	-	-	-	-	-	7,922,280
Transfers in	42,937,756	33,309,856	22,350,922	11,632,939	58,411,053	8,915,955	8,774,169	8,914,189	5,744,041	56,604,093
Transfers out	(49,686,605)	(33,079,709)	(22,154,575)	(11,449,012)	(58,229,692)	(9,324,083)	(8,976,906)	(20,951,304)	(7,186,717)	(56,927,883)
Total other financing sources (uses)	6,297,747	(6,290,834)	6,160,398	183,927	10,546,361	(408,128)	(202,737)	(12,037,115)	(1,442,676)	(765,791)
Net change in fund balances	\$ (3,852,038)	\$ (3,403,601)	\$ 1,669,494	\$ 892,910	\$ 31,059,425	\$ 34,465,920	\$ 17,414,645	\$ 15,057,519	\$ (14,057,774)	\$ 4,868,219
Debt service as a percentage of noncapital expenditures	8.8%	6.4%	9.7%	9.7%	6.4%	6.6%	4.8%	3.8%	3.0%	3.5%

TAXABLE SALES BY CATEGORY * LAST TEN CALENDAR YEARS (In thousands)										
Business Type	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Apparel Stores	\$ 10,901	\$ 13,137	\$ 75,592	\$ 281,213	\$ 301,420	\$ 374,109	\$ 464,023	\$ 480,652	\$ 518,405	\$ 532,044
General Merchandise	188,105	198,817	220,493	237,158	239,714	237,252	237,408	248,349	256,779	264,109
Food Stores	39,049	39,048	40,687	41,699	41,826	43,382	44,270	44,271	43,356	44,351
Eating and Drinking Places	112,668	119,899	135,073	151,094	165,519	179,048	196,255	203,491	212,106	217,440
Building Materials	124,422	134,245	145,134	172,267	175,894	206,430	217,450	235,880	256,206	240,062
Auto Dealers and Supplies	177,482	208,212	230,403	285,901	388,357	447,319	452,109	469,775	471,729	511,014
Service Stations	142,007	182,611	204,243	199,835	192,465	161,129	150,645	169,036	200,023	177,362
Other Retail Stores	130,355	132,829	147,877	180,000	190,964	208,468	218,210	218,485	227,529	224,479
All Other Outlets	662,161	750,381	814,146	894,342	915,827	941,153	1,009,498	1,190,098	1,261,208	1,363,666
Total	\$ 1,587,150	\$ 1,779,179	\$ 2,013,648	\$ 2,443,508	\$ 2,611,988	\$ 2,798,290	\$ 2,989,869	\$ 3,260,037	\$ 3,447,340	\$ 3,574,527

Source: The HdL Companies

* The amounts reported are based on adjusted sales tax values and might fluctuate from what was reported the previous year.

Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years (In Percentage)										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City Direct Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
State General Fund	6.00%	3.94% (a)	4.19% (b)	4.19%	4.19%	4.19%	3.94% (d)	3.94%	3.94%	3.94%
Public Safety (Prop 172)	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Countywide Transportation Fund	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Realignment 1991	0.50%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
County Realignment (Mental Health/ Welfare/ Public Safety)	0.00%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%
BART in Alameda County	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Alameda County Transportation Commission (ACTC)- Measure B	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Alameda County Essential Healthcare Services Transactions and Use Tax (ACHC)	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Alameda County Transportation Commission (ACTC)- Measure BB	0.00%	0.00%	0.00%	0.00%	0.50% (c)	0.50% (c)	0.50%	0.50%	0.50%	0.50%
Total Rate	9.75%	8.75%	9.00%	9.00%	9.50%	9.50%	9.25%	9.25%	9.25%	9.25%

(a) On July 1, 2011 the State Rate reduced by 2.06%

(b) On January 1, 2013 the State Rate increased by 0.25%

(c) On April 1, 2015 ACTC (Measure BB) was added at .5%

(d) On January 1, 2017 the State rate was reduced by .25%

Principal Sales Tax Payers Current Year and Nine Years Ago In Alphabetical Order	
2020	2011
AMS Net	7 Eleven
Coach	AMS Net
Costco	Arco AM PM
Gillig	Costco
Gucci Outlet	F Rodgers
Home Depot	Harris Rebar
JA Momaney Services	Home Depot
Jifco	JA Momaney Services
Livermore Ford	Jifco
Livermore Honda	Kaiser Pharmacy
Livermore Toyota & Scion	Kohls
Lowes	Livermore Ford
Macpherson Western Tool Supply	Livermore Honda
Mobile Modular Management	Lowes
Polo Ralph Lauren	Macpherson Western Tool Supply
Porsche Livermore	Mobile Modular Management
Safeway	Owens & Minor Distribution
Safeway Fuel	Porsche Livermore
Target	Quik Stop Market
Toyota Material Handling	Safeway
US Foodservice	Safeway Fuel
Vans	Target
Veritiv Operating Company	US Foodservice
Walmart	Walmart
Waxies	Waxies

Source: HdL Company

Assessed Value and Estimated Taxable Property Last Ten Fiscal Years					
Fiscal Year	Common Property	Public Utility	Unsecured Valuation	Total Taxable Assessed Valuation	Total Direct Tax Rate*
2010-2011	12,644,996,632	16,763,636	597,043,398	13,258,803,666	1.00%
2011-2012	12,677,885,472	16,667,214	621,343,226	13,315,895,912	1.00%
2012-2013	12,785,579,465	16,652,307	712,651,650	13,514,883,422	1.00%
2013-2014	13,495,749,069	16,534,025	677,891,857	14,190,174,951	1.00%
2014-2015	14,441,874,348	15,920,292	618,857,248	15,076,651,888	1.00%
2015-2016	15,425,274,831	16,125,723	644,740,332	16,086,140,886	1.00%
2016-2017	16,462,710,778	16,036,533	669,293,841	17,148,041,152	1.00%
2017-2018	17,584,794,540	13,149,678	665,835,413	18,263,779,631	1.00%
2018-2019	18,716,232,125	13,261,314	742,728,963	19,472,222,402	1.00%
2019-2020	19,706,452,617	12,659,804	887,677,095	20,606,789,516	1.00%

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 of property may be increased by an "inflation factor" (limited to a maximum increase 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.

* Direct tax rate is per \$1,000 of assessed value.

Source: Alameda County Office of the Auditor-Controller.

Direct and Overlapping Governments Property Tax Rates (Rates per \$1,000 of assessed value)										
Last Ten Fiscal Years										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Direct Rates:										
City Direct Rate	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Overlapping Rates (1):										
School District	0.0635	0.0627	0.0607	0.0596	0.0497	0.0404	0.0886	0.0803	0.0771	0.0743
Community College	0.0211	0.0214	0.0219	0.0214	0.0217	0.0198	0.0246	0.0445	0.0443	0.0422
Bay Area Rapid Transit	0.0031	0.0041	0.0043	0.0075	0.0045	0.0026	0.0080	0.0084	0.0070	0.0120
Zone 7 Flood Control	0.0250	0.0307	0.0228	0.0257	0.0250	0.0343	0.0333	0.0359	0.0332	0.0309
County General Obligation Bond	-	-	-	-	-	-	-	-	-	0.0108
Total Direct and Overlapping Rate	1.1127	1.1189	1.1097	1.1142	1.1009	1.0971	1.1545	1.1691	1.1616	1.1702

Source: Alameda County Treasurer and Tax Collector.

Note:

(1) Overlapping rates are those of local and county governments that apply to property owners within the City of Livermore. Not all overlapping rates apply to all property owners. For an overlapping rate to apply, the property has to be located within that district's geographic boundary.

Principal Property Taxpayers Current Year and Nine Years Ago						
Taxpayer	2020			2011		
	Taxable Assessed Value Secured/Unsecured	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value Secured/Unsecured	Rank	Percentage of Total City Taxable Assessed Value
Livermore Premium Outlets LLC	\$ 220,830,835	1	1.09%	\$ -		
Livermore Oaks Joint Venture LLC	149,255,031	2	0.73%			
Kaiser	117,717,845	3	0.58%	111,346,891	1	0.87%
Arkay	98,405,310	4	0.48%			
Raintree Ironwood LLC	79,172,512	5	0.39%			
Longfellow Logistics Center LLC	67,320,000	6	0.33%			
LAM Research Corporation	65,812,037	7	0.32%			
Comcast	65,610,389	8	0.32%			
Marathon Drive Buildings LLC	65,577,329	9	0.32%	42,580,153	5	0.33%
Form Factor Inc	64,496,279	10	0.32%	88,726,498	2	0.69%
Valley Care Senior Housing Inc				49,996,262	3	0.39%
RT Tri Valley LLC				49,000,000	4	0.38%
BNP Paribas Leasing Corporation				41,059,829	6	0.32%
Sutter Health				39,441,796	7	0.31%
Shea Center				37,795,050	8	0.29%
Hospital Comm Livermore Pleas Areas				33,887,994	9	0.26%
Golden Bears LLC & Ellis Street Property				33,355,441	10	0.26%
	<u>\$ 994,197,567</u>		<u>4.88%</u>	<u>\$527,189,914</u>		<u>4.10%</u>

Source: HdL Company

Property Tax Levies and Collections Last Ten Fiscal Years				
Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Property Taxes for the Fiscal Year
		Amount	Percentage of Levy	
2011	22,010,309 (a)	22,002,899	99.97%	7,410
2012	22,301,891 (a)	22,056,236	98.90%	245,655
2013	23,453,707 (a)	23,241,857	99.10%	211,850
2014	24,137,249 (a)	23,526,725	97.47%	610,524
2015	26,171,312 (a)	26,034,522	99.48%	136,790
2016	27,839,513 (a)	27,718,828	99.57%	120,685
2017	29,014,829 (a)	28,341,709	97.68%	673,120
2018	31,087,296 (a)	30,559,069	98.30%	528,227
2019	33,273,066 (a)	32,570,581	97.89%	702,485
2020	35,368,204 (a)	34,740,288	98.22%	627,916

Source: Alameda County Office of the Auditor-Controller and City of Livermore Finance Division

- (a) Taxes Levied include secured, unsecured, and estimated unitary tax.
 - Tax levies are net of payments for
 - Educational Revenue Augmentation Fund.
 - Redevelopment agencies for the fiscal years 2005-06 through 2011-12
 - Redevelopment Property Tax Trust Fund (RPTTF) payments beginning from Fiscal year 2012-13.
- (b) Alameda County does not provide delinquent tax collection data by levy year, so the amounts shown in delinquent tax collections column include delinquency collections for all prior years that were remitted City in each fiscal year.

Ratios of Outstanding Debt by Type Last Ten Fiscal Years										
Fiscal Year	Governmental Activities			Business-Type Activities				Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita
	Certificates of Participation	Notes & Loans Payable	Capital Lease	Certificates of Participation	Revenue Loans	State Loan	Capital Lease			
2011	66,660,156	9,912,339	-	18,154,844	-	2,377,641	-	128,939,980	3.7%	1,578
2012	64,060,573	9,717,339	-	17,349,427	-	1,606,113	-	92,733,452	5.2%	1,125
2013	61,481,383	10,167,572	13,470,406	16,566,456	-	813,753	481,818	102,981,388	4.8%	1,236
2014	58,367,644	4,803,697	12,654,274	15,589,104	-	-	847,354	92,262,073	5.9%	1,075
2015	64,032,534	3,970,233	11,668,003	15,348,123	-	-	740,467	95,759,358	6.6%	1,100
2016	60,193,384	2,566,738	11,330,801	14,186,182	-	-	619,257	88,896,362	5.5%	1,009
2017	56,386,950	2,440,343	10,300,691	13,003,050	-	-	512,946	82,643,980	7.5%	922
2018	53,758,606	1,793,715	9,152,150	12,336,394	-	-	392,972	77,433,837	8.5%	847
2019	54,295,394	1,667,320	8,189,116	8,429,606	-	-	321,293	72,902,729	9.8%	801
2020	50,854,698	1,540,562	7,563,146	7,783,689	-	-	296,702	68,038,797	11.3%	741

Note: Details regarding the city's outstanding debt can be found in the footnotes.

⁽¹⁾ Personal income is income for Alameda County.

Direct and Overlapping Governmental Activities Debt As of June 30, 2020			
City Assessed Valuation, net of exemptions		\$20,247,554,285	
Redevelopment Agency Incremental Valuation*		-	
Total Assessed Valuation		<u>\$20,247,554,285</u>	
			Estimated share of Overlapping Debt
Governmental Unit	Percentage Applicable ⁽¹⁾	Outstanding Debt 6/30/20	
Overlapping Debt Repaid with Property Taxes:			
Alameda County	6.524%	\$ 218,000,000	\$ 14,222,320
Bay Area Rapid Transit District	2.516%	1,282,740,000	32,273,738
Chabot-Las Positas Community College District	15.184%	626,920,000	95,191,533
Livermore Valley Joint Unified School District	93.422%	217,830,000	203,501,143
East Bay Regional Park District	0.075%	155,835,000	116,876
City of Livermore Community Facilities District No. 99-1	100.000%	12,225,000	12,225,000
City of Livermore Community Facilities District No. 2009-1 I.A. No. 1	100.000%	17,747,353	17,747,353
City of Livermore Community Facilities District No. 2009-1 I.A. No. 2	100.000%	4,517,342	4,517,342
City of Livermore Community Facilities District No. 2009-1 I.A. No. 3	100.000%	2,794,623	2,794,623
City of Livermore Community Facilities District No. 2016-2	100.000%	9,110,000	9,110,000
City of Livermore 1915 Act Bonds	100.000%	919,537	919,537
CA Statewide Communities Development Authority Assessment District Bonds	100.000%	10,154,648	10,154,648
Total overlapping debt repaid with property taxes		<u>2,558,793,503</u>	<u>402,774,113</u>
Overlapping Other Debt:			
Alameda County Gen. Fund Obligations & Coliseum Authority	6.524%	830,130,000	54,157,681
Tax Incremental Debt (Successor Agency)	100.000%	19,815,000	19,815,000
Total overlapping other debt		<u>849,945,000</u>	<u>73,972,681</u>
Total overlapping debt		<u>\$ 3,408,738,503</u>	<u>476,746,794</u> A
City of Livermore Certificate of Participation			58,638,387
City of Livermore Notes & Loans			1,540,562
City of Livermore Capital Leases			<u>7,859,848</u>
Total gross direct debt			<u>68,038,797</u> B
Less: City of Livermore Obligations Supported by Rate Payers' Fees			(8,080,391)
Less: City of Livermore Obligations Funded by Grants Revenues			<u>(1,540,562)</u>
Total net direct debt			<u>58,417,844</u> C
Total direct and overlapping debt			<u>\$ 535,164,638</u>
Ratios to FY2019-20 Assessed Valuation:			
Total Overlapping Tax and Assessment Debt	1.99%		
Total Gross Direct Debt - \$68,038,797	0.34%		
Total Net Direct Debt - \$58,417,844	0.29%		
Gross Combined Total Debt (A + B)	2.69%		
Net Combined Total Debt (A + B - C)	2.40%		
Ratios to Redevelopment Successor Agency Incremental Valuation (\$756,120,353):			
Total Overlapping Tax Increment Debt	2.62%		

Notes:

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the City divided by the district's total taxable assessed value.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

* Redevelopment Agency was dissolved effective January 31, 2012, in accordance with Assembly Bill 1X 26.

Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2019-20

Common Property Assessed Valuation-Secured Roll	\$ 19,706,452,617
Government Code Sec. 43605 Debt Limit 15% of Assessed Valuation	2,955,967,893
Amount of debt applicable to the limit	-
Legal debt margin	2,955,967,893
Percent of debt limit authorized and issued	0.00%

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 1,896,749,495	\$ 1,901,682,821	\$ 1,917,836,920	\$ 2,024,362,360	\$ 2,166,281,152	\$ 2,313,791,225	\$ 2,469,406,617	\$ 2,637,719,181	\$ 2,807,434,819	\$ 2,955,967,893
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 1,896,749,495	\$ 1,901,682,821	\$ 1,917,836,920	\$ 2,024,362,360	\$ 2,166,281,152	\$ 2,313,791,225	\$ 2,469,406,617	\$ 2,637,719,181	\$ 2,807,434,819	\$ 2,955,967,893
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Demographic and Economic Statistics Last Ten Calendar Years									
Year	Livermore Population (1)	Per Capita Personal Income Alameda County (2)	Total Personal Income	Unemployment (3)	Median Income (4)			% of US	
					US	Alameda County	Livermore		
2011	81,898	Est. 50,817	4,161,810,666	6.1%	50,502	67,558	97,047	192.2%	
2012	83,184	Est. 52,811	4,393,030,224	6.2%	51,371	70,500	100,222	195.1%	
2013	84,486	Est. 54,774	4,627,636,164	4.8%	52,250	72,399	91,790	175.7%	
2014	85,819	Est. 58,175	4,992,520,325	4.1%	53,657	77,214	87,815	163.7%	
2015	87,090	Est. 62,926	5,480,225,340	3.1%	55,775	81,717	110,212	197.6%	
2016	88,974	Est. 65,884	5,861,963,016	3.1%	57,617	89,979	111,625	193.7%	
2017	90,454	Est. 71,560	6,472,888,240	2.9%	60,336	96,296	118,406	196.2%	
2018	91,411	Est. 76,644	7,006,104,684	2.8%	61,937	102,125	135,350	218.5%	
2019	91,039	Est. 76,644 ⁽²⁾	6,977,593,116 ⁽²⁾	2.6%	65,712	108,322	138,225	210.3%	
2020	91,861	Est. 76,644 ⁽²⁾	7,040,594,484 ⁽²⁾	11.2%	N/A ⁽⁴⁾	N/A ⁽⁴⁾	N/A ⁽⁴⁾		

Note:

1. Data Source: State of California, Department of Finance
2. Data Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, Local Area Personal Income. County income estimates are not currently available after 2018.
3. Data Source: Bureau of Labor Statistics
4. Median Household Income. Data Source: United States Census Bureau. Data not currently available after 2019.

Population Demographics ⁽¹⁾		
Age	Number	Percent of Population
Under 5 years	6,798	7.5%
5 to 9 years	5,217	5.8%
10 to 14 years	6,314	7.0%
15 to 19 years	5,256	5.8%
20 to 24 years	3,674	4.1%
25 to 34 years	11,168	12.4%
35 to 44 years	13,391	14.9%
45 to 54 years	13,463	14.9%
55 to 59 years	6,361	7.1%
60 to 64 years	3,885	4.3%
65 to 74 years	8,607	9.5%
75 to 84 years	3,982	4.4%
85 years and over	2,072	2.3%
Total Population	90,188	100.0%

Note:

(1) Data Source: United States Census Bureau
(population estimates for year 2019)

Principal Employers Current Year and Nine Years Ago						
Employer	2020			2011		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lawrence Livermore National Laboratory	8,364	1	20.33%	N/A	N/A	N/A
Livermore Valley Joint Unified School District	1,422	2	3.46%			
Sandia National Laboratories	1,375	3	3.34%	N/A	N/A	N/A
Lam Research	1,003	4	2.44%	N/A	N/A	N/A
Gillig	921	5	2.24%	N/A	N/A	N/A
Tesla	705	6	1.71%	N/A	N/A	N/A
Form Factor	618	7	1.50%	N/A	N/A	N/A
City of Livermore	511	8	1.24%	N/A	N/A	N/A
Las Positas College	493	9	1.20%	N/A	N/A	N/A
DHL Supply Chain	467	10	1.14%	N/A	N/A	N/A
			38.60%			

* Not available

Source: City of Livermore Office of Innovation and Economic Development
U.S. Bureau of Labor Statistics

Full-time Equivalent City Government Employees by Function/Program Last Ten Fiscal Years										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function/Program										
General government										
Administrative Services ^{1,4}	29.50	30.75	31.50	31.75	31.75	32.50	33.50	35.50	39.25	38.25
City Manager ²	6.00	6.00	6.00	7.00	7.00	7.00	6.00	7.00	7.00	7.00
City Attorney	8.50	8.50	8.00	8.00	8.00	8.50	8.50	8.50	8.50	9.00
Police ⁴	143.25	143.25	140.25	140.75	141.75	141.75	142.75	141.75	145.00	145.50
Public Works	48.60	48.10	42.70	42.70	42.70	41.45	43.80	43.80	45.50	45.50
Community Development	71.50	69.50	64.50	63.50	63.50	63.50	64.50	66.50	66.50	68.50
Economic Development ³	5.00	5.00	3.00	-	-	-	3.00	3.00	3.00	4.00
Library	32.13	32.13	29.00	28.00	28.00	28.00	27.00	27.00	27.00	27.35
Airport	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.50
Water	15.25	15.25	15.25	15.00	15.00	15.00	13.75	13.75	10.00	11.00
Sewer	47.50	47.50	47.50	48.50	48.50	48.50	49.50	49.50	49.50	49.50
Las Positas Golf Course	1.50	1.00	0.80	0.80	0.80	0.80	0.70	0.70	-	-
Total	421.73	419.98	401.00	398.50	399.50	399.00	401.00	405.00	409.25	414.10

Notes:

- Administrative Services was created in fiscal year 2010 and includes Human Resources, Finance and Information Technology employees. Starting in FY17, includes City Clerk employees. Prior years' data is added to Administrative Services for comparison purposes.
- Prior to fiscal year 2010, City Manager included Information Technology employees.
- In fiscal years 2014-2016, Economic Development employees are included in Community Development.
- Starting in FY18, two police Information Technology employees are included in Administrative Services.

Capital Asset Statistics by Function/Program Last Ten Fiscal Years										
Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	50	51	52	58	57	58	59	63	61	63
Fire stations	5	5	5	5	5	5	5	5	5	5
Public Works										
Streets (centerline miles)	302	303	306.2	306	306	308	306	308	308	308
Streetlights	7,120	7,301	7,301	7,382	7,382	7,382	7,500	7,500	7,500	7,500
Traffic Signals	98	137	103	111	104	105	106	106	106	108
Enhanced Crosswalks	11	11	11	10	11	15	17	17	17	22
Las Positas Municipal Golf Course ²										
Total acreage	205	205	195	195	195	195	195	195	195	195
Length of 18-hole course in yards	6,677	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723
Length of 9-hole executive course in yards	2,034	1,133	1,133	1,133	1,133	1,133	1,133	1,133	1,133	1,133
Springtown Municipal Golf Course										
Total acreage	90	90	90	90	90	90	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾
Length of 9-hole course in yards	2,941	2,941	2,941	2,941	2,941	2,941	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾
Water										
Water mains (miles)										
Potable water	146	146	147	147	148	148	148	151	162	162
Recycled water	21.5	21.5	22.5	22.5	21	21	21	21	20.4	20.4
Fire hydrants	1,385	1,385	1,493	1,560	1,487	1,495	1,516	1,548	1,550	1,559
Fire hydrants (recycled)	113	113	160	160	121	122	122	121	120	120
Wastewater										
Sanitary sewers (miles)	303	303	295	295	297	297	297	302	304	304
Storm sewers (miles)	207	207	210	210	214	214	214	224	226	226
Treatment capacity (millions of gallons)	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Municipal Airport										
Length of longest runway in feet	5,253	5,253	5,253	5,253	5,253	5,253	5,253	5,253	5,253	5,253
Length of longest taxiway in feet	5,720	5,720	5,720	5,720	5,720	5,720	5,720	5,720	5,720	5,720
Total acreage	644	644	644	644	644	644	644	644	644	644
Number of hangars	393	393	393	393	393	393	393	393	393	393

* No data available

Sources: Various city departments.

9/6/12: The 9-hole Executive Course was closed as of July 1, 2011 and re-opened as a 9-hole Par 3 Course on May 17, 2012.

1/24/12: Measurement is in centerline miles.

- (1) Springtown Golf Course has closed. The City has asked the Livermore Area Recreation and Park District to lead the Springtown Open Space Master Plan process.
- (2) Las Positas Golf Course ceased as an enterprise fund in February 2019. The City Of Livermore has leased the golf course to a private management company.

Operating Indicators by Function/Program Last Ten Fiscal Years ⁽¹⁾										
Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Physical arrests	2,640	2,391	2,537	2,613	2,323	2,781	2,278	3,034	3,502	2,922
Parking violations	1,846	1433	1296	1056	1613	1708	2,021	2,269	2,819	2,736
Traffic violations	10,700	9264	8635	7114	6813	5142	4,540	5,344	8,620	8,576
Fire										
Emergency responses	5,887	4,607	6,684	6,664	6,777	7,233	7,620	7,539	7,536	7,610
Fires extinguished	384	239	237	221	192	210	210	227	218	239
Inspections ⁽¹⁾	463	623	1106	453	505	1,195	1,411	1,013	810	839
Annual fire inspection program	573	470	540	529	594	541	624	674	602	712
Public Works										
Street resurfacing (centerline miles)	2.5	1.8	12.7	3.8	4.1	3.3	0	0	0	3.6
Potholes repaired	210	238	204	190	653	504	1,347	969	1,152	858
Maintenance of Landscaping (acres)	263	263	316	316	320	329	330	334	338	340
Library										
Volumes in collection	264,734	273,500	262,410	255,333 ⁽²⁾	261,818	281,469	276,849	268,154 ⁽⁵⁾	267,319	266,803
Total volumes borrowed	1,014,644	941,873	868,861	849,145	777,970	762,939	762,304	753,072	760,960	540,073 ⁽⁷⁾
Community Development										
Building permits issued	NA	NA	NA	NA	NA	NA	3,694	4,086	3,755	3,729
Water										
New connections	23	59	79	32	52	200	232	120	89	57
Water mains breaks	0	2	0	1	1	3	3	0	0	0
Other water breaks & leaks	25	74	20	14	14	18	19	16	30	17
Average Daily Consumption										
Potable water (millions of gallons)	3.0	5.9	5.9	5.5	4.2	4.1	4.4	4.8	5.2	5.4
Recycled water (millions of gallons)	1.15	1.27	1.97	1.85	2.04	2.02	1.7	1.84	1.91	1.88
Peak daily consumption - potable (millions of gallons)	9.1	9.1	9.5	9.3	9.1	8.8	9.0	9.5	10.1	10.2
Wastewater										
Average daily sewage treatment (millions of gallons)	6.9	6.8	6.7	6.6	6.1	5.9	5.8	5.8	5.6	5.5
New connections	107	71	280	190	389	659	311	385	347	200
Average Daily Influent Flow (mgd)	6.98	6.83	6.82	6.29	5.97	5.51	5.85	5.50	5.61	5.51
Municipal Airport										
Number of tenant aircraft	530	516	506	517	508	503	507	512	495	487
Total landings & takeoffs	136,851	139,140	143,651	160,733	122,140	121,050	117,834	146,988	156,405	148,568 ⁽⁷⁾
Gallons of fuel pumped	621,254	643,272	642,239	734,597	644,617	281,288	0 ⁽⁴⁾	0 ⁽⁴⁾	0 ⁽⁴⁾	0 ⁽⁴⁾
Las Positas Municipal Golf Course										
Rounds Played	71,766	66,667	62,733	77,408	69,387	66,711	58,982	61,418	N/A ⁽⁶⁾	N/A ⁽⁶⁾
Springtown Municipal Golf Course										
Rounds Played	22,927	24,366	19,583	19,583	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾	N/A ⁽³⁾

(1) Data is reported on a fiscal year basis.

(2) In FY 13/14, the City added 28,000 new volumes to the Library Collection, and removed items that were outdated or in poor condition, consequently the overall number decreased.

(3) Springtown Golf Course closed in October 2015. The City Of Livermore has asked the Livermore Area Recreation & Park District to lead the Springtown Open Space Master Plan process.

(4) Starting 11/25/2015, fuel was transitioned to Five Rivers Aviation.

(5) Volume decreased due to removal of outdated materials.

(6) Las Positas Golf Course ceased as an enterprise fund in February 2019. The City Of Livermore has leased the golf course to a private management company.

(7) Reduction due to COVID-19 shelter in place order that began in mid-March 2020.

(8) Reflects calendar year data

NA Data not available.

Source: Various city departments.

**Water and Sewer Rates
For Year Ended June 30, 2020**

Customers in the City's Water service area are billed monthly with rates shown below. The rates provided below are those in effect as of June 30, 2020. Residential sewer customers are billed via their property tax bill while the Commercial customers are billed monthly.

The monthly residential water bill for a customer using 10 CCF of water per month with a 5/8" meter would be \$75.50.

Water				Sewer			
	City Service Meter Charge Flat Rate	Alameda County Zone 7 Meter Charge Flat Rate	Total Meter Charge	Residential			
Meter Size (inches)					Billing Type	Monthly Charge	
5/8" (0.625)	\$ 20.57	\$ 21.31	\$ 41.88				
3/4" (0.75)	25.90	31.97	57.87	Single Family	per Dwelling Unit	\$ 56.35	
1" with Fire Line	20.57	21.31	41.88	Multi-Family	per Dwelling Unit	42.50	
1"	41.10	53.28	94.38				
1 1/2" Displacement	75.32	106.57	181.89	Commercial			
1 1/2" Turbine	89.01	127.88	216.89		Billing Type	Monthly Charge	
2" Displacement	118.38	170.51	288.89	Fixed Charge:	Flat Rate	\$22.61	
2" Turbine	138.91	202.47	341.38	Variable Charge:			<i>Winter Water Use</i> (Monthly + 10%) ¹
3" Turbine	304.58	463.56	768.14		Billing Type	Monthly Charge	
4" Turbine	520.16	799.24	1,319.40	Auto Steam Cleaning	per 100 Cubic ft.	n/a	n/a
6" Turbine	1,101.87	1,705.05	2,806.92	Bakeries	per 100 Cubic ft.	8.28 \$	9.11
8"	1,923.12	2,983.84	4,906.96	Commercial Laundries	per 100 Cubic ft.	5.37 \$	5.91
10"	2,861.22	4,475.76	7,336.98	Markets	per 100 Cubic ft.	8.30 \$	9.13
1" Fire Line	2.54	exempt	2.54	Mortuaries	per 100 Cubic ft.	8.30 \$	9.13
1 1/2" Fire Line	3.81	exempt	3.81	Restaurants	per 100 Cubic ft.	8.28 \$	9.11
2" Fire Line	5.07	exempt	5.07	All Other	per 100 Cubic ft.	4.13 \$	4.54
3" Fire Line	7.60	exempt	7.60	Institutional:			
4" Fire Line	10.13	exempt	10.13	Schools	per 100 Cubic ft.	3.91 \$	4.30
6" Fire Line	15.18	exempt	15.18	All Other - Institution	per 100 Cubic ft.	3.91 \$	4.30
8" Fire Line	20.24	exempt	20.24				
10" Fire Line	25.28	exempt	25.28				

Water and Sewer Rates For Year Ended June 30, 2020			
Water		Sewer	
Water Usage Cost Per Unit:			
	City Distribution Cost	Zone 7 Wholesale Cost	Total Variable Cost
<i>Residential:</i>			
Tier 1 (0-7 Units)	1.13	2.10	3.23
Tier 2 (8+ Units)	1.57	2.10	3.67
<i>Commercial, Institution, Hydrant (Non-REC) & Public Agency:</i>			
All Units	1.22	2.10	3.32
<i>Irrigation</i>			
All Units	1.57	2.10	3.67
<i>Recycled Water:</i>			
All Units (Non-Demineralized)			2.97

¹ Winter Water Use amount is the average consumption during Winter months multiplied by the Normal Monthly rate with an additional 10% service fee to the normal rate.

Livermore Sewer System Revenues by Class of User Fiscal Year 2019-20		
User Class	Fiscal Year Revenues	Percentage of Revenues
Residential	\$ 20,376,897	83.8%
Commercial/Industrial	3,934,308	16.2%
Total	\$ 24,311,205	100.0%

**Sewer Connection Fees
City of Livermore**

Effective Date 7/1/19

Residential

Single Family	\$ 6,762.25
Multi-Family	
Studio	\$ 3,568.97
One Bedroom	4,019.78
Two Bedroom	5,184.39
Three Bedroom	5,898.19
Four Bedroom	6,762.25

Commercial (BOD & SS = 285 mg/L, unless otherwise shown)

Auto Repair	\$ 4.13
Assembly Facilities	5.64
Eating/drinking w/o cooking	13.15
Gas Stations	17.66
General Use	1.50
Gyms, Health Clubs	11.27
Hotels, Motels (excluding dining facilities)	5.64
Markets	7.14
Mixed use	3.76
Medical/Dental Office/Clinic	8.26
Restaurants	30.45
Warehouse	0.38

Industrial

F = Flow cost \$/gpd	\$ 29.10
B = BOD cost \$/lb-day	2,530.90
S = SS cost \$/lb-day	1,030.24

**Livermore Sewer System
Number of Dwelling Unit Equivalents and Connections
by Classification of User
As of June 30, 2020**

User Type	Flow/Volume in mg	2020 DUEs	Connections
Single Family Residential	1,182	24,030	24,030
Condominiums/Multiple Family Residential	316	6,435	8,357
Commercial/Institutional	515	8,559	1,085
Total Users	2,013	39,024	33,472

Note: Commercial Connection data prior to FY 2016/17 included double-counting of some accounts. Revised, lower numbers do not indicate a loss of commercial customers. Reduction in calculated residential and multifamily DUE's caused by flow-reductions due to continued indoor water conservation.

Note: DUE calculations were revised for FY2019/20 to ensure that 1 DUE is equal to the average wastewater generated by a single family home.

Livermore Sewer System					
Summary of Historical Operating Results ⁽¹⁾					
Fiscal Year Ended June 30					
	Audited 2016	Audited 2017	Audited 2018 ⁽⁵⁾	Audited 2019	Audited 2020
Gross Revenues					
Charges for services	\$ 18,901,732	\$ 20,388,467	\$ 21,341,703	\$ 22,920,343	\$ 24,311,205
Connection Fees	3,677,231	1,834,854	2,477,971	2,311,224	1,341,958
Investment Income (Loss)	834,666	178,872	395,756	1,783,751	1,955,582
Other Revenue ⁽⁴⁾	59,991	50,147	33,205	20,806	34,735
Total Gross Revenues	<u>23,473,620</u>	<u>22,452,340</u>	<u>24,248,635</u>	<u>27,036,124</u>	<u>27,643,480</u>
Maintenance & Operations Costs ⁽²⁾	<u>17,392,930</u>	<u>15,784,287</u>	<u>15,982,653</u>	<u>18,020,641</u>	<u>18,499,496</u>
LAVWMA Net Revenues	6,080,690	6,668,053	8,265,982	9,015,483	9,143,984
Net Revenue minus Obligations ⁽³⁾	6,080,690	6,668,053	8,265,982	9,015,483	9,143,984
Share of LAVWMA Debt Service					
Rehabilitation Project	973,711	973,985	974,289	973,970	974,183
Expansion Project	1,253,103	1,253,455	1,253,847	1,253,436	1,253,710
Total LAVWMA Debt Service	<u>\$ 2,226,814</u>	<u>\$ 2,227,440</u>	<u>\$ 2,228,136</u>	<u>\$ 2,227,406</u>	<u>\$ 2,227,893</u>
LAVWMA Debt Service Coverage	2.73	2.99	3.71	4.05	4.10
Net Revenues Available after Obligations/LAVWMA	\$ 3,853,876	\$ 4,440,613	\$ 6,037,846	\$ 6,788,077	\$ 6,916,091

⁽¹⁾ Balances are derived from the Livermore audited financial statements.

⁽²⁾ M&O excludes depreciation and debt service. M&O includes Payments to LAVWMA for LAVWMA Maintenance and Operation Costs. See "SECURITY FOR THE 2011 BONDS." Includes Operating Transfers Out, if any.

⁽³⁾ Reflects Net Revenues remaining after payment of debt service on Livermore's Obligations.

⁽⁴⁾ Includes Operating Transfers in, if any.

Note: Starting in FY17-18, Stormwater activities are reported separately from Sewer.

SCHEDULE OF INSURANCE AS OF JUNE 30, 2020					
COVERAGE	BROKER	COVERAGE	POLICY NO	LIMITS	TERM
General/Auto Liability Primary Layer	City of Livermore - Self Insured Retention		Not applicable	\$500,000 Self Insured Retention.	7/1/19-6/30/20
General/Auto Liability Excess Coverage First Layer	California Joint Powers Risk Management Authority (CJPRMA)	Bodily Injury, Property Damage, Personal Injury, Public Officials Errors & Omissions, Employment Practices, Mold, Sexual Abuse at day care, terrorism, Pollution	2019-2020 MOC	CJPRMA jointly indemnifies members from SIR to \$5M	7/1/19-6/30/20
General/Auto Liability Excess Coverage Second Layer	AON - Munich Re - A.M. Best Rating A++:XV	Follow ing CJPRMA Memorandum of Coverage	152376-3019263-2017	\$20,000,000 per occurrence excess of \$5,000,000 per occurrence retention for Bodily Injury / Property Damage / Personal Injury / Public Officials E&O	7/1/19-6/30/20
General/Auto Liability Excess Coverage Third Layer	Scor Reinsurance Company A.M. Best Rating A-:XV	Follow ing CJPRMA Memorandum of Coverage	10F148843-2019-1	\$15,000,000 excess of \$25,000,000	7/1/19-6/30/20
Commercial Property	Lloyd's of London	Real and Personal Property / Business Interruption / Extra Expense / Rental Coverage, Excluding Earthquake and Flood	Lloyd's B0180PJ1900047	Primary Property Limit: \$400,000,000 Deductible \$250,000 \$500,000 for Wildfire Flood Zones A & V at \$525,666,434 in values	7/1/19-6/30/20
	APIP	Coverage is on a replacement cost basis.	APIP - 01747589/06		
		Automatic coverage for new or additional locations.			
*Boiler and Machinery *this year included in property program	APIP/Travelers Boiler & Machinery		APIP - 017471589/06 Travelers 2H11173A	\$100,000,000	7/1/19-6/30/20
Public Employee Blanket Bond (Crime/Fidelity)	AON – Great American Insurance Group	Faithful performance, any dishonest act, including forgery, alteration, & theft Covers all employees statutorily required to maintain bonding.	GVT 052-17-78-06-01	Deductible is \$10,000 per loss Coverage is \$500,000 per loss	7/1/19-6/30/20
Airport Liability	AON/Old Republic Insurance Co.	Airport liability / Hangerkeeper's / Advertising / Vehicles / Non-ow ned aircraft / Fire Legal Liability / Products and Completed Operations / Premises	PR00269702	\$75,000,000 per occurrence with \$0 deductible	7/1/19-6/30/20
Cyber Liability	APIP/Beasley	Information security & privacy insurance w ith electronic media liability coverage	MLN624127.01/2019	\$2,000,000 per member; \$25,000,000 aggregate. Deductible is \$100,000.	7/1/19-6/30/20
Additional Cyber	APIP/Lloyd's	City also purchased Excess Cyber: \$3,000,000 per member, \$4,000,000 pool aggregate	MLN624127.01/2018	\$3,000,000 per member, \$4,000,000 pool aggregate	7/1/19-6/30/20
Terrorism	APIP/Lloyd's	Terrorism & Sabotage insurance	Lloyd's B0180PJ1900048	\$100,000,000 per occurrence & aggregate, \$100,000 deductible	7/1/19-6/30/20

SCHEDULE OF INSURANCE AS OF JUNE 30, 2020					
COVERAGE	BROKER	COVERAGE	POLICY NO	LIMITS	TERM
Workers' Compensation and Employer Liability Primary Layer	City of Livermore - Self Insured Retention	State Mandated workers' compensation coverage for miscellaneous and safety member employees, including volunteers. Also covers employer liability not covered under statutory workers' compensation coverage.	Not applicable	Self Insured retention of \$500,000	7/1/19-6/30/20
Workers' Compensation and Employer Liability Excess Coverage First Layer	Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX)	State mandated workers' compensation coverage for miscellaneous and safety member employees, including volunteers. Also covers employer liability not covered under statutory workers' compensation coverage.	2019-2020 MOC	\$5 million in excess of SIR of \$500,000 per claim	7/1/19-6/30/20
Worker's Compensation and Employer Liability Reinsurance and Excess Coverage Second Layer	CSAC-EIA, Reinsurance from ACE American Insurance Co.	State mandated workers' compensation coverage for miscellaneous and safety member employees, including volunteers. Also covers employer liability not covered under statutory workers' compensation coverage.	EIA-PE 19 EWC-32	\$50,000,000 each accident/each employee (Difference between \$50,000,000 and the individual member's retention)	7/1/19-6/30/20
Worker's Compensation and Employer Liability Reinsurance and Excess Coverage Third Layer	Liberty Insurance Corporation	State mandated workers' compensation coverage for miscellaneous and safety member employees, including volunteers. Also covers employer liability not covered under statutory workers' compensation coverage.	EW7-64N-444785-019	Statutory excess of \$50,000,000	7/1/19-6/30/20
Pollution	APIP/ Interstate Fire & Casualty Company	Claims Made and Reported Pollution Liability	EIL 1000039	\$3,000,000 per occurrence \$3,000,000 aggregate with \$75,000 deductible	7/1/19-6/30/20
DIC (Difference in Conditions) Earthquake and Flood	AON - ACE Westchester Surplus Lines Insurance	Property coverage per schedule for damage from Earthquake or Flood as excluded from Property Program.	D3740021A 008	\$5,000,000 per occurrence with \$5,000,000 annual aggregate; deductible is \$25,000 for flood; 10% of the separate insurable value subject to a minimum of \$100,000 per occurrence	7/1/19-6/30/20
DIC (Difference in Conditions) Earthquake and Flood (Excess)	AON - Evanston Insurance Company	Property coverage per schedule for damage from Earthquake or Flood as excluded from Property Program.	MKLV14XP012493	Additional \$10,000,000 coverage	7/1/19-6/30/20
Auto Physical Damage	AON - CJPRMA / Hanover - Inland Marine	Auto physical damage coverage for city-owned vehicles with replacement value above \$20,000	IH3 9163180	Per occurrence limit: \$10,000,000 \$10,000 deductible with replacement value as scheduled \$19,604,853 in values	7/1/19-6/30/20
Condominium Coverage	Gene Morgan Insurance - United States Liability Insurance Company	Interior dwelling, personal property, medical and liability coverage for 5 city-owned condominiums	CPS251737421	\$1,000 retention; Limits: \$100,000 interior dwelling; \$5,000 personal property; \$2,000 medical; \$500,000 liability	11/22/18-11/22/19
Fiduciary	AON/Travelers	457 Governmental money purchase plan and trust.	106945404	\$1,000,000 for all claims, \$100,000 for each settlement program notice.	7/1/19-6/30/20

Livermore Successor Agency to the Former Redevelopment Agency Redevelopment Project Historical Tax Revenues					
Category	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20
Secured Assessed Values	\$ 605,121,061	\$ 669,402,838	\$ 724,912,255	\$ 758,981,194	\$ 791,094,983
Unsecured Assessed Values	48,359,416	53,829,143	50,958,223	45,926,379	35,085,427
Total Assessed Values	653,480,477	723,231,981	775,870,478	804,907,573	826,180,410
Percentage Change	7.44%	10.67%	7.28%	3.74%	2.64%
Base Year Assessed Values	\$ 70,060,057	\$ 70,060,057	\$ 70,060,057	\$ 70,060,057	\$ 70,060,057
Incremental Assessed Values	583,420,420	653,271,924	705,810,421	734,847,516	756,120,353
Gross Tax Increment Revenue	6,058,269	6,874,820	7,445,163	7,580,878	7,803,155
Unitary Tax Revenues	22,544	20,139	26,881	33,058	34,184
Gross Revenues	6,080,813	6,894,959	7,472,044	7,613,936	7,837,339
Adjustments to Gross Revenues:					
County Administrative Fees	43,624	46,546	48,779	58,375	52,352
Sections 33676 Payments	2,407	2,500	2,620	2,742	2,867
Tax Revenues	\$ 6,034,782	\$ 6,845,913	\$ 7,420,645	\$ 7,552,819	\$ 7,782,120
Negotiation Pass-Through Payments	1,081,931	1,199,765	1,296,935	1,313,615	1,358,458
Statutory Pass-Through Payments	271,154	375,440	449,671	451,116	497,712
Net Tax Increment Revenues	\$ 4,681,697	\$ 5,270,708	\$ 5,674,039	\$ 5,788,088	\$ 5,925,950

Source: The HDL Companies

- 1) Secured values include state assessed non-unitary utility property
- 2) Represents section 33676 payments to the Bart, the Abatement District, the Community College and the Flood Control District
- 3) Represents payments pursuant to the Pass-Through Agreements. Such payments were not subordinate to the payment of debt service on the 2001 Bonds but, because such payments are subordinate to the payment of debt service on the 2016 Bonds, are shown as such for purposes of showing historical Tax Revenues.
- 4) Represents statutory pass-through payments with respect to the Project Area required pursuant to AB 1290. Such payments were not subordinate to the payment of debt service on the 2016 Bonds, are shown as such for purposes of showing historical Tax Revenues

Livermore Successor Agency to the Former Redevelopment Agency Redevelopment Project Ten Largest Taxable Property Owners				
Assessee	Land Use	Total FY2019-20 Assessed Value	% of Total Assessed Value	% of Incremental Value
ValleyCare Senior Housing Inc.	Assisted Care Senior Housing Development	\$ 57,702,045	6.98%	7.63%
Sequoia Equities Mill Springs	Mill Springs Park Apartments	51,397,757	6.22%	6.80%
Hospital Comm Livermore	Stanford Valleycare Medical Offices/Facilities	38,210,346	4.62%	5.05%
Dorothy J. Anderson Trust ⁽¹⁾	Orchard Hardware / Safeway Retail Center	37,750,285	4.57%	4.99%
Maroon Bear 2 LP	Commercial Center - Livermore Ave at 1st Street	31,247,466	3.78%	4.13%
35 Fenton Street LLC	The Watermark - Assisted Living	22,409,504	2.71%	2.96%
Serra LLC ⁽¹⁾	Walgreens Pharmacy - 1st Street & SP Street	15,122,100	1.83%	2.00%
Sai La Family LP et al and LAC et al	Trader Joe's Home Furnishings Retail Center	12,660,863	1.53%	1.67%
McCorduck Properties Livermore	Commercial Center - Livermore Valley Square	9,995,838	1.21%	1.32%
Vine Center LLC	Commercial Center - Vine Center	9,550,800	1.16%	1.26%
Top Ten Total		\$ 286,047,004	34.61%	37.81%
Total FY 2019-20 Assessed Valuation		\$ 826,180,410	100.00%	
Total FY 2019-20 Incremental Assessed Valuation		\$ 756,120,353		100.00%

Source: The HDL Companies

1) Taxpayers have pending assessment appeals with respect to property within the Project Area.

Livermore Successor Agency to the Former Redevelopment Agency Assessment Appeals Appeals for FY 2015-16 to FY 2019-20					
Total Appeals Filed	No. of Resolved Appeals	No. of Successful Appeals	Average AV Reduction	No. of Appeals Pending	Value of Appeals Pending
45	25	13	17.32%	12	\$24,907,314

Livermore Successor Agency to the Former Redevelopment Agency Redevelopment Project Actual ⁽¹⁾ and Projected ⁽²⁾ Tax Revenues and Debt Service Coverage (Assumes 0% Growth)						
Fiscal Year	Gross Tax Revenues	SB 2557 Charge	Section 33676 Payments	Tax Revenues	Debt Service on 2016 Bonds	Debt Service Coverage
2016-17	\$ 6,894,959	\$ (46,546)	\$ (2,500)	\$ 6,845,913	\$ 2,151,702	3.18
2017-18	7,472,044	(48,779)	(2,620)	7,420,645	2,073,969	3.58
2018-19	7,613,936	(58,375)	(2,742)	7,552,819	2,075,969	3.64
2019-20	7,837,339	(52,352)	(2,867)	7,782,120	2,074,969	3.75
2020-21	6,293,445	(46,309)	(2,268)	6,214,867	2,075,969	2.99
2021-22	6,293,445	(46,309)	(2,268)	6,214,867	2,073,719	3.00
2022-23	6,293,445	(46,309)	(2,268)	6,214,867	2,078,219	2.99
2023-24	6,293,445	(46,309)	(2,268)	6,214,867	2,068,969	3.00
2024-25	6,293,445	(46,309)	(2,268)	6,214,867	2,071,469	3.00
2025-26	6,293,445	(46,309)	(2,268)	6,214,867	2,074,969	3.00
2026-27	6,293,445	(46,309)	(2,268)	6,214,867	2,073,519	3.00
2027-28	6,293,445	(46,309)	(2,268)	6,214,867	2,070,569	3.00
2028-29	6,293,445	(46,309)	(2,268)	6,214,867	2,076,581	2.99
2029-30	6,293,445	(46,309)	(2,268)	6,214,867	2,070,481	3.00
2030-31	6,293,445	(46,309)	(2,268)	6,214,867	2,075,175	2.99
2031-32	6,293,445	(46,309)	(2,268)	6,214,867	-	0.00
2032-33	6,293,445	(46,309)	(2,268)	6,214,867	-	0.00

- 1) FY 2016-17 through FY 2019-20 are based on actual
- 2) FY 2020-21 and on are the projections set forth in the official statement

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