



# City of San Leandro

Meeting Date: February 16, 2021

## Staff Report

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**File Number:** 21-090 **Agenda Section:** CONSENT CALENDAR  
**Agenda Number:** 8.G.

**TO:** City Council

**FROM:** Fran Robustelli  
Interim City Manager

**BY:** Susan Hsieh  
Finance Director

**FINANCE REVIEW:** Susan Hsieh  
Finance Director

**TITLE:** Staff Report for a City of San Leandro City Council Resolution to Accept the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2020

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### SUMMARY AND RECOMMENDATIONS

Staff recommends that the City Council accept the CAFR for the fiscal year ended June 30, 2020.

### BACKGROUND

The City's independent auditor, Maze & Associates, completed the audit of the City's financial statements and provided their auditor's reports for the fiscal year that ended June 30, 2020. The Finance Department prepares the City's financial statements in the form required for the Comprehensive Annual Financial Report (CAFR). The Governmental Accounting Standards Board (GASB) recommends the elements for the CAFR format. The CAFR and the related financial statements fully disclose the financial condition of the City, Successor Agency to the Redevelopment Agency, and other reporting units of the City.

In addition to the Comprehensive Annual Financial Report, the following statements for the year ended June 30, 2020 were also prepared as required by the Alameda County Transportation Commission (ACTC).

- Measure B Program Financial Statements
- Measure BB Program Financial Statements
- Measure F Funds-Alameda County Vehicle Registration Fee

The CAFR shows the total of all financial accounting for the fiscal year. The financial reporting provided in the CAFR is in greater detail than the basic financial statements and is made up of three primary sections:

- **Introductory Section:** provides general information about the City including the letter of transmittal, list of principal officers, and an organizational chart.

- **Financial Section:** provides the overall financial information for the City including the report of the independent auditor, management's discussion and analysis (MD&A), the basic financial statements, notes to the basic financial statements, required supplementary information, and other supplementary statements and schedules.
- **Statistical Section:** provides a broad range of operational, economic, and historical data providing context for assessing the City's fiscal condition. This section provides information about general financial trends, revenue and debt capacities, economic and demographic trends, and operating information.

The format of the CAFR is designed to serve the needs of three primary users: the City Council and other governmental oversight bodies, the public, and agencies assessing the City's creditworthiness.

## DISCUSSION

Maze & Associates completed audits of the City's financial statements and Measures B and BB special sales tax revenues. Maze found the general purpose financial statements present fairly, in all material ways, the City's financial position as of June 30, 2020 (*Independent Auditor's Report, Opinions*). The audited financial statements include the statement of net position, statement of activities and changes in net position, balance sheets, statements of revenues, expenditures, and changes in fund balance, and statements of cash flows.

Please refer to the Management's Discussion and Analysis section in the CAFR for detailed discussion regarding the City's financial performance and position. Key financial highlights for the years ended June 30, 2020 are as follows:

- The City's Assets and Deferred Outflow of Resources exceeded its Liabilities and Deferred Inflow of Resources by \$180.2 million (Net Position), a \$5.8 million decrease from the prior year. Of the total net position, \$189.0 million was invested in capital assets, \$64.5 million was restricted for other purposes, and (\$73.3) million was unrestricted. Restricted Net Position increased by \$1.4 million while Net Investment in Capital Assets and Unrestricted Net Position saw a decrease of \$2.2 million and \$5.0 million respectively.
- Assets and Deferred Outflow of Resources increased by \$3.7 million from the prior fiscal year, fully offset by an increase in Liabilities and Deferred Inflow of Resources of \$9.5 million. The increase in Liabilities was partly due to the increase in net pension liability of \$13.5 million offset by the decrease in debt repayment of \$6.0 million and decrease in net OPEB liability of \$2.0 million. Unfunded pension liability as of June 30, 2020 was \$188.7 million. The City's total net position decrease of \$5.8 million is comprised of a \$5.6 million decrease in governmental activities and a \$0.2 million decrease in Business-Type activities.
- The City's governmental fund balance increased by \$5.9 million for an ending fund balance of \$129.0 million. Of this balance, \$8.0 million is not spendable because the funds are not available due to advances and loans to other funds. A total of \$64.5 million is Restricted due to the constraints placed on the use of resources, such as capital projects and debt service payments. \$9.8 million is Assigned, which are General Fund encumbrances from the prior year, a one-time licensing fee set aside for projects, and a reserve to fund

anticipated Other Post-Employment Benefit costs resulting from the City's contract for fire protection services with Alameda County. Lastly, \$46.7 million is Unassigned and available for spending in the future.

- Impacted by the COVID-19 pandemic, General Fund sales tax revenue decreased by 2.6% or \$1.2 million from the prior fiscal year; property transfer tax decreased by 29.5% or \$1.6 million from the prior fiscal year. The decreases were partially offset by the increases from property tax and other revenues. Due to early implementation of prudent spending strategies, the General Fund ended the fiscal year with positive financial results. General Fund balance increased by \$4.5 million including spendable and nonspendable resources.
- The City's business-type/enterprise activities include the Water Pollution Control Plant, Shoreline, Storm Water Utility, and Environmental Services. The total net position for all four of these funds was \$58.6 million at fiscal year end June 30, 2020, a decrease of \$0.2 million over the prior fiscal year.

Again, Maze found the general purpose financial statements present fairly the City's financial position as of June 30, 2020. This is the highest level opinion that can be rendered by the auditors. This opinion assures that the City's financial statements are in conformity with accounting principles generally accepted in the United States and was rendered on all of the City's funds, including the Successor Agency to the Redevelopment Agency of the City of San Leandro.

The City Council should note that the City was awarded the Certificate of Achievement for Excellence in Financial Reporting for the Fiscal Year ended June 30, 2018 by the Government Finance Officers Association of the United States and Canada (GFOA). Because of staffing transitions, the City did not apply for the GFOA award for the fiscal year 2018-19 CAFR. The City is planning to apply for the award for the fiscal year 2019-20 CAFR, and staff believes it continues to meet the stringent standards of the GFOA Awards program.

Staff recommends that the City Council accept the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year end June 30, 2020.

#### **ATTACHMENTS**

None

#### **PREPARED BY**

Susan Hsieh, Finance Director



# City of San Leandro

Meeting Date: February 16, 2021

## Resolution - Council

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**File Number:** 21-091

**Agenda Section:** CONSENT CALENDAR

**Agenda Number:**

**TO:** City Council

**FROM:** Fran Robustelli  
Interim City Manager

**BY:** Susan Hsieh  
Finance Director

**FINANCE REVIEW:** Susan Hsieh  
Finance Director

**TITLE:** RESOLUTION of the City of San Leandro City Council Accepting the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2020

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The City Council of the City of San Leandro RESOLVES as follows:

That the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020 is hereby accepted, a copy of which is attached hereto and incorporated herein by reference.





Wishing you a special Thanksgiving Day from  
City of San Leandro Recreation and Human Services



# Comprehensive Annual Financial Report Fiscal Year Ended June 30, 2020



Celebrate the  
43rd Annual



## Senior Thanksgiving Luncheon

For Adults 60+

Enjoy a FREE classic Thanksgiving meal, frozen and ready to heat. Register for your preferred pick up location, date and time at [sanleandrorec.org](http://sanleandrorec.org) or by calling Customer Service at 1 (510) 577-3462.

**Limit 1 meal per customer.**

**Reserve in advance; supplies are limited.**

**Pick up at one of two locations!**

**Marina Community Center**  
15301 Wicks Boulevard

**Senior Community Center**  
13909 East 14<sup>th</sup> Street

Customer Service 1 (510) 577-3462



RECREATION AND  
**SAN LEANDRO**  
HUMAN SERVICES  
WWW.SANLEANDROREC.ORG



# CITY OF SAN LEANDRO CALIFORNIA





**CITY OF SAN LEANDRO, CALIFORNIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2020**

**PREPARED BY:**  
**City of San Leandro – Finance Department**





**CITY OF SAN LEANDRO**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2020**

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City of San Leandro  
Civic Center, 835 E. 14th Street  
San Leandro, California 94577



January 26, 2021

Honorable Mayor and Members of the City Council  
City of San Leandro  
San Leandro, CA 94577

Dear Mayor and Members of the City Council:

The Comprehensive Annual Financial Report (CAFR) for the City of San Leandro is hereby submitted for the year ended June 30, 2020. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to fairly present the City’s financial position and results of operations of all funds. All disclosures necessary to understand the City’s financial activities are included.

Section 555 of the City Charter requires an annual independent audit of the City’s fiscal affairs. This report is published to fulfill this requirement for the fiscal year ending June 30, 2020.

This report consists of management’s representations concerning the finances of the City. To provide a reasonable basis for making these representations, management established a comprehensive internal control framework designed to both protect the City’s assets from loss, theft, or misuse, compiled sufficient reliable information for the preparation of the City’s financial statements in conformity with Generally Accepted Accounting Principles (GAAP), and complied with applicable laws and regulations.

The City contracted with Maze & Associates, a public accounting firm licensed to perform local government audits in California, to complete the annual audit. Maze concluded that the financial statements present fairly the respective financial position of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, and the respective changes in financial position, and where applicable, cash flows for the year ended June 30, 2020 in accordance with GAAP. This is a favorable conclusion and is commonly referred to as an unqualified opinion.

The audit involved examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation.

In addition to the CAFR, the City prepares a mandated Single Audit designed to meet requirements related to major program expenditures of Federal funds. The standards governing Single Audit engagements require the independent auditor to report on the audited government’s internal controls and compliance with legal requirements, emphasizing administration of Federal awards. These reports are available in the City’s separately issued Single Audit Report.



GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement in the form of the Management's Discussion and Analysis (MD&A). The MD&A complements this transmittal letter and should be read in conjunction with it.

## **CITY PROFILE**

The City was incorporated in 1872 and is one of the older communities in the San Francisco Bay Area. The city occupies fifteen square miles between the cities of Oakland and Hayward and is bordered on the west by the San Francisco Bay. San Leandro offers its 87,900 residents the charm and character of a community that has been established for 147 years. Once an agricultural community, the City has been successful in attracting significant residential, industrial, manufacturing, and retail development.

### **City Structure**

The City functions under a council-manager form of government and is governed by a seven-member council elected by City residents. Municipal services include public safety, streets and roads, recreation and cultural services, library, health services, public infrastructure improvements, planning and zoning, and general administrative services. The scope of the City Council's power and influence includes the following:

- Authority to set policy and enact legislation that facilitates those policies;
- Authority to establish and modify operating and capital budgets;
- Power to appoint voting members to other governing authorities;
- Power to appoint the City Manager and City Attorney; and
- Authority to veto, modify, and overrule decisions previously enacted.

### **Component Units**

The City's blended component units include operations of the San Leandro Parking Authority and the San Leandro Public Financing Authority. As of June 30, 2020, there were no discrete reportable component units.

The CAFR for the year ending June 30, 2020 provides a financial account of these units, organizational elements, and the City functions for which the City Council provides policy direction and general oversight. It presents financial information on the activities of the City itself and the component units of the City upon which the City Council is authorized to impose its will. The operating nature of the City's component units determines how they are reported in the financial statements. The activities of component units that provide financial benefit or create financial burden for the City are blended within the City's general financial statements.

## **ECONOMIC CONDITION OF THE CITY**

The City has a diverse business community, which is comprised of varied businesses ranging from neighborhood coffee houses and fine restaurants, large food processing centers, regional shopping opportunities, to cutting edge technology. While the economic base has dramatically changed from its agricultural early years, San Leandro continues to expand on its sound business base with the ongoing development of such projects as a multi-family housing development, high-rise offices, and the continuing revitalization of downtown.

The economic outlook for the City and the East Bay was positive through the third quarter of fiscal year 2019-20. However, the COVID-19 pandemic and the stay-at-home orders have profoundly affected San Leandro businesses and residents. It is challenging to predict the depth and length of the negative consequences on the economy, and significant uncertainty remains about the timing and strength of an economic recovery.

The recession resulting from the global financial and credit market meltdown in late 2008 had a direct and dramatic impact on the City's local revenues. Since then the economy has rebound, and the U.S. was in its longest economic expansion when the COVID-19 pandemic hit. Due to low housing inventory, home prices continued to appreciate even during the pandemic. The City's median home price was \$694,000, a 7% increase from prior year. San Leandro's unemployment rate was 17.7%. This high unemployment rate was attributed to the shutdown of economic activities in the last quarter of the fiscal year, though the rate improved after June 30, 2020.

The City's General Fund supports basic municipal services, such as public safety, human services, library and parks and recreation. Revenue to this critical fund, generated largely from sales and property taxes, has grown to higher levels due to voter-approved tax measures in 2014 and 2016. Instead of a usual growth, sales tax revenues decreased by 3% from the prior fiscal year due to the COVID-19 pandemic. With the passage of Measure HH effective April 1, 2015, the half-cent sales tax added \$12.0 million sales tax revenue in fiscal year 2019-20. Property tax, a stable revenue source, increased by 9% partly due to the increase in assessed value. Impacted by the rapid shutdown of economic activities, real property transfer tax decreased by 29% from the prior fiscal year. Fortunately, real property transfer tax is not one of the City's top revenue sources and thus the financial impact of this revenue source was limited. Affected by the COVID-19 pandemic, General Fund revenues experienced a slight decrease from the prior fiscal year.

City operations are also supported by other funds, including major and non-major enterprise (proprietary) funds. Major enterprise funds include the Water Pollution Control Plant and Shoreline Enterprise Funds. Both funds experienced decline in revenues over the prior fiscal year due to the COVID-19 pandemic. The Water Pollution Control Plant Enterprise fund was established to account for the City's sewers, which protect public health and preserve water quality through collection, treatment, and disposal of the community's wastewater. Program revenues to this fund in 2019-20 totaled \$13.7 million, a 4% decrease from the prior fiscal year. The Shoreline Enterprise Fund was established in 2002-03 by combining the Marina and the Golf Course Funds. Program revenues to this fund in 2019-20 totaled \$1.7 million, a 13% decrease from the prior fiscal year.

Like many other cities in California, the City faces increases in operating expenses partly due to rising pension costs. The City continues to implement strategies to control costs and identify viable revenue options. The City is also committed to funding its unfunded pension and other post-employment benefits (OPEB) liabilities. Authorized by the City Council, the City continues to set aside funds in the Prioritization Unfunded Liability Liquidation (PULL) Plan to reduce its unfunded liabilities.

### **Long-term Perspective**

The City adopts a biennial budget employing long-term planning as the framework for fiscal decisions. While San Leandro's underlying economy is viewed as positive in the long-term, today's economic challenges, notably in the General Fund, must be dealt with now to ensure long-term fiscal

sustainability. The City Council has implemented numerous cost cutting measures after staffing peaked in 2008-09 to produce recurring budget savings to address its financial challenges. Passage of Measure Z in November 2010, Measure HH in 2014, and Measures OO, PP, and NN in 2016 have improved revenues enough to restore selective services. The City has also implemented strategies to control costs such as soft hiring freeze to mitigate the impact from the COVID-19 pandemic.

Consistent with the City Councils' direction to pursue a balanced approach to addressing the City's deficit that includes both expenditure reductions and revenue increases, the City placed Measure VV on the November 2020 ballot; the measure was approved by San Leandro voters. This measure authorized an increase to the real property transfer tax rate from \$6 per thousand dollars in assessed valuation to \$11 per thousand dollars in valuation, and which is forecasted to generate approximately \$4.0 million in new annual General Fund revenue beginning in the latter half of fiscal year 2020-21.

City Council unrestricted reserves total \$46.7 million in the General Fund at June 30, 2020. The restricted reserves total \$17.8 million.

## **MAJOR INITIATIVES AND ACCOMPLISHMENTS**

The City is committed to providing innovative and responsive services to the community. In its role of providing policy direction and general oversight, the City Council establishes major goals for City service delivery. The City initiated and completed a list of major programs/projects during 2019-20 that helped achieve the City's mission of serving the public and enhancing the quality of life in San Leandro. Certain programs were created in response to the COVID-19 pandemic, which helped to reduce the combined health, social, and economic impacts of the pandemic. Some of these major initiatives and accomplishments include:

**COVID-19 Assistance** – The Community Development Department played a major role in the City's immediate response to the COVID-19 pandemic and its impact on residents and businesses due to the closure of businesses and unemployment. Key COVID-19 related initiatives included:

- Adoption of an eviction moratorium for residential and commercial renters immediately after the initial issuance of the March 16<sup>th</sup> Alameda County shelter in place order.
- Creation of the Rental Assistance Program (RAP) funded with over \$450,000 of emergency federal Community Development Block Grant under the Coronavirus Aid, Relief & Economic Security (CARES) Act. RAP provides urgent gap funding for lower income residential renters unable to pay rent due to the pandemic. The City was also awarded over \$765,000 from additional CARES Act funding in fiscal year 2020-21 that will be added to RAP to assist more eligible renters in need.
- Creation of the City funded \$300,000 **Small Business Continuity Grant Program**, which provided up to \$5,000 to small businesses to help them continue operations during the COVID-19 public health emergency. The objective of this program is to offer immediate financial assistance to small businesses and independent restaurants to aid them in maintaining their business operations and workforce.

- **Establishment of the COVID-19 Relief Temporary Outdoor Facilities Program**, which was a streamlined, no-cost outdoor facilities process for restaurants and food providers, retailers and other outdoor activities permitted by Alameda County Public Health to operate.

**Housing** – The 85-unit senior affordable rental housing development, La Vereda, opened and was fully leased. It is adjacent to Marea Alta, a 115-unit affordable rental housing development which opened in 2017. Together they represent the first major housing development completed under the 2007 Downtown Transit-Oriented Development Strategy. The City invested nearly \$11.0 million in both projects. Over 700 residential units are in the building permit review process, and an additional 45 units of ownership housing received planning/zoning approvals.

**Commercial/industrial Development** – The second of three planned new Class A office buildings was completed in the San Leandro Tech campus. Over 1.5 million square feet of industrial buildings were completed at 100 Halcyon Street and 2000 Marina Blvd. The latter will become the 330,000 square foot global headquarters for Torani, the 95-year-old flavor company best known for introducing the Italian soda to America and creating the world’s first flavored latte, which is moving from South San Francisco.

**Shoreline Development** – The Shoreline Development Project took an important step forward with the approval of a Disposition and Development Agreement (DDA) with the private developer Cal Coast Companies LLC Inc. to facilitate the future development of the Shoreline area. The Shoreline Development Project envisions the revitalization of 75 acres of public area to create 18 acres of public recreational areas, including a 9-acre park, a new Mulford/Marina Library, up to 500 new homes, a new hotel, restaurants, banquet facility, and market/café space.

**Street Rehabilitation and Sealing** – The City accepted as complete \$12.2 million worth of street maintenance and reconstruction work that occurred throughout the City. This work improved the safety and longevity of City streets by overlaying and reconstructing 2.7 lane miles and sealing 34.4 lane miles. Curb ramps, rectangular rapid flashing beacon crosswalks and other complete street features were included in the construction to make San Leandro a better place for all users of the roadway.

**Farrelly Pool Replacement Project** – The City awarded a \$6.2 million construction contract to build a new swimming pool facility to replace the aged existing complex. The work consists of constructing a 75’ by 62’ lap swimming pool with swim lesson area, ADA compliant public changing rooms, restrooms, staff area, first aid station and an equipment building. When completed this facility will provide many years of enjoyment and swim training to San Leandrans.

**One Megawatt Solar Array at Water Pollution Control Plant** – In May 2020, the City successfully completed a new 1-megawatt solar photovoltaic project at the Water Pollution Control Plant. The \$3.9 million project was funded 50% by a grant from the California Energy Commission. The project was anticipated to provide approximately 45% of the Plant’s energy needs, and the first three months’ of data indicate that the project is exceeding this expectation.

**Measure VV** – In an effort to address the City’s projected budget deficit and to ensure a secure financial future, the City launched various community engagement efforts designed to explore the viability of a potential revenue measure. As part of this work, several community surveys and a public opinion poll were executed in fiscal year 2019-20 to gain a better understanding of public service priorities. Several potential tax measures were also tested, including a modification to the real property transfer tax, a public safety parcel tax, and a vacant property tax. The results of this work were ultimately presented to the City Council in fiscal year 2019-20 and used to inform their decision in fiscal year 2020-21 to place Measure VV on the November 2020 ballot, increasing the real property transfer tax rate from \$6 per thousand dollars in assessed valuation to \$11 per thousand dollars in valuation.

## **FINANCIAL INFORMATION**

### **City Budget & Budgetary Controls**

The City Council is required to adopt a final budget by passing a budget resolution no later than June 30, following a public hearing process. This annual budget serves as the foundation for the City’s financial planning and control. The budget is prepared by fund, function (Public Safety) and department (Police). The legal level of budgetary control is at the fund level. The City Manager is authorized to transfer budgeted amounts between departments and line items within any fund. Any revisions that alter the total expenditures of any fund must be approved by the City Council. Transfers between funds must be approved by the City Council. At the end of the fiscal year, encumbered appropriations are carried forward and become part of the following year’s budget while appropriations that have not been encumbered lapse, unless otherwise authorized by the City Council and the City Manager.

### **Accounting System**

The City’s accounting records for general government operations are maintained on a modified accrual basis, with revenues recorded when measurable and available. Expenditures are recorded when the services or goods are received and the liabilities incurred. Accounting records for the City’s proprietary activities are maintained on the full accrual basis, with revenues recorded when earned and expenses when incurred.

In maintaining the City’s accounting system, consideration is given to the adequacy of internal controls. Internal controls are designed to provide reasonable assurance regarding the safeguarding of assets and to ensure the reliability of financial records and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived. The evaluation of costs and benefits requires continuing estimates and judgments by City management. We believe that the City’s system of internal accounting controls continues to adequately safeguard assets and provide reasonable assurance that financial transactions are properly recorded.

### **Risk Management**

The City maintains commercial insurance combined with self-insurance for all of its governmental operations. The City is a member of the Local Agency Workers’ Compensation Excess Joint Powers Authority (LAWCX). The City is also a member of California Joint Powers Risk Management Authority (CJPRMA), providing general liability coverage in an aggregate up to \$40 million.



Additional information on the City's risk management activity can be found in Note 11 to the basic financial statements.

## **OTHER INFORMATION**

### **Certificate of Achievement**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the year ended June 30, 2018. This was the 23<sup>rd</sup> consecutive year that the City received this award. Because of staffing transitions, the City did not apply for the GFOA award for the fiscal year 2018-19 CAFR. The City is planning to apply for the award for the fiscal year 2019-20 CAFR. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

### **Acknowledgements**

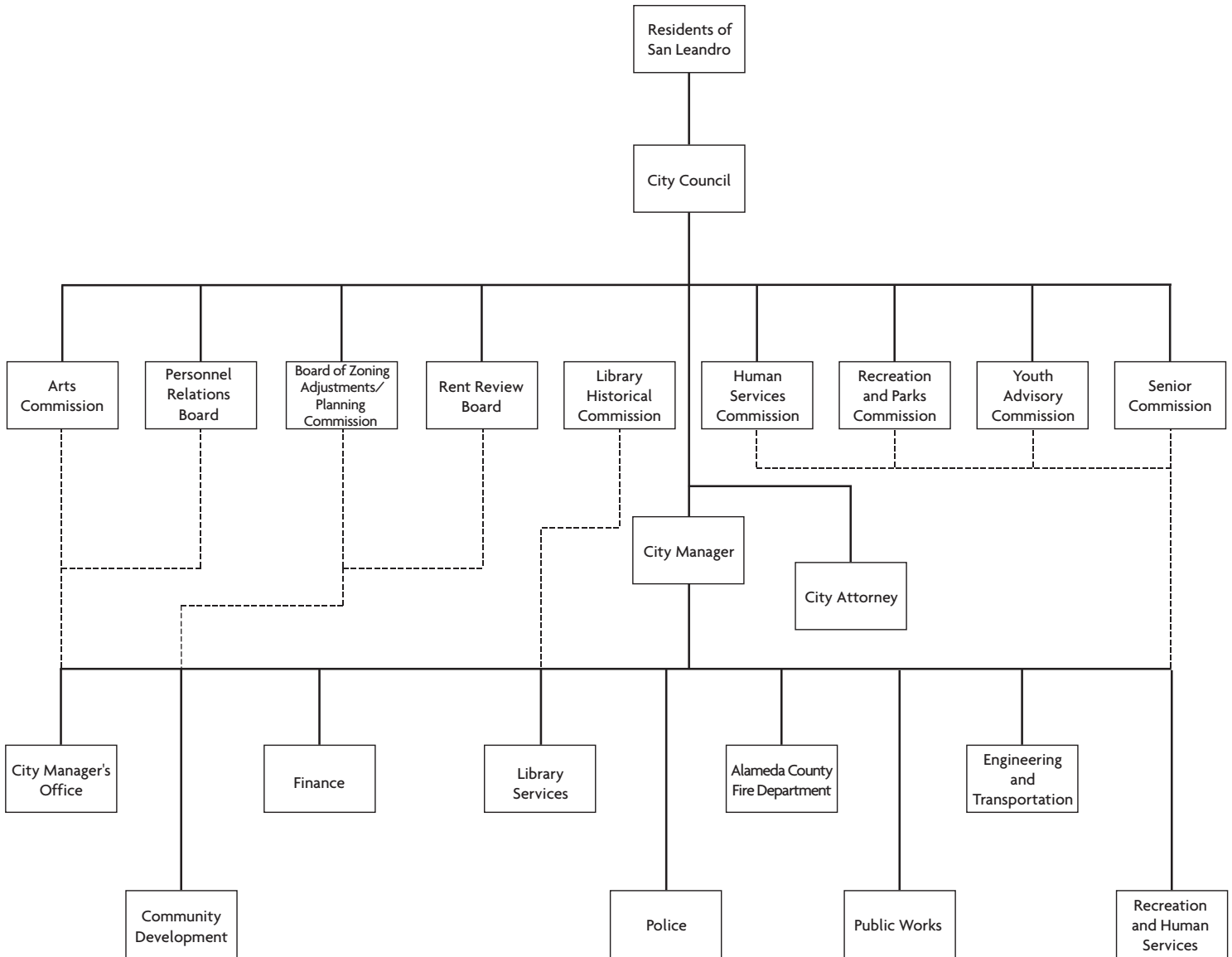
This CAFR represents the culmination of numerous hours of hard work expended by the dedicated staff in the Finance Department. Furthermore, I would like to thank Maze & Associates for their professional assistance and cooperation. Finally, I want to thank the City Council for their continued interest and support in planning and conducting the City's financial operations.

Respectfully submitted,



Susan Hsieh  
Finance Director

**This organizational chart reflects relationships between policy-making responsibility (Mayor, City Council, and Advisory Boards and Commissions) and administrative officers and departments.**



**PRINCIPAL OFFICERS**  
**CITY OF SAN LEANDRO**  
**For Fiscal Year Ended June 30, 2020**

**CITY COUNCIL**

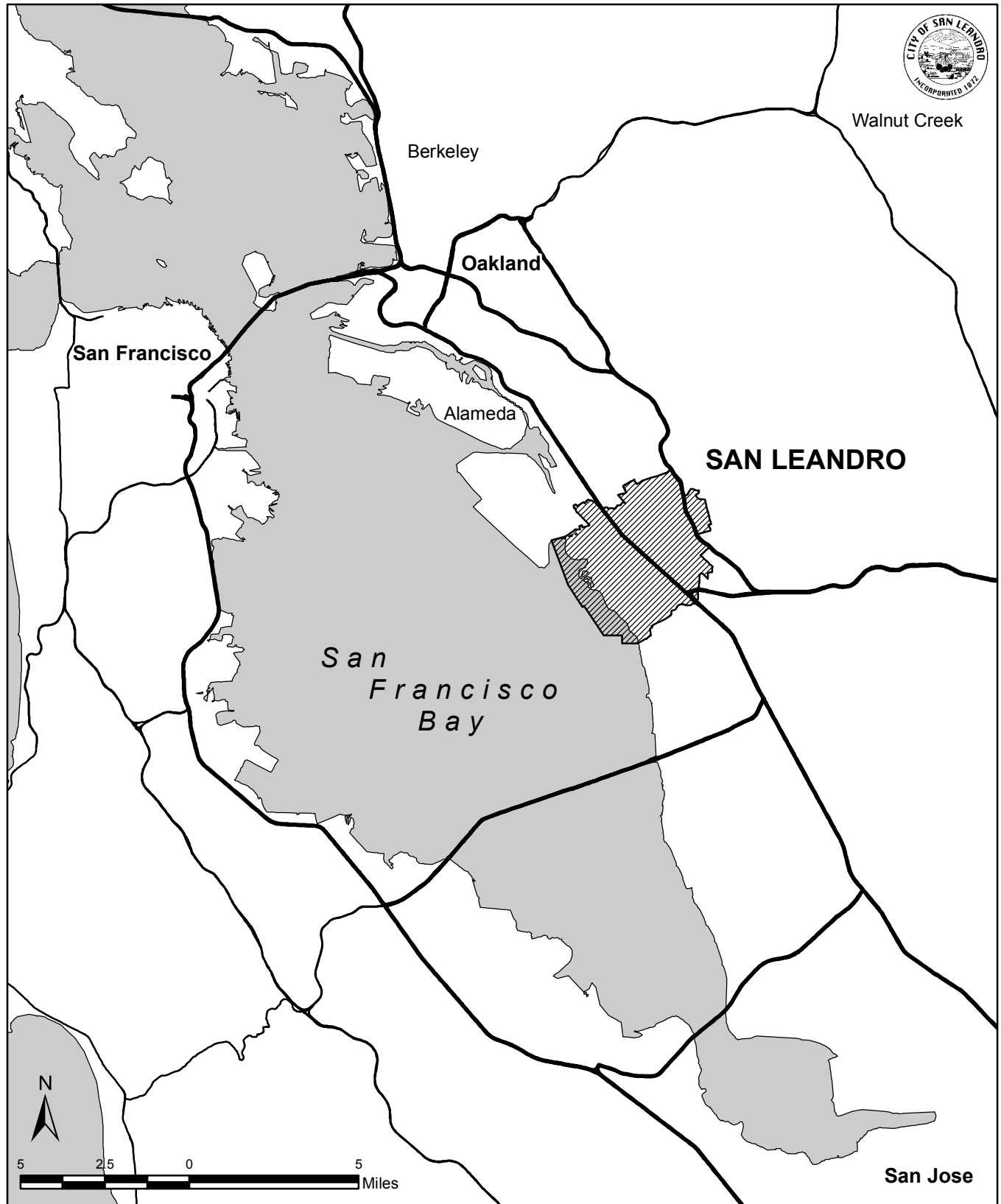
Mayor	Pauline Russo Cutter
Vice Mayor	Pete Ballew
Councilmember	Victor Aguilar, Jr.
Councilmember	Corina López
Councilmember	Deborah Cox
Councilmember	Ed Hernandez
Councilmember	Benny Lee

**COUNCIL APPOINTEES**

City Manager	Jeff Kay
City Attorney	Richard Pio Roda

**APPOINTED OFFICIALS**

Assistant City Manager	Elizabeth Warmerdam
City Clerk	Leticia Miguel
Police Chief	Jeff Tudor
Community Development Director	Tom Liao
Finance Director	Susan Hsieh
Recreation and Human Services Director	Jeanette Dong
Engineering – Transportation Director	Keith Cooke
Public Works Director	Debbie Pollart
Library Director	Theresa Mallon



## INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of City Council  
City of San Leandro, 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 San Leandro (City), California, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

### *Opinions*

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



***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*

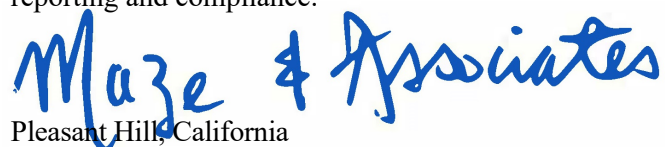
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statement. The Introductory Section, Supplementary Information, and Statistical Section as listed in the Table of Contents are presented for purposes of additional 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 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 January 26, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

  
Pleasant Hill, California  
January 26, 2021

## **Management's Discussion and Analysis for Fiscal Year Ended June 30, 2020**

The Management's Discussion and Analysis (MD&A) provides an overview of the City of San Leandro's financial activities and fiscal performance for the year ended June 30, 2020. Read this discussion and analysis in conjunction with the accompanying Transmittal Letter and Basic Financial Statements to obtain a complete picture of the City's financial condition.

### **FINANCIAL HIGHLIGHTS**

- City's Assets and Deferred Outflow of Resources exceeded its Liabilities and Deferred Inflow of Resources by \$180.2 million (Net Position), a \$5.8 million decrease from the prior year. Of total net position, \$189.0 million was invested in capital assets, \$64.5 million was restricted for other purposes, and (\$73.3) million was unrestricted. While Net Investment in Capital Assets and Unrestricted Net Position saw a decrease of \$2.2 million and \$5.0 million respectively, Restricted Net Position increased by \$1.4 million.
- Assets and Deferred Outflow of Resources increased by \$3.7 million from the prior fiscal year, fully offset by an increase in Liabilities and Deferred Inflow of Resources of \$9.5 million. The increase in Liabilities was partly due to the increase in net pension liability of \$13.5 million offset by the decrease in debt repayment of \$6 million and decrease in net OPEB liability of \$2 million. Unfunded pension liability as of June 30, 2020 was \$188.7 million.
- The City's total net position decrease of \$5.8 million is comprised of a \$5.6 million decrease in governmental activities and a \$0.2 million decrease in Business-Type activities.
- In accordance with GASB Statement No. 54, governments are obligated to enhance the financial reporting of the fund balance categories. Fund balances reported in Note 9 detail the classifications of the City's new fund balance categories. The City's governmental fund balance, which includes the general, special revenue, debt service, and capital projects funds, increased by \$5.9 million for an ending fund balance of \$129.0 million. Ending fund balance classifications include:
  - a) Nonspendable: \$8.0 million of these funds are not available or spendable due to advances and loans to other funds.
  - b) Restricted: \$64.5 million based on constraints on the use of resources or imposed by law through constitutional provisions or enabling legislation. These include capital projects and debt service payments.
  - c) Assigned: \$9.8 million including General Fund encumbrances, the Oakland Airport Access Agreement, and a reserve funding anticipated Other Post-Employment Benefits (OPEB) costs arising from the City's contract for Fire Services with the Alameda County Fire Department.
  - d) Unassigned: \$46.7 million and is available for expenditure. Unassigned is further categorized by Compensated Absences, Major Emergencies, Economic Uncertainties, and offsets from other fund deficits.

## OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The MD&A serves as an introduction to the City's basic financial statements. The City's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The report also contains other supplementary information in addition to the basic financial statements.

### **Government-Wide Financial Statements**

The government-wide financial statements provide readers a broad overview of the City's finances in a manner similar to statements of a private-sector business. The Statements are comprised of the *Statement of Net Position and Statement of Activities and Changes in Net Position*.

The *Statement of Net Position* presents information on the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of changes in the City's financial reporting.

The *Statement of Activities and Changes in Net Position* presents information showing how the government's net position changed during the 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 the related cash flows. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes, earned but unused vacation leave, and other compensated absences).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (governmental activities) from other functions intended to recover all or a significant portion of their costs through user fees and charges (business-type activities).

Both of the above financial statements have separate sections for two different types of programs or activities. These two types of activities are:

**Governmental Activities** – The activities in this section are mostly supported by taxes and charges for services. The governmental activities of the City include General Government (City Council, City Manager, City Clerk, Human Resources, Information Technologies, and Finance), Public Safety (Police and Fire), Engineering & Transportation (including Public Works), Recreation and Culture (including the Library), and Community Development.

**Business-Type Activities** – These functions normally recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The business-type activities of the City include the Water Pollution Control Plant, Environmental Services, Shoreline Enterprise, and Storm Water.

### **Fund Financial Statements**

A fund is a grouping of related accounts maintaining control over resources segregated 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 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 the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund 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. Such information may be useful in evaluating a government’s near-term financial capacity.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for government funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’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 facilitating the comparison between governmental funds and governmental activities. Reconciliations are presented on the page immediately following each governmental fund financial statement.

The City has 25 governmental funds, of which two are considered a major fund for presentation purposes. Major funds are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The City’s two major funds are the General Fund and the Capital Improvement Capital Project Fund. Individual fund for each of the non-major governmental funds are provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and all other major and non-major funds. Budgetary comparison statements are elsewhere in this report to demonstrate compliance with the adopted budget.

**Proprietary Funds** – The City maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to report the functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the Water Pollution Control Plant, Shoreline, Storm Water, and Environmental Services. Internal service funds are used to accumulate and allocate costs internally among various City functions. The City uses internal service funds to account for the fleet of vehicles, building and facilities maintenance, insurance services, and information systems. Because these services primarily benefit governmental rather than business-type functions, these are included within governmental activities in the governmental-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary fund financial statements provide separate information for the City’s proprietary funds. Internal service funds are combined into a single, aggregated presentation in the proprietary financial statements. Individual fund data for the proprietary and internal service funds are provided in the form of combining statements elsewhere in the report.

**Fiduciary Funds** – Fiduciary funds, consisting solely of trust and agency funds, are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support City’s programs. The accounting used for these funds is much like that used for governmental funds. These funds are reported in a separate statement of fiduciary assets.

## Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements follow the basic financial statements.

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplemental information. This information includes budgetary comparison schedules, more detailed information about the City's agreement with the California Public Employees Retirement System (CalPERS) for the defined benefit pension plan, more detailed information on the City's Other Post Employment Benefit Plan (OPEB), and a detailed description of the City's Long Term Debt.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

**Net Position** – As noted, net position may serve over time as a useful indicator of the City's financial position. In this fiscal year, total assets exceeded liabilities by \$180.2 million at the close of fiscal year 2019-20, a decrease of 3.1%.

**City of San Leandro**  
**Net Assets at June 30, 2020**  
**(in thousands)**

	Governmental Activities			Business-Type Activities			Total		
	2020	2019	% change	2020	2019	% change	2020	2019	% change
Current Assets	\$ 154,497	\$ 143,771	7.5%	\$ 37,352	\$ 38,104	-2.0%	\$ 191,849	\$ 181,875	5.5%
Non-Current Assets	8,366	9,072	-7.8%	(5,204)	(4,543)	14.5%	3,162	4,529	-30.2%
Capital Assets	192,496	197,907	-2.7%	77,972	77,036	1.2%	270,468	274,943	-1.6%
<b>Total assets</b>	<b>355,359</b>	<b>350,750</b>	<b>1.3%</b>	<b>110,120</b>	<b>110,597</b>	<b>-0.4%</b>	<b>465,479</b>	<b>461,347</b>	<b>0.9%</b>
Deferred Outflows of Resources	31,207	32,034	-2.6%	1,810	1,382	31.0%	33,017	33,416	-1.2%
Current and other liabilities	19,567	17,531	11.6%	3,029	3,300	-8.2%	22,596	20,831	8.5%
Long-term liabilities	237,990	231,340	2.9%	50,057	49,720	0.7%	288,047	281,060	2.5%
<b>Total liabilities</b>	<b>257,557</b>	<b>248,871</b>	<b>3.5%</b>	<b>53,086</b>	<b>53,020</b>	<b>0.1%</b>	<b>310,643</b>	<b>301,891</b>	<b>2.9%</b>
Deferred Inflows of Resources	7,416	6,705	10.6%	261	207	26.1%	7,677	6,912	11.1%
Net assets:									
Net investment in capital assets	147,336	152,522	-3.4%	41,645	38,662	7.7%	188,981	191,184	-1.2%
Restricted	64,473	63,079	2.2%	-	-	N/A	64,473	63,079	2.2%
Unrestricted	(90,216)	(88,393)	2.1%	16,939	20,090	-15.7%	(73,277)	(68,303)	7.3%
<b>Total net position</b>	<b>\$ 121,593</b>	<b>\$ 127,208</b>	<b>-4.4%</b>	<b>58,584</b>	<b>58,752</b>	<b>-0.3%</b>	<b>\$ 180,177</b>	<b>\$ 185,960</b>	<b>-3.1%</b>

The City's \$189.0 million net investment in capital assets such as infrastructure, land, buildings, machinery, and equipment is by far the largest portion of the City's net position. Because City currently uses these capital assets to provide services to residents, these assets are not available for future spending. Although investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay these investments must be provided from other sources (future income), since the capital assets themselves cannot be used to liquidate these liabilities.



Of the City's total net position, \$64.5 million represents resources that are subject to external restrictions.. The remaining balance of (\$73.3) million represents an unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors within the restrictions set forth by various funding sources.

**Changes in Net Activities**  
**Year Ended June 30, 2020**  
(in thousands)

	<b>Governmental Activities</b>			<b>Business-Type Activities</b>			<b>Total</b>		
	2020	2019	% Change	2020	2019	% Change	2020	2019	% Change
<b>Revenues</b>									
Program revenues:									
Charges for Services	\$ 17,866	\$ 19,315	-7.5%	\$ 17,163	\$ 18,053	-4.9%	\$ 35,029	\$ 37,368	-6.3%
Operating grants and contributions	7,533	6,898	9.2%	258	268	-3.7%	7,791	7,166	8.7%
Capital grants and contributions	17,774	7,998	122.2%	473	982	-51.8%	18,247	8,980	103.2%
General revenues:									
Property taxes	26,308	24,124	9.1%	-	-	0.0%	26,308	24,124	9.1%
Sales tax	44,655	45,866	-2.6%	-	-	0.0%	44,655	45,866	-2.6%
Franchise Fee	5,649	5,192	8.8%	-	-	0.0%	5,649	5,192	8.8%
Utility users Tax	10,530	10,182	3.4%	-	-	0.0%	10,530	10,182	3.4%
Property Transfer Tax	3,788	5,373	-29.5%	-	-	0.0%	3,788	5,373	-29.5%
911 communication Access Tax	3,123	3,110	0.4%	-	-	0.0%	3,123	3,110	0.4%
Other taxes	1,822	1,431	27.3%	661	836	-20.9%	2,483	2,267	9.5%
Investment Earnings	4,484	4,286	4.6%	1,215	1,262	-3.7%	5,699	5,548	2.7%
Gain or loss on sale of assets	2	554	-99.6%	-	-	0.0%	2	554	-99.6%
Miscellaneous	878	854	2.8%	-	-	0.0%	878	854	2.8%
<b>Total Revenues</b>	<b>144,412</b>	<b>135,183</b>	<b>6.8%</b>	<b>19,770</b>	<b>21,401</b>	<b>-7.6%</b>	<b>164,182</b>	<b>156,584</b>	<b>4.9%</b>
<b>Expenses</b>									
General Government	13,980	14,054	-0.5%	-	-	0.0%	13,980	14,054	-0.5%
Public safety	73,022	68,742	6.2%	-	-	0.0%	73,022	68,742	6.2%
Engineering & Transportatic	32,594	35,750	-8.8%	-	-	0.0%	32,594	35,750	-8.8%
Recreation and Culture	13,337	14,087	-5.3%	-	-	0.0%	13,337	14,087	-5.3%
Community Development	15,377	10,391	48.0%	-	-	0.0%	15,377	10,391	48.0%
Interest on Long-Term Debt	1,828	1,795	1.8%	-	-	0.0%	1,828	1,795	1.8%
Water Pollution Control	-	-	0.0%	15,234	11,814	28.9%	15,234	11,814	28.9%
Shoreline	-	-	0.0%	2,094	1,678	24.8%	2,094	1,678	24.8%
Storm Water Utility	-	-	0.0%	1,417	1,407	0.7%	1,417	1,407	0.7%
Environmental Services	-	-	0.0%	1,082	1,061	2.0%	1,082	1,061	2.0%
<b>Total Expenses</b>	<b>150,138</b>	<b>144,819</b>	<b>3.7%</b>	<b>19,827</b>	<b>15,960</b>	<b>24.2%</b>	<b>169,965</b>	<b>160,779</b>	<b>5.7%</b>
Excess(deficiency)of revenues									
over expenses before transfe	(5,726)	(9,636)	-40.6%	(57)	5,441	-101.0%	(5,783)	(4,195)	37.9%
Transfer	112	(476)	123.5%	(112)	476	-123.5%	0	0	0.0%
<b>Increase in net position</b>	<b>(5,614)</b>	<b>(10,112)</b>	<b>-44.5%</b>	<b>(169)</b>	<b>5,917</b>	<b>-102.9%</b>	<b>(5,783)</b>	<b>(4,195)</b>	<b>37.9%</b>
Beginning net position									
	127,208	137,320	-7.4%	58,753	52,835	11.2%	185,960	190,155	-2.2%
<b>Ending net position</b>	<b>\$ 121,593</b>	<b>\$ 127,208</b>	<b>-4.4%</b>	<b>\$ 58,584</b>	<b>\$ 58,752</b>	<b>-0.3%</b>	<b>\$ 180,177</b>	<b>\$ 185,960</b>	<b>-3.1%</b>

**Revenue** – Total revenue for fiscal year 2019-20 amounted to \$164.2 million, an \$7.6 million increase from the prior year. Of this amount, revenue from governmental activities increased by \$9.2 million or 6.8% and revenue from business-type activities decreased by \$1.6 million or 7.6%. The net change in revenue was due to the following:

- Charges for services in Governmental activities are primarily fees for recreation, building, fire, planning, and engineering services. Revenue from these charges decreased by \$1.5 million. Business-Type Activities decreased by \$0.9 million most of which is attributed to the Water Pollution Control Plant and Shoreline.
- Operating grants, capital grants, and contributions include Federal and State grants and other government and private contributions, including impact fees. Operating grants, capital grants and contributions increased by a net \$9.9 million in 2019-20.
- Property taxes increased 9.1% or \$2.2 million when compared to 2018-19. This is consistent with an increase in property taxes levied and assessed valuations provided through the County Assessor’s Office.
- Sales tax revenue decreased by 2.6% or \$1.2 million when compared to the 2018-19 fiscal year, due in part to COVID-19 and Alameda County’s Shelter-In-Place (SIP) health order. The City’s five largest sales tax producing sectors were General Retail, Wholesale Trade, and Construction followed by Business to Business, and Food Services.
- Property Transfer Tax decreased by 29.5% or \$1.6 million when compared to 2018-19.
- Gain or loss on sale of assets decreased by \$0.6 million. The higher related expenditure in 2018-19 related to acquisitions of real property.

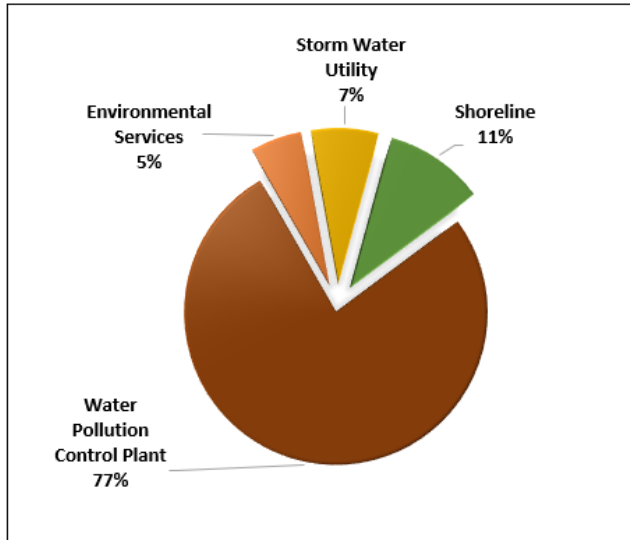
**Expenses** – Total expenses for both governmental and business-type activities increased by \$9.2 million compared to the prior fiscal year. Program expenses for governmental activities increased by \$5.3 million while program expenses for business-type activities increased by \$3.9 million. For each governmental and business-type activity, the total costs are expenses associated with that activity.

	<b>Change in expense</b>		
	<b>(in thousands)</b>		
	<b>2020</b>	<b>2019</b>	<b>% Change</b>
General Government	13,980	\$ 14,054	-0.5%
Public safety	73,022	68,742	6.2%
Engineering & Transportation	32,594	35,750	-8.8%
Recreation and Culture	13,337	14,087	-5.3%
Community Development	15,377	10,391	48.0%
Interest on Long-Term Debt	1,828	1,795	1.8%
Governmental Activities	<u>150,138</u>	<u>144,819</u>	<u>3.7%</u>
Water Pollution Control Plant	15,234	11,814	28.9%
Shoreline	2,094	1,678	24.8%
Storm Water	1,417	1,407	0.7%
Environmental Services	1,082	1,061	2.0%
Business-Type Activities	<u>19,827</u>	<u>15,960</u>	<u>24.2%</u>
Total Expenses	<u>\$ 169,965</u>	<u>\$ 160,779</u>	<u>5.7%</u>

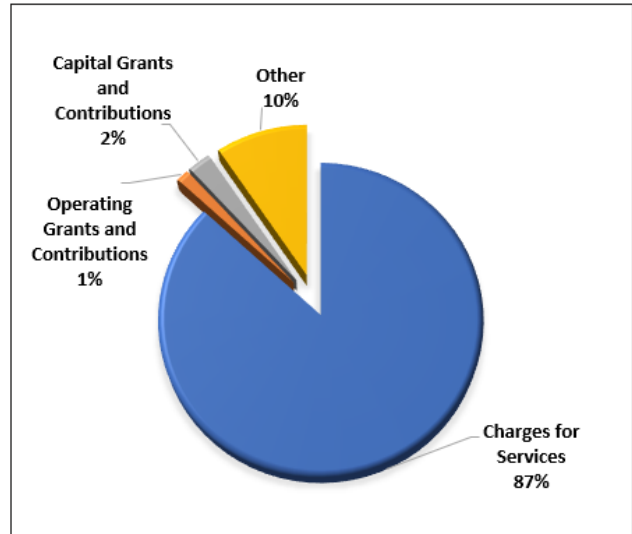
- Within governmental activities, Community Development saw the largest increase in program expenses at \$5.0 million greater than the prior fiscal year. This represents a 48% increase. Public Safety followed with a \$4.3 million increase representing a 6.2% increase. Engineering & Transportation decreased by \$3.2 million representing a 8.8% decrease.
- Business-type activities saw increases in expenses totaling of \$3.9 million. Of that amount, the largest increase was from the Water Pollution Control Plant at \$3.4 million.

**Business-Type Activities** – The City’s business-type activities include the Water Pollution Control Plant, Shoreline, Storm Water, and Environmental Services. Business-Type activities net position remained consistent when compared to prior the fiscal year and had a net decrease of \$0.2 million. The Water Pollution Control Plant Fund’s net position decreased from \$54.9 to \$54.6 million.

**Expenses by Function – Business-Type Activities**



**Revenues by Source – Business-Type Activities**



**FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS**

**Governmental Funds**

The focus of the City’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City’s financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. It should be noted that most of the unassigned amounts are designated by the City Council for specific uses.

At the end of 2019-20, the City’s governmental funds reported combined ending fund balances of \$129.0 million, an increase of \$5.9 million compared to prior year. Approximately 6.2% or \$8.0 million of the fund balance represents Nonspendable; 50% or \$64.5 million represents Restricted, 7.6% or \$9.8 million represents Assigned, and 36.2% or \$46.7 million is Unassigned and available for spending at the City Council’s discretion.

**General Fund**

The General Fund is a major governmental fund and represents all funds not required to be accounted for in another fund. The General Fund accounted for 81% of the total governmental revenues and 77% of the total expenditures. A number of primary City services are accounted for in the General Fund including general government, public safety, development services, library and community services, and maintenance services. At the end of 2019-20, the unassigned fund balance of the General Fund was \$46.7 million, while the total fund balance was \$64.5 million. As a measure of the General Fund’s liquidity, it is useful to compare the Unassigned Fund Balance to total of fund expenditures.

The Unassigned Fund Balance of \$46.7 million has been designated for the following purposes:

- \$0.7 million for Compensated Absences
- \$5.0 million for Major Emergencies
- \$19.6 million for Economic Uncertainty
- \$21.4 million for remaining Unassigned (for liquidity and other purposes)

At the end of fiscal year 2019-20 the General Fund ending balance increased by \$4.5 million compared to prior Fiscal Year. General Fund revenues decreased by \$1.4 million primarily due to a decrease in other revenue for \$1.2 million. General Fund expenditures (not including Transfers Out) show an increase of \$3.8 million from prior Fiscal Year. The increase is largely due to public safety (\$2.7 million increase) and general government (\$0.8 million increase).

### **Capital Improvement Capital Projects Fund**

The Capital Improvement Capital Projects Fund is a major governmental fund and accounted for less than 0.1% of the total governmental revenues and 5.9% of the total expenditures (not including other financing sources such as issuance of debt or interfund transfers). The Fund accounts for monies for major capital improvement projects not provided for in the other special revenue funds such as the Measure B, BB, and F Funds. At June 30, 2020, the Capital Improvement Capital Projects Fund had a total fund balance of \$44.4 million, a decrease of 4.1%. The fund balance including the proceeds from 2018 Lease Revenue Bonds anticipated to include improvements to the Police and South Office Buildings, the Mulford-Marina Branch Library, Manor Park Competition Pool, Farrelly Pool, Casa Peralta, and the Boat Harbor.

### **Non-major Governmental Funds**

The City's non-major funds are presented in the basic financial statements in the aggregate. As of June 30, 2020, non-major funds had a total fund balance of \$20.1 million of which all are legally restricted for specific purposes by external funding. More information about these aggregate non-major funds can be found in the combining statements immediately following the required supplementary information.

### **Proprietary Funds**

The City's proprietary funds provide the same type of information found in the government-wide financial statements but in greater detail.

The total net position of the Enterprise Funds was \$58.6 million at the end on June 30, 2020, a decrease of \$0.2 million from the prior fiscal year. The total net position of the Internal Service Funds was \$16.0 million at the end on June 30, 2020, an increase of \$1.9 million from the prior fiscal year.

### **Water Pollution Control Plant Enterprise Fund**

The Water Pollution Control Plant Enterprise Fund was established to account for the City's sewers system, which protects public health and preserves water quality through collection, treatment, and disposal of wastewater and wastewater solids. As of June 30, 2020, the Fund's net position totaled \$54.6 million, a decrease of \$0.3 million due to increased Salaries and Benefits expenses related to GASB 68 pension expense allocation.

**Shoreline Enterprise Fund**

The Shoreline Enterprise Fund was established in 2002-03 by combining the Marina Enterprise and the Golf Course Enterprise Funds. The Fund accounts for the operation of recreational boat berthing, food service facilities, and the public golf course. As of June 30, 2020, the Fund's net position totaled \$3.2 million, an increase of \$0.4 million or 15.9%. Net position for the prior year was \$2.8 million.

**Non-major Enterprise Funds**

The City's non-major enterprise funds include Storm Water and Environmental Services. Year over year, net position for non-major enterprise funds decreased by 29.1%, or \$0.3 million, due to decrease or loss in the Storm Water Fund of \$0.3 million and an increase of \$0.1 million in the Environment Services Fund. More information about these aggregate non-major enterprise funds can be found in the combining statements following the required supplementary information.

## GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund ended the fiscal year with actual revenues above final budget projections by 0.5% or \$0.5 million, not including end of fiscal year carryovers. Expenditures were 9.1% or \$10.7 million below final budget projections.

<b>CITY OF SAN LEANDRO</b>				
<b>Summary Analysis of General Fund Budget, Fiscal Year 2019-20</b>				
<b>(in thousands)</b>				
	<u>Budgeted Amounts</u>			Variance with
	<u>Adopted</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Property taxes and other taxes	\$ 95,604	\$ 95,604	\$ 95,518	\$ (86)
Licenses and permits	10,554	10,604	11,249	645
Fines and forfeitures	1,581	1,581	1,099	(482)
Services charges	3,034	3,034	2,291	(743)
Intergovernmental	773	773	869	96
Use of money and property	1,920	1,871	4,171	2,300
Interdepartmental charges	2,000	2,000	2,000	-
Other	1,401	1,405	213	(1,192)
<b>Total revenues</b>	<u>116,867</u>	<u>116,872</u>	<u>117,410</u>	<u>538</u>
<b>EXPENDITURES:</b>				
Current:				
General government	13,388	15,144	13,109	(2,035)
Public safety	66,111	67,600	64,540	(3,060)
Engineering and transportation	10,976	11,683	10,095	(1,588)
Recreation and culture	11,136	11,467	10,386	(1,081)
Community development	6,603	8,228	5,826	(2,402)
Debt service:				
Principal	2,520	2,520	2,000	(520)
Interest and fees	706	706	706	-
<b>Total expenditures</b>	<u>111,440</u>	<u>117,348</u>	<u>106,662</u>	<u>(10,686)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES</b>				
<b>OVER EXPENDITURES</b>	<u>5,427</u>	<u>(476)</u>	<u>10,748</u>	<u>11,224</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers (in)	-	100	100	
Transfers (out)	(5,350)	(6,325)	(6,325)	-
<b>Total other financing sources (uses)</b>	<u>(5,350)</u>	<u>(6,225)</u>	<u>(6,225)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 77</u>	<u>\$ (6,701)</u>	<u>\$ 4,523</u>	<u>\$ 11,224</u>
<b>FUND BALANCES:</b>				
Beginning of year			<u>59,991</u>	
End of year			<u>\$ 64,514</u>	



## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

The City's capital assets for its governmental and business-type activities as of June 30, 2020 amount to \$270.5 million, net of accumulated depreciation. This represents a decrease of \$4.5 million due to an annual depreciation expense of over \$18.6 million offset by expenditures for Water Pollution Control Plant and Sewer Infrastructure, the Climatec project, the Police Building & South Office Expansion, and the Farrelly Pool Replacement.

Investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure, and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the City such as roads, bridges, streets and sidewalks, drainage systems, lighting systems, and similar infrastructure.

The following is a summary of the City's capital assets:

**City of San Leandro**  
**Capital Assets (net of depreciation)**  
**Year Ended June 30, 2020**  
**(in thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 16,550	\$ 16,550	\$ 5,234	\$ 5,234	\$ 21,784	\$ 21,784
Construction in progress	12,945	4,048	1,148	1,469	14,093	5,517
Total non-depreciable assets	29,495	20,598	6,382	6,703	35,877	27,301
Depreciable assets (net of depreciation)						
Buildings	52,853	54,397	55,753	57,115	108,606	111,512
Improvements other than buildings	5,037	5,239	-	-	5,037	5,239
Machinery and equipment	3,482	2,999	4,926	5,082	8,408	8,081
Licensed Vehicles	6,312	6,226	49	32	6,361	6,258
Infrastructure	95,317	108,447	10,862	8,103	106,179	116,551
Total depreciable assets	163,001	177,309	71,590	70,332	234,591	247,641
Total capital assets	\$ 192,496	\$ 197,907	\$ 77,972	\$ 77,035	\$ 270,468	\$ 274,942

Additional information on the City's capital assets can be found in Note 5 of the notes to the financial statements.

**Debt Administration**

At the end of the current fiscal year, the City’s total outstanding long-term debt is \$89.9 million, a decrease of \$5.9 million from the prior Fiscal Year.

At the end of the current fiscal year, the City’s total long-term debt outstanding for governmental activities is \$53.5 million, a decrease of \$3.9 million from the prior fiscal year. The decrease was due to principal payments during the year as seen in Note 6 of the notes to the financial statements.

At the end of the current fiscal year, the City’s total long-term debt outstanding for business-type activities is \$36.3 million, a decrease of \$2.1 million from the prior fiscal year. The decrease reflects normal debt amortization for the State Water Resources Control Board Loan and Marina Cal Boating Loan.

Additional information on the City’s long-term debt obligations can be found in Note 6 of the notes to the financial statements.

The following is a summary of the City’s outstanding debt:

**City of San Leandro  
Outstanding Debt  
Year Ended June 30, 2020  
(in thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenue bonds and notes (backed by specific tax and fee revenues)	\$ 47,585	\$ 51,018	\$ -	\$ -	\$ 47,585	\$ 51,018
Certificates of participation	-	-	-	-	-	-
Other loans	5,941	6,393	36,327	38,374	42,268	44,767
Total	<u>\$ 53,526</u>	<u>\$ 57,411</u>	<u>\$ 36,327</u>	<u>\$ 38,374</u>	<u>\$ 89,853</u>	<u>\$ 95,785</u>

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET**

The economy of the City and major initiative are discussed in the Transmittal Letter located in the Introductory Section of the CAFR.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City’s finances for all of its citizens, taxpayers, customers, investors and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of San Leandro, Finance Department, 835 East 14<sup>th</sup> Street, San Leandro, CA 94577.



**BASIC FINANCIAL STATEMENTS**



**GOVERNMENT-WIDE FINANCIAL STATEMENTS**



**City of San Leandro**  
**Statement of Net Position**  
**June 30, 2020**

ASSETS	Governmental Activities	Business - Type Activities	Total
Current assets:			
Cash and investments (Note 2)	\$ 136,644,740	\$ 35,946,035	\$ 172,590,775
Cash and investments with fiscal agent (Note 2)	96,797	-	96,797
Receivables:			
Property taxes	32,805	-	32,805
Accounts	16,046,564	1,297,644	17,344,208
Interest	1,381,589	108,715	1,490,304
Special assessments	57,531	-	57,531
Inventory and prepaid items	237,308	-	237,308
<b>Total current assets</b>	<b>154,497,334</b>	<b>37,352,394</b>	<b>191,849,728</b>
Noncurrent assets:			
Loans receivable (Note 3)	2,668,407	-	2,668,407
Internal balances (Note 4E)	5,203,545	(5,203,545)	-
Other assets:	493,552	-	493,552
Capital assets (Note 5):			
Non-depreciable	29,495,224	6,382,465	35,877,689
Depreciable	505,220,735	88,764,583	593,985,318
Less accumulated depreciation	(342,219,656)	(17,174,939)	(359,394,595)
Capital assets, net	192,496,303	77,972,109	270,468,412
<b>Total noncurrent assets</b>	<b>200,861,807</b>	<b>72,768,564</b>	<b>273,630,371</b>
<b>Total Assets</b>	<b>355,359,141</b>	<b>110,120,958</b>	<b>465,480,099</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Related to pension (Note 13)	28,703,851	1,809,692	30,513,543
Related to OPEB (Note 14)	2,503,475	-	2,503,475
<b>Total Deferred Outflows of Resources</b>	<b>31,207,326</b>	<b>1,809,692</b>	<b>33,017,018</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accruals:	9,198,990	766,075	9,965,065
Interest payable	359,447	31,695	391,142
Other liabilities	540,698	1,059	541,757
Unearned revenue (Note 8)	3,682,857	-	3,682,857
Compensated absences - due within one year (Note 7)	512,272	125,055	637,327
Claims and judgments payable - due within one year (Note 11)	1,170,645	-	1,170,645
Long-term debt - due within one year (Note 6)	4,102,182	2,104,899	6,207,081
<b>Total current liabilities</b>	<b>19,567,091</b>	<b>3,028,783</b>	<b>22,595,874</b>
Noncurrent liabilities:			
Deposits	-	45,924	45,924
Compensated absences payable - due in more than one year (Note 7)	4,022,427	487,277	4,509,704
Claims and judgments payable - due in more than one year (Note 11)	6,492,602	-	6,492,602
Net pension liability (Note 13)	173,447,783	15,301,280	188,749,063
Net OPEB liability (Note 14)	4,603,448	-	4,603,448
Long-term debt - due in more than one year (Note 6)	49,423,502	34,222,109	83,645,611
<b>Total noncurrent liabilities</b>	<b>237,989,762</b>	<b>50,056,590</b>	<b>288,046,352</b>
<b>Total Liabilities</b>	<b>257,556,853</b>	<b>53,085,373</b>	<b>310,642,226</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to pension (Note 13)	7,416,318	261,369	7,677,687
<b>NET POSITION (Note 9)</b>			
Net investment in capital assets	147,336,413	41,645,101	188,981,514
Restricted for:			
Capital projects	44,384,013	-	44,384,013
Debt service	1,026,139	-	1,026,139
Engineering and transportation	11,783,964	-	11,783,964
Recreation and culture	836,830	-	836,830
Community Development	5,028,186	-	5,028,186
Public Safety	1,413,559	-	1,413,559
<b>Total restricted</b>	<b>64,472,691</b>	<b>-</b>	<b>64,472,691</b>
Unrestricted	(90,215,808)	16,938,807	(73,277,001)
<b>Total Net Position</b>	<b>\$ 121,593,296</b>	<b>\$ 58,583,908</b>	<b>\$ 180,177,204</b>

See Accompanying Notes to Basic Financial Statements



**City of San Leandro**  
**Statement of Activities and Changes in Net Position**  
**For the year ended June 30, 2020**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>			<b>Total</b>
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	
<b>Primary government:</b>					
<b>Governmental Activities:</b>					
General government	\$ 13,979,398	\$ 8,780,626	\$ -	\$ 880,080	\$ 9,660,706
Public safety	73,021,991	3,258,197	324,330	-	3,582,527
Engineering and transportation	32,594,161	809,606	4,876,532	14,574,656	20,260,794
Recreation and culture	13,337,227	920,855	650,059	2,319,848	3,890,762
Community development	15,377,114	4,096,526	1,681,870	-	5,778,396
Interest on long-term debt	1,827,883	-	-	-	-
<b>Total Governmental Activities</b>	<b>150,137,774</b>	<b>17,865,810</b>	<b>7,532,791</b>	<b>17,774,584</b>	<b>43,173,185</b>
<b>Business-type activities:</b>					
Water Pollution Control Plant	15,233,737	13,699,464	-	472,735	14,172,199
Shoreline	2,094,266	1,710,740	-	-	1,710,740
Storm Water Utility	1,417,416	1,073,513	-	-	1,073,513
Environmental Services	1,081,674	679,268	258,586	-	937,854
<b>Total business-type Activities</b>	<b>19,827,093</b>	<b>17,162,985</b>	<b>258,586</b>	<b>472,735</b>	<b>17,894,306</b>
<b>Total primary government</b>	<b>\$169,964,867</b>	<b>\$ 35,028,795</b>	<b>\$ 7,791,377</b>	<b>\$ 18,247,319</b>	<b>\$ 61,067,491</b>

**General revenues:**

Taxes:

Property taxes  
Sales tax  
Franchise fees  
Utility users tax  
Property transfer tax  
911 communication access tax  
Other taxes

Total Taxes

Investment earnings  
Miscellaneous  
Gain on sale of assets

**Transfers**

**Total general revenues and transfers**

**Change in net position**

**Net position - Beginning of year**

**Net position - End of year**

See Accompanying Notes to Basic Financial Statements

Net (Expense) Revenue and  
Changes in Net Position

Governmental Activities	Business- Type Activities	Total
\$ (4,318,692)	\$ -	\$ (4,318,692)
(69,439,464)	-	(69,439,464)
(12,333,367)	-	(12,333,367)
(9,446,465)	-	(9,446,465)
(9,598,718)	-	(9,598,718)
(1,827,883)	-	(1,827,883)
<u>(106,964,589)</u>		<u>(106,964,589)</u>
-	(1,061,538)	(1,061,538)
-	(383,526)	(383,526)
-	(343,903)	(343,903)
-	(143,820)	(143,820)
<u>-</u>	<u>(1,932,787)</u>	<u>(1,932,787)</u>
<u>(106,964,589)</u>	<u>(1,932,787)</u>	<u>(108,897,376)</u>
26,307,855	-	26,307,855
44,654,873	-	44,654,873
5,648,900	-	5,648,900
10,529,901	-	10,529,901
3,788,439	-	3,788,439
3,123,155	-	3,123,155
1,821,885	660,893	2,482,778
95,875,008	660,893	96,535,901
4,483,519	1,215,065	5,698,584
878,095	-	878,095
1,578	-	1,578
111,937	(111,937)	-
<u>101,350,137</u>	<u>1,764,021</u>	<u>103,114,158</u>
(5,614,452)	(168,766)	(5,783,218)
<u>127,207,748</u>	<u>58,752,674</u>	<u>185,960,422</u>
<u>\$ 121,593,296</u>	<u>\$ 58,583,908</u>	<u>\$ 180,177,204</u>



**FUND FINANCIAL STATEMENTS**

**Governmental Fund Financial Statements**  
**Proprietary Fund Financial Statements**  
**Fiduciary Fund Financial Statements**



## GOVERNMENTAL FUND FINANCIAL STATEMENTS

*The General Fund* – Accounts for all general revenues of the City not specifically levied or collected for other City funds and the related expenditures. The General Fund accounts for all financial resources of a governmental unit which are not accounted for in other funds.

*Capital Improvement Projects Capital Projects Fund* – This fund accounts monies for major capital improvement projects not provided for in the other capital improvement projects fund.

**City of San Leandro  
Governmental Funds  
Balance Sheet  
June 30, 2020**

	Major Funds			Total
	General Fund	Capital Improvement Capital Projects Fund	Non-Major Governmental Funds	
<b>ASSETS</b>				
Cash and investments (Note 2)	\$ 52,487,251	\$ 45,834,746	\$ 19,385,207	\$ 117,707,204
Cash and investments with fiscal agent (Note 2)	1	96,796	-	96,797
Receivables:				
Property taxes	32,805	-	-	32,805
Accounts	12,371,694	-	845,651	13,217,345
Federal, State, and local grants	46,403	-	2,782,816	2,829,219
Interest	1,274,039	-	52,498	1,326,537
Special Assessment	56,626	-	905	57,531
Loans (Note 3)	1,497,835	-	1,170,572	2,668,407
Due from other funds (Note 4A)	1,209,000	-	-	1,209,000
Advances to other funds (Note 4B)	6,500,110	-	-	6,500,110
Other assets	493,552	-	-	493,552
<b>Total Assets</b>	<b>\$ 75,969,316</b>	<b>\$ 45,931,542</b>	<b>\$ 24,237,649</b>	<b>\$ 146,138,507</b>
<b>LIABILITIES</b>				
<b>Liabilities:</b>				
Accounts payable and accruals	\$ 5,531,542	\$ 1,561,151	\$ 1,400,586	\$ 8,493,279
Due to other funds (Note 4A)	-	-	265,000	265,000
Advances from other funds (Note 4B)	2,240,565	-	-	2,240,565
Unearned revenue	3,682,857	-	-	3,682,857
<b>Total Liabilities</b>	<b>11,454,964</b>	<b>1,561,151</b>	<b>1,665,586</b>	<b>14,681,701</b>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable revenue - grants receivable	-	-	2,469,763	2,469,763
<b>Total Deferred Inflow of Resources</b>	<b>-</b>	<b>-</b>	<b>2,469,763</b>	<b>2,469,763</b>
<b>Fund Balances: (Note 9)</b>				
Nonspendable	7,997,945	-	-	7,997,945
Restricted	50,000	44,370,391	20,102,300	64,522,691
Assigned	9,799,641	-	-	9,799,641
Unassigned	46,666,766	-	-	46,666,766
<b>Total Fund Balances</b>	<b>64,514,352</b>	<b>44,370,391</b>	<b>20,102,300</b>	<b>128,987,043</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 75,969,316</b>	<b>\$ 45,931,542</b>	<b>\$ 24,237,649</b>	<b>\$ 146,138,507</b>

See Accompanying Notes to Basic Financial Statements

**City of San Leandro**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**with the Statement of Net Position**  
**June 30, 2020**

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**Total fund balances reported on the governmental funds balance sheet** \$ 128,987,043

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:

**CAPITAL ASSETS**

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds. 186,679,788

**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 net current assets of the Internal Service Funds are therefore included in Governmental Statement of Activities. 15,951,422

**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:

Net OPEB liability, related deferred outflows and inflows of resources	(2,099,973)
Net pension liability, related deferred outflows and inflows of resources	(152,160,250)
Long-term debt	(53,525,684)
Interest payable	(359,447)
Compensated absences	(4,349,366)
Recognition of grants revenue	<u>2,469,763</u>

**NET POSITION OF GOVERNMENTAL ACTIVITIES** \$ 121,593,296

See Accompanying Notes to Basic Financial Statements



**City of San Leandro**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the year ended June 30, 2020**

	Major Fund			Total
	General	Capital Improvement Capital Projects Fund	Non-Major Governmental Funds	
<b>REVENUES</b>				
Property and other taxes	\$ 95,518,442	\$ -	\$ 571,383	\$ 96,089,825
Licenses and permits	11,249,117	-	1,000,082	12,249,199
Fines and forfeitures	1,098,744	-	397,107	1,495,851
Service charges	2,290,682	62,490	46,232	2,399,404
Intergovernmental	869,148	-	19,683,507	20,552,655
Use of money and property	4,170,654	1,002	3,779,335	7,950,991
Interdepartmental charges	1,999,878	-	-	1,999,878
Other	213,652	-	1,459,930	1,673,582
<b>Total Revenues</b>	<b>117,410,317</b>	<b>63,492</b>	<b>26,937,576</b>	<b>144,411,385</b>
<b>EXPENDITURES</b>				
Current:				
General government	13,109,392	-	-	13,109,392
Public safety	64,540,116	-	168,629	64,708,745
Engineering and transportation	10,094,413	1,291,555	17,395,665	28,781,633
Recreation and culture	10,385,984	-	613,397	10,999,381
Community development	5,825,646	6,858,965	2,014,796	14,699,407
Debt service:				
Principal	2,000,156	-	1,668,000	3,668,156
Interest and fees	706,022	-	1,711,733	2,417,755
<b>Total Expenditures</b>	<b>106,661,729</b>	<b>8,150,520</b>	<b>23,572,220</b>	<b>138,384,469</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>10,748,588</b>	<b>(8,087,028)</b>	<b>3,365,356</b>	<b>6,026,916</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (Note 4D)	100,000	6,275,000	50,000	6,425,000
Transfers (out) (Note 4D)	(6,325,000)	(100,000)	(110,090)	(6,535,090)
<b>Total Other Financing Sources (Uses)</b>	<b>(6,225,000)</b>	<b>6,175,000</b>	<b>(60,090)</b>	<b>(110,090)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>4,523,588</b>	<b>(1,912,028)</b>	<b>3,305,266</b>	<b>5,916,826</b>
<b>FUND BALANCES</b>				
Beginning of year	59,990,764	46,282,419	16,797,034	123,070,217
End of year	\$ 64,514,352	\$ 44,370,391	\$ 20,102,300	\$ 128,987,043

See Accompanying Notes to Basic Financial Statements

**City of San Leandro**  
**Reconciliation of the Net Change in Fund Balances - Total Government Funds with**  
**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 \$ 5,916,826

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

**CAPITAL ASSET 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.

Capital expenditures are therefore added back to fund balance	9,756,296
Capital expenditures retirements deducted from fund balance	(1,032)
Depreciation expense is deducted from the fund balance. The amount excludes the depreciation of \$1,060,851, which is reported in the Internal Service Funds.	(15,772,837)

**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	3,668,156
Amortization of bond discount is deducted from fund balance	(10,119)
Amortization of bond premium is added back to fund balance	227,386

**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):

Unearned revenue	59,192
Interest payable	12,372
Compensated absences	(354,136)
Net pension liabilities, related deferred outflows and inflows of resources	(11,977,779)
Net OPEB liabilities, related deferred outflows and inflows of resources	973,217

**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	<u>1,888,006</u>
---	------------------

<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ (5,614,452)</u></u>
--	------------------------------

See Accompanying Notes to Basic Financial Statements



## PROPRIETARY FUND FINANCIAL STATEMENTS

***Water Pollution Control Plant*** - This fund accounts for the City's sewers which protect public health and preserve water quality through the collection, treatment and disposal of the community's wastewater and wastewater solids.

***Shoreline*** - The City operates various recreational facilities which include golf and marina berthing as well as providing food service facilities for the general public in an area connected to the San Francisco Bay.

***Internal Service Funds*** - These funds are used to account for special activities and services performed by a designated City department for other departments on a cost reimbursement basis.

**City of San Leandro**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2020**

	Major Enterprise Funds		Non- Major Enterprise Funds	Total	Governmental Activities- Internal Service Funds
	Water Pollution Control Plant	Shoreline			
<b>ASSETS</b>					
Current Assets:					
Cash and investments (Note 2)	\$ 29,790,884	\$ 4,416,085	\$ 1,739,066	\$ 35,946,035	\$ 18,937,536
Receivables:					
Accounts	865,547	316,008	116,089	1,297,644	
Interest	88,049	15,175	5,491	108,715	55,052
Inventory	-	-	-	-	237,308
Total current assets	<u>30,744,480</u>	<u>4,747,268</u>	<u>1,860,646</u>	<u>37,352,394</u>	<u>19,229,896</u>
Noncurrent assets:					
Advance to other fund (Note 4B)	2,240,565	-	-	2,240,565	-
Capital assets (Note 5)					
Non-Depreciable	2,804,655	3,577,810	-	6,382,465	-
Depreciable	82,955,868	5,788,252	20,463	88,764,583	17,737,757
Less accumulated depreciation	(13,381,581)	(3,772,895)	(20,463)	(17,174,939)	(11,921,242)
Total capital assets, net	<u>72,378,942</u>	<u>5,593,167</u>	<u>-</u>	<u>77,972,109</u>	<u>5,816,515</u>
Total noncurrent assets	<u>74,619,507</u>	<u>5,593,167</u>	<u>-</u>	<u>80,212,674</u>	<u>5,816,515</u>
<b>Total Assets</b>	<u>105,363,987</u>	<u>10,340,435</u>	<u>1,860,646</u>	<u>117,565,068</u>	<u>25,046,411</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Related to pension (Note 13)	1,809,692	-	-	1,809,692	-
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	728,558	16,778	20,739	766,075	705,711
Interest payable	-	31,695	-	31,695	-
Due to other funds (Note 4A)	-	-	944,000	944,000	-
Other liabilities	1,059	-	-	1,059	540,698
Unearned revenue	-	-	-	-	-
Claims and judgments - due in 1 year (Note 11)	-	-	-	-	1,170,645
Compensated absences - due in 1 year (Note 7)	72,010	6,852	46,193	125,055	34,426
Notes payable - due in 1 year (Note 6)	1,834,312	270,587	-	2,104,899	-
Total current liabilities	<u>2,635,939</u>	<u>325,912</u>	<u>1,010,932</u>	<u>3,972,783</u>	<u>2,451,480</u>
Non-current Liabilities:					
Deposits payable	3,000	42,924	-	45,924	-
Advances from other funds (Note 4B)	-	6,500,110	-	6,500,110	-
Claims and judgments - due in more than 1 year (Note 11)	-	-	-	-	6,492,602
Compensated absences - due in more than 1 year (Note 7)	348,820	9,923	128,534	487,277	150,907
Net pension liability (Note 13)	15,301,280	-	-	15,301,280	-
Long-term debt - due in more than 1 year (Note 6)	33,994,642	227,467	-	34,222,109	-
Total noncurrent liabilities	<u>49,647,742</u>	<u>6,780,424</u>	<u>128,534</u>	<u>56,556,700</u>	<u>6,643,509</u>
<b>Total liabilities</b>	<u>52,283,681</u>	<u>7,106,336</u>	<u>1,139,466</u>	<u>60,529,483</u>	<u>9,094,989</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Related to pension (Note 13)	261,369	-	-	261,369	-
<b>NET POSITION (Note 9)</b>					
Net investment in capital asset	36,549,988	5,095,113	-	41,645,101	5,816,515
Unrestricted	18,078,641	(1,861,014)	721,180	16,938,807	10,134,907
<b>Total Net Position</b>	<u>\$ 54,628,629</u>	<u>\$ 3,234,099</u>	<u>\$ 721,180</u>	<u>\$ 58,583,908</u>	<u>\$ 15,951,422</u>

See Accompanying Notes to Basic Financial Statements

**City of San Leandro**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the year ended June 30, 2020**

	Major Enterprise Funds			Total	Governmental Activities- Internal Service Funds
	Water Pollution Control Plant	Shoreline	Non- Major Enterprise Funds		
<b>OPERATING REVENUES:</b>					
Charges for services	\$ 12,453,340	\$ 293,010	\$ 1,363,447	\$ 14,109,797	\$ 16,907,744
Licenses and permits	856,484	-	371,059	1,227,543	-
Rents and concessions	-	1,417,034	-	1,417,034	-
Other operating revenues	389,640	696	18,275	408,611	496,980
<b>Total Operating Revenues</b>	<b>13,699,464</b>	<b>1,710,740</b>	<b>1,752,781</b>	<b>17,162,985</b>	<b>17,404,724</b>
<b>OPERATING EXPENSES:</b>					
Salaries and benefits	7,374,993	507,193	1,435,595	9,317,781	3,485,290
Contractual and other services	1,955,578	741,077	371,685	3,068,340	9,223,638
Materials and supplies	638,047	88,156	35,896	762,099	752,824
Depreciation	1,648,108	113,889	19,247	1,781,244	1,060,851
Other operating costs	2,638,975	273,021	636,667	3,548,663	1,793,642
<b>Total Operating Expenses</b>	<b>14,255,701</b>	<b>1,723,336</b>	<b>2,499,090</b>	<b>18,478,127</b>	<b>16,316,245</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(556,237)</b>	<b>(12,596)</b>	<b>(746,309)</b>	<b>(1,315,142)</b>	<b>1,088,479</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>					
Property and other taxes	-	660,893	-	660,893	-
Intergovernmental	-	-	258,586	258,586	-
Investment income	990,812	165,888	58,365	1,215,065	577,500
Interest expense	(978,036)	(370,930)	-	(1,348,966)	-
<b>Total Nonoperating Revenues (Expenses)</b>	<b>12,776</b>	<b>455,851</b>	<b>316,951</b>	<b>785,578</b>	<b>577,500</b>
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	<b>(543,461)</b>	<b>443,255</b>	<b>(429,358)</b>	<b>(529,564)</b>	<b>1,665,979</b>
<b>CONTRIBUTIONS AND TRANSFERS:</b>					
Capital contributions	472,735	-	-	472,735	-
Transfers in (Note 4D)	-	-	132,782	132,782	222,027
Transfers out (Note 4D)	(244,719)	-	-	(244,719)	-
<b>Total capital contributions and transfers</b>	<b>228,016</b>	<b>-</b>	<b>132,782</b>	<b>360,798</b>	<b>222,027</b>
<b>Change in net position</b>	<b>(315,445)</b>	<b>443,255</b>	<b>(296,576)</b>	<b>(168,766)</b>	<b>1,888,006</b>
<b>NET POSITION:</b>					
Net Position-Beginning of year	54,944,074	2,790,844	1,017,756	58,752,674	14,063,416
Net Position-Ending of year	\$ 54,628,629	\$ 3,234,099	\$ 721,180	\$ 58,583,908	\$ 15,951,422

See Accompanying Notes to Basic Financial Statements

**City of San Leandro**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the year ended June 30, 2020**

	Major Enterprise Funds			Total	Governmental Activities- Internal Service Funds
	Water Pollution Control Plant	Shoreline	Non- Major Enterprise Funds		
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash received from customers	\$ 15,250,537	\$ 1,850,968	\$ 1,804,515	\$ 18,906,020	\$ 496,980
Cash received from other funds	-	-	353,551	353,551	-
Receipts from interfund charges	-	-	-	-	16,875,744
Cash payments to suppliers and service providers	(3,447,296)	(1,118,149)	(1,045,350)	(5,610,795)	(11,644,470)
Cash payments to employees for services	(7,333,439)	(549,773)	(1,432,802)	(9,316,014)	(3,479,947)
<b>Net cash provided (used) by operating activities</b>	<b>4,469,802</b>	<b>183,046</b>	<b>(320,086)</b>	<b>4,332,762</b>	<b>2,248,307</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Property and other taxes received	-	660,893	-	660,893	-
Intergovernmental revenue received	-	-	258,586	258,586	-
Interfund loan	519,957	(212,376)	-	307,581	-
Transfers in from other funds	-	-	132,782	132,782	222,027
Transfer out to other funds	(244,719)	-	-	(244,719)	-
<b>Net cash provided (used) by noncapital financing activities</b>	<b>275,238</b>	<b>448,517</b>	<b>391,368</b>	<b>1,115,123</b>	<b>222,027</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Principal paid on capital debt	(1,787,828)	(258,944)	-	(2,046,772)	-
Acquisition of capital assets, net	(2,707,660)	(9,999)	-	(2,717,659)	(1,667,539)
Capital contributions	472,735	-	-	472,735	-
Interest payments on bonds and notes payable	(978,036)	(380,683)	-	(1,358,719)	-
<b>Net cash provided (used) by capital and related financing activities</b>	<b>(5,000,789)</b>	<b>(649,626)</b>	<b>-</b>	<b>(5,650,415)</b>	<b>(1,667,539)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Change in market values of investments	320,369	65,851	22,191	408,411	218,424
Interest income (expense)	673,664	97,849	35,804	807,317	356,418
<b>Net cash provided (used) by investing activities</b>	<b>994,033</b>	<b>163,700</b>	<b>57,995</b>	<b>1,215,728</b>	<b>574,842</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>738,284</b>	<b>145,637</b>	<b>129,277</b>	<b>1,013,198</b>	<b>1,377,637</b>
<b>CASH AND CASH EQUIVALENTS:</b>					
Cash and investments at beginning of year	29,052,600	4,270,448	1,609,789	34,932,837	17,559,899
Cash and investments at end of year	\$ 29,790,884	\$ 4,416,085	\$ 1,739,066	\$ 35,946,035	\$ 18,937,536
<b>RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ (556,237)	\$ (12,596)	\$ (746,309)	\$ (1,315,142)	\$ 1,088,479
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	1,648,108	113,889	19,247	1,781,244	1,060,851
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	1,551,073	142,887	51,734	1,745,694	-
(Increase) decrease in inventories	19,022	-	-	19,022	(31,411)
(Decrease) increase in accounts payable	(373,840)	(15,895)	(1,102)	(390,837)	(712,506)
(Decrease) increase in other liabilities	-	-	-	-	9,806
(Decrease) increase due to other funds	-	-	353,551	353,551	-
(Decrease) increase in deposits payable	-	(2,659)	-	(2,659)	-
(Decrease) increase claims and judgments payable	1,059	-	-	1,059	837,551
(Decrease) increase in compensated absences	41,554	(42,580)	2,793	1,767	(4,463)
(Decrease) increase in deferred outflow	(427,793)	-	-	(427,793)	-
(Decrease) increase in deferred inflow	54,302	-	-	54,302	-
(Decrease) increase in net pension liability	2,512,554	-	-	2,512,554	-
Total adjustments	5,026,039	195,642	426,223	5,647,904	1,159,828
<b>Net cash provided (used) by operating activities</b>	<b>\$ 4,469,802</b>	<b>\$ 183,046</b>	<b>\$ (320,086)</b>	<b>\$ 4,332,762</b>	<b>\$ 2,248,307</b>

See Accompanying Notes to Basic Financial Statements

## FIDUCIARY FUND FINANCIAL STATEMENTS

*Agency Funds* are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They are used to account for assets held in an agency capacity for others and therefore cannot be used to support the City's programs.

*Private Purpose Trust Funds* are fiduciary fund types used to report all trust arrangements, other than those properly reported in pension trust funds or investment trust funds, under which principal and income benefit individuals, private organizations, or other governments.

*OPEB Trust Fund* is used to account for assets held in an irrevocable trust and related activities. This trust is administered by Public Agency Retirement Services (PARS) for the purpose of funding postemployment health care benefits provided by the City.



**City of San Leandro**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2020**

	Agency Funds	Private-Purpose Trust Fund	PARS OPEB Trust Fund
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents (Note 2)	\$ 5,928,359	\$ 4,678,565	\$ 802,284
Investments (Note 2):			
Mutual funds	-	-	18,347,054
Cash and investments with fiscal agents (Note 2)	456,563	402	-
Interest receivable	1,309	34,488	38
Special assessment receivable	2,230		
<b>Total Current Assets</b>	<b>6,388,461</b>	<b>4,713,455</b>	<b>19,149,376</b>
Noncurrent assets:			
Capital assets (Note 16C):			
Land	-	706,376	-
Depreciable assets, net	-	412,804	-
<b>Total non-current assets</b>	<b>-</b>	<b>1,119,180</b>	<b>-</b>
<b>Total assets</b>	<b>\$ 6,388,461</b>	<b>\$ 5,832,635</b>	<b>\$ 19,149,376</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	\$ 81,819	\$ 1,136,216	\$ -
Deposits payable	4,745,280	-	-
Interest payable	-	433,717	-
Long-term debt - due in less than one year (Note 16D)	-	1,760,394	-
Due to bondholders	1,561,362	-	-
<b>Total current liabilities</b>	<b>\$ 6,388,461</b>	<b>3,330,327</b>	<b>-</b>
Noncurrent Liabilities:			
Long-term debt - due in more than one year (Note 16D)		32,654,244	-
<b>Total non current liabilities</b>		<b>32,654,244</b>	<b>-</b>
<b>Total liabilities</b>		<b>35,984,571</b>	<b>-</b>
<b>NET POSITION</b>			
Restricted for OPEB			\$ 19,149,376
Held in trust for private purposes		\$ (30,151,936)	

See Accompanying Notes to Basic Financial Statements

**City of San Leandro**  
**Statement of Changes in Fiduciary Net Position**  
**For the year ended June 30, 2020**

	Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund	OPEB Trust Fund
Additions:		
Property taxes	\$ 3,238,290	\$ -
Use of money and property	334,280	-
Investment earnings:		
Investment earnings	-	845,750
Contributions to OPEB Trust-Employer	-	1,500,000
<b>Total additions</b>	<b>3,572,570</b>	<b>2,345,750</b>
Deductions:		
Community development	367,518	-
Depreciation	12,957	-
Debt service interest and fiscal agent fees	2,173,877	83,882
<b>Total deductions</b>	<b>2,554,352</b>	<b>83,882</b>
Change in net position	1,018,218	2,261,868
NET POSITION HELD IN TRUST		
Net position - beginning	(31,170,154)	16,887,508
Net position - end	<u>\$ (30,151,936)</u>	<u>\$ 19,149,376</u>

See Accompanying Notes to Basic Financial Statements



**City of San Leandro**  
**Index to Notes to Basic Financial Statements**  
**For the year ended June 30, 2020**

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**City of San Leandro**  
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**For the year ended June 30, 2020 (Continued)**

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**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of San Leandro, California, (City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies in the United States. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

***A. Financial Reporting Entity***

The City of San Leandro, California (City) was incorporated in 1872 and is situated between the cities of Oakland and Hayward in the East Bay of the San Francisco Bay Area. The City operates under the Mayor-Council-Manager form of government and provides the following services: public safety (police, fire, disaster preparedness and hazardous waste disposal), highways and streets, sanitation, health services, public improvements, planning and zoning and general administration services.

The City is governed by a seven-member council elected by City residents. The City is legally separate and fiscally independent, which means it can issue debt, set and modify budgets and fees and sue or be sued. As required by generally accepted accounting principles, the financial statements include the financial activities of the City, the primary government, and its component units.

Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the primary government's exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The component units below are included in the City's basic financial statements using the blended method since the governing body of these component units are substantially the same as the governing body of the City and these component units provide services entirely to the City.

**The City of San Leandro Parking Authority** (Parking Authority) was established to issue debt for downtown parking structures and lots. There are no financial activities to be accounted for in the Parking Authority Debt Service Fund in this fiscal year.

**The San Leandro Public Financing Authority** (Financing Authority) was formed to assist in the financing and refinancing of capital projects and other community related financing programs. The financial activities are accounted for in the San Leandro Public Financing Authority Debt Service Fund in the accompanying basic financial statements.

***B. Government-Wide Financial Statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its components units. For the most part, the effect of interfund activity has been removed from these statements except in the case of interfund services provided and used, which are not eliminated in the consolidation process. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Our policy is to allocate indirect costs to a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements or a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

***C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

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

Governmental fund financial statements are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Revenues are recognized as soon as they are both *measurable* and *available*. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. The City considers sales taxes and property taxes as available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is 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.

Sales taxes, property taxes, licenses, and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

*Capital Improvement Projects Capital Projects Fund* accounts monies for major capital improvements projects not provided for in the other capital projects fund.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The City also reports the following major proprietary funds:

*Water Pollution Control Plant Fund* accounts for the City’s sewers which protect public health and preserve water quality.

*Shoreline Fund* accounts for various recreational facilities which include golf and marina berthing as well as providing food service facilities for the general public in an area connected to the San Francisco Bay.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the government-wide financial statements. The City’s *Internal Service Funds* account for Building Maintenance, Information Management Systems, Self-Insurance, and Equipment Maintenance which provides service to other departments of the City on a cost reimbursement basis.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

The Fiduciary fund financial statements normally include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City’s fiduciary funds represent a private purpose trust fund, an OPEB Trust Fund, and agency funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City’s *Fiduciary Funds* includes the Deposits Fund which accounts for all deposits held on behalf of other persons and businesses and the Cherrywood Fund accounts for monies accumulated for payments of special assessment bonds.

***D. Recognition of Interest Liability***

In the government-wide financial statements, interest payable of long-term debt is recognized as the liability is incurred for governmental fund types as well as proprietary fund types.

In the fund financial statements, the Governmental fund types do not recognize the interest payable when the liability is incurred. Interest on long-term debt is recorded in the fund statement when payment is made. Proprietary fund types recognize the interest payable when the liability is incurred.



**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***E. Use of Restricted and Unrestricted Net Position***

When an expense is incurred for purposes for which both restricted and unrestricted net positions are available, the City's policy is to apply restricted net position first.

***F. Cash, Cash Equivalents and Investments***

The City pools cash and investments from all sources, except the fiscal agent cash and investments, for the purpose of increasing income through investment activities. Interest income on investments is allocated on the basis of average month-end cash and investment balances in each fund. Cash and cash equivalents represent cash and investments and restricted cash and investments with an original maturity term of three months or less. Pooled cash and investments allocated to proprietary fund types are considered cash and cash equivalents since specific investments held in the City's pooled cash and investments are not allocated to each fund.

The City invests in the California Local Agency Investment Fund (LAIF), which is part of the Pooled Money Investment Account operated by the California State Treasurer. LAIF funds are invested in high quality money market securities and are managed to insure the safety of the portfolio. A portion of LAIF's investments are in structured notes and asset-backed securities. The remainder of the City's investment portfolio is managed by Chandler Asset Management.

In accordance with GASB Statement No. 31, highly liquid money market investments with maturities of one year or less at time of purchase are stated at amortized cost.

***G. Inventory***

Inventory is held for consumption and is valued at average cost. Internal service fund supplies consist of materials and supplies for the various City vehicles (tires, batteries, etc.) and building maintenance, which are used for replacement parts for vehicle service and to maintain City buildings. Information management service inventory consists of postage for department use and a monthly count is performed to adjust this account to actual at the appropriate month-end.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*H. Capital Assets*

Contributed capital assets are valued at their estimated fair market value on the date contributed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value. All other capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. City policy has set the capitalization threshold for reporting capital assets at \$7,500. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings	50 years
Improvements other than buildings	20 years
Machinery and equipment	5-15 years
Licensed Vehicles	3-15 years
Infrastructure	20-50 years

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, sewer, and park lands. Each major infrastructure system can be divided into subsystems. For example the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest accrued during capital assets construction, if any, is capitalized for the business-type and proprietary funds as part of the asset cost.

For all infrastructure systems, the City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. Original costs were developed in one of three ways: (1) historical records; (2) standard unit costs appropriate for the construction/acquisition date; or (3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, un-recovered cost method was computed using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.

*I. Long-Term Debt*

In Government-Wide Financial Statements, long-term debt and other financed obligations are reported as liabilities in the appropriate activities.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds Payable are reported net of the applicable premium or discount.

In Fund Financial Statements long-term debt is not presented but is instead shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***J. Compensated Absences***

Vested vacation, sick leave, compensatory time, and related benefits are accrued as appropriate. For governmental funds, compensated absence obligations are recorded in the appropriate governmental funds when due. The portion not currently due is recorded in the government-wide financial statements. For enterprise funds, compensated absences are expensed when earned by employees. At year-end, the accrued but unpaid compensated absence obligations are recorded as current and non-current liabilities in the appropriate enterprise funds.

***K. Property Taxes***

Property taxes are placed on lien January 1 for the following fiscal year. Taxes are payable in two installments, due on November 1 and February 1, becoming delinquent on December 10 (for November) and April 10 (for February), respectively. The Alameda County Tax Collector bills and collects property taxes and allocates a portion to the City. Property tax revenues are recognized in the fiscal year, for which the taxes have been levied, provided they become available. In January 1994, the City elected to continue collection of interest and penalties on delinquent taxes and recognizes these revenues when available. Available means when due or past due and collected within the current period, or expected to be collected soon thereafter, and to be used to pay liabilities of the current period.

***L. Deferred Inflows/Outflows of Resources***

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

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

***M. Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires City management to make estimates and assumptions that affect certain amounts and disclosures. Accordingly, actual results could differ from those estimates.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)**

*N. Fair Value Measurements*

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

*O. Implementation of New Governmental Accounting Standards Board (GASB) Pronouncements*

Management adopted the provisions of the following Governmental Accounting Standards Board (GASB) Statements which became effective during the year ended June 30, 2020.

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

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 2 – CASH AND INVESTMENTS**

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds, which the Finance Director invests to enhance interest earnings. The pooled interest earned is allocated to the funds based on average daily cash and investment balance in these funds.

***A. Cash Deposits***

The carrying amount of the City's cash deposits is \$9,851,517 at June 30, 2020. Bank balances before reconciling items were \$ 9,715,637, at that date, the total amount of which was insured or collateralized with securities held by the pledging financial institutions in the City's name as discussed below.

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

The fair value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The City, however, has not waived the collateralization requirements.

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

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

***B. Investments***

Under the provisions of the City’s investment policy, and in accordance with California Government Code, the City’s Cash and investments as of June 30, 2020, are classified as follows:

Statement of net position:		
Cash and investments	\$	172,590,775
Cash and investments held by fiscal agents		96,797
Fiduciary Funds:		
Cash and investments		29,756,262
Cash and investments with fiscal agents		456,965
Total cash and investments	\$	202,900,799
Cash and investments as of June 30, 2020, are classified as follows:		
Deposits with financial institutions	\$	9,851,517
Investments		193,049,282
Total cash and investments	\$	202,900,799

*Interest Rate Risk*

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

In accordance with the Policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 5 years or less. The City is in compliance with this provision of the Policy.

Information about the sensitivity of the fair values of the City’s Investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City’s investment by maturity:

Investment Type	Fair Value	12 Months or Less	13 to 24 Months	25 to 60 Months
Federal Agency Securities	\$ 41,866,332	\$ 7,828,256	\$ 9,335,396	\$ 24,702,680
Mutual Funds	18,347,054	18,347,054		
Money Market Fund	498,476	498,476	-	-
U.S. Treasury Notes	33,049,189	13,118,828	11,504,087	8,426,274
Local Agency Investment Fund (LAIF)	62,464,643	62,464,643	-	-
Medium-Term Notes	25,604,104	9,071,815	6,567,996	9,964,293
Asset Backed Securities	3,196,614	-	1,025,079	2,171,535
Supranationals	5,469,422	2,635,318	822,264	2,011,840
Commercial Paper	1,999,260	1,999,260	-	-
Held by fiscal agent:				
U.S. Treasury Money Market Funds	554,188	554,188	-	-
Total	\$ 193,049,282	\$ 116,517,838	\$ 29,254,822	\$ 47,276,622

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

*Investments Authorized by the City’s Investment Policy and California Government Code*

The table below identifies the investment types that are authorized for the City by the City’s Investment Policy. The table also identifies certain provisions of the California Government Code that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of the related bond documents.

Investment Type	Maximum Maturity	Maximum Percentage of *Portfolio
U.S. Treasury Obligations	5 years	None
U.S. Agency Securities	5 years	None
Bankers Acceptances	180 days	40%
Commercial Paper	270 days	25%
Negotiable Certificate of Deposit	5 years	30%
Repurchase Agreements	1 year	20%
Reverse Repurchase Agreements	92 days	20%
Medium -Term Notes	5 years	30%
Mutual Funds	N/A	20%
Money Market Mutual Funds	N/A	20%
Local Agency Investment Fund (LAIF)	N/A	\$65 million per account
Passbook Accounts	5 years	None
City Issued Securities	N/A	None
Supranational Securities	5 years	30%
Asset Backed Securities	5 years	20%
Mortgage Backed/Pass-Through Securities	5 years	20%
Collateralized Mortgage Obligations	5 years	20%
Other investment pools	N/A	None

\*excluding amounts held by bond trustee that are not subject to California Government Code restrictions.

*Investments in Local Agency Investment Fund*

The City invests in the Local Agency Investment Fund (LAIF), a State of California external investment pool.

The fair value is calculated by multiplying the account balance with LAIF times a fair value factor of 1.004912795 which is determined by LAIF. This fair value factor was determined by dividing all LAIF participants’ total aggregate amortized cost by total aggregate fair value.

The City’s investments with Local Agency Investment Funds (LAIF) at June 30, 2020, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments included the following:

- Structured Notes are debt securities (other than asset-backed securities) whose cash-flow characteristics (coupon rate, redemption amount, or stated maturity) depend on one or more indices and/or that have embedded forwards or options.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

- Asset-backed Securities, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMOs) or credit card receivables.

*Concentration of Credit Risk*

The City's Policy states that the investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the cash flow characteristic of the portfolio. Purchases of mutual funds must not exceed 20% of the value of the portfolio. Investments in U.S. agencies exceed 5% of total portfolio, and Federal agency investments exhibited below exceeded 5% percent or more of the total investments in any one issuer:

US Government Agency Securities	Amount Invested	Percentage of Investments
Federal agency securities:		
Federal Home Loan Bank (FHLB)	\$ 16,512,256	21.13%
Federal Home Loan Mortgage Corporation (FHLMC)	9,964,759	12.75%
Federal National Mortgage Association (FNMA)	15,389,295	19.70%
<b>Total</b>	<b>\$ 41,866,310</b>	<b>53.58%</b>

*Disclosures Relating to Credit Risk*

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the Entity's investment policy, or debt agreements, and the actual rating as of year-end for each investment type.

The City's policy requires that mutual funds must have the highest rating provided by not less than two of the three largest nationally recognized rating organizations.

Investment Type	Fair Value	Minimum Legal Rating	Exempt From Disclosure	Not Rated	A-1	A-1+	AAA	AA+
Federal Agency Securities	\$ 41,866,332	N/A	\$ -	\$ 1,324,992	\$ -	\$ -	\$ -	\$ 40,541,340
Mutual Funds	18,347,054	A	-	-	-	-	18,347,054	-
Money Market Fund	498,476	N/A	-	-	-	-	498,476	-
U.S. Treasury Notes	33,049,189	N/A	33,049,189	-	-	-	-	-
Local Agency Investment Fund	62,464,643	N/A	-	62,464,643	-	-	-	-
Medium-Term Notes	25,604,104	A	-	-	-	-	1,168,601	1,461,908
Asset Backed Securities	3,196,614	AAA	-	1,094,625	-	-	-	2,101,989
Supranationals	5,469,422	AA	-	822,264	-	-	4,647,158	-
Commercial Paper	1,999,260	A-1+	-	-	1,999,260	-	-	-
Held by fiscal agent:								
U.S. Treasury Money Market	554,188	A	-	-	-	-	554,188	-
<b>Total</b>	<b>\$ 193,049,282</b>		<b>\$ 33,049,189</b>	<b>\$ 65,706,524</b>	<b>\$ 1,999,260</b>	<b>\$ -</b>	<b>\$ 27,317,466</b>	<b>\$ 42,003,248</b>
			AA	AA-	A+	A	A-	
Medium-Term Notes			<b>\$ 3,067,081</b>	<b>\$ 2,156,294</b>	<b>\$ 2,722,643</b>	<b>\$ 8,846,422</b>	<b>\$ 6,181,155</b>	



**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 2 – CASH AND INVESTMENTS (Continued)**

*Fair Value Hierarchy*

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2020:

	Level 1	Level 2	Total
<b>Investments By Fair Value Level:</b>			
Federal Agency Securities	\$ -	\$ 41,866,332	\$ 41,866,332
U.S. Treasury Notes	-	33,049,189	33,049,189
Medium-Term Notes	-	25,604,104	25,604,104
Asset Backed Securities	-	3,196,614	3,196,614
Supranationals	-	5,469,422	5,469,422
Commercial Paper	-	1,999,260	1,999,260
Total Investments	\$ -	\$ 111,184,921	111,184,921
<b>Investments Exempt from Fair Value Hierarchy:</b>			
Local Agency Investment Fund (LAIF)			62,464,643
<b>Investments Measured at Amortized Cost:</b>			
Held by fiscal agent:			
U.S. Treasury Money Market Funds			554,188
OPEB Trust - Mutual Funds			18,347,054
Money Market Fund			498,476
Total			\$ 193,049,282

U.S. Treasury Notes classified in Level 1 of the fair value hierarchy, are valued using quoted prices in active markets. Federal agency securities, medium term notes, and supranationals, classified in Level 2 of the fair value hierarchy, are valued using matrix pricing techniques maintained by various pricing vendors. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. The California Local Agency Investment Fund (LAIF) is valued based on the fair value factor provided by the Treasurer of the State of California, which is calculated as fair value divided by the amortization cost of the investment pool and is exempt from the Fair Value hierarchy. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources by the custodian bank.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 3 – LOANS RECEIVABLE**

At June 30, 2020, the City had loans receivable in the following funds:

<b>Governmental Funds:</b>	
General Fund	\$ 1,497,835
Non Major Special Revenue Funds:	
Affordable Housing Asset Fund	18,695,797
Community Development Block Grant (CDBG)	241,833
HOME Fund	4,444,109
Housing In-Lieu	737,000
Less allowance for uncollectible loans	<u>(22,948,167)</u>
Total net loans receivable	<u>\$ 2,668,407</u>

At June 30, 2020, the City was owed in the General Fund, \$616,964 for a loan made by the City to Alameda County Industries Inc. (ACI). The loan is to refurbish ACI's Materials Recovery Facility in order to expand operations to take in more solid waste, recyclable, and green waste tonnage. The loan is evidenced by a promissory note with a term of 10 years and is to be repaid in full on July 1, 2025. The interest rate is 2.5% per annum.

At June 30, 2020, the City was owed in the General Fund, \$14,201 for loans made by the City to employees as part of the Employee Computer Purchase Loan Program. The loans are to assist regular full-time employees after completion of the one-year probationary period, “permanent” part-time employees as defined in the relevant MOU and City Council Members with the purchase of a home computer or laptop. The loans range from \$500 to \$3,000, are repaid over a 1 or 2 year period, and are interest free. Payments on the loans are handled as standard payroll deduction.

At June 30, 2020, the City was owed in the General Fund, \$70,139 for a loan made by the City to San Leandro Improvement Agency. The loan is to fund Downtown San Leandro capital improvements. The loan is evidenced by a promissory note with a term of 10 years. The interest rate is 3% per annum.

At June 30, 2020, the City was owed in the General Fund, \$382,987 for a loan made by the City to the Historic BAL Theatre. The loan is to promote the performing arts, music, and City's culture, which is vital to the public health and economic vitality of the City. The loan is evidenced by a promissory note with a term of 30 years. The interest rate is 3% per annum.

At June 30, 2020, the City was owed in the General Fund, \$413,544 for a loan made by the City to MTLG, LLC. The loan is for litigation costs between the City of San Leandro and MTLG, LLC for a proposed wind energy conversion project. The loan is evidenced by a promissory note in the amount of the loan and a deed of trust with a term of 10 years. The interest rate is 2% per annum.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 3 – LOANS RECEIVABLE (Continued)**

During fiscal year 2020, the City was owed in its Low/Moderate Asset Housing Fund, \$18,695,797 which includes (1) loans made to the City property owners who meet the HUD requirements for financial assistance for property improvements and first time home buyer loans; (2) a loan made to Ruth Rogers and Sara Bagwell; (3) a loan made to Eden Housing, Inc.; (4) a loan made to San Leandro Senior Housing; (5) a loan made to Citizens’ Housing Corporation for property improvements; and (6) a loan made to Mercy Housing for the construction of the Casa Verde. The total loan receivable amount was reduced by an allowance for uncollectible loans in the amount of \$17,525,225 leaving a balance of \$1,170,572 as of June 30, 2020.

At June 30, 2020, the City was owed in its Community Development Block Grant Special Revenue Fund, \$241,833 for various housing assistance loans made by the City. The terms of repayment vary. All of the loans receivable was reduced by allowance for uncollectible loans.

At June 30, 2020, the City was owed in its HOME Special Revenue Fund, \$4,444,109 which includes (1) two housing assistance loans made by the City to Citizens’ Housing Corporation; (2) a loan made to Estabrook Senior Housing for construction of senior housing facility; (3) a loan made to Hello Housing for the rehabilitation of a single family home; (4) a housing assistance loan made to Allied Housing. The terms of repayment vary. All of the loans receivable were reduced by allowance for uncollectible loans.

At June 30, 2020, the City was owed in its Housing In-Lieu Special Revenue Fund, \$737,000 for a housing assistance loan made by the City to the Estabrook Senior Housing for low-moderate housing construction. The terms of repayment vary. The entire loan receivable was reduced by allowance for uncollectible loans.

**NOTE 4 – INTERFUND TRANSACTIONS**

***A. Interfund Receivables and Payables***

At June 30, 2020, the City had the following short-term receivables and payables:

Receivable Fund	Payable Fund	Amount
General Fund	Non-Major Governmental Funds	\$ 265,000
	Storm Water Utility Fund	944,000
	<b>Total</b>	<b>\$ 1,209,000</b>

The City has recorded due to/due from all funds requiring cash at the end of June 30, 2020. The funds that had deficit year-end balances will be repaid back to the General Fund during the 2020-21 fiscal year.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 4 – INTERFUND TRANSACTIONS (Continued)**

***B. Long-Term Advances***

Long-term advances to be repaid out of future earnings or charges at June 30, 2020, consisted of:

Receivable Fund	Payable Fund	Amount
General Fund	Shoreline Enterprise Fund	\$ 6,500,110
Water Pollution Control Plant Enterprise Fund	General Fund	2,240,565
	<b>Total</b>	<b>\$ 8,740,675</b>

The City Council authorized General Fund loans to the Shoreline Enterprise Fund for capital improvements at the Marina and Golf Course. The loans are to be paid over 30 years with an annual interest accrual rate of 5%. Principal payments are made annually provided the fund has sufficient resources. The balance as of June 30, 2020, was \$2,902,156 and \$3,597,954 for the Marina and the Golf Course, respectively, for a total of \$6,500,110.

The City Council authorized a loan to the General Fund from the Water Pollution Control Plant Enterprise Fund in 2011 for the partial payment of the Public Safety Side Fund Obligation. The \$6,000,000 loan was to pay-down the CalPERS Public Safety Side Fund with a long-term adjustable rate of 4% or less annually for 13 years. As of June 30, 2020, the outstanding amount was \$2,240,565.

***C. Loan to Successor Agency***

The City Council authorized various loans to the Private Purpose Trust Fund from the General Fund for operating and capital improvement purposes. The balance as of June 30, 2020, was \$0.

***D. Transfers***

Transfers during the fiscal year ended June 30, 2020, comprised the following:

Transfers In	Transfers Out:				Total
	General Fund	Capital Improvements Capital Projects Fund	Non-Major Governmental Funds	Water Pollution Control Plan Enterprise Fund	
General Fund	\$ -	\$ 100,000	\$ -	\$ -	\$ 100,000
Capital Improvements Capital Projects Funds	6,275,000	-	-	-	6,275,000
Non-major Governmental Funds	50,000	-	-	-	50,000
Non-major Enterprise Funds	-	-	-	132,782	132,782
Internal Service Funds	-	-	110,090	111,937	222,027
<b>Total</b>	<b>\$ 6,325,000</b>	<b>\$ 100,000</b>	<b>\$ 110,090</b>	<b>\$ 244,719</b>	<b>\$ 6,779,809</b>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 4 – INTERFUND TRANSACTIONS (Continued)**

The City Council authorized transfers to various funds for fiscal year 2019-20 to the following accounts and projects:

Capital Improvements Fund	\$ 2,975,000	Street Improvement Projects
Capital Improvements Fund	750,000	Building Improvement Projects
Capital Improvements Fund	2,075,000	Pool Improvement Projects
Capital Improvements Fund	475,000	Parks Improvement Projects
General Fund	100,000	Capital Improvements Fund
Business Improvement District Fund	50,000	Link Shuttle Services
Environmental Services Fund	132,782	Sewer Inspections
Equipment Maintenance Fund	<u>222,027</u>	Vehicle Purchase
<b>Total</b>	<u><u>\$ 6,779,809</u></u>	

***E. Internal Balances***

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

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 5 – CAPITAL ASSETS**

*A. Government-Wide Financial Statements*

At June 30, 2020, the City’s capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 16,550,305	\$ 5,234,310	\$ 21,784,615
Construction in Progress	12,944,919	1,148,155	14,093,074
Total non-depreciable assets	<u>29,495,224</u>	<u>6,382,465</u>	<u>35,877,689</u>
Depreciable assets:			
Buildings	82,705,552	67,353,755	150,059,307
Improvements	10,438,268	113,416	10,551,684
Machinery and Equipment	12,890,027	8,574,732	21,464,759
Licensed Vehicles	15,609,224	143,975	15,753,199
Infrastructure:			
Park Irrigation Systems	4,668,420	-	4,668,420
Medians Irrigation	10,145,502	-	10,145,502
Park Structures	2,886,103	-	2,886,103
Roadway	253,514,246	-	253,514,246
Sidewalk	74,895,578	-	74,895,578
Curb and Gutter	37,447,790	-	37,447,790
Underground Piping and Storm Drain	20,025	12,578,705	12,598,730
<b>Total depreciable assets</b>	<u>505,220,735</u>	<u>88,764,583</u>	<u>593,985,318</u>
Less accumulated depreciation	<u>(342,219,656)</u>	<u>(17,174,939)</u>	<u>(359,394,595)</u>
Total depreciable assets, net	<u>163,001,079</u>	<u>71,589,644</u>	<u>234,590,723</u>
<b>Total capital assets</b>	<u>\$ 192,496,303</u>	<u>\$ 77,972,109</u>	<u>\$ 270,468,412</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 5 – CAPITAL ASSETS (Continued)**

The following is a summary of capital assets for governmental activities:

	Balance July 1, 2019	Additions	Retirements Adjustments	Transfers	Balance June 30, 2020
<b>Non-Depreciable Assets:</b>					
Land	\$ 16,550,305	\$ -	\$ -	\$ -	\$ 16,550,305
Construction in progress	4,047,965	9,164,397		(267,443)	12,944,919
<b>Total Non-Depreciable Assets</b>	<b>20,598,270</b>	<b>9,164,397</b>		<b>(267,443)</b>	<b>29,495,224</b>
<b>Depreciable Assets:</b>					
Buildings	82,705,552	-	-	-	82,705,552
Improvements	10,438,268	-	-	-	10,438,268
Machinery and equipment	12,174,725	841,268	(198,346)	72,380	12,890,027
Licensed vehicles	15,087,115	1,448,961	(926,852)	-	15,609,224
Infrastructure	383,382,601	-	-	195,063	383,577,664
<b>Total Depreciable Assets</b>	<b>503,788,261</b>	<b>2,290,229</b>	<b>(1,125,198)</b>	<b>267,443</b>	<b>505,220,735</b>
<b>Accumulated Depreciation:</b>					
Buildings	(28,308,428)	(1,558,592)	14,237	-	(29,852,783)
Improvements	(5,199,070)	(202,034)	-	-	(5,401,104)
Machinery and equipment	(9,175,513)	(429,825)	197,314	-	(9,408,024)
Licensed vehicles	(8,861,067)	(1,317,772)	881,824	-	(9,297,015)
Infrastructure	(274,935,265)	(13,325,465)	-	-	(288,260,730)
<b>Total Accumulated Depreciation</b>	<b>(326,479,343)</b>	<b>(16,833,688)</b>	<b>1,093,375</b>	<b>-</b>	<b>(342,219,656)</b>
<b>Depreciable Assets, Net</b>	<b>177,308,918</b>	<b>(14,543,459)</b>	<b>(31,823)</b>	<b>267,443</b>	<b>163,001,079</b>
<b>Total Governmental Activities</b>					
<b>Capital Assets, Net</b>	<b>\$ 197,907,188</b>	<b>\$ (5,379,062)</b>	<b>\$ (31,823)</b>	<b>\$ -</b>	<b>\$ 192,496,303</b>

Governmental activities depreciation expenses for capital assets for the year ended June 30, 2020, are as follows:

General Government	\$ 315,457
Public Safety	473,185
Engineering and Transportation	13,091,454
Recreation and Human services	1,577,284
Community Development	315,457
Subtotal	15,772,837
Capital assets held by the City's Internal Service Funds	1,060,851
<b>Total Depreciation Expense</b>	<b>\$ 16,833,688</b>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 5 – CAPITAL ASSETS (Continued)**

The following is a summary of capital assets for business-type activities:

	<b>Balance July 1, 2019</b>	<b>Additions</b>	<b>Retirements</b>	<b>Transfers</b>	<b>Balance June 30, 2020</b>
<b>Non-Depreciable Assets:</b>					
Land	\$ 5,234,310	\$ -	\$ -	\$ -	\$ 5,234,310
Construction in progress	1,469,215	2,687,765	-	(3,008,825)	1,148,155
<b>Total Non-Depreciable Assets</b>	<b>6,703,525</b>	<b>2,687,765</b>	<b>-</b>	<b>(3,008,825)</b>	<b>6,382,465</b>
<b>Depreciable Assets:</b>					
Buildings	67,353,755	-	-	-	67,353,755
Improvements	113,416	-	-	-	113,416
Machinery and equipment	8,704,491	17,600	(147,359)	-	8,574,732
Licensed vehicles	124,175	19,800	-	-	143,975
Infrastructure	9,569,880	-	-	3,008,825	12,578,705
<b>Total Depreciable Assets</b>	<b>85,865,717</b>	<b>37,400</b>	<b>(147,359)</b>	<b>3,008,825</b>	<b>88,764,583</b>
<b>Accumulated Depreciation:</b>					
Buildings	(10,238,829)	(1,361,610)	-	-	(11,600,439)
Improvements	(113,416)	-	-	-	(113,416)
Machinery and equipment	(3,622,577)	(166,571)	139,855	-	(3,649,293)
Licensed vehicles	(92,187)	(2,711)	-	-	(94,898)
Infrastructure	(1,466,539)	(250,354)	-	-	(1,716,893)
<b>Total Accumulated Depreciation</b>	<b>(15,533,548)</b>	<b>(1,781,246)</b>	<b>139,855</b>	<b>-</b>	<b>(17,174,939)</b>
<b>Total Business-Type Activities</b>					
<b>Capital Assets, Net</b>	<b>\$ 77,035,694</b>	<b>\$ 943,919</b>	<b>\$ (7,504)</b>	<b>\$ -</b>	<b>\$ 77,972,109</b>

**B. Funds Financial Statements**

The Funds Financial Statements do not present General Government Capital Assets but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.



**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 6 – LONG-TERM DEBT**

**A. Governmental Activities Long-Term Debt**

Summary of changes in governmental activities long-term debt for the year ended June 30, 2020, follows:

<i>Governmental Activity Debt:</i>	Balance June 30, 2019	Retirements	Balance June 30, 2020	Due within one year	Due in more than one year
<b>Pension Obligation Bonds:</b>					
2012 Taxable Pension Obligation Bonds	\$ 10,085,000	\$ (1,680,000)	\$ 8,405,000	\$ 1,835,000	\$ 6,570,000
<b>Lease Revenue Bonds:</b>					
2013 Refunding Lease Revenue Bonds					
City portion	6,654,000	(641,000)	6,013,000	661,000	5,352,000
2016 Refunding Lease Revenue Bonds	12,345,000	(895,000)	11,450,000	930,000	10,520,000
2018 Lease Revenue Bonds	18,905,000	-	18,905,000	-	18,905,000
Total Governmental Activity Debt	<u>47,989,000</u>	<u>(3,216,000)</u>	<u>44,773,000</u>	<u>3,426,000</u>	<u>41,347,000</u>
<b>Direct Borrowings:</b>					
<b>Capital Leases:</b>					
2016 Bank of America Equipment Lease	4,941,178	(320,156)	4,621,022	326,915	4,294,107
Total Capital Leases	<u>4,941,178</u>	<u>(320,156)</u>	<u>4,621,022</u>	<u>326,915</u>	<u>4,294,107</u>
<b>Other Debt</b>					
HUD 108 Loan - Guarantee Loan - Senior Center	1,452,000	(132,000)	1,320,000	132,000	1,188,000
Total Other Debt	<u>1,452,000</u>	<u>(132,000)</u>	<u>1,320,000</u>	<u>132,000</u>	<u>1,188,000</u>
Total Government Activity Debt	<u>54,382,178</u>	<u>(3,668,156)</u>	<u>50,714,022</u>	<u>3,884,915</u>	<u>46,829,107</u>
<b>Plus unamortized:</b>					
Discount (2012 POB)	(49,325)	10,119	(39,206)	(10,119)	(29,087)
Premium (2013 RLRB)	174,015	(19,888)	154,127	19,888	134,239
Premium (2016 RLRB)	1,638,533	(163,853)	1,474,680	163,853	1,310,827
Premium (2018 LRB)	1,265,706	(43,645)	1,222,061	43,645	1,178,416
Total General Long-term Obligations	<u>\$ 57,411,107</u>	<u>\$ (3,885,423)</u>	<u>\$ 53,525,684</u>	<u>\$ 4,102,182</u>	<u>\$ 49,423,502</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 6 – LONG-TERM DEBT (Continued)**

2012 Taxable Pension Obligation Bonds

In 2012, the City issued \$18,305,000 principal amount of 2012 Taxable Pension Obligation Bonds (2012 POB). The purpose of the 2012 POB is to refinance the “side fund” obligations of the City to CalPERS with respect solely to the Public Safety Plan. Side funds with CalPERS are retired over a fixed term with a fixed amortization schedule based on CalPERS actuarial earnings assumption rate (7.65%). 2012 POB principal is due annually on December 1 and interest is due semi-annually on June 1 and December 1 through June 2024. Debt service is payable from available City resources.

The 2012 POB are general obligations of the City, payable solely from any legally available moneys or funds of the City. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events during the fiscal year ending June 30, 2020.

At June 30, 2020, future debt service requirements for the City’s portion of the 2012 POB follows:

<u>For The Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,835,000	\$ 441,164	\$ 2,276,164
2022	2,000,000	350,516	2,350,516
2023	2,185,000	247,716	2,432,716
2024	2,385,000	132,127	2,517,127
	<u>\$ 8,405,000</u>	<u>\$ 1,171,523</u>	<u>\$ 9,576,523</u>

2013 Refunding Lease Revenue Bonds

In April 2013, the City issued \$8,883,000 principal amount of 2013 Refunding Lease Revenue Bonds (2013 RLRB). The purpose of the 2013 RLRBs was to refund and retire the City’s 2003 COPs and 2001 COPs. The 2013 RLRBs bear interest rates ranging from 2.00% to 5.00% and are payable semiannually on each June 1 and December 1. Principal payments are payable annually on December 1.

The Refunding Bonds are general obligations of the City, payable solely from and secured by Revenues and certain funds and accounts held under the Indenture. The bond covenants contain events of default that may result in the termination of the lease, collection of rent due and other monetary charges but do not terminate the City’s right to possession of the leased property as applied by the Trustee and specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events occurred during the fiscal year ending June 30, 2020.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 6 – LONG-TERM DEBT (Continued)**

At June 30, 2020, future debt service requirements for the City’s portion of the 2013 RLRB follows:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ 661,000	\$ 215,351	\$ 876,351
2022	681,000	191,816	872,816
2023	710,000	163,996	873,996
2024	736,000	137,836	873,836
2025	762,000	113,017	875,017
2026 - 2028	2,463,000	161,939	2,624,939
	<u>\$ 6,013,000</u>	<u>\$ 983,955</u>	<u>\$ 6,996,955</u>

2016 Refunding Lease Revenue Bonds

In fiscal year 2016-17, the San Leandro Public Financing Authority issued \$14,125,000 principal amount of 2016 Refunding Lease Revenue Bonds (2016 RLRB). The purpose of the 2016 RLRBs was to refinance the City’s 2007 COPs (Library and Fire Station Refunding Projects). The 2016 RLRBs bear interest rates ranging from 2.0% to 5.0% and are payable semiannually on each May 1 and November 1. Principal payments are payable annually on November 1.

The Refunding Bonds are general obligations of the City, payable solely from and secured by Revenues and certain funds and accounts held under the Indenture. The bond covenants contain events of default that may result in the termination of the lease or may retain the lease and hold the City liable for all payments on an annual basis and still have the right to re-enter the leased property without effecting a surrender of the lease. These may be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events occurred during the fiscal year ending June 30, 2020.

At June 30, 2020, future debt service requirements for the 2016 RLRBs follows:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ 930,000	\$ 502,450	\$ 1,432,450
2022	970,000	459,600	1,429,600
2023	1,015,000	409,975	1,424,975
2024	1,070,000	357,850	1,427,850
2025	1,120,000	303,100	1,423,100
2026 - 2030	6,345,000	772,250	7,117,250
	<u>\$ 11,450,000</u>	<u>\$ 2,805,225</u>	<u>\$ 14,255,225</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 6 – LONG-TERM DEBT (Continued)**

2018 Lease Revenue Bonds

In fiscal year 2018-19, the San Leandro Public Financing Authority issued \$18,905,000 principal amount of 2018 Lease Revenue Bonds (2018 LRB). The purpose of the 2018 LRBs was to finance the acquisition and construction of certain capital improvement projects of the City, anticipated to consist of improvements to the Police Headquarters and South Office Building, the Mulford-Marina Branch Library, Manor Park Competition Pool, Farrelly Pool, and Casa Peralta. The 2018 LRBs bear interest rates ranging from 3.5% to 5.0% and are payable semiannually on each May 1 and November 1. Principal payments are payable annually on November 1, beginning in 2030.

The 2018 Bonds are special obligations of the authority payable solely from and secured by a pledge of Revenues and certain funds and accounts held under the indenture on a parity with the 2016 Bonds. The bond covenants contain events of default that may result in the termination of the lease or may retain the lease and hold the City liable for all payments on an annual basis and still have the right to re-enter the leased property without effecting a surrender of the lease. These may be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events occurred during the fiscal year ending June 30, 2020.

At June 30, 2020, future debt service requirements for the 2018 LRBs are as follow:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ -	\$ 871,575	\$ 871,575
2022	-	871,575	871,575
2023	-	871,575	871,575
2024	-	871,575	871,575
2025	-	871,575	871,575
2026 - 2030	-	4,357,875	4,357,875
2031 - 2035	3,470,000	3,944,363	7,414,363
2036 - 2040	4,390,000	2,997,750	7,387,750
2041 - 2045	5,605,000	1,760,275	7,365,275
2046 - 2049	5,440,000	445,800	5,885,800
	<u>\$ 18,905,000</u>	<u>\$ 17,863,938</u>	<u>\$ 36,768,938</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 6 – LONG-TERM DEBT (Continued)**

2016 Bank of America Equipment Lease

On July 21, 2016, the City entered into a direct borrowing Lease/Purchase Agreement with Bank of America, LLC to Lease/Purchase Equipment in the amount of \$5,409,045. The Equipment was for the installation of energy efficiency improvements on various City-owned facilities. The interest is 2.10% payable over 16 years.

At June 30, 2020, future debt service requirements for the 2016 equipment lease follows:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ 326,915	\$ 95,334	\$ 422,249
2022	333,816	88,433	422,249
2023	340,864	81,389	422,253
2024	348,059	74,190	422,249
2025	355,407	66,842	422,249
2026 - 2030	1,892,794	218,454	2,111,248
2031 - 2033	1,023,167	32,452	1,055,619
	\$ 4,621,022	\$ 657,094	\$ 5,278,116

HUD 108 Guarantee Loan – Senior Center

In 2011, the City received a direct borrowing \$2,500,000 20-year federal loan from HUD, at an interest rate of 3% to finance the acquisition and construction of senior center facility within the City of San Leandro. The loan is secured and payable from the Community Development Block Grant Fund.

The loan covenants contain events of default which include collection of any funds pledged under the contract, withholding the guarantee of any or all obligations not yet disbursed to the City or the Loanee may direct the City's financial institution to refuse to release any loan funds held in loan accounts, repayment accounts and investment accounts to the City. These events may be applied by the Loanee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events occurred during the fiscal year ending June 30, 2020.

At June 30, 2020 future debt service requirements for the HUD 108 Guarantee loan follows:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ 132,000	\$ 50,972	\$ 182,972
2022	132,000	46,246	178,246
2023	132,000	41,256	173,256
2024	132,000	36,135	168,135
2025	132,000	30,882	162,882
2026 - 2030	660,000	71,479	731,479
	\$ 1,320,000	\$ 276,970	\$ 1,596,970

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 6 – LONG-TERM DEBT (Continued)**

***B. Long-Term Debt of Business-Type and Proprietary Funds***

Summary of changes in long-term debt of business-type and proprietary funds for the year ended June 30, 2020:

<i>Direct Borrowings</i>	Balance June 30, 2019	Retirements	Balance June 30, 2020	Due Within one year	Due in more than one year
State Water Resources					
Control Board	\$ 37,616,782	\$ (1,787,828)	\$ 35,828,954	\$ 1,834,312	\$ 33,994,642
Marina Note	756,998	(258,944)	498,054	270,587	227,467
Total	<u>\$ 38,373,780</u>	<u>\$ (2,046,772)</u>	<u>\$ 36,327,008</u>	<u>\$ 2,104,899</u>	<u>\$ 34,222,109</u>

State Water Resources Control Board

On August 4, 2011, the City entered into a direct borrowing Finance Agreement with the State Water Resources Control Board in the total principal amount of \$43,000,000, for the purpose of financing the Wastewater System Expansion and Improvement Project. The loan bears an interest rate of 2.6%. Principal and interest payments are payable annually on July 1. The debt is secured by the WPCP Enterprise Fund operating revenues. The project was completed in fiscal year 2016-17.

Pursuant to the agreement, the City is expected to obtain net revenues of the Water system to be equal to at least 1.20 times the total annual debt service in such fiscal year. In fiscal year 2019-20, net revenues amounted to \$4,221,745, which represented coverage of 153% under the \$2,765,865 in debt service. Future debt service is expected to average \$3 million per year through fiscal year 2035-36 for a total of \$44.3 million. The City increased sewer rates to meet the coverage expectation. Cash and investments are sufficient to meet any debt service requirement.

At June 30, 2020, future debt service requirements for the State Water Resources Control Board loan are as follows:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ 1,834,312	\$ 931,553	\$ 2,765,865
2022	1,882,004	883,861	2,765,865
2023	1,930,936	834,929	2,765,865
2024	1,981,140	784,724	2,765,864
2025	2,032,650	733,215	2,765,865
2026 - 2030	10,984,006	2,845,317	13,829,323
2031 - 2035	12,488,133	1,341,188	13,829,321
2036	2,695,773	70,090	2,765,863
	<u>\$ 35,828,954</u>	<u>\$ 8,424,877</u>	<u>\$44,253,831</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 6 – LONG-TERM DEBT (Continued)**

Marina Cal Boating Notes Payable

The City entered into various direct borrowing construction loan agreements with the California Department of Boating and Waterways in the total principal amount of \$5,331,032. The loans bear an average interest rate of 4.50%. Principal and interest payments are payable annually on each August 1. The debt is secured by Shoreline Enterprise Fund operating revenues.

At June 30, 2020, future debt service requirements for the Marina Cal Boating Notes Payable are as follows:

For The Year Ending	Principal	Interest	Total
2021	\$ 270,587	\$ 22,413	\$ 293,000
2022	93,273	10,236	103,509
2023	45,334	6,039	51,373
2024	20,770	3,999	24,769
2025	21,705	3,064	24,769
2026 - 2027	46,385	3,154	49,539
	<u>\$ 498,054</u>	<u>\$ 48,905</u>	<u>\$ 546,959</u>

**C. Debt Covenants and Restrictions**

For fiscal year 2019-20, the City complied with all general and specific covenants regarding debt proceeds usage and debt repayment. In accordance with bond official statements, the City also maintained adequate reserves for all debt issues.

**NOTE 7 – COMPENSATED ABSENCES**

The City's compensated absences consist of accrued vacation pay, sick leave, and accrued compensatory time. The total amount of the accrued liability is recorded in the Government-wide Financial Statements and charges for compensated absences expense is charged to the various program activities in the Governmental funds, primarily General fund and Internal Service funds, and all Proprietary funds.

Summary of changes in compensated absences for the year ended June 30, 2020, follows:

	Balance July 1, 2019	Additions	Retirements	Balance June 30, 2020	Due within one year	Due in more than one year
Governmental Activities	\$ 4,185,026	\$ 1,052,308	\$ 702,635	\$ 4,534,699	\$ 512,272	\$ 4,022,427
Business-type Activities	610,565	232,443	230,676	\$ 612,332	125,055	487,277
<b>Total</b>	<u>\$ 4,795,591</u>	<u>\$ 1,284,751</u>	<u>\$ 933,311</u>	<u>\$ 5,147,031</u>	<u>\$ 637,327</u>	<u>\$ 4,509,704</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 8 – UNEARNED REVENUE**

***A. Governmental-Wide Financial Statements***

Unearned revenue in the Government-Wide Financial Statements represents amounts for which revenues have not been earned. At June 30, 2020, unearned revenue in the Government-Wide Financial Statements was \$3,682,857.

**NOTE 9 – NET POSITION AND FUND BALANCES**

***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 net position* 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 principally include capital projects, debt service requirements, and special revenue programs restricted to special revenue purposes such as Measure B, Measure BB, Measure F, special Gas Tax, Grant funds, and other special revenue funds.

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

***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. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

*Nonspendable* 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 prepaid, notes receivable, and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.



**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 9 – NET POSITION AND 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. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

*Committed* fund balances have constraints imposed by formal action of the City’s highest level 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 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. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources. As of June 30, 2020, the City does not have committed fund balance.

*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 City 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 encumbrances; Nonspendable, 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.

**C. Encumbrances**

The City uses an encumbrance system as an extension of normal budgetary accounting for governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end are automatically reappropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end.

As of June 30, 2020, the General Fund had outstanding encumbrances of \$3,155,513.

**D. Contingency Arrangements**

The City’s annual budget requires the City to implement and maintain fund balance to handle any unforeseen contingencies in the future, rather than continued reliance on the City’s operating General Fund reserves. These unforeseen contingencies include Economic Uncertainty, major Emergencies and Contingencies. As of June 30, 2020, the following are reported within the unassigned fund balance of the General Fund:

Compensated Absences	\$	661,823
Major Emergencies		5,000,000
Economic Uncertainty		19,617,375
Other Remaining Unassigned		21,387,568
Total	\$	46,666,766

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 9 – NET POSITION AND FUND BALANCES (Continued)**

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

	<u>General Fund</u>	<u>Capital Improvement Capital Project Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total</u>
<b>Nonspendables:</b>				
Advances to Other Funds	\$ 6,500,110	\$ -	\$ -	\$ 6,500,110
Loans receivable	1,497,835	-	-	1,497,835
<b>Total Nonspendable Fund Balances</b>	<u>7,997,945</u>	<u>-</u>	<u>-</u>	<u>7,997,945</u>
<b>Restricted for:</b>				
Internship	50,000	-	-	50,000
<b>Capital Projects</b>				
Capital Improvement Projects	-	44,370,391	-	44,370,391
Subtotal	<u>50,000</u>	<u>44,370,391</u>	<u>-</u>	<u>44,420,391</u>
<b>Non-Major Governmental Funds</b>				
Special Assessment District Debt Service	-	-	121	121
San Leandro Public Financing Authority	-	-	435,313	435,313
GHAD	-	-	13,622	13,622
Affordable Housing	-	-	2,461,387	2,461,387
Street/ Traffic Improvements	-	-	1,984,325	1,984,325
Park Development Fees	-	-	1,241,629	1,241,629
Underground Utility	-	-	3,026,305	3,026,305
Parking	-	-	266,425	266,425
Special Gas Tax	-	-	907,518	907,518
Measure BB	-	-	373,863	373,863
Cherrywood Maintenance	-	-	462,859	462,859
Measure B - Paratransit	-	-	590,705	590,705
Asset Seizure	-	-	1,413,559	1,413,559
Heron Bay	-	-	821,232	821,232
Proposition 1B - Local Streets & Roads	-	-	14,093	14,093
Special Grants	-	-	811,452	811,452
Measure B	-	-	2,035,874	2,035,874
Measure F	-	-	1,122,480	1,122,480
CDBG	-	-	71,215	71,215
HOME	-	-	781,586	781,586
Housing In- Lieu	-	-	262,818	262,818
Business Improvement District	-	-	167,089	167,089
Public Education and Government	-	-	836,830	836,830
Subtotal	<u>-</u>	<u>-</u>	<u>20,102,300</u>	<u>20,102,300</u>
<b>Total Restricted Fund Balances</b>	<u>50,000</u>	<u>44,370,391</u>	<u>20,102,300</u>	<u>64,522,691</u>
<b>Assigned to:</b>				
Encumbrances - departmental projects	3,155,513	-	-	3,155,513
Oakland Airport Access Agreement	500,000	-	-	500,000
ACFD OPEB	6,144,128	-	-	6,144,128
<b>Total Assigned Fund Balances</b>	<u>9,799,641</u>	<u>-</u>	<u>-</u>	<u>9,799,641</u>
<b>Unassigned:</b>				
General fund - Compensated Absences	661,823	-	-	661,823
General fund - Major Emergencies	5,000,000	-	-	5,000,000
General fund - Economic Uncertainty	19,617,375	-	-	19,617,375
General fund - Other	21,387,568	-	-	21,387,568
<b>Total Unassigned Fund Balances</b>	<u>46,666,766</u>	<u>-</u>	<u>-</u>	<u>46,666,766</u>
<b>Total Fund Balances</b>	<u>\$ 64,514,352</u>	<u>\$ 44,370,391</u>	<u>\$ 20,102,300</u>	<u>\$ 128,987,043</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 10 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**A. Fund Deficits**

At June 30, 2020, the Storm Water Utility Enterprise Fund had a net position deficits of \$972,606.

**B. Expenditures in Excess of Appropriations**

Excess of expenditures over appropriations approved by the City Council occurred in individual funds during the fiscal year 2019-20 as follows:

Fund/Department	Expenditure	Appropriation	Excess
Special Revenue Funds			
Affordable Housing Asset Fund	\$ 3,183	\$ 2,999	\$ (184)
Cherrywood Maintenance District	440	-	(440)
Business Improvement District	850,000	695,530	(154,470)
Measure B Paratransit	276,400	-	(276,400)
Home	23,625	9,161	(14,464)
San Leandro Public Financing Authority			
Debt Service Fund	3,188,914	3,185,889	(3,025)

**NOTE 11 – INSURANCE**

The City provides workers' compensation benefits under self-insurance programs. Claims outstanding, including claims incurred but not reported, are estimated and recorded as liabilities in the Self Insurance Internal Service Fund. The City's self-insured retention limit for workers' compensation is \$250,000 per claim. The City is a member of the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX). This coverage includes a limit of \$45 million for excess workers compensation, \$5 million for employer's liability, and a statutory excess layer of \$50 million.

The City is a member of California Joint Powers Risk Management Authority (CJPRMA), which provides annual general liability coverage in an aggregate up to \$40 million. The City is self-insured for the first \$500,000 for liability losses. The City has had no settlements that exceed the self-insured retention coverage in the last five fiscal years.

The City's deposits in the CJPRMA equal 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. Estimated claims liabilities, as shown below, are presented on a basis of actuarial value as determined by the City's actuary, who determines the expected value of the overall claim based upon certain criteria of the claim.

The following provides a reconciliation of claims and judgments:

	Liability Balance July 1	Current Year Claims and Changes in Estimates	Claims for Payments in Current and Prior Fiscal Years	Liability Balance June 30	Liability Due in One Year
2017-2018	\$6,049,069	\$4,068,268	(\$3,518,993)	\$6,598,344	\$1,170,645
2018-2019	6,598,344	2,256,449	(2,029,097)	6,825,696	1,170,645
2019-2020	6,825,696	3,302,409	(2,464,858)	7,663,247	1,170,645

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 12 – COMMITMENTS AND CONTINGENCIES**

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 as amended and applicable State requirements. No cost disallowances were proposed as a result of these audits. However, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions when finally adjudicated will not have a material adverse effect on the financial position of the City. As discussed in Note 11 to the Financial Statements, the City maintains a Self-Insurance Fund which has reserves of \$2,693,806 at the end of June 30, 2020. These reserves are available to satisfy any future liability.

***A. Sales Tax Reimbursement Agreement***

The City has entered into a sales tax reimbursement agreement in order to encourage construction and improvement of property sites within the City. In return, the City is expected to make annual reimbursement payments until the full amount of assistance has been remitted or over a twenty (20) year period, whichever comes sooner. The annual cost of each reimbursement payment commitment is equal to 50% of the net sales tax generated and received by the City above a base amount of \$277,000 as stipulated in the approved agreements.

For financial reporting purposes, 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 GASB Statement No. 77, the substance of this sales-tax reimbursement agreement meets the definition of "tax abatements."

For the fiscal year ended June 30, 2020, under this sales-tax reimbursement agreement, the City has abatements totaling \$119,360.

Pursuant to the Sales and Use Tax law (chapter 8 – Article 1 – section 7056), in order to protect the confidential information of the 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 13 – PENSIONS PLAN**

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's California Public Employees' Retirement System (CalPERS) 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. Investments are reported at fair value.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 13 – PENSIONS PLAN (Continued)**

**A. Plan Descriptions and Summary of Balances by Plan**

All qualified permanent employees are eligible to participate in the City’s defined benefit pension plans:

- Miscellaneous (all other) agent multiple-employer plan
- Safety cost-sharing multiple-employer plan

These plans are administered by the California Public Employees’ Retirement System (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.

Below is a summary of the deferred outflows of resources, net pension liabilities, and deferred inflows of resources by Plan for the year ended June 30, 2020:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources
Miscellaneous	\$ 11,424,825	\$ 96,598,987	\$ 1,650,057
Safety	19,088,718	92,150,076	6,027,630
<b>Total</b>	<b>\$ 30,513,543</b>	<b>\$ 188,749,063</b>	<b>\$ 7,677,687</b>

**Benefits Provided** – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law. The Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, is applicable to employees new to CalPERS and hired after December 31, 2012.

During the fiscal year 2019-2020, the City adopted amendments with CalPERS that allows sharing of additional employer costs passed to the employees. The City implemented a cost sharing within the pension plans among San Leandro Police Officers' Association (SLPOA) and San Leandro Management Organization (SLMO) employees. This included SLPOA and SLMO staff picking up the employers CalPERS share of 3%. These are the maximum under CalPERS law for the passing on costs of the employer’s share. These were amendment changes to the contract between the Board of Administration California Public Employees’ Retirement System and the City as proposed changes in Section 20516 (Employees Sharing Additional Costs). Increase in employee contribution rates result in a respective decrease in employer contribution rates.

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

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 13 – PENSIONS PLAN (Continued)**

	<u>Miscellaneous</u>		
	Prior to May 6, 2010	On or after May 6, 2010 to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula	2.5% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 to 55	50 to 55	52 to 62
Monthly benefits, as a % of eligible compensation	2.000% - 2.500%	1.426% - 2.418%	1.000% - 2.500%
Required employee contribution rates	8.000%	7.000%	6.750%
Required employer contribution rates, (blended)	10.411%	10.411%	10.411%
		<u>Safety</u>	
		Prior to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula		3% @ 50	2.7% @ 57
Benefit vesting schedule		5 years service	5 years service
Benefit payments		monthly for life	monthly for life
Retirement age		50	50 to 57
Monthly benefits, as a % of eligible compensation		3.000%	2.000% - 2.700%
Required employee contribution rates		9.000%	12.750%
Required employer contribution rates		23.654%	13.786%

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded accrued liability (UAL). The dollar amounts are billed on a monthly basis. The City's required contribution for the UAL in the Miscellaneous and Safety Plans for the year ended June 30, 2020 were \$6,396,251 and \$5,485,642, respectively.

**Employees Covered** – The following employees were covered by the benefit terms for the Miscellaneous Plan as of the most recent actuarial valuation date of June 30, 2018 and measurement date of June 30, 2019:

	<u>Miscellaneous</u>
Active employees	261
Inactive employees entitled but not yet receiving benefits	321
Inactive employees or beneficiaries currently receiving benefits	629
Total	<u>1,211</u>

\* All Tiers of the Miscellaneous plan were combined together on GASB 68 report by CalPERS

**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 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.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 13 – PENSIONS PLAN (Continued)**

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 Plan were as follows:

	Miscellaneous	Safety	Total
Contributions - employer	\$ 8,747,418	\$ 8,187,368	\$ 16,934,786

**B. Information Common to the Miscellaneous and Safety Plans**

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plan is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

	All Plans
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	3.0%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15% (1)
Mortality	Derived using CalPERS Membership Data for all Funds (2)
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.5% thereafter

- (1) Net of pension plan investment and administrative expenses, including inflation.
- (2) The mortality table used was developed based on CalPERS' specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for 'the period from 1997 to rates include 15 years of projected mortality improvement 90% os Scale MP2015. Pre-retirement and post-retirement mortality - 2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.
- (3) The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2018 valuation were based on the results of a December 2017 actuarial experience study can be found on the CalPERS website.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 13 – PENSIONS PLAN (Continued)**

**Discount Rate** – The discount rate used to measure the total pension liability for each Plan was 7.15%. The projection of cash flows used to determine the discount rate for each Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) 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, each Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members for all plans in the PERF. 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 for each Plan.

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 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 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 the long-term expected real rate of return by asset class.

Asset Class (a)	New Strategic Allocation	Real Return Years 1-10 (b)	Real Return Years 11+ (c)
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>		

(a) In the CalPERS 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.

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

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



**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 13 – PENSION PLAN (Continued)**

**C. Miscellaneous (All Other) Agents Multiple-Employer Plan**

The changes in the Net Pension Liability for the City’s Miscellaneous Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
<b>Balance at June 30, 2018</b>	\$ 296,682,495	\$ 207,125,592	\$ 89,556,903
<b>Changes in the year:</b>			
Service cost	4,005,467	-	4,005,467
Interest on the total pension liability	21,089,806	-	21,089,806
Differences between expected and actual experience	4,908,580	-	4,908,580
Contributions - employer	-	7,676,172	(7,676,172)
Contributions - employees	-	1,826,595	(1,826,595)
Net investment income	-	13,606,328	(13,606,328)
Benefit payments, including refunds of employee contributions	(17,262,935)	(17,262,935)	-
Administrative expense	-	(147,809)	147,809
Other Miscellaneous Income/(Expense)	-	483	(483)
<b>Net changes</b>	<u>12,740,918</u>	<u>5,698,834</u>	<u>7,042,084</u>
<b>Balance at June 30, 2019</b>	<u>\$ 309,423,413</u>	<u>\$ 212,824,426</u>	<u>\$ 96,598,987</u>

**D. Safety Cost-Sharing Multiple-Employer Plan**

As of June 30, 2020, the Safety cost-sharing plan reported net pension liabilities for its proportionate shares of the net pension liability at \$92,150,076.

The Safety Plan net pension liability is measured as the proportionate share of the net pension liability in the State-wide pool. 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 Safety Plan as of June 30, 2018 and 2019 was as follows:

	Safety
Proportion - June 30, 2018	0.889755%
Proportion - June 30, 2019	0.899285%
Change - Increase (Decrease)	<u>0.009530%</u>

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

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 13 – PENSION PLAN (Continued)**

*E. Other Information*

***Sensitivity of the Net Pension Liability to Changes in the Discount Rate*** – The following presents the net pension liability of the City for the 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:

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 134,918,583	\$ 134,366,951
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 96,598,987	\$ 92,150,076
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 64,768,904	\$ 57,538,853

***Pension Plan Fiduciary Net Position*** – Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports. The CalPERS Board of Administration has adopted a new amortization policy effective with the June 30, 2019 actuarial valuation. The new policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed using a level dollar amount. In addition, the new policy removes the 5-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy removes the 5-year ramp-down on investment gains/losses. These changes will apply only to new UAL bases established on or after June 30, 2019. As a result of these changes, the City’s contribution rates for the fiscal year ended June 30, 2021 are expected to increase over the fiscal year 2020 contribution rates.

***Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions*** – For the year ended June 30, 2020, the City recognized total pension expense of \$3,252,991, and \$16,809,781 for the Miscellaneous and Safety, respectively. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 13 – PENSION PLAN (Continued)**

Agent-Multiple Miscellaneous	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 8,747,418	\$ -
Differences between actual and expected experience	2,677,407	(77,795)
Changes in assumptions	-	(230,650)
Net differences between projected and actual earnings on plan investments	-	(1,341,612)
Total	<u>\$ 11,424,825</u>	<u>\$ (1,650,057)</u>
Cost-Sharing Safety	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 8,187,368	\$ -
Differences between actual and expected experience	6,016,568	-
Changes in assumptions	3,777,071	(737,092)
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	1,107,711	(568,580)
Differences between the employer's contribution and the employer's proportionate share of contributions	-	(3,454,277)
Net differences between projected and actual earnings on plan investments	-	(1,267,681)
Total	<u>\$ 19,088,718</u>	<u>\$ (6,027,630)</u>

The \$8,747,418 and \$8,187,368 for Miscellaneous and Safety, respectively, will be reported as deferred outflows of resources related to contributions subsequent to the measurement date and 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:

Year Ended June 30	Miscellaneous Plan	Safety Plan	Total
	Annual	Annual	Annual
	Amortization	Amortization	Amortization
2021	\$ 2,704,463	\$ 4,931,333	\$ 7,635,796
2022	(1,461,225)	(1,013,430)	(2,474,655)
2023	(396,646)	709,166	312,520
2024	180,758	246,651	427,409
	<u>\$ 1,027,350</u>	<u>\$ 4,873,720</u>	<u>\$ 5,901,070</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 14 – OTHER POST EMPLOYMENT BENEFITS**

*OPEB Liabilities, OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB* - For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by PARS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

**A. Plan Description**

The City administers a single-employer defined-benefit post-employment healthcare plan. Dependents are eligible to enroll, and benefits continue to surviving spouses. The plan was established by City Council in fiscal year 2009-10 and provides reimbursements to retirees for qualified expenses. Retirees who have between five and fifteen years of service and meet certain criterion based upon retirement date, household income in the most recent calendar year, and age are entitled to reimbursements for qualified expenses.

*Benefits Provided* - Eligibility for retiree health benefits requires retirement from the City. Retirees may receive up to \$360 monthly medical and \$115.74 monthly dental reimbursement prior to age 65. Some retirees may receive \$200 monthly medical reimbursement from age 65 to age 70. With the exception of certain retirees who are eligible for the \$200 payment as discussed, after age 65, the retirees receive the PEMHCA minimum amount only.

Amendments to benefit provisions are negotiated by various bargaining units at the City and must be approved by Council. In fiscal year 2008-09, the City established an irrevocable exclusive agent multi-employer benefit trust which is administered by Public Agency Retirement Services (PARS). The trust will be used to accumulate and invest assets necessary to reimburse retirees. No separate financial reports are issued by PARS for the OPEB plan.

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

Active employees	349
Inactives currently receiving benefit payments	283
Inactive entitled to but not yet receiving benefit payments	214
Total	846

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

**B. Net OPEB Liability**

**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 on actuarial valuation date that was rolled forward using standard update procedures to determine the total OPEB liability as of the measurement date, based on the following actuarial methods and assumptions:

Actuarial Assumptions	June 30, 2020 Measurement Date
Valuation Date	• June 30, 2019
Actuarial Cost Method	• Entry Age Normal Level Percentage of Payroll
Funding Policy	• City contributes full Actuarial Determined Contribution
Discount Rate	• 5.25 %
General Inflation	• 2.75% per annum
Mortality, Retirement, Disability, Termination	• CalPERS 1997-2015 Experience Study
Salary Increases	• 3.0% • Additional merit-based on CallPERS merit 1997 - 2015 Experience Study
Healthcare Cost Trend	• Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 • Medicare - 6.30% for 2021, decreasing to an ultimate rate of 4.0% in 2076

The long-term expected rate of return on OPEB plan investments (comprised of capital appreciation and reinvestment of dividends, interest, and other distributions) is determined through a combination of historical rates of returns, valuation projections, and economic expectations. The expected return is then calculated by weighting the returns for each asset class according to the exposure as determined by HighMark’s current strategic allocation. Expected returns are developed and annually reviewed. The target allocation and best estimates of real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	29.00%	4.82%
Fixed Income	65.00%	1.47%
Real Estate	1.00%	3.76%
Cash	5.00%	0.06%
Total	100.0%	

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

**Discount Rate** – The discount rate used to measure the total OPEB liability is 5.25%. This is the expected long-term rate of return on City assets using a Moderately Conservative Highmark PLUS fund within the Public Agency Retirement Services (PARS). The projection of cash flows used to determine the discount rate assumed that the City contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

**C. Changes in Net OPEB Liability**

The changes in the net OPEB liability follows:

	<b>Total OPEB Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net OPEB Liability/(Asset) (a) - (b)</b>
Balance at June 30, 2019 Measurement Date	\$ 22,964,989	\$ 16,887,508	\$ 6,077,481
Changes Recognized for the Measurement Period:			
Service Cost	843,066	-	843,066
Interest on the total OPEB liability	1,216,539	-	1,216,539
Changes in benefit terms			
Differences between expected and actual experience			
Changes of assumptions			
Employer contributions - City	-	2,771,770	(2,771,770)
Employer contributions - Implicit subsidy			
Net investment income	-	801,925	(801,925)
Benefit payments	(1,271,770)	(1,271,770)	-
Implicit rate subsidy fulfilled			
Administrative expenses	-	(40,057)	40,057
Net changes	<u>787,835</u>	<u>2,261,868</u>	<u>(1,474,033)</u>
Balance at June 20, 2020 Measurement Date	<u>\$ 23,752,824</u>	<u>\$ 19,149,376</u>	<u>\$ 4,603,448</u>
Plan fiduciary net position as percentage of the total OPEB liability			80.62%

**D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates**

The following presents the net OPEB liability of the City, as well as what the City's 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 discount rate:

Net OPEB Liability/(Asset)		
Discount Rate -1% (4.25%)	Current Discount Rate (5.25%)	Discount Rate +1% (6.25%)
\$ 7,694,723	\$ 4,603,448	\$ 2,052,246

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (Continued)**

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 (6.3% in 2021, trending down to 4.0% in 2076):

Net OPEB Liability/(Asset)		
1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
\$ 1,656,623	\$ 4,603,448	\$ 8,288,966

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$1,798,553. At 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
Changes of assumptions	\$ 1,540,301	\$ -
Differences between expected and actual experience	853,658	-
Net differences between projected and actual earnings on plan investments	109,516	-
Total	\$ 2,503,475	\$ -

The deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Year Ended June 30	Annual Amortization
2021	\$ 650,584
2022	650,586
2023	587,109
2024	561,989
2025	53,207
Total	\$ 2,503,475

**NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS**

The City of San Leandro participates in the East Bay Dischargers Authority established on February 15, 1974. The Agency Members of the Joint Powers are the City of Hayward, City of San Leandro, Oro Loma Sanitary District, Castro Valley Sanitary District, and Union Sanitary District. The authority has the powers to plan for, acquire, construct, manage, maintain, operate, and control facilities for the collection, transmission, treatment, reclamation, sale and disposal of waste water. No debt, liability, or obligation of the Authority shall constitute a debt, liability or obligation of any Agency.

The Authority is governed by the East Bay Dischargers Commission (Commission). The Commission consists of five members, one from each Agency. The ownership of the Joint Facilities is as follows: 18.6 %, City of San Leandro; 29.7% Oro Loma/Castro Valley; 33.0% City of Hayward; and 18.7% Union Sanitary District. The City's share of the expenses are recorded as expenses of the Water Pollution Control Fund.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 16 – SUCCESSOR AGENCY ACTIVITIES**

**A. Cash and Investments**

Cash and Investments at June 30, 2020, consisted of the following:

Statement of net position:	
Cash and Investments	\$ 4,678,565
Cash and Investments held by fiscal agents	402
Total cash and investments	<u>\$ 4,678,967</u>

The Successor Agency pools its cash and investment with the City in order to achieve a higher return on investment. Certain restricted funds, which are held and invested by independent custodians through contractual agreements, are not pooled. These restricted funds include cash with fiscal agents.

**B. Loan from the City**

**Plaza Project Area General Fund Loan:**

On March 7, 2011, the former San Leandro Redevelopment Agency made a scheduled debt service payment of \$171,764 in principal and \$128,236 in interest for a loan due to the City of San Leandro General Fund from the Plaza Project Area. Subsequently, on March 7, 2011, the Executive Board of the former Agency authorized a payment of \$2,137,273 to the City of San Leandro to retire the full remaining balance of this loan. The loan had an initial balance of \$2,887,617 and was secured by a Promissory Note executed on December 5, 2002. Although the loan was made for legitimate redevelopment purposes and the repayment was consistent with the requirements of the Promissory Note, the State Department of Finance has asserted that these payments were not made for an approved enforceable obligation and that the funds must be remitted to the Alameda County Auditor-Controller. The City disputed this finding and initiated litigation to resolve this issue.

A ruling issued by the Superior Court of California on September 23, 2014 sided with the State Department of Finance on this issue and indicates that the City will be required to remit a payment of \$2,437,273 as a “claw back” of General Fund loan payments made after January 1, 2011. While an appeal was pending, the City and the Department of Finance agreed to abide by the initial court ruling on this matter and the Department of Finance ultimately issued a revised determination letter on June 23, 2015 that yielded to the City’s position on other issues but maintained the demand for the \$2,437,273 “claw back.” The City made that payment in October 2015, after which the City, as a taxing entity itself, received approximately 12% of the funds.

On October 28, 2015, the Successor Agency was issued a finding of Completion, which permits the agency to place loan agreements between the former redevelopment agency and its sponsoring entity on the Recognized Obligation Payment Schedule (ROPS), as an enforceable obligation, provided the oversight board makes a finding that the loan was made for legitimate redevelopment purposes. On January 27, 2016, the Oversight Board made such finding, which was approved by the Department of Finance, and the loan was placed on the 2016-17 ROPS.

As of June 30, 2020 the loan was paid off. The General fund will receive \$89,456 of interest payment in fiscal year 2020-21.



**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

*C. Capital Assets*

The Successor Agency assumed the capital assets of the former Redevelopment Agency as of February 1, 2012. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. The Successor Agency’s policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years.

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 these 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 the balance sheet as a reduction in the book value of capital assets.

	<u>Balance</u> <u>June 30, 2019</u>	<u>Additions</u>	<u>Adjustments</u>	<u>Balance</u> <u>June 30, 2020</u>
<b>Non-depreciable Assets:</b>				
Land	\$ 706,376	\$ -	\$ -	\$ 706,376
<b>Depreciable Assets:</b>				
Buildings and Improvements	711,792	-	-	711,792
<b>Total Depreciable Assets</b>	<u>711,792</u>	<u>-</u>	<u>-</u>	<u>711,792</u>
<b>Accumulated Depreciation:</b>				
Buildings and Improvements	(300,267)	(12,957)	14,236	(298,988)
<b>Total Accumulated Depreciation</b>	<u>(300,267)</u>	<u>(12,957)</u>	<u>14,236</u>	<u>(298,988)</u>
<b>Depreciable Assets, Net</b>	<u>411,525</u>	<u>(12,957)</u>	<u>14,236</u>	<u>412,804</u>
<b>Total Private Purpose Trust Fund Activity Capital Assets, Net</b>	<u>\$ 1,117,901</u>	<u>\$ (12,957)</u>	<u>\$ 14,236</u>	<u>\$ 1,119,180</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

***D. Long-Term Debt Obligations***

At June 30, 2020, future debt service requirements for the Successor Agency were as follows:

	Balance June 30, 2019	Retirements	Balance June 30, 2020	Current Portion	Long-Term Portion
2013 Refunding Lease Revenue Bonds Successor Agency Portion	\$ 1,966,000	\$ (219,000)	\$ 1,747,000	\$ 224,000	\$ 1,523,000
2014 Tax Allocation Refunding Bonds Successor Agency Portion	11,235,000	(405,000)	10,830,000	485,000	10,345,000
2018 Tax Allocation Refunding Bonds, Series A Successor Agency Portion	16,845,000	-	16,845,000	-	16,845,000
2018 Tax Allocation Refunding Bonds, Series B Successor Agency Portion	2,215,000	(635,000)	1,580,000	650,000	930,000
<b>Direct Borrowings:</b>					
Owner Participation Agreements	688,771	(155,241)	533,530	225,000	308,530
HUD 108 Guarantee Note Affordable Housing	55,000	(55,000)	-	-	-
<b>Total</b>	<b>33,004,771</b>	<b>(1,469,241)</b>	<b>31,535,530</b>	<b>1,584,000</b>	<b>29,951,530</b>
Plus (Less) unamortized:					
Premium (2013 LRB)	66,362	(8,562)	57,800	8,562	49,238
Premium (2014 TARB)	1,265,789	(81,664)	1,184,125	81,664	1,102,461
Premium (2018 TARB)	1,723,351	(86,168)	1,637,183	86,168	1,551,015
<b>Total Debt</b>	<b>\$ 36,060,273</b>	<b>\$ (1,645,635)</b>	<b>\$ 34,414,638</b>	<b>\$ 1,760,394</b>	<b>\$ 32,654,244</b>

2013 Refunding Lease Revenue Bonds

In 2013, the City issued \$11,995,000 principal amount of 2013 Refunding Lease Revenue Bonds (2013 RLRB) was issued. The purpose of the 2013 RLRBs was to refund the 2003 COPs and 2001 COPs. The 2013 RLRBs bear interest rates ranging from 2.0% to 5.00% and are payable semiannually on each June 1 and December 1. Principal payments are payable annually on December 1.

At June 30, 2020, future debt service requirements for the Successor Agency's portion of the 2013 Refunding Lease Revenue Bonds were as follows:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ 224,000	\$ 62,230	\$ 286,230
2022	234,000	54,190	288,190
2023	240,000	44,710	284,710
2024	249,000	35,864	284,864
2025	258,000	27,464	285,464
2026 - 2027	542,000	25,355	567,355
	<u>\$ 1,747,000</u>	<u>\$ 249,813</u>	<u>\$ 1,996,813</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

2014 Tax Allocation Refunding Bonds

On September 30, 2014, the Successor Agency issued \$11,235,000 of Tax Allocation Bonds (2014 TABs) to prepay the 2002 and 2004 Tax Allocation Bonds and to pay issuance costs. The 2014 TABs are payable and secured by a pledge of tax revenues from tax increment generated in the Plaza Project Area and the West San Leandro/MacArthur Boulevard Project Area. The 2014 TABs bear interest rates ranging from 3.5% to 5.00% and are payable semiannually on each March 1st and September 1st. Principal payments are payable on September 1st.

Proceeds were deposited in an irrevocable trust with an escrow agent to provide funds to fully redeem, on October 30, 2014, the principal and accrued interest of the 2002 and 2004 Tax Allocation Bonds. As a result, the 2002 and 2004 Tax Allocation Bonds are considered redeemed (current refunding) and the liability for those bonds has been removed from the statement of fiduciary net position.

On the date of issuance of the 2014 Bonds, the Successor Agency deposited into the reserve account for the 2014 Bonds a municipal bond debt service insurance policy in the amount of \$1,121,078, which is equal to the “Reserve Requirement” for the 2014 Bonds. Neither the balance in the reserve account nor the Reserve Requirement for the 2014 Bonds has changed since such date.

At June 30, 2020, future debt service requirements for the 2014 Tax Allocation Refunding Bonds are as follows:

<u>For The Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 485,000	\$ 505,450	\$ 990,450
2022	675,000	476,450	1,151,450
2023	720,000	441,575	1,161,575
2024	740,000	405,075	1,145,075
2025	765,000	367,450	1,132,450
2026 - 2030	4,130,000	1,235,875	5,365,875
2031 - 2035	3,315,000	263,613	3,578,613
	<u>\$ 10,830,000</u>	<u>\$ 3,695,488</u>	<u>\$ 14,525,488</u>

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

2018 Tax Allocation Refunding Bonds Series A

On May 8, 2018, the Successor Agency issued Tax Allocation Refunding Bonds (2018A TABs) in the amount of \$16,845,000. The proceeds of the bonds will be used to refund the 2008 Tax Allocation Bonds, Series 2008. Principal payments of the 2018A TABs are due annually on September from 2023 to 2039 in amounts ranging from \$430,000 to \$1,370,000 and bear interest at rates ranging from 3.375% to 5.000%. Interest is payable semiannually March 1 and September 1. The Bonds are payable solely from tax increment revenue generated in the Alameda County – City of San Leandro Redevelopment Project Area. Total principal and interest remaining to be paid on the Bonds was \$24,920,085 as of June 30, 2020.

The bonds were issued at a premium of \$1,809,519 which is being amortized over the 21-year life of the bonds resulting in an annual amortization of \$86,168.

On the date of issuance of the 2018A TABs, the Successor Agency deposited into the reserve account for the 2018A TABs a municipal bond debt service insurance policy in the amount of \$1,431,438, which is equal to the “Reserve Requirement” for the 2018A TABs.

Proceeds from the 2018A TABs were deposited in an irrevocable trust with an escrow agent to provide funds to fully redeem, on June 5, 2018, the outstanding principal and accrued interest of the 2008 Tax Allocation Bonds.

At June 30, 2020, future debt service requirements for the 2018 Tax Allocation Refunding Bonds Series A are as follows:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ -	\$ 718,888	\$ 718,888
2022	-	718,888	718,888
2023	430,000	710,288	1,140,288
2024	710,000	687,488	1,397,488
2025	740,000	654,788	1,394,788
2026 - 2030	4,290,000	2,666,438	6,956,438
2031 - 2035	5,465,000	1,536,863	7,001,863
2036 - 2039	5,210,000	381,444	5,591,444
	<u>\$ 16,845,000</u>	<u>\$ 8,075,085</u>	<u>\$ 24,920,085</u>

2018 Tax Allocation Refunding Bonds Series B

On May 8, 2018, the Successor Agency issued Tax Allocation Refunding Bonds (2018B TABs) in the amount of \$2,215,000. The proceeds of the bonds will be used to refund the 2008 Tax Allocation Bonds, Series 2008. The bonds mature annually each March and September from 2019 to 2022 in amounts ranging from \$260,000 to \$670,000 and bear interest at rates ranging from 2.700% to 3.210%. Interest is payable semiannually March 1 and September 1. The Bonds are payable solely from tax increment revenue generated in the Alameda County – City of San Leandro Redevelopment Project Area. Total principal and interest remaining to be paid on the Bonds was \$1,641,608 as of June 30, 2020.

**CITY OF SAN LEANDRO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**For The Year Ended June 30, 2020**

**NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)**

Proceeds from the 2018B TABs were deposited in an irrevocable trust with an escrow agent to provide funds to fully redeem, on June 5, 2018, the principal and accrued interest of the 2008 Tax Allocation Bonds.

At June 30, 2020, future debt service requirements for the 2018 Tax Allocation Refunding Bonds Series B are as follows:

For The Year Ending June 30	Principal	Interest	Total
2021	\$ 650,000	\$ 38,704	\$ 688,704
2022	670,000	18,731	688,731
2023	260,000	4,173	264,173
	<u>\$ 1,580,000</u>	<u>\$ 61,608</u>	<u>\$ 1,641,608</u>

Direct Borrowings

The Agency entered into the following agreements which represent contingency liabilities for the Agency:

**Ford Motor Company Owner Participation Agreement**

The agreement required the Agency to make annual payment equivalent to 50% of the sales tax generated above a base of \$277,000 by the sale of vehicles as part of the Ford Store San Leandro development. The amount due is paid over several years depending on the volume of auto sales at no interest.

**HUD 108 Guarantee Note**

In 2000, the City received a \$1,000,000 20-year federal loan from Housing and Urban Development (HUD 108 Guarantor loan), at an interest rate of 5.6% to finance the acquisition and construction of affordable housing for seniors within the City of San Leandro. The loan is secured and payable from the Agency's 20% Housing Set-Aside Fund. The debt was assumed by the Successor Agency. As of June 30, 2020, the City has fully paid the Note.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF SAN LEANDRO**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2020**

City of San Leandro  
**Agent Multiple Employer Defined Benefit Retirement Plan - Miscellaneous Plan**  
**As of fiscal year ending June 30, 2020**  
**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS**  
**Last 10 Years\***

	2014	2015	2016	2017	2018	2019
<b>Total Pension Liability</b>						
Service Cost	\$ 3,921,445	\$ 3,570,669	\$ 3,522,248	\$ 4,044,169	\$ 4,095,987	\$ 4,005,467
Differences between expected and actual experience	-	(8,034,544)	593,697	(1,248,019)	(596,425)	4,908,580
Changes in assumptions	-	(4,335,946)	-	15,476,760	(1,768,314)	-
Interest	18,796,998	18,867,111	19,495,753	19,808,061	20,204,782	21,089,806
Benefit payments, including refunds of employee contributions	(13,777,288)	(14,563,306)	(15,016,152)	(15,620,511)	(16,309,242)	(17,262,935)
<b>Net change in total pension liability</b>	8,941,155	(4,496,016)	8,595,546	22,460,460	5,626,788	12,740,918
<b>Total pension liability - beginning</b>	255,554,562	264,495,717	259,999,701	268,595,247	291,055,707	296,682,495
<b>Total pension liability - ending (a)</b>	\$ 264,495,717	\$ 259,999,701	\$ 268,595,247	\$ 291,055,707	\$ 296,682,495	\$ 309,423,413
<b>Plan fiduciary net position</b>						
Contributions - employer	\$ 4,594,523	\$ 5,043,060	\$ 5,638,865	\$ 6,399,288	\$ 6,873,684	\$ 7,676,172
Contributions - employee	2,010,061	1,672,356	1,618,186	1,695,139	1,762,858	1,826,595
Net investment income	29,807,971	4,385,312	994,580	20,564,284	16,783,894	13,606,328
Benefit payments, including refunds of employee contributions	(13,777,288)	(14,563,306)	(15,016,152)	(15,620,511)	(16,309,242)	(17,262,935)
Plan to Plan Resource Movement	-	(572)	-	-	(1,934)	-
Administrative Expense	-	(217,263)	(117,644)	(274,840)	(309,964)	(147,809)
Other Miscellaneous Income/(Expense)	-	-	-	-	(588,627)	483
<b>Net change in plan fiduciary net position</b>	22,635,267	(3,680,413)	(6,882,165)	12,763,360	8,210,669	5,698,834
<b>Plan fiduciary net position - beginning</b>	174,078,874	196,714,141	193,033,728	186,151,563	198,914,923	207,125,592
<b>Plan fiduciary net position - ending (b)</b>	\$ 196,714,141	\$ 193,033,728	\$ 186,151,563	\$ 198,914,923	\$ 207,125,592	\$ 212,824,426
Net pension liability - ending (a)-(b)	\$ 67,781,576	\$ 66,965,973	\$ 82,443,684	\$ 92,140,784	\$ 89,556,903	\$ 96,598,987
Plan fiduciary net position as a percentage of the total pension liability	25.63%	25.76%	30.69%	31.66%	30.19%	31.22%
Covered payroll	\$ 20,167,441	\$ 19,979,507	\$ 21,037,041	\$ 21,903,698	\$ 18,965,111	\$ 18,814,748
Plan fiduciary net position as a percentage of covered payroll	336.09%	335.17%	391.90%	420.66%	472.22%	513.42%

**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, 2016 actuarial 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** - GASB 68 paragraph 68 states that the long-termed expected rate of return should be determined net of pension plan investment expense, but without reduction for pension plan administrative expense. In 2018 and 2019 there were no changes. In 2017, the accounting discount rate reduced from 7.65% to 7.15% from 7.5% (net of administrative expense) to 7.65% (without a reduction of pension plan administrative expense) In 2014 amounts were based on the 7.5% discount rate. All other assumptions for the June 30, 2014 measurement dates were the same as those used for the June 30, 2015 and 2016 measurement dates.

\* Fiscal year 2015 was the 1st year of implementation.

**CITY OF SAN LEANDRO**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2020**

**City of San Leandro**  
**Agent Multiple Employer Defined Benefit Retirement Plan - Miscellaneous Plan**  
**As of fiscal year ending June 30, 2020**  
**SCHEDULE OF CONTRIBUTIONS**  
**Last 10 Years\***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially determined contribution	\$ 5,043,060	\$ 5,638,865	\$ 6,387,063	\$ 6,873,205	\$ 7,688,583	\$ 8,747,418
Contributions in relation to the actuarially determined contributions	<u>(5,043,060)</u>	<u>(5,638,865)</u>	<u>(6,387,063)</u>	<u>(6,873,205)</u>	<u>(7,688,583)</u>	<u>(8,747,418)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 19,979,507	\$ 21,037,041	\$ 21,903,698	\$ 18,965,111	\$ 18,814,748	\$ 18,838,313
Contributions as a percentage of covered payroll	25.24%	26.80%	29.16%	36.24%	40.86%	46.43%
<b>Notes to Schedule</b>						
Valuation date:	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Asset valuation method	Market Value of Assets
Inflation	2.75%
Salary increases	Varies by entry age and service
Payroll growth	3.00%
Investment rate of return	7.5%, net of pension plan investment expense, including inflation
Retirement age	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvements using Scale BB published by the Society of Actuaries.



**CITY OF SAN LEANDRO**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2020**

City of San Leandro  
**Cost-Sharing Multiple-Employer Defined Pension Plan - Safety Plan**  
**SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**AND RELATED RATIOS AS OF THE MEASUREMENT DATE**  
**Last 10 Years\***

	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Plan's proportion of the Net Pension Liability (Asset)	0.77754%	0.84138%	0.85648%	0.85168%	0.88976%	0.89929%
Plan's proportion share of the Net Pension Liability (Asset)	\$ 48,381,880	\$ 57,751,630	\$ 74,111,802	\$ 84,462,824	\$ 85,739,175	\$ 92,150,076
Plan's Covered Payroll	\$ 10,789,007	\$ 10,794,582	\$ 11,439,904	\$ 11,316,753	\$ 12,841,859	\$ 13,169,196
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	450.15%	535.01%	647.84%	746.35%	667.65%	699.74%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	79.82%	78.40%	74.06%	73.31%	75.26%	75.26%

\* - Fiscal year 2015 was the 1st year of implementation.

**CITY OF SAN LEANDRO**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2020**

City of San Leandro  
**Cost-Sharing Multiple Employer Defined Pension Plan - Safety Plan**  
**For the Fiscal Year Ended June 30, 2020**  
**SCHEDULE OF CONTRIBUTIONS**  
**Last 10 Years \***

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Actuarially determined contribution	\$ 2,992,821	\$ 5,482,854	\$ 5,233,646	\$ 6,062,560	\$ 7,027,678	\$ 8,187,368
Contributions in relation to the actuarially determined contributions	<u>(2,992,821)</u>	<u>(5,482,854)</u>	<u>(5,233,646)</u>	<u>(6,062,560)</u>	<u>(7,027,678)</u>	<u>(8,187,368)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 10,794,582	\$ 11,439,904	\$ 11,316,753	\$ 12,841,859	\$ 13,169,196	\$ 13,692,447
Contributions as a percentage of covered payroll	27.73%	47.93%	46.25%	47.21%	53.36%	59.79%

\* - Fiscal year 2015 was the 1st year of implementation.

**CITY OF SAN LEANDRO**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2020**

**Other Postemployment Benefits - Single-Employer Plan**  
**Schedule of Changes in the Net OPEB Liability and Related Ratios**  
**Last Ten Fiscal Years <sup>(1)(2)</sup>**

For the Measurement Period Ended June 30	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Total OPEB Liability</b>				
Service Cost	\$ 709,979	\$ 673,551	\$ 692,916	\$ 843,066
Interest	1,027,370	1,054,962	1,067,353	1,216,539
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	-	1,270,076.00	-
Changes of assumptions	-	440,394	1,975,353	-
Implicit rate subsidy fulfilled	-	(733,837)	-	-
Benefit Payments	(1,538,260)	(802,834)	(1,508,460)	(1,271,770)
Net change in Total OPEB Liability	199,089	632,236	3,497,238	787,835
Total OPEB Liability at beginning of year	18,636,426	18,835,515	19,467,751	22,964,989
<b>Total OPEB Liability at end of year</b>	<u>\$ 18,835,515</u>	<u>\$ 19,467,751</u>	<u>\$ 22,964,989</u>	<u>\$ 23,752,824</u>
<b>Plan Fiduciary Net Position</b>				
Contributions - employer	\$ 8,488,260	\$ 1,552,834	\$ 2,508,460	\$ 2,771,770
Contributions - employer for implicit subsidy	-	733,837	-	-
Contributions - member	-	-	-	-
Net investment income	640,483	528,900	1,047,583	801,925
Benefit payments	(1,538,260)	(802,834)	(1,508,460)	(1,271,770)
Implicit subsidy fulfilled	-	(733,837)	-	-
Administrative expenses	(40,605)	(67,811)	(36,472)	(40,057)
Net change in Plan Fiduciary Net Position	7,549,878	1,211,089	2,011,111	2,261,868
Plan Fiduciary Net Position at beginning of year	6,115,430	13,665,308	14,876,397	16,887,508
<b>Plan Fiduciary Net Position at end of year</b>	<u>\$ 13,665,308</u>	<u>\$ 14,876,397</u>	<u>\$ 16,887,508</u>	<u>\$ 19,149,376</u>
<b>Authority's Net OPEB Liability (Asset) at end of year</b>	<u>\$ 5,170,207</u>	<u>\$ 4,591,354</u>	<u>\$ 6,077,481</u>	<u>\$ 4,603,448</u>
<b>Plan's Fiduciary Net Position as percentage of Total OPEB Liability</b>	72.6%	76.4%	73.5%	80.6%
<b>Covered employee payroll</b>	\$ 34,267,955	\$ 33,357,709	\$ 42,275,248	\$ 41,120,591
<b>Net OPEB Liability as percentage of covered payroll</b>	15.09%	13.76%	14.38%	11.19%

**Notes:**

(1) Fiscal year 2017 was the first year of implementation for GASB 74

(2) Fiscal year 2018 was the first year of implementation for GASB 75

**CITY OF SAN LEANDRO**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2020**

**Other Postemployment Benefits - Single-Employer Plan**  
**Schedule of Contributions**  
**Last Ten Fiscal Years <sup>(1)(2)</sup>**

<b>Fiscal Year Ended June 30,</b>	<u><b>2017</b></u>	<u><b>2018</b></u>	<u><b>2019</b></u>	<u><b>2020</b></u>
Actuarially determined contribution	\$ 892,618	\$ 1,121,087	\$ 1,027,403	\$ 1,359,000
Contributions in relation to the actuarially determined contribution	<u>(7,788,327)</u>	<u>(2,286,671)</u>	<u>(2,508,460)</u>	<u>(2,771,770)</u>
Contribution deficiency (excess)	<u>\$ (6,895,709)</u>	<u>\$ (1,165,584)</u>	<u>\$ (1,481,057)</u>	<u>\$ (1,412,770)</u>
Covered-employee payroll	\$ 34,267,955	\$ 33,357,709	\$ 42,275,248	\$ 41,120,591
Contributions as a percentage of covered-employee payroll	22.73%	6.86%	5.93%	6.74%

**Notes:**

(1) Fiscal year 2017 was the first year of implementation for GASB 74

(2) Fiscal year 2018 was the first year of implementation for GASB 75

**City of San Leandro**  
**Required Supplementary Information**  
**For the year ended June 30, 2020**

**BUDGETS AND BUDGETARY ACCOUNTING**

**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**General Fund**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
<b>REVENUES:</b>				
Property taxes and other taxes	\$ 95,604,072	\$ 95,604,072	\$ 95,518,442	\$ (85,630)
Licenses and permits	10,554,500	10,604,500	11,249,117	644,617
Fines and forfeitures	1,580,650	1,580,650	1,098,744	(481,906)
Services charges	3,033,823	3,033,823	2,290,682	(743,141)
Intergovernmental	773,000	773,000	869,148	96,148
Use of money and property	1,919,800	1,871,300	4,170,654	2,299,354
Interdepartmental charges	2,000,000	2,000,000	1,999,878	(122)
Other	1,401,000	1,404,700	213,652	(1,191,048)
<b>Total revenues</b>	<b>116,866,845</b>	<b>116,872,045</b>	<b>117,410,317</b>	<b>538,272</b>
<b>EXPENDITURES:</b>				
Current:				
General government	13,388,179	15,144,284	13,109,392	2,034,892
Public safety	66,110,659	67,600,135	64,540,116	3,060,019
Engineering and transportation	10,976,341	11,682,731	10,094,413	1,588,318
Recreation and culture	11,135,464	11,466,873	10,385,984	1,080,889
Community development	6,602,788	8,227,769	5,825,646	2,402,123
Debt service:				
Principal	2,520,113	2,520,113	2,000,156	519,957
Interest and fees	706,022	706,022	706,022	-
<b>Total expenditures</b>	<b>111,439,566</b>	<b>117,347,927</b>	<b>106,661,729</b>	<b>10,686,198</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>5,427,279</b>	<b>(475,882)</b>	<b>10,748,588</b>	<b>11,224,470</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers (in)		100,000	100,000	-
Transfers (out)	(5,350,000)	(6,325,000)	(6,325,000)	-
<b>Total other financing sources (uses)</b>	<b>(5,350,000)</b>	<b>(6,225,000)</b>	<b>(6,225,000)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 77,279</b>	<b>\$ (6,700,882)</b>	<b>4,523,588</b>	<b>\$ 11,224,470</b>
<b>FUND BALANCES:</b>				
Beginning of year			59,990,764	
End of year			\$ 64,514,352	

**CITY OF SAN LEANDRO**  
**Notes to Required Supplementary Information**  
**For the year ended June 30, 2020**

***Budgets and Budgetary Accounting***

The City adopts a biennial budget annually for all governmental fund types. This budget is effective July 1 through June 30 for each of the ensuing fiscal years. The second year of the biennial budget is amended during the mid-biennial budget cycle process. From the effective date of the budget, which is adopted and controlled at the department level, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The City Council may amend the budget by resolution during the fiscal year. The City Manager is authorized to transfer budgeted amounts between departments and line items within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council. Transfers between funds must be approved by the City Council. All appropriations lapse at year-end, unless otherwise authorized by the City Council and the City Manager, except for capital improvement funds for which appropriations may be carried over for not more than five (5) fiscal years as per the City of San Leandro Charter, Section 520. The City did not budget Proposition 1B – Local Streets and Roads Fund and Housing In Lieu Fund.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles except for capital projects funds, which are adopted on a project length basis, which means budgets, are used until the project's completion, not to exceed five fiscal years, for the entire project amount.

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end are carried over to the next fiscal year as part of that year's budget resolution.

GAAP serves as the budgetary basis of accounting.



**SUPPLEMENTARY INFORMATION**



**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Major Governmental Fund**  
**Capital Improvement Capital Projects Fund**  
**For the year ended June 30, 2020**

	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Service charges	\$ 70,500	\$ 62,490	\$ (8,010)
Use of money and property	100	1,002	902
<b>Total revenues</b>	<b>70,600</b>	<b>63,492</b>	<b>(7,108)</b>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	15,129,905	1,291,555	13,838,350
Recreation and culture	2,500,000	-	2,500,000
Community development	35,411,506	6,858,965	28,552,541
<b>Total expenditures</b>	<b>53,041,411</b>	<b>8,150,520</b>	<b>44,890,891</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(52,970,811)</b>	<b>(8,087,028)</b>	<b>44,883,783</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfer in	6,275,000	6,275,000	-
Transfer out	(100,000)	(100,000)	-
<b>Total other financing sources (uses)</b>	<b>6,175,000</b>	<b>6,175,000</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ (46,795,811)</b>	<b>(1,912,028)</b>	<b>\$ 44,883,783</b>
<b>FUND BALANCES:</b>			
Beginning of year		46,282,419	
End of year		\$ 44,370,391	

## NON-MAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

***Affordable Housing Asset Fund*** – This fund accounts for assets received from affordable housing activities from the former Redevelopment Agency’s Low/Moderate Housing Fund and acts as its Successor Agency.

***Street/Traffic Improvements*** – This fund accounts for development fee assessments levied to provide for partial funding of street and traffic improvements associated with commercial and residential growth.

***Park Development Fee*** – This fund accounts for park development fee assessments levied to provide for partial funding for park development needs associated with residential growth.

***Underground Utilities Fees*** – This fund accounts for utility conversion project assessments levied to provide for the placement of overhead facilities underground. Assessment shall be expended only for expansion of, maintenance of or construction of Underground Utility Districts and facilities.

***Parking*** – This fund accounts for parking meter and parking lot collections for maintenance of downtown parking facilities and other public parking locations.

***Special Gas Tax*** – This fund accounts for revenues and expenditures received from the State of California under Street and Highways Code. The allocations must be spent for street maintenance and construction and a limited amount for engineering.

***Cherrywood Maintenance District*** – This fund is used to account for the special assessment funding for the on-going maintenance of public facilities at the Cherrywood development.

***Measure B Paratransit*** – This fund accounts for the City’s share of proceeds of a one-half cent sales tax increase originally approved by the voters in November 1986. The program is administered by the Alameda County Transportation Authority. The tax provides funds for AC transit and paratransit operations.

***Asset Seizure*** – This fund accounts for funds received from asset forfeiture and used for public safety purposes.

***Heron Bay*** – This fund accounts for maintenance assessments to fund ongoing maintenance of wetlands impacted by residential growth.

***Proposition IB Local Streets & Roads*** – This fund accounts for Proposition IB funds for safety improvements and repairs to local streets and roads.

***Special Grants*** – This fund accounts for various grants from the State of California and the Federal Government to be expended for a specific purpose, activity or facility.

***Measure B*** – This fund accounts for the City's share of proceeds on a one-half cent sales tax increase originally approved by the voters in November 1986. The program is administered by the Alameda County Transportation Authority. The tax provides funds for eight specific projects within Alameda County including major freeway improvements and a major rail extension.

## **NON-MAJOR GOVERNMENTAL FUNDS (Continued)**

### **SPECIAL REVENUE FUNDS (Continued)**

**Measure BB** – This fund accounts for the City's share of revenues earned and expenditure incurred under the City paratransit, streets and roads, and bike and pedestrian programs.

**Measure F** – This fund accounts for the City's share of proceeds on a \$10 increase in Vehicle Registration fees originally approved by the voters in November 2010. The program is administered by the Alameda County Transportation Authority. The tax provides funds for projects to reduce traffic congestion and vehicle related pollution.

**C.D.B.G.** – This fund accounts for federally funded grants through the Community Development Block Grant Program from the U.S. Department of Housing and Urban Development.

**HOME** – This fund accounts for federally funded grants from the U.S. Department of Housing and Urban Development to provide for community housing renovation programs.

**Housing In-Lieu** – This fund accounts for Housing In-Lieu assessments levied to provide for partial funding of low/moderate housing projects.

**Business Improvement District** – This fund accounts for service fees charged to business owners to provide a shuttle service from BART to the downtown business district.

**Public Education & Government (PEG) Fund** – This fund accounts for the Digital Infrastructure and Video Competition Act (DIVCA) of 2006, collecting 1% of gross revenues from state franchise holders. The fund accounts for user fees charged to cable television customers to provide public education on government programs.

### **DEBT SERVICE FUND**

**Special Assessment District** – This fund accumulates monies for payments of special assessment bonds which are financed by assessments placed on the Alameda County tax roll.

**San Leandro Public Financing Authority Debt Service Fund** – This fund accounts for the Certificates of Participation issued for the library and fire stations seismic retrofit. These Certificates of Participation were refunded by the issuance of the 2016 Lease Revenue Bonds. The debt will be paid back pursuant to lease agreements between the City of San Leandro and the San Leandro Public Finance Authority.

### **CAPITAL PROJECTS FUNDS**

**San Leandro Hillside Geological Hazardous Abatement District (GHAD)** – This fund is used to account for the finances of the collaborative between the City of San Leandro and the Geological Hazardous Abatement.



**City of San Leandro**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds				
	Affordable Housing Asset Fund	Street/ Traffic Improvements	Park Development Fee	Underground Utility Fee	Parking
<b>ASSETS</b>					
Cash and investments	\$ 1,281,736	\$ 2,009,684	\$ 1,338,246	\$ 3,016,728	\$ 270,378
Receivables:					
Accounts	3,684	-	-	-	-
Federal, State, and local grants	-	-	-	-	-
Interest	5,998	5,936	2,342	9,577	615
Special assessments	-	-	-	-	-
Loans	1,170,572	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,461,990</b>	<b>\$ 2,015,620</b>	<b>\$ 1,340,588</b>	<b>\$ 3,026,305</b>	<b>\$ 270,993</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 603	\$ 31,295	\$ 98,959	\$ -	\$ 4,568
Due to other funds	-	-	-	-	-
<b>Total Liabilities</b>	<b>603</b>	<b>31,295</b>	<b>98,959</b>	<b>-</b>	<b>4,568</b>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Unavailable revenue - grants receivable	-	-	-	-	-
<b>Total Deferred Inflow of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>					
Restricted	2,461,387	1,984,325	1,241,629	3,026,305	266,425
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b>2,461,387</b>	<b>1,984,325</b>	<b>1,241,629</b>	<b>3,026,305</b>	<b>266,425</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$ 2,461,990</b>	<b>\$ 2,015,620</b>	<b>\$ 1,340,588</b>	<b>\$ 3,026,305</b>	<b>\$ 270,993</b>

(Continued)

Special Revenue Funds

Special Gas Tax	Cherrywood Maintenance District	Measure B Paratransit	Asset Seizure	Heron Bay	Proposition IB Local Streets & Roads	Special Grants	Measure B
\$ 1,360,683	\$ 461,432	\$ 599,703	\$ 1,414,576	\$ 823,674	\$ 14,048	\$ 842,042	\$ 1,811,613
237,573	-	-	-	-	-	96,274	7,417
-	-	22,134	-	-	-	2,447,629	313,053
3,986	1,427	1,201	4,176	2,385	45	-	4,454
-	-	-	-	809	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,602,242</u>	<u>\$ 462,859</u>	<u>\$ 623,038</u>	<u>\$ 1,418,752</u>	<u>\$ 826,868</u>	<u>\$ 14,093</u>	<u>\$ 3,385,945</u>	<u>\$ 2,136,537</u>
\$ 429,724	\$ -	\$ 32,333	\$ 5,193	\$ 5,636	\$ -	\$ 104,730	\$ 100,663
265,000	-	-	-	-	-	-	-
<u>694,724</u>	<u>-</u>	<u>32,333</u>	<u>5,193</u>	<u>5,636</u>	<u>-</u>	<u>104,730</u>	<u>100,663</u>
-	-	-	-	-	-	2,469,763	-
-	-	-	-	-	-	2,469,763	-
907,518	462,859	590,705	1,413,559	821,232	14,093	811,452	2,035,874
-	-	-	-	-	-	-	-
<u>907,518</u>	<u>462,859</u>	<u>590,705</u>	<u>1,413,559</u>	<u>821,232</u>	<u>14,093</u>	<u>811,452</u>	<u>2,035,874</u>
<u>\$ 1,602,242</u>	<u>\$ 462,859</u>	<u>\$ 623,038</u>	<u>\$ 1,418,752</u>	<u>\$ 826,868</u>	<u>\$ 14,093</u>	<u>\$ 3,385,945</u>	<u>\$ 2,136,537</u>

(Continued)

**City of San Leandro**  
**Combining Balance Sheet**  
**Non-Major Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds				
	Measure BB	Measure F	C.D.B.G.	HOME	Housing In-Lieu
<b>ASSETS</b>					
Cash and investments	\$ 200,975	\$ 1,081,970	\$ 267,465	\$ 714,898	\$ 261,980
Receivables:					
Accounts	276,609	85,538	-	64,624	-
Federal, State, and local grants	-	-	-	-	-
Interest	-	3,284	-	2,064	838
Special assessments	-	-	-	-	-
Loans	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 477,584</b>	<b>\$ 1,170,792</b>	<b>\$ 267,465</b>	<b>\$ 781,586</b>	<b>\$ 262,818</b>
<b>LIABILITIES</b>					
Accounts payable	\$ 103,721	\$ 48,312	\$ 196,250	\$ -	\$ -
Due to other funds	-	-	-	-	-
<b>Total Liabilities</b>	<b>103,721</b>	<b>48,312</b>	<b>196,250</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Unavailable revenue - grants receivable	-	-	-	-	-
<b>Total Deferred Inflow of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances:					
Restricted	373,863	1,122,480	71,215	781,586	262,818
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b>373,863</b>	<b>1,122,480</b>	<b>71,215</b>	<b>781,586</b>	<b>262,818</b>
<b>Total Liabilities, Deferred Inflow of Resources and Fund Balances</b>	<b>\$ 477,584</b>	<b>\$ 1,170,792</b>	<b>\$ 267,465</b>	<b>\$ 781,586</b>	<b>\$ 262,818</b>

(Continued)

Special Revenue Funds		Debt Service Funds		Capital Projects Fund	Total Non-Major Governmental Funds
Business Improvement District	Public Education and Government	Special Assessment District	San Leandro Public Financing Authority	GHAD	
\$ 133,791	\$ 1,030,529	\$ 121	\$ 435,313	\$ 13,622	\$ 19,385,207
32,500	41,432	-	-	-	845,651
-	-	-	-	-	2,782,816
702	3,468	-	-	-	52,498
96	-	-	-	-	905
-	-	-	-	-	1,170,572
<u>\$ 167,089</u>	<u>\$ 1,075,429</u>	<u>\$ 121</u>	<u>\$ 435,313</u>	<u>\$ 13,622</u>	<u>\$ 24,237,649</u>
\$ -	\$ 238,599	\$ -	\$ -	\$ -	\$ 1,400,586
-	-	-	-	-	265,000
-	238,599	-	-	-	1,665,586
-	-	-	-	-	2,469,763
-	-	-	-	-	2,469,763
167,089	836,830	121	435,313	13,622	20,102,300
-	-	-	-	-	-
<u>167,089</u>	<u>836,830</u>	<u>121</u>	<u>435,313</u>	<u>13,622</u>	<u>20,102,300</u>
<u>\$ 167,089</u>	<u>\$ 1,075,429</u>	<u>\$ 121</u>	<u>\$ 435,313</u>	<u>\$ 13,622</u>	<u>\$ 24,237,649</u>



**City of San Leandro**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2020**

	Special Revenue Funds				
	Affordable Housing Asset Fund	Street/Traffic Improvements	Park Development Fee	Underground Utility Fee	Parking
<b>REVENUES:</b>					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	301,736	-	-	342,739
Service charges	-	-	-	46,232	-
Fines and forfeitures	-	-	-	-	397,107
Intergovernmental	-	-	-	-	-
Use of money and property	115,193	60,207	27,486	99,284	6,260
Other	-	-	1,303,874	-	-
<b>Total Revenues</b>	<b>115,193</b>	<b>361,943</b>	<b>1,331,360</b>	<b>145,516</b>	<b>746,106</b>
<b>EXPENDITURES:</b>					
Current:					
Public safety	-	-	-	-	-
Engineering and transportation	-	80,069	-	32,637	562,215
Recreation and culture	-	-	585,324	-	-
Community development	3,183	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fees	-	-	-	-	-
<b>Total Expenditures</b>	<b>3,183</b>	<b>80,069</b>	<b>585,324</b>	<b>32,637</b>	<b>562,215</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>112,010</b>	<b>281,874</b>	<b>746,036</b>	<b>112,879</b>	<b>183,891</b>
<b>OTHER FINANCING SOURCES:</b>					
Transfer in	-	-	-	-	-
Transfer out	-	-	-	-	-
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>112,010</b>	<b>281,874</b>	<b>746,036</b>	<b>112,879</b>	<b>183,891</b>
<b>FUND BALANCES:</b>					
Beginning of year	2,349,377	1,702,451	495,593	2,913,426	82,534
End of year	<u>\$ 2,461,387</u>	<u>\$ 1,984,325</u>	<u>\$ 1,241,629</u>	<u>\$ 3,026,305</u>	<u>\$ 266,425</u>

(Continued)

Special Revenue Funds

Special Gas Tax	Cherrywood Maintenance District	Measure B Paratransit	Asset Seizure	Heron Bay	Proposition IB Local Streets & Roads	Special Grants	Measure B
\$ -	\$ 26,042	\$ -	\$ -	\$ 374,273	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,489,416	-	317,009	311,553	-	-	1,035,734	1,890,886
40,896	14,775	5,870	42,133	22,751	456	-	38,311
672	-	-	-	-	-	5,113	-
<u>3,530,984</u>	<u>40,817</u>	<u>322,879</u>	<u>353,686</u>	<u>397,024</u>	<u>456</u>	<u>1,040,847</u>	<u>1,929,197</u>
-	-	-	23,724	-	-	144,905	-
4,094,756	440	276,400	-	306,757	-	260,626	1,237,192
-	-	-	-	-	-	28,073	-
-	-	-	-	-	-	42,392	-
-	-	-	-	-	-	-	-
-	-	-	-	3,405	-	-	-
<u>4,094,756</u>	<u>440</u>	<u>276,400</u>	<u>23,724</u>	<u>310,162</u>	<u>-</u>	<u>475,996</u>	<u>1,237,192</u>
<u>(563,772)</u>	<u>40,377</u>	<u>46,479</u>	<u>329,962</u>	<u>86,862</u>	<u>456</u>	<u>564,851</u>	<u>692,005</u>
-	-	-	-	-	-	-	-
<u>(110,090)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(110,090)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(673,862)</u>	<u>40,377</u>	<u>46,479</u>	<u>329,962</u>	<u>86,862</u>	<u>456</u>	<u>564,851</u>	<u>692,005</u>
<u>1,581,380</u>	<u>422,482</u>	<u>544,226</u>	<u>1,083,597</u>	<u>734,370</u>	<u>13,637</u>	<u>246,601</u>	<u>1,343,869</u>
<u>\$ 907,518</u>	<u>\$ 462,859</u>	<u>\$ 590,705</u>	<u>\$ 1,413,559</u>	<u>\$ 821,232</u>	<u>\$ 14,093</u>	<u>\$ 811,452</u>	<u>\$ 2,035,874</u>

(Continued)

**City of San Leandro**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Non-Major Governmental Funds**  
**For the year ended June 30, 2020**

	Special Revenue Funds				
	Measure BB	Measure F	C.D.B.G.	HOME	Housing In-Lieu
<b>REVENUES:</b>					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Service charges	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Intergovernmental	11,059,178	483,729	600,479	132,664	-
Use of money and property	(363)	34,701	8,500	22,300	8,535
Other	-	-	16,500	133,771	-
<b>Total Revenues</b>	<u>11,058,815</u>	<u>518,430</u>	<u>625,479</u>	<u>288,735</u>	<u>8,535</u>
<b>EXPENDITURES:</b>					
Current:					
Public safety	-	-	-	-	-
Engineering and transportation	10,038,261	506,312	-	-	-
Recreation and culture	-	-	-	-	-
Community development	-	-	674,268	23,625	-
Debt service:					
Principal	-	-	132,000	-	-
Interest and fees	-	-	55,414	-	-
<b>Total Expenditures</b>	<u>10,038,261</u>	<u>506,312</u>	<u>861,682</u>	<u>23,625</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,020,554</u>	<u>12,118</u>	<u>(236,203)</u>	<u>265,110</u>	<u>8,535</u>
<b>OTHER FINANCING SOURCES:</b>					
Transfer in	-	-	-	-	-
Transfer out	-	-	-	-	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>1,020,554</u>	<u>12,118</u>	<u>(236,203)</u>	<u>265,110</u>	<u>8,535</u>
<b>FUND BALANCES:</b>					
Beginning of year	<u>(646,691)</u>	<u>1,110,362</u>	<u>307,418</u>	<u>516,476</u>	<u>254,283</u>
End of year	<u>\$ 373,863</u>	<u>\$ 1,122,480</u>	<u>\$ 71,215</u>	<u>\$ 781,586</u>	<u>\$ 262,818</u>

(Continued)

Special Revenue Funds		Debt Service Funds		Capital Projects Fund	Total Nonmajor Governmental Funds
Business Improvement District	Public Education and Government	Special Assessment District	San Leandro Public Financing Authority	GHAD	
\$ -	\$ 171,068	\$ -	\$ -	\$ -	\$ 571,383
355,607	-	-	-	-	1,000,082
-	-	-	-	-	46,232
-	-	-	-	-	397,107
362,859	-	-	-	-	19,683,507
7,562	38,874	-	3,185,604	-	3,779,335
-	-	-	-	-	1,459,930
<u>726,028</u>	<u>209,942</u>	<u>-</u>	<u>3,185,604</u>	<u>-</u>	<u>26,937,576</u>
-	-	-	-	-	168,629
-	-	-	-	-	17,395,665
-	-	-	-	-	613,397
850,000	421,328	-	-	-	2,014,796
-	-	-	1,536,000	-	1,668,000
-	-	-	1,652,914	-	1,711,733
<u>850,000</u>	<u>421,328</u>	<u>-</u>	<u>3,188,914</u>	<u>-</u>	<u>23,572,220</u>
<u>(123,972)</u>	<u>(211,386)</u>	<u>-</u>	<u>(3,310)</u>	<u>-</u>	<u>3,365,356</u>
50,000	-	-	-	-	50,000
-	-	-	-	-	(110,090)
<u>50,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(60,090)</u>
<u>(73,972)</u>	<u>(211,386)</u>	<u>-</u>	<u>(3,310)</u>	<u>-</u>	<u>3,305,266</u>
<u>241,061</u>	<u>1,048,216</u>	<u>121</u>	<u>438,623</u>	<u>13,622</u>	<u>16,797,034</u>
<u>\$ 167,089</u>	<u>\$ 836,830</u>	<u>\$ 121</u>	<u>\$ 435,313</u>	<u>\$ 13,622</u>	<u>\$ 20,102,300</u>

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Affordable Housing Asset Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Use of money and property	\$ 60,000	\$ 115,193	\$ 55,193
Other	140,000	-	(140,000)
<b>Total Revenues</b>	<u>200,000</u>	<u>115,193</u>	<u>(84,807)</u>
<b>EXPENDITURES:</b>			
Current:			
Community development	<u>2,999</u>	<u>3,183</u>	<u>(184)</u>
<b>Total Expenditures</b>	<u>2,999</u>	<u>3,183</u>	<u>(184)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 197,001</u>	<u>112,010</u>	<u>\$ (84,991)</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>2,349,377</u>	
End of year		<u>\$ 2,461,387</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Street/Traffic Improvements Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Licenses and permits	\$ 400,000	\$ 301,736	\$ (98,264)
Use of money and property	-	60,207	60,207
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Revenues</b>	<u>400,000</u>	<u>361,943</u>	<u>(38,057)</u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	<u>1,064,573</u>	<u>80,069</u>	<u>984,504</u>
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Expenditures</b>	<u>1,064,573</u>	<u>80,069</u>	<u>984,504</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (664,573)</u>	<u>281,874</u>	<u>\$ 946,447</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>1,702,451</u>	
End of year		<u>\$ 1,984,325</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Park Development Fee Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
Use of money and property	\$ -	\$ 27,486	\$ 27,486
Other	1,000,000	1,303,874	303,874
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Revenues</b>	<u>1,000,000</u>	<u>1,331,360</u>	<u>331,360</u>
<b>EXPENDITURES:</b>			
Current:			
Recreation and culture	5,212,202	585,324	4,626,878
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Total Expenditures</b>	<u>5,212,202</u>	<u>585,324</u>	<u>4,626,878</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (4,212,202)</u>	<u>746,036</u>	<u>\$ 4,958,238</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>495,593</u>	
End of year		<u>\$ 1,241,629</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Underground Utility Fees Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Use of money and property	\$ 25,000	\$ 99,284	\$ 74,284
Service charges	300,000	46,232	(253,768)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Revenues</b>	<u>325,000</u>	<u>145,516</u>	<u>(179,484)</u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	1,873,574	32,637	1,840,937
	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total Expenditures</b>	<u>1,873,574</u>	<u>32,637</u>	<u>1,840,937</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (1,548,574)</u>	<u>112,879</u>	<u>\$ 1,661,453</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>2,913,426</u>	
End of year		<u>\$ 3,026,305</u>	



**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Parking Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Licenses and permits	\$ 305,000	\$ 342,739	\$ 37,739
Use of money and property	-	6,260	6,260
Fines and forfeitures	200,000	397,107	197,107
	<u>505,000</u>	<u>746,106</u>	<u>241,106</u>
<b>Total revenues</b>	<u>505,000</u>	<u>746,106</u>	<u>241,106</u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	673,511	562,215	111,296
	<u>673,511</u>	<u>562,215</u>	<u>111,296</u>
<b>Total expenditures</b>	<u>673,511</u>	<u>562,215</u>	<u>111,296</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (168,511)</u>	<u>183,891</u>	<u>\$ 352,402</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>82,534</u>	
End of year		<u>\$ 266,425</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Special Gas Tax Special Revenue Fund**  
**For the year ended June 30, 2020**

	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Intergovernmental	\$ 3,631,370	\$ 3,489,416	\$ (141,954)
Use of money and property	9,500	40,896	31,396
Other	98,785	672	(98,113)
<b>Total revenues</b>	<u>3,739,655</u>	<u>3,530,984</u>	<u>(208,671)</u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	6,505,354	4,094,756	2,410,598
<b>Total expenditures</b>	<u>6,505,354</u>	<u>4,094,756</u>	<u>2,410,598</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	-	-	-
Transfers out	(110,090)	(110,090)	-
<b>Total expenditures</b>	<u>(110,090)</u>	<u>(110,090)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (2,875,789)</u>	<u>(673,862)</u>	<u>\$ 2,201,927</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>1,581,380</u>	
End of year		<u>\$ 907,518</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Cherrywood Maintenance District Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Property and other taxes	\$ -	\$ 26,042	\$ 26,042
Use of money and property	4,000	14,775	10,775
<b>Total revenues</b>	<b>4,000</b>	<b>40,817</b>	<b>36,817</b>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	-	440	(440)
<b>Total expenditures</b>	<b>-</b>	<b>440</b>	<b>(440)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 4,000</b>	<b>40,377</b>	<b>\$ 36,377</b>
<b>FUND BALANCES:</b>			
Beginning of year		422,482	
End of year		\$ 462,859	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Measure B - Paratransit Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Intergovernmental	\$ -	\$ 317,009	\$ 317,009
Use of money and property	-	5,870	5,870
<b>Total revenues</b>	<b>-</b>	<b>322,879</b>	<b>322,879</b>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	-	276,400	(276,400)
<b>Total expenditures</b>	<b>-</b>	<b>276,400</b>	<b>(276,400)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ -</b>	<b>46,479</b>	<b>\$ 46,479</b>
<b>FUND BALANCES:</b>			
Beginning of year		544,226	
End of year		<u>\$ 590,705</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Asset Seizure Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Intergovernmental	\$ 150,000	\$ 311,553	\$ 161,553
Use of money and property	10,000	42,133	32,133
	<u>160,000</u>	<u>353,686</u>	<u>193,686</u>
<b>EXPENDITURES:</b>			
Current:			
Public safety	284,929	23,724	261,205
	<u>284,929</u>	<u>23,724</u>	<u>261,205</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (124,929)</u>	<u>329,962</u>	<u>\$ 454,891</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>1,083,597</u>	
End of year		<u>\$ 1,413,559</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Heron Bay Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Property and other taxes	\$ 360,000	\$ 374,273	\$ 14,273
Use of money and property	5,000	22,751	17,751
<b>Total revenues</b>	<u>365,000</u>	<u>397,024</u>	<u>32,024</u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	896,745	306,757	589,988
Debt service:			
Interest and fees	3,400	3,405	(5)
<b>Total expenditures</b>	<u>900,145</u>	<u>310,162</u>	<u>589,983</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (535,145)</u>	<u>86,862</u>	<u>\$ (622,007)</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>734,370</u>	
End of year		<u>\$ 821,232</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Proposition IB - Local Streets & Roads Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Use of money and property	\$ 100	\$ 456	\$ 356
<b>Total revenues</b>	<u>100</u>	<u>456</u>	<u>356</u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 100</u>	<u>456</u>	<u>\$ 356</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>13,637</u>	
End of year		<u>\$ 14,093</u>	

# City of San Leandro

## Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -

### Non Major Governmental Fund

### Special Grants Special Revenue Fund

For the year ended June 30, 2020

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Intergovernmental	\$ 1,932,700	\$ 1,035,734	\$ (896,966)
Other	5,200	5,113	(87)
<b>Total revenues</b>	<u>1,937,900</u>	<u>1,040,847</u>	<u>(897,053)</u>
<b>EXPENDITURES:</b>			
Current:			
Public safety	193,084	144,905	48,179
Engineering and transportation	4,058,623	260,626	3,797,997
Community development	310,000	42,392	267,608
Recreation and culture	252,775	28,073	224,702
<b>Total expenditures</b>	<u>4,814,482</u>	<u>475,996</u>	<u>4,338,486</u>
<b>REVENUES OVER (UNDER) EXPENDITURES:</b>	<u>(2,876,582)</u>	<u>564,851</u>	<u>3,441,433</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (2,876,582)</u>	<u>564,851</u>	<u>\$ 3,441,433</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>246,601</u>	
End of year		<u>\$ 811,452</u>	



**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Measure B Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Intergovernmental	\$ 1,855,000	\$ 1,890,886	\$ 35,886
Use of money and property	10,000	38,311	28,311
Other	111,000	-	(111,000)
	<u>1,976,000</u>	<u>1,929,197</u>	<u>(46,803)</u>
<b>Total revenues</b>			
<b>EXPENDITURES:</b>			
Current:			
Recreation and culture	7,052,254	1,237,192	5,815,062
	<u>7,052,254</u>	<u>1,237,192</u>	<u>5,815,062</u>
<b>Total expenditures</b>			
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (5,076,254)</u>	<u>692,005</u>	<u>\$ 5,768,259</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>1,343,869</u>	
End of year		<u>\$ 2,035,874</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Measure BB Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>REVENUES:</b>			
Intergovernmental	\$ 8,629,000	\$ 11,059,178	\$ 2,430,178
Use of money and property	5,000	(363)	(5,363)
	<u>8,634,000</u>	<u>11,058,815</u>	<u>2,424,815</u>
<b>Total revenues</b>	<u>8,634,000</u>	<u>11,058,815</u>	<u>2,424,815</u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	25,105,032	10,038,261	15,066,771
	<u>25,105,032</u>	<u>10,038,261</u>	<u>15,066,771</u>
<b>Total expenditures</b>	<u>25,105,032</u>	<u>10,038,261</u>	<u>15,066,771</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (16,471,032)</u>	<u>1,020,554</u>	<u>\$ 17,491,586</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>(646,691)</u>	
End of year		<u>\$ 373,863</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Measure F - (Vehicle Registration Fees) Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Intergovernmental	\$ 440,000	\$ 483,729	\$ 43,729
Use of money and property	6,000	34,701	28,701
	<u>446,000</u>	<u>518,430</u>	<u>72,430</u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	1,723,680	506,312	1,217,368
	<u>1,723,680</u>	<u>506,312</u>	<u>1,217,368</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (1,277,680)</u>	<u>12,118</u>	<u>\$ 1,289,798</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>1,110,362</u>	
End of year		<u>\$ 1,122,480</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**C.D.B.G Special Revenue Fund**  
**For the year ended June 30, 2020**

	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Intergovernmental	\$ 400,000	\$ 600,479	\$ 200,479
Use of money and property	-	8,500	8,500
Other	-	16,500	16,500
<b>Total revenues</b>	<u>400,000</u>	<u>625,479</u>	<u>225,479</u>
<b>EXPENDITURES:</b>			
Current:			
Community development	2,012,833	674,268	1,338,565
Debt service:			
Principal	132,000	132,000	-
Interest and fees	55,414	55,414	-
<b>Total expenditures</b>	<u>2,200,247</u>	<u>861,682</u>	<u>1,338,565</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (1,800,247)</u>	<u>(236,203)</u>	<u>\$ 1,564,044</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>307,418</u>	
End of year		<u>\$ 71,215</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**HOME Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Intergovernmental	\$ 100,000	\$ 132,664	\$ 32,664
Use of money and property	4,000	22,300	18,300
Other	50,000	133,771	83,771
	<u>154,000</u>	<u>288,735</u>	<u>134,735</u>
<b>EXPENDITURES:</b>			
Current:			
Community development	9,161	23,625	(14,464)
	<u>9,161</u>	<u>23,625</u>	<u>(14,464)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 144,839</u>	<u>265,110</u>	<u>\$ 120,271</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>516,476</u>	
End of year		<u>\$ 781,586</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Housing In-Lieu Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Use of money and property	\$ 1,000	\$ 8,535	\$ 7,535
Other	2,000	-	(2,000)
<b>Total revenues</b>	<b>3,000</b>	<b>8,535</b>	<b>5,535</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ 3,000</b>	<b>8,535</b>	<b>\$ 5,535</b>
<b>FUND BALANCES:</b>			
Beginning of year		254,283	
End of year		\$ 262,818	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Business Improvement District Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Licenses and permits	\$ 400,000	\$ 355,607	\$ (44,393)
Intergovernmental	246,530	362,859	116,329
Use of money and property	1,000	7,562	6,562
<b>Total revenues</b>	<u>647,530</u>	<u>726,028</u>	<u>78,498</u>
<b>EXPENDITURES:</b>			
Current:			
Community development	695,530	850,000	(154,470)
<b>Total expenditures</b>	<u>695,530</u>	<u>850,000</u>	<u>(154,470)</u>
<b>OTHER FINANCING SOURCES:</b>			
Transfers in	50,000	50,000	-
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ 2,000</u>	<u>(73,972)</u>	<u>\$ (75,972)</u>
<b>FUND BALANCES:</b>			
Beginning of year		241,061	
End of year		<u>\$ 167,089</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Public Education and Government Special Revenue Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Property and other taxes	\$ 225,000	\$ 171,068	\$ (53,932)
Use of money and property	7,000	38,874	31,874
	<u>232,000</u>	<u>209,942</u>	<u>(22,058)</u>
<b>EXPENDITURES:</b>			
Current:			
Community development	961,664	421,328	540,336
	<u>961,664</u>	<u>421,328</u>	<u>540,336</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (729,664)</u>	<u>(211,386)</u>	<u>\$ 518,278</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>1,048,216</u>	
End of year		<u>\$ 836,830</u>	



**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**Special Assessment District Debt Service Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>			
Property and other taxes	\$ -	\$ -	\$ -
Use of money and property	-	-	-
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES:</b>			
Debt service:			
Interest and fees	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>\$ -</b>	<b>-</b>	<b>\$ -</b>
<b>FUND BALANCES:</b>			
Beginning of year		121	
End of year		<u>\$ 121</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**San Leandro Public Financing Authority Debt Service Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>REVENUES:</b>			
Use of money and property	\$ 3,181,406	\$ 3,185,604	\$ 4,198
<b>Total revenues</b>	<u>3,181,406</u>	<u>3,185,604</u>	<u>4,198</u>
<b>EXPENDITURES:</b>			
Debt service:			
Principal	1,536,000	1,536,000	-
Interest and fees	<u>1,649,889</u>	<u>1,652,914</u>	<u>(3,025)</u>
<b>Total expenditures</b>	<u>3,185,889</u>	<u>3,188,914</u>	<u>(3,025)</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (4,483)</u>	<u>(3,310)</u>	<u>\$ 1,173</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>438,623</u>	
End of year		<u>\$ 435,313</u>	

**City of San Leandro**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -**  
**Non Major Governmental Fund**  
**San Leandro Hillside Geological Abatement Fund (GHAD) Capital Projects Fund**  
**For the year ended June 30, 2020**

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	Final Budget	Actual	Variance Positive (Negative)
	<u>          </u>	<u>          </u>	<u>          </u>
<b>EXPENDITURES:</b>			
Current:			
Engineering and transportation	\$ 14,265	\$ -	\$ 14,265
	<u>14,265</u>	<u>-</u>	<u>14,265</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>\$ (14,265)</u>	<u>-</u>	<u>\$ 14,265</u>
<b>FUND BALANCES:</b>			
Beginning of year		<u>13,622</u>	
End of year		<u>\$ 13,622</u>	

## **NON-MAJOR ENTERPRISE FUNDS**

*Storm Water Utility* – Provides for the City’s storm water program in conjunction with the National Pollutant Discharge and Emissions Services Act.

*Environmental Services* – Accounts for the regulation of hazardous materials, wastewater discharge, storm water runoff, solid waste and recycling, and the landfill at the Marina.

**City of San Leandro**  
**Combining Statement of Net Position**  
**Non-Major Enterprise Funds**  
**June 30, 2020**

	Storm Water Utility	Environmental Services	Total Non-Major Enterprise Funds
<b>ASSETS</b>			
Current Assets:			
Cash and investments	\$ 374	\$ 1,738,692	\$ 1,739,066
Receivables:			
Accounts	4,591	111,498	116,089
Interest	-	5,491	5,491
Total current assets	<u>4,965</u>	<u>1,855,681</u>	<u>1,860,646</u>
Noncurrent assets:			
Capital assets:			
Depreciable	15,590	4,873	20,463
Less accumulated depreciation	<u>(15,590)</u>	<u>(4,873)</u>	<u>(20,463)</u>
Total noncurrent assets	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Assets</b>	<u>4,965</u>	<u>1,855,681</u>	<u>1,860,646</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts payable	6,884	13,855	20,739
Due to other funds	944,000	-	944,000
Compensated absences - due in one year	<u>6,739</u>	<u>39,454</u>	<u>46,193</u>
Total current liabilities	<u>957,623</u>	<u>53,309</u>	<u>1,010,932</u>
Non-current Liabilities:			
Compensated absences - due in more than one year	<u>19,948</u>	<u>108,586</u>	<u>128,534</u>
Total Liabilities	<u>977,571</u>	<u>161,895</u>	<u>1,139,466</u>
<b>NET POSITION</b>			
Unrestricted	<u>(972,606)</u>	<u>1,693,786</u>	<u>721,180</u>
<b>Total Net Position</b>	<u>\$ (972,606)</u>	<u>\$ 1,693,786</u>	<u>\$ 721,180</u>

**City of San Leandro**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Non-Major Enterprise Funds**  
**For the year ended June 30, 2020**

	Storm Water Utility	Environmental Services	Total Non-Major Enterprise Funds
<b>OPERATING REVENUES</b>			
Charges for services	\$ 1,070,663	\$ 292,784	\$ 1,363,447
Licenses and permits	-	371,059	371,059
Other operating revenue	2,850	15,425	18,275
<b>Total operating revenues</b>	<b>1,073,513</b>	<b>679,268</b>	<b>1,752,781</b>
<b>OPERATING EXPENSES</b>			
Salaries and benefits	706,081	729,514	1,435,595
Contractual and other services	265,286	106,399	371,685
Material and supplies	30,408	5,488	35,896
Other operating costs	400,325	236,342	636,667
Depreciation	15,316	3,931	19,247
<b>Total operating expenses</b>	<b>1,417,416</b>	<b>1,081,674</b>	<b>2,499,090</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(343,903)</b>	<b>(402,406)</b>	<b>(746,309)</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
Investment income	-	58,365	58,365
Intergovernmental	-	258,586	258,586
<b>Total Nonoperating Revenues (Expenses)</b>	<b>-</b>	<b>316,951</b>	<b>316,951</b>
<b>INCOME (LOSS) BEFORE TRANSFERS:</b>	<b>(343,903)</b>	<b>(85,455)</b>	<b>(429,358)</b>
Transfers in	-	132,782	132,782
<b>Change in net position</b>	<b>(343,903)</b>	<b>47,327</b>	<b>(296,576)</b>
<b>NET POSITION:</b>			
Beginning of year	(628,703)	1,646,459	1,017,756
End of year	<u>\$ (972,606)</u>	<u>\$ 1,693,786</u>	<u>\$ 721,180</u>

**City of San Leandro**  
**Combining Statement of Cash Flows**  
**Non-Major Enterprise Funds**  
**For the year ended June 30, 2020**

	Storm Water Utility	Environmental Services	Total Non-Major Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 1,075,505	\$ 729,010	\$ 1,804,515
Cash received from other funds	353,551	-	353,551
Cash payments to suppliers and service providers	(702,811)	(342,539)	(1,045,350)
Cash payments to employees for services	(727,582)	(705,220)	(1,432,802)
<b>Net cash provided (used) by operating activities</b>	<b>(1,337)</b>	<b>(318,749)</b>	<b>(320,086)</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Intergovernmental revenue received	-	258,586	258,586
Transfers in from other funds	-	132,782	132,782
<b>Net cash provided (used) by noncapital financing activities</b>	<b>-</b>	<b>391,368</b>	<b>391,368</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Change in market values of investments	-	22,191	22,191
Interest income	-	35,804	35,804
<b>Net cash provided (used) by investing activities</b>	<b>-</b>	<b>57,995</b>	<b>57,995</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,337)</b>	<b>130,614</b>	<b>129,277</b>
<b>CASH AND CASH EQUIVALENTS:</b>			
Beginning of year	1,711	1,608,078	1,609,789
End of year	\$ 374	\$ 1,738,692	\$ 1,739,066
<b>RECONCILIATION OR OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (343,903)	\$ (402,406)	\$ (746,309)
Depreciation	15,316	3,931	19,247
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	1,992	49,742	51,734
(Decrease) increase in accounts payable	(6,792)	5,690	(1,102)
(Decrease) increase due to other funds	353,551	-	353,551
(Decrease) increase in compensated absences	(21,501)	24,294	2,793
<b>Net cash provided (used) by operating activities</b>	<b>\$ (1,337)</b>	<b>\$ (318,749)</b>	<b>\$ (320,086)</b>

## INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for special activities and services performed by a designated City department for other departments on a cost reimbursement basis.

***Building Maintenance*** – This fund accounts for the City’s custodial maintenance and minor building modifications performed on various City complexes. The source of revenue is reimbursement of costs for services performed to the departments.

***Information Management Services*** – The fund accounts for centralized data processing and the maintenance, acquisition and replacement of computerized systems. Sources of revenue for this fund are reimbursement of costs for services and equipment purchased by other departments.

***Self Insurance*** – This fund accounts for the administration of the City’s self-insurance programs, payment of worker’s compensation and liability claims payments.

***Equipment Maintenance*** – This fund accounts for the maintenance and replacement of vehicles and equipment used by all City departments. Source of revenues for this fund is reimbursement of costs for services and supplies purchased by other departments.



**City of San Leandro**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**June 30, 2020**

	Building Maintenance	Information Management Services	Self - Insurance	Equipment Maintenance	Total
<b>ASSETS</b>					
Cash and investments	\$ 1,764,928	\$ 2,121,613	\$ 10,986,619	\$ 4,064,376	\$ 18,937,536
Receivables:					
Interest	6,600	6,573	30,321	11,558	55,052
Inventory	11,881	58,262	-	167,165	237,308
<b>Total current assets</b>	<b>1,783,409</b>	<b>2,186,448</b>	<b>11,016,940</b>	<b>4,243,099</b>	<b>19,229,896</b>
Capital assets:					
Depreciable	80,353	5,911,354	-	11,746,050	17,737,757
Less accumulated depreciation	(26,614)	(5,869,203)	-	(6,025,425)	(11,921,242)
<b>Total Net capital assets</b>	<b>53,739</b>	<b>42,151</b>	<b>-</b>	<b>5,720,625</b>	<b>5,816,515</b>
<b>Total noncurrent assets</b>	<b>53,739</b>	<b>42,151</b>	<b>-</b>	<b>5,720,625</b>	<b>5,816,515</b>
<b>Total Assets</b>	<b>1,837,148</b>	<b>2,228,599</b>	<b>11,016,940</b>	<b>9,963,724</b>	<b>25,046,411</b>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts payable	166,079	86,409	112,670	340,553	705,711
Other liabilities	-	-	540,698	-	540,698
Claims and judgments - due in one year	-	-	1,170,645	-	1,170,645
Compensated absences payable - due in one year	5,146	23,621	1,720	3,939	34,426
<b>Total current liabilities</b>	<b>171,225</b>	<b>110,030</b>	<b>1,825,733</b>	<b>344,492</b>	<b>2,451,480</b>
Noncurrent Liabilities:					
Claims and judgments - due in more than one year	-	-	6,492,602	-	6,492,602
Compensated absences - due in more than one year	8,870	110,876	4,799	26,362	150,907
<b>Total noncurrent liabilities</b>	<b>8,870</b>	<b>110,876</b>	<b>6,497,401</b>	<b>26,362</b>	<b>6,643,509</b>
<b>Total Liabilities</b>	<b>180,095</b>	<b>220,906</b>	<b>8,323,134</b>	<b>370,854</b>	<b>9,094,989</b>
<b>NET POSITION</b>					
Net investment in capital assets	53,739	42,151	-	5,720,625	5,816,515
Unrestricted	1,603,314	1,965,542	2,693,806	3,872,245	10,134,907
<b>Total Net Position</b>	<b>\$ 1,657,053</b>	<b>\$ 2,007,693</b>	<b>\$ 2,693,806</b>	<b>\$ 9,592,870</b>	<b>\$ 15,951,422</b>

**City of San Leandro**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the year ended June 30, 2020**

	Building Maintenance	Information Management Services	Self - Insurance	Equipment Maintenance	Total
<b>OPERATING REVENUES:</b>					
Service charges	\$ 3,378,215	\$ 4,371,726	\$ 5,433,474	\$ 3,724,329	\$ 16,907,744
Other operating revenues	93	1,000	327,937	167,950	496,980
<b>Total Operating Revenues</b>	<u>3,378,308</u>	<u>4,372,726</u>	<u>5,761,411</u>	<u>3,892,279</u>	<u>17,404,724</u>
<b>OPERATING EXPENSES:</b>					
Salaries and benefits	1,079,763	1,616,699	228,028	560,800	3,485,290
Contractual and other services	2,034,255	1,737,629	4,983,424	468,330	9,223,638
Materials and supplies	180,876	29,560	-	542,388	752,824
Depreciation	8,160	23,392	-	1,029,299	1,060,851
Other operating costs	639,118	734,950	91,129	328,445	1,793,642
<b>Total Operating Expenses</b>	<u>3,942,172</u>	<u>4,142,230</u>	<u>5,302,581</u>	<u>2,929,262</u>	<u>16,316,245</u>
<b>OPERATING INCOME (LOSS)</b>	<u>(563,864)</u>	<u>230,496</u>	<u>458,830</u>	<u>963,017</u>	<u>1,088,479</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest income	58,112	67,683	317,904	133,801	577,500
<b>Total nonoperating revenues (expenses)</b>	<u>58,112</u>	<u>67,683</u>	<u>317,904</u>	<u>133,801</u>	<u>577,500</u>
<b>INCOME BEFORE TRANSFERS</b>	<u>(505,752)</u>	<u>298,179</u>	<u>776,734</u>	<u>1,096,818</u>	<u>1,665,979</u>
<b>TRANSFERS:</b>					
Transfers in	-	-	-	222,027	222,027
<b>Change in net position</b>	<u>(505,752)</u>	<u>298,179</u>	<u>776,734</u>	<u>1,318,845</u>	<u>1,888,006</u>
<b>NET POSITION:</b>					
Beginning of the year	<u>2,162,805</u>	<u>1,709,514</u>	<u>1,917,072</u>	<u>8,274,025</u>	<u>14,063,416</u>
End of the year	<u>\$ 1,657,053</u>	<u>\$ 2,007,693</u>	<u>\$ 2,693,806</u>	<u>\$ 9,592,870</u>	<u>\$ 15,951,422</u>

**City of San Leandro**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the year ended June 30, 2020**

	Building Maintenance	Information Management Services	Self - Insurance	Equipment Maintenance	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts from customers	\$ 93	\$ 1,000	\$ 327,937	\$ 167,950	\$ 496,980
Receipts from interfund charges	3,378,215	4,339,726	5,433,474	3,724,329	16,875,744
Cash payments to suppliers and service providers	(3,018,029)	(2,504,562)	(4,913,093)	(1,208,786)	(11,644,470)
Cash payments to employees for services	(1,108,912)	(1,606,820)	(220,245)	(543,970)	(3,479,947)
<b>Net cash provided (used) by operating activities</b>	<b>(748,633)</b>	<b>229,344</b>	<b>628,073</b>	<b>2,139,523</b>	<b>2,248,307</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>					
Transfers in from other funds	-	-	-	222,027	222,027
<b>Net cash provided (used) by noncapital financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>222,027</b>	<b>222,027</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Acquisition of capital assets	-	(54,515)	-	(1,613,024)	(1,667,539)
<b>Net cash provided (used) by capital and related financing activities</b>	<b>-</b>	<b>(54,515)</b>	<b>-</b>	<b>(1,613,024)</b>	<b>(1,667,539)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>					
Change in market values of investments	14,467	24,777	120,707	58,473	218,424
Interest income	46,350	42,924	195,628	71,516	356,418
<b>Cash Flows from Investing Activities</b>	<b>60,817</b>	<b>67,701</b>	<b>316,335</b>	<b>129,989</b>	<b>574,842</b>
<b>Net Cash Flows</b>	<b>(687,816)</b>	<b>242,530</b>	<b>944,408</b>	<b>878,515</b>	<b>1,377,637</b>
<b>CASH AND CASH EQUIVALENTS:</b>					
Cash and investments at beginning of year	\$2,452,744	\$1,879,083	\$10,042,211	\$3,185,861	17,559,899
Cash and investments at end of year	\$ 1,764,928	\$ 2,121,613	\$ 10,986,619	\$ 4,064,376	\$ 18,937,536
<b>RECONCILIATION OF OPERATING INCOME (LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>					
Operating income (loss)	\$ (563,864)	\$ 230,496	\$ 458,830	\$ 963,017	\$ 1,088,479
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	8,160	23,392	-	1,029,299	1,060,851
Change in assets and liabilities:					
(Increase) decrease in inventory	589	(32,000)	-	-	(31,411)
(Decrease) increase in accounts payable	(164,369)	(2,423)	(676,091)	130,377	(712,506)
(Decrease) increase in other liabilities	-	-	9,806	-	9,806
(Decrease) increase in claims and judgments payable	-	-	837,551	-	837,551
(Decreased) increase in compensated absences	(29,149)	9,879	(2,023)	16,830	(4,463)
<b>Total cash provided (used) by operating activities</b>	<b>\$ (748,633)</b>	<b>\$ 229,344</b>	<b>\$ 628,073</b>	<b>\$ 2,139,523</b>	<b>\$ 2,248,307</b>

## FIDUCIARY FUND FINANCIAL STATEMENTS

### *AGENCY FUNDS*

*Deposits Fund* – Accounts for all deposits held on behalf of other persons and businesses under the control of City departments.

*Cherrywood* – Accounts for monies accumulated for payments of special assessment bonds which are financed by assessments placed on the Alameda County tax roll for the Cherrywood housing development.

**City of San Leandro**  
**Combining Statement of Assets and Liabilities**  
**Agency Funds**  
**June 30, 2020**

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	<u>Deposits</u>	<u>Cherrywood</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments	\$ 4,827,099	\$ 1,101,260	\$ 5,928,359
Cash and investments with fiscal agents	-	456,563	456,563
Interest receivable	-	1,309	1,309
Special assessment receivable	-	2,230	2,230
<b>Total Assets</b>	<u><u>\$ 4,827,099</u></u>	<u><u>\$ 1,561,362</u></u>	<u><u>\$ 6,388,461</u></u>
<b>LIABILITIES</b>			
Accounts payable	\$ 81,819	\$ -	\$ 81,819
Deposits payable	4,745,280	-	4,745,280
Due to bondholders	-	1,561,362	1,561,362
<b>Total Liabilities</b>	<u><u>\$ 4,827,099</u></u>	<u><u>\$ 1,561,362</u></u>	<u><u>\$ 6,388,461</u></u>

**City of San Leandro**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the year ended June 30, 2020**

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
<b><u>Deposits</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 4,214,985	\$ 770,522	\$ 158,408	\$ 4,827,099
<b>Total assets</b>	<b>\$ 4,214,985</b>	<b>\$ 770,522</b>	<b>\$ 158,408</b>	<b>\$ 4,827,099</b>
<b>Liabilities:</b>				
Accounts payable	\$ 158,408	\$ 81,819	\$ 158,408	\$ 81,819
Deposits payable	4,056,577	688,703	-	4,745,280
<b>Total liabilities</b>	<b>\$ 4,214,985</b>	<b>\$ 770,522</b>	<b>\$ 158,408</b>	<b>\$ 4,827,099</b>
<b><u>Cherrywood</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 1,074,001	\$ 27,259	\$ -	\$ 1,101,260
Cash and investments with fiscal agent	457,681	1,531,894	1,533,012	456,563
Interest receivable	1,330	1,309	1,330	1,309
Special assessments receivable	-	2,230	-	2,230
<b>Total assets</b>	<b>\$ 1,533,012</b>	<b>\$ 1,562,692</b>	<b>\$ 1,534,342</b>	<b>\$ 1,561,362</b>
<b>Liabilities:</b>				
Due to bondholders	\$ 1,533,012	\$ 1,562,692	\$ 1,534,342	\$ 1,561,362
<b>Total liabilities</b>	<b>\$ 1,533,012</b>	<b>\$ 1,562,692</b>	<b>\$ 1,534,342</b>	<b>\$ 1,561,362</b>
<b><u>All Agency Funds</u></b>				
<b>Assets:</b>				
Cash and investments	\$ 5,288,986	\$ 797,781	\$ 158,408	\$ 5,928,359
Cash and investments with fiscal agent	457,681	1,531,894	1,533,012	456,563
Interest receivable	1,330	1,309	1,330	1,309
Special assessment receivable	-	2,230	-	2,230
<b>Total assets</b>	<b>\$ 5,747,997</b>	<b>\$ 2,333,214</b>	<b>\$ 1,692,750</b>	<b>\$ 6,388,461</b>
<b>Liabilities:</b>				
Accounts payable	\$ 158,408	\$ 81,819	\$ 158,408	\$ 81,819
Deposits payable	4,056,577	688,703	-	4,745,280
Due to bondholders	1,533,012	1,562,692	1,534,342	1,561,362
<b>Total liabilities</b>	<b>\$ 5,747,997</b>	<b>\$ 2,333,214</b>	<b>\$ 1,692,750</b>	<b>\$ 6,388,461</b>



## STATISTICAL SECTION

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*This section of the City of San Leandro'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 city's overall financial health.*

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	<b>151</b>
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	<b>159</b>
These schedules contain information to help the reader assess the city's most significant local revenue sources, sales tax and property tax.	
<b>Debt Capacity</b>	<b>171</b>
These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	
<b>Demographic and Economic Information</b>	<b>179</b>
These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.	
<b>Operating Information</b>	<b>183</b>
These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.	





## **FINANCIAL TRENDS**

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*These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.*

Net Position by Component Unit - Last Ten Fiscal Years

Changes in Net Position - Last Ten Fiscal Years

Program Revenues by Function / Program - Last Ten Fiscal Years

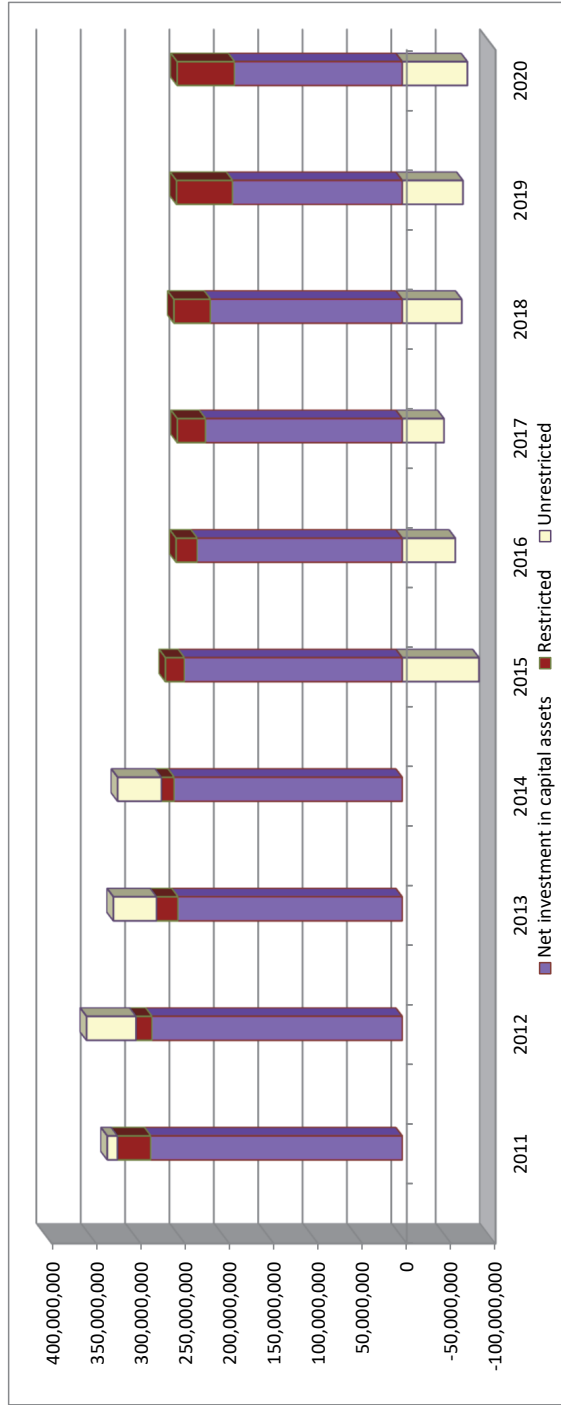
Fund Balances of Governmental Funds - Last Ten Fiscal Years

General Fund Revenue by Source - Last Ten Fiscal Years

Changes in Fund Balance of Governmental Funds - Last Ten Fiscal Years



City of San Leandro  
 Net Position by Component Unit  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental Activities</b>										
Net investment in capital assets	\$ 256,542,629	\$ 251,252,877	\$ 219,701,797	\$ 225,401,873	\$ 212,967,616	\$ 200,560,064	\$ 190,556,178	\$ 181,178,754	\$ 152,522,070	\$ 147,336,413
Restricted	37,489,289	17,947,666	24,162,116	14,371,041	21,206,626	23,680,435	31,647,662	41,104,032	63,079,453	64,472,691
Unrestricted	(3,737,046)	42,585,608	33,524,445	28,282,857	(98,955,552)	(77,776,029)	(67,544,332)	(84,962,486)	(88,393,775)	(90,215,808)
<b>Total Governmental Activities Net Position</b>	<b>\$ 290,294,872</b>	<b>\$ 311,786,151</b>	<b>\$ 277,388,358</b>	<b>\$ 268,055,771</b>	<b>\$ 135,218,690</b>	<b>\$ 146,464,470</b>	<b>\$ 154,659,508</b>	<b>\$ 137,320,300</b>	<b>\$ 127,207,748</b>	<b>\$ 121,593,296</b>
<b>Business-Type Activities</b>										
Net investment in capital assets	\$ 26,832,033	\$ 30,737,068	\$ 32,979,235	\$ 31,512,875	\$ 32,505,629	\$ 30,434,444	\$ 31,056,113	\$ 34,872,307	\$ 38,661,914	\$ 41,645,101
Restricted	15,133,537	13,097,006	15,002,725	21,031,537	12,609,167	18,050,170	20,616,425	17,962,702	20,090,760	16,938,807
Unrestricted	(41,965,570)	(43,834,074)	(47,981,960)	(52,544,412)	(45,114,796)	(48,484,614)	(51,672,538)	(52,835,009)	(58,752,674)	(58,583,908)
<b>Total Business-Type Activities Net Position</b>	<b>\$ 21,868,496</b>	<b>\$ 12,899,000</b>	<b>\$ 17,000,500</b>	<b>\$ 18,999,998</b>	<b>\$ 19,999,460</b>	<b>\$ 19,999,870</b>	<b>\$ 19,999,688</b>	<b>\$ 22,039,600</b>	<b>\$ 20,939,090</b>	<b>\$ 18,361,193</b>
<b>Primary government</b>										
Net investment in capital assets	\$ 283,374,662	\$ 281,989,945	\$ 252,681,032	\$ 256,914,748	\$ 245,473,245	\$ 230,994,508	\$ 221,612,291	\$ 216,051,061	\$ 191,183,984	\$ 188,981,514
Restricted	37,489,289	17,947,666	24,162,116	14,371,041	21,206,626	23,680,435	31,647,662	41,104,032	63,079,453	64,472,691
Unrestricted	11,396,491	55,682,614	48,527,170	49,314,394	(86,346,385)	(59,725,859)	(46,927,907)	(66,999,784)	(68,303,015)	(73,277,001)
<b>Total Governmental Activities Net Position</b>	<b>\$ 332,260,442</b>	<b>\$ 355,620,225</b>	<b>\$ 325,370,318</b>	<b>\$ 320,600,183</b>	<b>\$ 180,333,480</b>	<b>\$ 194,949,084</b>	<b>\$ 206,332,046</b>	<b>\$ 190,155,309</b>	<b>\$ 185,960,922</b>	<b>\$ 180,177,204</b>

Source: City of San Leandro Comprehensive Annual Financial Report (CAFR) - Statement of Net Position  
 Note: (1) Large negative amount in 2015 is due to the implementation of GASB 68.

**City of San Leandro**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 10,759,754	\$ 10,238,787	\$ 13,166,855	\$ 11,609,391	\$ 10,896,679	\$ 7,923,300	\$ 8,524,377	\$ 13,658,584	\$ 14,053,667	\$ 13,979,398
Public safety	45,936,832	43,574,011	45,465,294	47,180,237	47,989,126	52,944,433	54,510,194	64,971,782	68,742,284	73,021,991
Engineering & Transportation	22,720,292	23,903,746	25,662,305	31,712,176	30,566,925	31,476,280	28,124,152	32,933,260	35,750,270	32,594,161
Recreation & Culture	11,042,582	9,894,015	11,586,223	11,786,787	11,667,158	13,824,385	13,228,291	14,756,277	14,087,453	13,337,227
Community Development	17,541,521	8,178,377	4,904,442	5,389,381	5,704,907	6,840,393	6,840,393	10,216,834	10,390,977	15,377,114
Interest on long-term debt	4,182,409	2,317,753	2,548,119	2,097,257	2,156,400	1,764,322	2,218,025	1,677,316	1,794,526	1,827,883
Total governmental activities expenses	112,183,390	98,106,689	103,333,198	109,775,229	108,981,195	114,773,113	114,739,934	138,214,053	144,819,177	150,137,774
Business-type activities:										
Water Pollution Control	5,856,452	8,395,692	7,499,555	7,978,058	8,802,564	13,534,488	10,795,950	12,184,473	11,814,460	15,233,737
Shoreline	1,997,753	1,848,428	1,861,532	1,922,489	1,691,932	1,839,667	1,754,842	1,786,193	1,677,896	2,094,266
Storm Water Utility	844,604	919,998	978,816	1,078,252	1,105,054	1,212,469	1,106,011	1,412,257	1,407,078	1,417,416
Environmental Services	1,333,145	1,222,543	1,175,257	1,027,054	1,020,388	1,189,985	1,065,885	1,095,232	1,061,370	1,081,674
Total business-type activities expenses	10,031,954	12,386,661	11,515,160	12,005,853	12,619,938	17,776,609	14,722,688	16,478,155	15,960,804	19,827,093
Total primary government expenses	122,215,344	110,493,350	114,848,358	121,781,082	121,601,133	132,549,722	129,462,622	154,692,208	160,779,981	169,964,867
<b>Program revenues:</b>										
Governmental activities:										
General government	26,720,790	22,357,186	17,631,582	18,514,127	18,898,038	20,044,219	20,858,027	22,994,212	24,123,875	26,307,855
Property taxes	21,811,494	24,126,105	26,304,583	29,097,614	32,948,155	42,336,643	41,727,835	42,990,223	45,865,704	44,654,873
Sales taxes	4,124,846	4,231,420	4,444,251	4,581,920	4,845,086	4,968,614	5,102,904	5,269,391	5,192,138	5,648,900
Franchise Fees	9,932,893	9,968,546	9,888,123	10,157,762	10,359,050	10,807,581	10,975,234	10,719,315	10,182,141	10,529,901
Utility Users Tax	2,528,604	2,981,685	2,956,419	3,282,026	4,112,030	4,460,568	5,176,403	5,176,403	5,372,712	3,788,439
Property Transfer Tax	2,694,149	2,684,591	2,723,255	2,804,181	2,974,313	2,917,993	2,890,302	3,035,256	3,110,165	3,123,155
911 Communication Access Tax	381,122	555,988	591,016	652,866	733,867	811,619	907,651	1,008,115	1,430,740	1,821,885
Other taxes	506,280	42,294	44,112	36,768	35,936	811,619	907,651	1,008,115	1,430,740	1,821,885
Motors Vehicle License Fees	1,300,123	1,098,406	919,213	1,255,043	1,191,893	1,882,764	1,560,277	1,691,972	4,286,379	4,483,519
Investment	1,158,044	988,126	962,356	514,851	825,082	4,222,123	1,702,501	5,426,862	853,797	878,095
Community Impact Reimbursement	3,353	3,353	3,353	3,353	6,902	7,060	3,004	1,020,970	553,670	1,578
Miscellaneous	240,484	234,349	(72,135)	16,196	6,902	25,000	187,921	187,921	(476,000)	111,937
Gain on sale of assets	17,062,792	12,200,726	13,735,756	14,989,867	16,063,276	16,552,308	16,956,990	18,674,955	19,315,193	17,865,810
Charges for Service	6,581,532	11,416,356	7,216,114	10,009,842	10,516,591	11,421,781	9,456,976	9,394,883	7,998,205	17,774,584
Capital grants and contributions	3,783,171	5,585,461	5,672,929	4,529,539	8,038,949	5,557,620	5,333,955	6,579,225	6,897,906	7,532,791
Operating grants and contributions	98,847,238	98,474,592	93,411,315	100,442,602	111,549,168	126,018,893	122,934,972	134,169,703	134,706,625	144,523,322
Total Governmental activities program revenues	14,267,658	14,895,604	14,813,211	15,635,395	16,878,752	15,991,142	16,858,465	16,368,849	18,052,981	17,162,985
Business-type activities:										
Charges for services	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Other taxes	257,977	323,430	360,246	417,231	477,190	520,321	629,411	806,392	268,599	472,735
Investment Earnings	167,407	141,980	209,659	264,904	259,724	425,834	179,432	284,219	836,332	660,893
Miscellaneous	338,196	418,969	207,795	250,775	268,689	4,234,130	-	-	1,262,342	1,215,065
Gain or loss on sale of assets	-	(1,290,470)	-	-	-	-	-	-	-	-
Transfers	(240,484)	(234,349)	72,135	-	-	(25,000)	-	(187,921)	476,000	(111,937)
Total Business activities program revenues	14,790,754	14,255,164	15,663,046	16,568,305	17,884,355	21,146,427	17,910,612	17,640,626	21,878,469	19,658,327
Total primary government program revenues	113,637,992	112,729,756	109,074,361	117,010,907	129,433,523	147,165,320	140,845,584	151,810,329	156,585,094	164,181,649
Extraordinary Items	-	21,123,375	-	-	-	-	-	-	-	-
<b>Net revenues (expenses):</b>										
Governmental Activities	(13,336,152)	367,903	(9,921,883)	(9,332,627)	2,567,973	11,245,780	8,195,038	(4,044,350)	(10,112,552)	(5,614,452)
Business-type activities	4,758,800	1,868,503	4,147,886	4,562,452	5,264,417	3,369,818	3,187,924	1,162,471	5,917,665	(168,766)
Total net revenues (expenses)	\$ (8,577,352)	\$ 2,236,406	\$ (5,773,997)	\$ (4,770,175)	\$ 7,832,390	\$ 14,615,598	\$ 11,382,962	\$ (2,881,879)	\$ (4,194,887)	\$ (5,783,218)

Source: City of San Leandro Comprehensive Annual Financial Report (CAFR) - Statement of Activities

**City of San Leandro  
 Program Revenues by Function/ Program  
 Last Ten Fiscal Years  
 (Accrual Basis of Accounting)**

Program / Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental Activities:</b>										
General Government	\$ 5,242,934	\$ 7,367,750	\$ 7,436,918	\$ 7,310,491	\$ 7,887,476	\$ 10,326,562	\$ 8,550,928	\$ 9,381,699	\$ 9,786,425	\$ 9,660,706
Public Safety	3,423,176	4,585,001	4,482,346	3,749,814	3,623,194	3,897,568	3,801,944	4,429,180	3,877,786	3,582,527
Engineering and transportation	7,469,186	10,661,253	6,723,903	9,607,387	8,668,597	10,897,823	10,772,477	11,825,335	11,626,649	20,260,794
Recreation and culture	4,368,731	4,551,617	4,022,452	5,114,524	4,493,916	4,385,376	4,062,763	3,605,783	3,559,591	3,890,762
Community development	6,923,466	2,036,922	3,959,180	3,747,032	9,945,633	4,024,380	4,559,809	5,407,066	5,360,853	5,778,396
Interest on long-term debt	4,182,409	2,317,753	-	-	-	-	-	-	-	-
Subtotal governmental activities	\$ 31,609,902	\$ 31,520,296	\$ 26,624,799	\$ 29,529,248	\$ 34,618,816	\$ 33,531,709	\$ 31,747,921	\$ 34,649,063	\$ 34,211,304	\$ 43,173,185
<b>Business-Type Activities</b>										
Water Pollution Control Plant	\$ 10,478,066	\$ 11,189,362	\$ 11,266,178	\$ 11,961,374	\$ 12,996,465	\$ 12,467,570	\$ 13,068,979	\$ 12,574,723	\$ 15,250,875	\$ 14,172,199
Shoreline	1,944,513	1,968,839	1,846,750	1,928,280	2,038,388	1,702,955	1,994,642	2,085,975	1,970,376	1,710,740
Storm Water Utility	1,098,114	1,078,455	1,086,070	1,072,146	1,070,154	1,093,460	1,084,122	1,056,708	1,068,814	1,073,513
Environmental Services	746,965	658,948	614,213	673,595	773,745	727,157	954,026	1,020,530	1,013,730	937,854
Subtotal business-type activities	\$ 14,267,658	\$ 14,895,604	\$ 14,813,211	\$ 15,635,395	\$ 16,878,752	\$ 15,991,142	\$ 17,101,769	\$ 16,737,936	\$ 19,303,795	\$ 17,894,306
<b>Total primary government</b>	\$ 45,877,560	\$ 46,415,900	\$ 41,438,010	\$ 45,164,643	\$ 51,497,568	\$ 49,522,851	\$ 48,849,690	\$ 51,386,999	\$ 53,515,099	\$ 61,067,491

Source: City of San Leandro Comprehensive Annual Financial Report (CAFR) - Statement of Activities

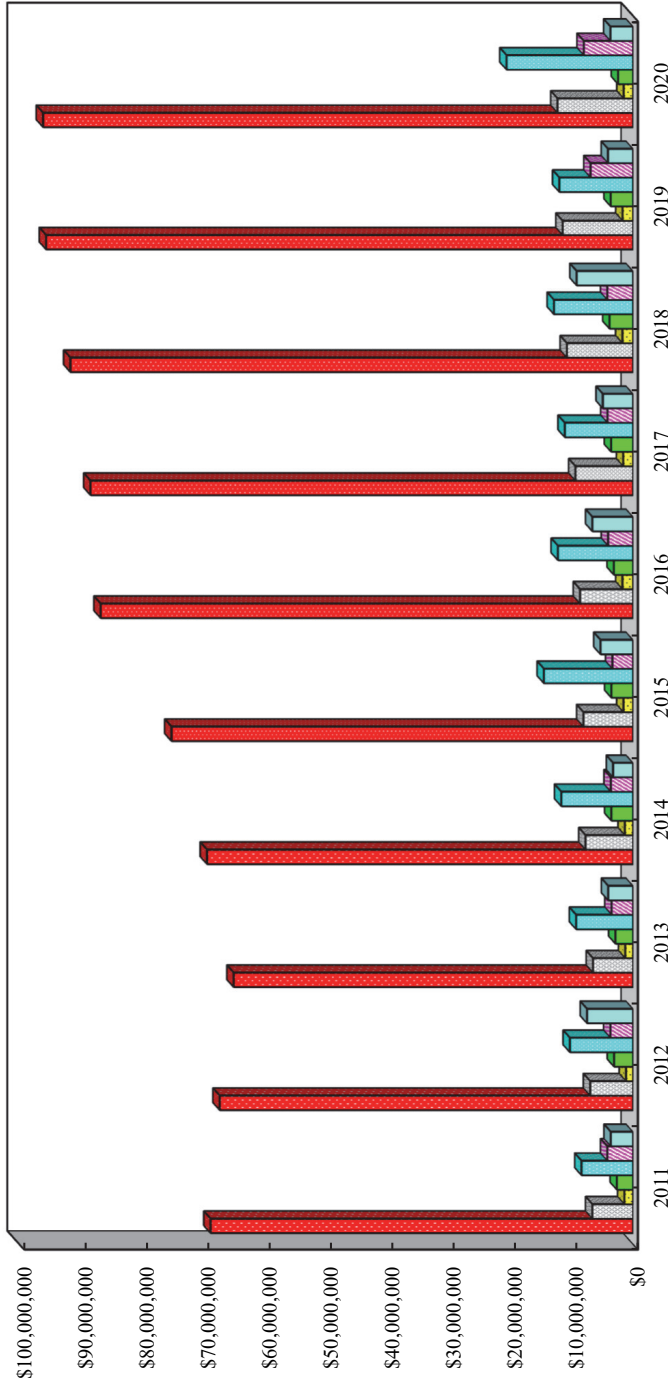
City of San Leandro  
Fund Balance of Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-	-	-	-	-	-	-
Nonspendable	10,377,840	10,147,160	10,147,160	10,147,160	13,849,630	14,448,674	12,552,626	11,267,706	10,902,741	7,997,945
Restricted	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Assigned	3,437,827	3,555,009	264,275	662,973	1,766,700	3,128,977	4,577,831	5,301,907	6,296,907	9,799,641
Unassigned	11,814,319	10,717,313	14,836,844	18,762,223	19,145,226	29,378,795	33,781,436	36,552,684	42,741,116	46,666,766
Total General Fund	\$ 25,679,986	\$ 24,469,482	\$ 25,298,279	\$ 29,622,356	\$ 34,811,556	\$ 47,006,446	\$ 50,961,893	\$ 53,172,297	\$ 59,990,764	\$ 64,514,352
All other governmental funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, designated	-	-	-	-	-	-	-	-	-	-
Unreserved, undesignated, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	2,475,000	-	-	-	-	-	-	-	-	-
Restricted	33,274,967	17,809,532	17,417,246	16,083,695	22,590,294	25,002,605	32,364,776	41,104,032	63,726,144	64,472,691
Assigned	(948,387)	(132,601)	(1,646,590)	(1,712,654)	(1,383,668)	(1,322,170)	(717,114)	-	(646,691)	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 34,801,580	\$ 17,676,931	\$ 15,770,656	\$ 14,371,041	\$ 21,206,626	\$ 23,680,435	\$ 31,647,662	\$ 41,104,032	\$ 63,079,453	\$ 64,472,691
Total All Governmental Funds	\$ 60,481,566	\$ 42,146,413	\$ 41,068,935	\$ 43,993,397	\$ 56,018,182	\$ 70,686,881	\$ 82,609,555	\$ 94,276,329	\$ 123,070,217	\$ 128,987,043

Source: City of San Leandro Comprehensive Annual Financial Report (CAFR) - Governmental Funds Balance Sheet

Note: GASB 54 was implemented in fiscal year 2011 and onwards. Fund balances prior to fiscal year 2011 were not restated.

**City of San Leandro  
General Governmental Revenues By Source  
All Government Fund Types  
Last Ten Fiscal Years**



Fiscal Year	Property & Other Taxes		Licenses & Permits		Fines & Forfeitures		Service Charges		Intergovernmental		Use of Money & Property		Other Revenue		Total
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	
2011	68,879,116	65.85%	6,585,076	6.28%	1,377,230	1.30%	2,593,610	2.47%	8,351,105	7.95%	4,152,296	3.95%	3,589,385	3.42%	95,527,818
2012	67,388,968	64.40%	6,940,678	6.61%	1,110,669	1.06%	3,051,084	2.89%	10,246,859	9.75%	3,645,827	3.46%	7,456,519	7.08%	99,840,604
2013	65,125,564	62.15%	6,482,902	6.16%	1,237,354	1.18%	2,830,649	2.71%	9,233,120	8.80%	3,445,104	3.28%	4,011,757	3.82%	92,366,450
2014	69,453,813	66.45%	7,700,470	7.35%	1,302,814	1.24%	3,492,225	3.33%	11,640,820	11.14%	3,582,413	3.41%	3,215,110	3.06%	100,387,665
2015	75,226,114	71.85%	8,041,005	7.65%	1,524,570	1.45%	3,489,068	3.33%	14,476,306	13.85%	3,332,499	3.16%	5,266,519	5.00%	111,356,081
2016	86,735,605	82.15%	8,594,731	8.11%	1,685,098	1.60%	3,099,475	2.93%	12,191,846	11.58%	4,023,537	3.82%	6,587,487	6.23%	122,917,779
2017	88,391,366	84.15%	9,348,195	8.91%	1,572,898	1.50%	3,543,567	3.37%	11,078,666	10.58%	4,117,990	3.91%	4,882,290	4.63%	122,934,972
2018	91,648,512	87.45%	10,726,515	10.21%	1,688,351	1.61%	3,790,985	3.61%	12,843,102	12.28%	4,145,901	3.94%	9,138,416	8.73%	133,981,782
2019	95,596,907	91.55%	11,429,826	10.98%	1,675,533	1.60%	3,592,813	3.43%	11,964,009	11.47%	6,878,046	6.57%	4,045,491	3.85%	135,182,625
2020	96,089,825	92.05%	12,249,199	11.75%	1,495,851	1.43%	2,399,404	2.30%	20,552,655	19.68%	7,972,029	7.63%	3,652,422	3.48%	144,411,385

Source: City of San Leandro Comprehensive Annual Financial Report (CAFR) - Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances



**City of San Leandro  
Changes in Fund Balance of Governmental Funds  
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues:</b>										
Property and other taxes	\$ 68,879,116	\$ 67,388,968	\$ 65,125,564	\$ 69,453,813	\$ 75,226,114	\$ 86,735,605	\$ 88,391,366	\$ 91,648,512	\$ 95,596,907	\$ 96,089,825
Licenses and permits	6,585,076	6,940,678	6,482,902	7,700,470	8,041,005	8,594,731	9,348,195	10,726,515	11,429,826	12,249,199
Fines and forfeitures	1,377,230	1,110,669	1,237,354	1,302,814	1,524,570	1,683,098	1,572,898	1,688,351	1,675,533	1,495,851
Service charges	2,593,610	3,051,084	2,830,649	3,492,225	3,489,068	3,099,475	3,543,567	3,790,985	3,592,813	2,399,404
Intergovernmental	8,351,105	10,246,859	9,233,120	11,640,820	14,476,306	12,191,846	11,078,666	12,843,102	11,964,009	20,552,655
Use of money and property	4,152,296	3,645,827	3,445,104	3,582,413	3,340,946	4,023,537	4,117,990	4,145,901	6,878,046	7,972,029
Intergovernmental	2,295,293	2,401,869	2,001,928	2,002,139	2,250,266	1,999,878	1,999,878	1,999,878	1,999,878	1,999,878
Other	1,294,092	5,054,650	2,009,829	1,212,971	3,007,806	4,587,609	2,882,412	7,138,538	2,045,613	1,652,544
<b>Total revenues</b>	<b>95,527,818</b>	<b>99,840,604</b>	<b>92,366,450</b>	<b>100,387,665</b>	<b>111,356,081</b>	<b>122,917,779</b>	<b>122,934,972</b>	<b>133,981,782</b>	<b>135,182,625</b>	<b>144,411,385</b>
<b>Expenditures:</b>										
<b>Current:</b>										
General government	9,684,293	9,943,871	12,993,178	11,350,118	11,720,994	11,846,864	11,493,208	11,679,072	12,305,756	13,109,392
Public safety	43,727,641	68,789,652	46,437,960	46,983,838	49,441,422	52,258,892	54,732,167	60,034,363	62,392,436	64,708,745
Engineering and transportation	12,231,307	9,778,421	14,550,085	19,310,489	17,905,896	19,185,657	19,487,997	25,648,773	24,132,999	28,781,633
Recreation and culture	9,560,878	8,373,427	10,274,496	10,244,659	10,481,528	12,214,366	11,845,986	11,898,321	11,101,882	10,999,381
Community development	11,342,937	9,236,773	4,311,194	5,138,376	5,708,945	6,480,125	7,700,158	8,244,056	9,132,310	14,699,407
Capital Outlay	-	5,763,826	-	-	-	-	-	-	-	-
Debt service:										
Principal	3,175,797	3,511,866	1,577,051	2,271,828	2,524,833	2,549,397	18,960,762	3,206,330	3,480,537	3,668,156
Interest and fees	4,247,973	3,043,070	2,605,761	2,163,895	2,299,286	1,963,779	2,196,157	1,744,082	2,207,841	2,417,755
<b>Total expenditures</b>	<b>93,970,826</b>	<b>118,440,906</b>	<b>92,749,725</b>	<b>97,463,203</b>	<b>100,082,904</b>	<b>106,499,080</b>	<b>126,416,435</b>	<b>122,454,997</b>	<b>124,753,761</b>	<b>138,384,469</b>
Excess (deficiency) of revenues over (under) expenditures	1,556,992	(18,600,302)	(383,275)	2,924,462	11,273,177	16,418,699	(3,481,463)	11,526,785	10,428,864	6,026,916
<b>Other financing Sources (uses):</b>										
Issuance of capital lease	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding of bonds	-	-	(9,817,009)	-	-	-	-	-	-	-
Payment to refunded bonds escrows agents	-	-	-	-	-	-	-	-	-	-
Transfers in	8,290,220	6,029,970	577,000	776,000	2,604,156	3,877,017	4,193,000	10,345,878	28,198,333	6,425,000
Transfers out	(9,099,736)	(5,775,621)	(1,606,599)	(776,000)	(2,604,156)	(5,627,017)	(10,453,000)	(10,205,889)	(30,047,660)	(6,535,090)
Bonds Proceeds	-	-	-	-	-	-	-	-	-	-
Loan Proceeds	-	-	-	-	-	-	-	-	-	-
Lease Proceeds	-	-	-	-	-	-	-	-	-	-
Issuance of Debt	-	18,305,000	10,152,405	-	-	-	21,664,137	-	20,214,351	-
<b>Total other financing sources (uses)</b>	<b>(809,516)</b>	<b>18,559,349</b>	<b>(694,203)</b>	<b>-</b>	<b>-</b>	<b>(1,750,000)</b>	<b>15,404,137</b>	<b>139,989</b>	<b>18,365,024</b>	<b>(110,090)</b>
Prior period restatement	-	-	-	-	-	-	-	-	-	-
<b>Net change in fund balances</b>	<b>\$ 747,476</b>	<b>\$ (40,953)</b>	<b>\$ (1,077,478)</b>	<b>\$ 2,924,462</b>	<b>\$ 11,273,177</b>	<b>\$ 14,668,699</b>	<b>\$ 11,922,674</b>	<b>\$ 11,666,774</b>	<b>\$ 28,793,888</b>	<b>\$ 5,916,826</b>
Debt Services as a percentage of noncapital expenditures	9.29%	5.64%	4.81%	4.78%	4.83%	4.39%	17.40%	4.32%	4.68%	4.50%

Sources: City of San Leandro Comprehensive Annual Financial Report (CAFR) - Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances  
City of San Leandro Comprehensive Annual Financial Report (CAFR) - Reconciliation of the Net Change in Fund Balances - Total Government Funds with the Statement of Activities

## **REVENUE CAPACITY**

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*These schedules contain information to help the reader assess the city's most significant local revenue sources, sales tax and property tax.*

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years

Assessed Value of Taxable Property - Last Ten Fiscal Years

Net Assessed Value of Property by Use Code, Citywide - Last Three Fiscal Year

Principal Property Tax Payers - Current Year and Nine Years Ago

Property Tax Levies and Collections - Last Ten Fiscal Years

Historical Sales Tax Amount by Benchmark Year - Last Nine Calendar Years at Quarter 1 (Q1)

Principal Sales Tax Producers - Last Fiscal Year and Nine Years Ago

Sewer Rates - Last Ten Fiscal Years

Number of Permits and Valuation of Taxable Transactions - Last Ten Calendar Years



**City of San Leandro  
Direct and Overlapping Property Tax Rates  
(Rate per \$1,000 of assessed value)  
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Basic City and County Levy</b>										
City of San Leandro	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681
County of Alameda	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319
<b>Total Basic Levy</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>	<b>1.000000</b>
<b>Override Assessments</b>										
County GO Bond	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.011200	0.010800
San Leandro Unified School Bond	0.089700	0.110800	0.108500	0.118800	0.131000	0.121500	0.117900	0.140600	0.133500	0.132500
Chabot-Las Positas College Bond	0.021100	0.021400	0.021900	0.021400	0.021700	0.019800	0.024600	0.044500	0.044300	0.042200
Bay Area Rapid Transit	0.008400	0.007100	0.005100	0.007500	0.004500	0.002600	0.008000	0.008400	0.007000	0.012000
East Bay Regional Park	0.003100	0.004100	0.004300	0.007800	0.008500	0.006700	0.003200	0.002100	0.005700	0.006000
<b>Total Override Rate</b>	<b>0.122300</b>	<b>0.143400</b>	<b>0.139800</b>	<b>0.155500</b>	<b>0.165700</b>	<b>0.150600</b>	<b>0.153700</b>	<b>0.195600</b>	<b>0.201700</b>	<b>0.203500</b>
<b>Total Tax Rate</b>	<b>1.122300</b>	<b>1.143400</b>	<b>1.139800</b>	<b>1.155500</b>	<b>1.165700</b>	<b>1.150600</b>	<b>1.153700</b>	<b>1.195600</b>	<b>1.201700</b>	<b>1.203500</b>

Sources

- 1) County Auditor/Controller data, Avenu Insights & Analytics
- 2) 2018-19 and prior, previously published CAFR Report

Note: TRAs 10-001 is represented for this report.

City of San Leandro  
 Assessed Value of Taxable Property  
 Last Ten Fiscal Years  
 (In Thousands)

Fiscal Year Ended June 30	City (Excl Successor Agency)					Successor Agency					City Wide				
	Secured Property	Unsecured Property	Less: Exemptions	Taxable Assessed Value		Secured Property	Unsecured Property	Less: Exemptions	Taxable Assessed Value	Total Tax Rate (1)	Taxable Value	Assessed Value	Actual Taxable Value (2)	Factor of Taxable Assessed Value (2)	
2011	\$ 5,502,600	\$ 175,345	\$ 108,033	\$ 5,569,912	\$	\$ 3,599,645	\$ 395,243	\$ 110,812	\$ 3,884,076	1.1223	\$ 9,453,988	\$	\$	-	
2012	5,540,713	126,353	15,376	5,651,690		3,568,829	406,084	208,631	3,766,282	1.1434	9,417,972	-	-	-	
2013	6,015,787	147,948	113,086	6,050,649		3,570,284	382,532	123,831	3,828,985	1.1398	9,879,634	-	-	-	
2014	5,899,077	153,300	183,511	5,868,866		4,365,737	359,508	139,085	4,586,160	1.1555	10,455,026	-	-	-	
2015	6,310,548	152,421	196,657	6,266,312		4,694,159	367,800	907,973	4,153,986	1.1657	10,420,298	13,808,666	13,808,666	1.3252	
2016	7,795,139	197,971	178,848	7,814,262		3,899,194	371,143	892,306	3,378,031	1.1657	11,192,293	15,938,474	15,938,474	1.4241	
2017	8,243,336	235,839	334,516	8,144,659		3,995,308	404,452	851,651	3,548,110	1.1537	11,692,768	20,767,772	20,767,772	1.7761	
2018	8,775,315	229,625	319,941	8,684,999		4,195,622	413,077	880,570	3,728,128	1.1956	12,413,128	18,025,239	18,025,239	1.4521	
2019	9,283,562	281,710	355,814	9,209,457		4,424,460	473,473	894,212	4,003,721	1.2017	13,213,179	21,102,345	21,102,345	1.5971	
2020	9,780,976	301,691	362,978	9,719,689		4,796,146	544,368	956,213	4,384,301	1.2035	14,103,990	20,936,315	20,936,315	1.4844	

Source: County Assessor Data, Avenu Insights & Analytics  
 Source: 2018-19 and prior, previously published CAFR Report  
 Table has been restated from previous years to show city and successor agency values exclusively  
 Table does not include state unitary value of \$2,702,056

Notes:

- (-) Data Unavailable
- (1) Total direct tax rate is represented by TRA 10-001
- (2) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

**City of San Leandro**  
**Net Assessed Value of Property by Use Code, Citywide**  
**Last Three Fiscal Year**

Category	FY 2018	FY 2019	FY 2020
Residential	\$ 8,296,777,137	\$ 8,803,831,830	\$ 9,313,064,010
Industrial	2,074,436,546	2,177,987,684	2,342,209,067
Commercial	1,392,380,761	1,498,221,698	1,521,483,820
Vacant	1,113,483,702	1,130,716,850	1,245,366,739
Institution	88,285,180	91,595,191	137,623,925
Government	-	-	11,223,057
Public	-	-	872,653
Recreation	5,570,897	5,666,283	5,276,745
Unknown	2,504	2,479	2,454
Net Secured Value	<u>12,970,936,727</u>	<u>13,708,022,015</u>	<u>14,577,122,470</u>
Unsecured	642,702,645	755,182,605	846,059,291
Exemptions	1,200,511,766	1,250,026,103	1,319,190,336
Net Assessed Value	<u>\$ 12,413,127,606</u>	<u>\$ 13,213,178,517</u>	<u>\$ 14,103,991,425</u>

Source: County Assessor data, Avenu Insights & Analytics

Use code categories are based on County Assessor's data

Note: Secured Property does not include state unitary value of \$2,702,056.

**City of San Leandro**  
**Principal Property Tax Payers**  
**June 30, 2020**  
**Current Fiscal Year and Nine Years Ago**

Taxpayer	2020			2011		
	Rank	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Rank	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Amb Us Logistics Fund Lp	1	\$ 198,685,557	1.41%	1	\$ 138,566,591	1.47%
Ghirardelli Chocolate Company	2	150,064,396	1.06%	2	101,810,306	1.08%
Waste Management Of Alameda County Inc	3	132,512,514	0.94%	12	33,884,972	0.36%
Kaiser Foundation Hospitals	4	123,519,847	0.88%	3	99,829,604	1.06%
Colfin 2018 2 Industrial Owner Llc	5	102,510,000	0.73%			
Site Llc	6	89,367,013	0.63%			
Bigge Crane & Rigging Co A Corp	7	87,305,254	0.62%	8	39,031,763	0.41%
Bre Westgate Property Owner Llc	8	87,042,280	0.62%			
Bpp Pacific Industrial Ca Reit Owner 2 Llc	9	83,694,868	0.59%			
Mm Pg Bayfair Properties Llc	10	81,891,981	0.58%			
Safeway Stores Incorporated	11	74,659,810	0.53%	10	36,098,101	0.38%
100 Haleyon Owner Llc	12	69,812,997	0.49%			
Reyes Coca-Cola Bottling Llc	13	59,079,265	0.42%			
Prologis Usly Newca 7 Llc	14	54,216,455	0.38%			
Chill Build San Leandro Llc	15	54,191,468	0.38%			
Woodchase Owner Llc	16	54,087,086	0.38%			
Creekside Plaza Partners Llc	17	47,905,499	0.34%			
Lone Oak San Leandro L L C	18	45,900,000	0.33%			
2000 Marina Llc	19	43,927,754	0.31%			
Gateway Buena Park Inc	20	41,030,413	0.29%	11	35,459,138	0.00%
77 & 85 Estabrook Llc	21	38,082,051	0.27%			
37 S12020 Owner Llc	22	36,710,718	0.26%			
Leandro Brookshire Llc	23	36,100,000	0.26%			
Terreno Merced Llc	24	36,000,000	0.26%			
21St Amendment Brewery	25	35,791,793	0.25%			
General Foods Corp						
Madison Bay Fair Llc				4	79,313,312	0.84%
Bci Coca Cola Bottling Co Of L				5	75,612,883	0.80%
Skb Westgate Investments Llc H				6	62,002,523	0.66%
Batarise Anthony A Jr				7	46,931,656	0.50%
Georgia Pacific Corrugated Llc				9	38,501,413	0.41%
Emerald Properties				13	32,235,070	0.34%
Peterson Tractor Co				14	29,146,517	0.31%
City Of San Leandro				15	29,032,971	0.31%
Fpa Woodchase Assoc Lp				16	28,838,964	0.31%
Lakeside Village Assoc				17	28,059,743	0.30%
Pip Partners Lp Wells Fargo Ba				18	26,248,228	0.28%
World Savings Loan Assoc				19	25,178,391	0.27%
Brep San Leandro Industrial Ll				20	24,757,213	0.26%
Heritage Assoc Llc				21	22,779,427	0.24%
Wri Greenhouse L P				22	22,317,891	0.24%
Target Corp				23	21,415,734	0.23%
Price Company				24	21,328,831	0.23%
Total Top 25 Taxpayers		\$ 1,864,089,019	13.22%		\$ 1,119,549,285	11.51%
Total Taxable Value		\$ 14,103,991,425	100.00%		\$ 9,416,083,789	100.00%

Source: County Assessor data, Avenu Insights & Analytics

**City of San Leandro  
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 Levy		Collections in Subsequent Years	Residual Distribution	Total Collections to Date	
		Amount	Percent of Levy			Amount	Percent of Levy
2011	9,800,011	9,307,532	94.97%	230,948	-	9,538,480	97.33%
2012	9,676,693	9,190,945	94.98%	261,132	266,242	9,452,077	97.68%
2013	9,959,351	10,142,627	101.84%	287,147	222,507	10,652,282	106.96%
2014	10,732,261	10,338,768	96.33%	177,313	289,806	10,805,887	100.69%
2015	10,630,839	10,250,071	96.42%	158,636	337,278	10,745,985	101.08%
2016	11,326,738	10,897,360	96.21%	191,132	165,626	11,254,119	99.36%
2017	11,817,732	11,631,783	98.43%	133,429	1,604,861	13,370,073	113.14%
2018	12,566,402	12,399,772	98.67%	84,584	2,559,564	15,043,920	119.72%
2019	13,300,863	13,135,622	98.76%	168,341	2,457,712	15,761,675	118.50%
2020	14,079,125	13,862,645	98.46%	83,577	3,278,262	17,440,964	123.88%

Source: Alameda County Auditor-Controller's Office



**City of San Leandro**  
**Historical Sales Tax Amount by Benchmark Year**  
**Last Nine Fiscal Years at Quarter 1 (Q1)**  
**(In Thousands)**

	2020 Q1	2019 Q1	2018 Q1	2017 Q1	2016 Q1	2015 Q1	2014 Q1	2013 Q1	2012 Q1
Accommodation and Food Services	\$ 2,257,508	\$ 2,257,314	\$ 2,106,284	\$ 1,936,528	\$ 1,789,261	\$ 1,553,120	\$ 1,445,238	\$ 1,259,630	\$ 1,180,919
Agriculture, Forestry, Fishing and Hunting	291,652	307,713	294,097	330,195	272,567	317,660	198,971	191,301	142,201
Arts, Entertainment, and Recreation	1,020	961	1,055	1,164	3,906	9,309	8,516	9,185	8,911
Construction	2,230,270	1,526,046	1,652,249	1,486,772	1,909,746	1,541,014	1,226,263	1,075,288	1,069,906
Educational Services	13,563	19,452	26,226	13,790	8,747	11,553	6,896	4,448	3,984
Information	78,995	89,655	85,557	84,141	74,144	79,550	55,295	53,108	141,275
Manufacturing	1,812,944	1,568,875	1,904,956	3,337,097	3,640,956	3,163,571	1,550,292	1,333,638	1,395,599
Mining, Quarrying, and Oil and Gas Extraction	2,696,782	2,593,700	2,208,773	1,885,403	1,700,702	1,658,736	1,692,608	1,502,822	1,646,870
Other Services (except Public Administration)	294,571	277,371	338,946	303,065	323,412	269,199	245,244	210,149	188,091
Professional, Scientific, and Technical Services	195,885	195,363	189,805	211,074	209,558	166,247	114,730	105,989	151,619
Real Estate and Rental and Leasing	211,390	288,220	159,321	157,393	211,464	194,124	221,084	211,355	138,901
Retail Trade	16,611,801	16,848,909	16,750,969	15,600,377	14,543,627	13,651,987	13,325,513	12,490,279	11,671,008
Utilities	768,899	666,199	581,124	557,614	516,308	503,140	480,995	410,908	364,723
All Other Sectors	248,474	252,932	233,124	192,565	198,575	286,368	273,590	266,690	344,991
<b>TOTAL</b>	<b>\$ 27,713,754</b>	<b>\$ 26,892,710</b>	<b>\$ 26,532,483</b>	<b>\$ 26,097,177</b>	<b>\$ 25,402,974</b>	<b>\$ 23,405,580</b>	<b>\$ 20,845,236</b>	<b>\$ 19,124,790</b>	<b>\$ 18,448,998</b>

Source: Avenu Insights & Analytics

Note:

The data contained in this report is economic and therefore constantly changing as adjustments, fund transfers, late filings and audits are recorded. The categories listed in previous reports were based on SBOE NAICS codes and have been updated to reflect current updated CDTFA standards.

**City of San Leandro  
Principal Sales Tax Producers  
Current Fiscal Year and Nine Years Ago**

FY 2020		FY 2011	
Taxpayer	Business Type	Taxpayer	Business Type
Beacon Roofing Supply	Bldg.Matls-Whsle	AB Calif Acquisition	Bldg.Matls-Retail
California Waterproofing Supply	Bldg.Matls-Whsle	Costco Wholesale	Department Stores
Chevron Service Stations	Service Stations	Cummins West	Heavy Industry
Consolidated Electrical Distributors	Bldg.Matls-Whsle	D & S Garden Supplies	Florist/Nursery
Costco Wholesale	Department Stores	Enterprise Car Sales	Auto Sales - Used
Dominion Voting Systems	Office Equipment	ESD Company	Electronic Equipment
Edges Electrical Group	Electronic Equipment	F.H.Dailey Chevrolet	Auto Sales - New
Enterprise Rent-A-Car	Leasing	Flyers Service Stations	Service Stations
F.H.Dailey Chevrolet	Auto Sales - New	Home Depot	Bldg.Matls-Retail
Ferguson Enterprises	Bldg.Matls-Whsle	KCI Usa	Light Industry
Home Depot	Bldg.Matls-Retail	Macy's Department Store	Department Stores
Nike Factory Store	Apparel Stores	Marina Square Auto Center	Auto Sales - New
Norcal Kenworth Bay Area	Misc. Vehicle Sales	Nike Factory Store	Apparel Stores
Peterson Power Systems	Heavy Industry	Nordstrom Rack	Apparel Stores
Peterson Tractor Company	Heavy Industry	Peterson Power Systems	Heavy Industry
Peterson Trucks	Misc. Vehicle Sales	Peterson Tractor Company	Heavy Industry
Ross Stores	Apparel Stores	Ross Stores	Apparel Stores
Safeway Stores	Food Markets	Safeway Stores	Food Markets
San Leandro Chrysler Jeep Dodge Ram	Auto Sales - New	San Leandro Honda	Auto Sales - New
San Leandro Honda	Auto Sales - New	Shell Service Stations	Service Stations
San Leandro Nissan	Auto Sales - New	SSMB Pacific Holding Company	Auto Parts/Repair
Target Stores	Department Stores	Target Stores	Department Stores
The Ford Store	Auto Sales - New	The Ford Store	Auto Sales - New
Wal Mart Stores	Department Stores	Wal Mart Stores	Department Stores
Western Truck Parts & Equip Co	Misc. Vehicle Sales	Western States Oil	Energy Sales

Source: Avenu Insights & Analytics

**City of San Leandro  
Sewer Rates  
Last Ten Fiscal Years**

Fiscal Year	Sewer			Non-Residential		
	Single Family	Multi-Family		Commercial		Institutional
2011	26.29	18.65		2.45 - 6.40		2.45
2012	28.97	20.56		3.19 - 6.67		2.62
2013	29.98	21.28		3.30 - 6.90		2.71
2014	32.27	22.90		3.55 - 7.45		2.92
2015	33.07	23.54		3.65 - 7.66		3.00
2016	33.17	23.54		3.65 - 7.66		3.00
2017	34.03	24.15		3.74 - 7.86		3.08
2018	34.71	24.63		3.81 - 8.02		3.14
2019	35.75	25.37		3.92 - 8.26		3.23
2020	37.13	26.35		4.07 - 8.58		3.36

Notes: Commercial and Institutional charge is based upon the volume of water used.

Source: City of San Leandro Public Works Department and Master Fee Schedule

**City of San Leandro**  
**Number of Permits and Valuation of Taxable Transactions**  
**Last Ten Calendar Years**

Calendar Year	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions (in thousands)	Number of Permits	Taxable Transactions (in thousands)
2011	1,312	\$ 1,203,146	2,309	\$ 1,775,210
2012	1,341	1,273,883	2,322	1,867,865
2013	1,304	1,348,729	2,273	2,026,119
2014	1,290	1,378,120	2,258	2,246,508
2015	1,309	1,478,697	2,425	2,483,400
2016	1,362	1,598,459	2,508	2,584,669
2017	1,374	1,662,454	2,513	2,650,938
2018	1,373	1,688,378	2,555	2,665,437
2019	1,379	1,702,666	2,618	2,718,393
2020	1,379	1,580,927	2,618	2,573,889

Note: Data 2015 and beyond is provided by California Dept. of Tax and Fee Administration

Note for 2020: The Number of Permits for Retail Stores and for All Outlets was not available for disclosure at the time of Financial Reporting and the 2019 year amounts were used for the number of permits.

Prior to 2015, data provided by State Board of Equalization (BOE), Taxable Sales in California (Sales and Use Tax).



## **DEBT CAPACITY**

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*These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.*

Direct and Overlapping Debt - As of June 30, 2020

Pledged-Revenue Coverage - Last Ten Fiscal Years

Computation of Legal Debt Margin - Last Ten Fiscal Years

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years



**City of San Leandro  
Direct and Overlapping Debt  
As of June 30, 2020**

2019-20 Assessed Valuation           \$                           14,205,469,618

	Total Debt 6/30/2020	% Applicable (1)	City's Share of Debt 6/30/20
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Alameda County	\$ 218,000,000	4.577%	\$ 9,977,860
Bay Area Rapid Transit District	1,282,740,000	1.765	22,640,361
Chabot-Las Positas Community College District	626,920,000	10.653	66,785,788
San Leandro Unified School District	327,835,109	89.637	293,861,557
San Lorenzo Unified School District	152,420,000	22.212	33,855,530
East Bay Regional Park District	155,835,000	2.815	4,386,755
City of San Leandro Cherrywood Community Facilities District	2,160,000	100.000	2,160,000
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$ 433,667,851</b>
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Alameda County General Fund Obligations	\$ 830,130,000	4.577%	\$ 37,995,050
Alameda-Contra Costa Transit District Certificates of Participation	11,655,000	5.431	632,983
San Lorenzo Unified School District Certificates of Participation	9,490,000	22.212	2,107,919
<b>City of San Leandro General Fund Obligations</b>	<b>40,989,022</b>	<b>100</b>	<b>40,989,022</b>
<b>City of San Leandro Pension Obligation Bonds</b>	<b>8,405,000</b>	<b>100</b>	<b>8,405,000</b>
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>\$ 90,129,974</b>
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>			
San Leandro Tax Allocation Bonds	\$ 12,577,000	100.000%	\$ 12,577,000
Alameda County – San Leandro Tax Allocation Bonds	18,425,000	56.718	10,353,745
<b>TOTAL OVERLAPPING TAX INCREMENT DEBT</b>			<b>\$22,930,745</b>
<b>TOTAL DIRECT DEBT</b>			<b>\$ 49,394,022</b>
<b>TOTAL OVERLAPPING DEBT</b>			<b>\$ 497,334,548</b>
<b>COMBINED TOTAL DEBT</b>			<b>\$ 546,728,570 (2)</b>

(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.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2019-20 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	3.05%
<b>Total Direct Debt (\$49,394,022)</b>	<b>0.35%</b>
Combined Total Debt	3.85%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$2,813,261,462):

Total Overlapping Tax Increment Debt	0.82%
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**City of San Leandro  
Pledged-Revenue Coverage  
Last Ten Fiscal Years**

Fiscal Year	Special Assessment Bonds			
	Special Assessment Collections	Principal	Interest	Coverage
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-

Notes: During Fiscal Year 2009-10 and beyond no assessments were necessary due to the availability of funds to pay the debt.

Source: City of San Leandro

**City of San Leandro  
Computation of Legal Debt Margin  
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Assessed Valuation:										
Secured property assessed value	\$ 8,883,400,000	\$ 8,885,535,000	\$ 9,349,154,000	\$ 9,942,218,000	\$ 9,900,077,000	\$ 10,623,178,219	\$ 11,098,868,606	\$ 11,810,249,391	\$ 12,457,995,912	\$ 13,257,932,134
Addback: Exemptions	218,845,000	224,007,000	236,917,000	322,596,000	1,104,630,000	1,071,154,402	1,139,775,183	1,160,687,336	1,250,026,103	1,319,190,336
Total Assessed Valuation	\$ 9,102,245,000	\$ 9,109,542,000	\$ 9,586,071,000	\$ 10,264,814,000	\$ 11,004,707,000	\$ 11,694,332,621	\$ 12,238,643,789	\$ 12,970,936,727	\$ 13,708,022,015	\$ 14,577,122,470
Bonded debt (15% of Assessed Value)	\$ 1,365,336,750	\$ 1,366,431,300	\$ 1,437,910,650	\$ 1,539,722,100	\$ 1,650,706,050	\$ 1,754,149,893	\$ 1,835,796,568	\$ 1,945,640,509	\$ 2,056,203,302	\$ 2,186,568,371
Total Bonded Debt	5,209,436	3,980,825	980,820	694,992	715,441	42,066,944	42,404,398	37,374,715	37,374,715	50,714,022
Less:										
Special assessment bonds	-	-	-	-	-	-	-	-	-	-
Lease Revenue Debt	(34,420,000)	(29,515,000)	(28,340,000)	(30,440,000)	(26,208,000)	(25,198,000)	(27,410,045)	(20,495,000)	(37,904,000)	(36,368,000)
Capital Leases	(772,883)	(287,790)	(980,820)	(694,992)	(715,441)	(678,944)	(240,353)	(5,254,715)	(4,941,178)	(4,621,022)
Amount of Debt subject to Limit	(29,983,447)	(25,821,965)	(28,340,000)	(30,440,000)	(26,208,000)	16,190,000	14,754,000	11,625,000	(5,470,463)	9,725,000
Legal Debt Margin	\$ 1,395,320,197	\$ 1,392,253,265	\$ 1,466,250,650	\$ 1,570,162,100	\$ 1,676,914,050	\$ 1,737,959,893	\$ 1,821,042,568	\$ 1,934,015,509	\$ 2,061,673,765	\$ 2,176,843,371

Source: County Assessor Data, Avenu Insights & Analytics  
Source: County of Alameda office of Auditor-Controller and Statement of Direct and Overlapping Debt

**City of San Leandro  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year Ended	Total of Personal Income	Population	Governmental Activities						Business-Type Activity				Total Government-Wide			
			Tax Allocation Bonds	Pension Obligation Bonds	CFDs and Lease Revenue Debt (1)	Capital Leases	Other Debt	Total Governmental Debt	% of Personal Income	Debt per Capita	Total Business-Type Debt (2)	% of Personal Income	Debt per Capita	Total Government-Wide Debt	% of Personal Income	Debt per Capita
2010	\$ 3,115,687,500	81,851	\$46,075,000	-	\$ 35,660,000	\$ 1,238,241	\$ 7,810,992	\$ 90,784,233	1.77%	1,109.14	\$ 2,637,207	0.05%	\$ 32.22	\$ 38,297,207	0.75%	467.89
2011	4,932,751,900	83,183	44,920,000	-	34,420,000	772,883	7,495,553	87,608,436	1.78%	1,053.20	2,462,962	0.05%	29.61	36,882,962	0.75%	443.40
2012	5,248,658,550	85,490	-	18,305,000	29,515,000	287,790	2,865,000	50,972,790	0.97%	596.24	8,979,154	0.17%	105.03	38,494,154	0.73%	450.28
2013	5,159,811,699	85,941	-	17,585,000	28,133,000	980,820	2,238,000	48,936,820	0.95%	569.42	23,426,651	0.45%	272.59	51,559,651	1.00%	599.94
2014	5,310,979,146	86,666	-	16,675,000	27,188,000	694,992	2,107,000	46,664,992	0.88%	538.45	37,914,665	0.71%	437.48	65,102,665	1.23%	751.19
2015	5,545,682,831	89,189	-	15,555,000	26,208,000	715,441	1,976,000	44,454,441	0.80%	498.43	42,092,468	0.76%	471.95	68,300,468	1.23%	765.79
2016	5,524,820,829	88,441	-	14,345,000	25,198,000	678,944	1,845,000	42,066,944	0.76%	475.65	44,179,819	0.80%	499.54	69,377,819	1.26%	784.45
2017	5,587,279,300	87,700	-	13,040,000	27,410,045	240,353	1,714,000	42,404,398	0.76%	483.52	42,297,582	0.76%	482.30	69,707,627	1.25%	794.84
2018	5,894,517,000	88,274	-	11,625,000	20,495,000	5,254,715	1,583,000	38,957,715	0.66%	441.33	40,364,096	0.68%	457.26	60,859,096	1.03%	689.43
2019	6,729,183,000	89,825	-	10,085,000	37,904,000	4,941,178	1,452,000	54,382,178	0.81%	605.42	38,373,780	0.57%	427.21	76,277,780	1.13%	849.18
2020	6,851,117,000	87,930	-	8,405,000	36,368,000	4,621,022	1,320,000	50,714,022	0.74%	576.75	36,327,008	0.53%	413.14	72,695,008	1.06%	826.74

Note:

- (1) CFDs - Community Facility District
- (2) Business-type Activity Debt consists of a Marina Loan and a State Water Resources Control Board Loan.

Sources:

- (a) Income Data is provided by the U.S. Census Bureau, 2011-2015 American Community Survey. Income data has been restated from previous years.
- (b) Population Projections are provided by the California Department of Finance Projections.
- (c) All other information provided by the City of San Leandro.

**City of San Leandro**  
**Ratios of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**

Fiscal Year	Total of Personal Income	Population	Pension Obligation Bonds	Capital Leases	Other Debt	Total		% of Personal Income	Debt per Capita
						General Bonded Debt	Income		
2010	\$ 4,932,751,900	83,183	\$ -	\$ 1,238,241	\$ 2,513,632	\$ 3,751,873	0.08%	45	
2011	5,248,658,550	85,490	-	772,883	2,421,193	3,194,076	0.06%	37	
2012	5,159,811,699	85,941	18,305,000	287,790	-	18,592,790	0.36%	216	
2013	5,310,979,146	86,666	17,585,000	980,820	-	18,565,820	0.35%	214	
2014	5,545,682,831	89,189	16,675,000	694,992	-	17,369,992	0.31%	195	
2015	5,524,820,829	88,441	15,555,000	715,441	-	16,270,441	0.29%	184	
2016	5,587,279,300	87,700	14,345,000	678,944	-	15,023,944	0.27%	171	
2017	5,894,516,653	88,274	13,040,000	240,353	-	13,280,353	0.23%	150	
2018	6,221,502,537	87,598	11,625,000	5,254,715	-	16,879,715	0.27%	193	
2019	6,352,693,475	89,825	10,085,000	4,941,178	-	15,026,178	0.24%	167	
2020	6,851,117,000	87,930	8,405,000	4,621,022	-	13,026,022	0.19%	148	

**Sources:**

- (a) Income Data is provided by the U.S. Census Bureau, 2011-2015 American Community Survey. Income data has been restated from previous years.
- (b) Population Projections are provided by the California Department of Finance Projections.
- (c) All other information provided by the City of San Leandro.



## **DEMOGRAPHIC AND ECONOMIC INFORMATION**

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*These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.*

Demographic and Economic Statistics - Last Ten Fiscal Years

Principal Employers - Current Year and Eight Years Ago



**City of San Leandro  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

Fiscal Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Median Age	Public School Enrollment (3)	Median Home Price	Consumer Price Index	City Unemployment Rate (4)
2011	85,490	\$ 5,248,659	\$ 61,395	39.5	9,000	\$ 309,800	\$ 232	10.0%
2012	85,941	5,159,812	60,039	37.6	8,776	320,000	228.110	9.3%
2013	86,666	5,310,979	61,281	39.1	8,769	400,000	245.935	7.4%
2014	89,189	5,545,683	62,179	39.2	8,668	440,000	253.317	6.3%
2015	88,441	5,524,821	62,469	39.2	8,617	510,000	238.654	4.8%
2016	87,700	5,587,279	63,709	40.5	8,560	529,000	239.810	5.1%
2017	88,274	5,894,517	66,775	40.5	8,638	585,400	244.786	4.6%
2018	87,598	6,221,503	71,023	43.9	8,880	671,200	251.846	3.1%
2019	89,825	6,729,183	74,914	40.8	8,926	647,500	256.161	2.8%
2020	87,930	6,851,117	77,916	40.5	9,067	694,295	259.101	17.7%

Source: Avenu Insights & Analytics, U.S. Census Bureau, 2011-2015 American Community Survey.  
Source: 2013-14 and prior, previous published CAFR

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark. Therefore, the estimates for 2010 through 2012 published in this report might be noticeably different from the previous year estimates.

Notes:

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the U.S. Census Bureau, 2011-2015 American Community Survey. Income data has been restated from previous years.
- 3.) Student Enrollment reflects the total number of students enrolled in the San Leandro Unified School District. Any other school districts within the City are not accounted for in this statistic.
- 4.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.



**City of San Leandro**  
**Principal Employers**  
**Current Year and Eight Years Ago**

Employer	2019-20			2011-12		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Kaiser Permanente	3,600	1	7.76%			
SLUSD**	1,582	2	3.41%	1,119		3.98%
Alameda Health System*	1,557	3	3.36%			
Acco Engineered Systems	1,536	4	3.31%			
Walmart (2 locations)	810	5	1.75%	601		2.14%
City of San Leandro*	532	6	1.15%	409		1.46%
Ghirardelli Chocolate Co.	516	7	1.11%	375		1.33%
Safeway (4 locations)	490	8	1.06%			
Costco Wholesale	486	9	1.05%	264		0.94%
Peterson Cat	485	10	1.05%			
American Medical Response West				468		1.67%
North Face, Inc				395		1.41%
Kindred Hospital - SF Bay Area				268		0.95%
OSI Soft, Inc				253		0.90%
Total Top Employers	11,594		24.99%	4,152		14.78%
Total City Employment (1)	46,400			28,100		

Source: Avenu Insights & Analytics

Notes:

\*Includes full and part-time

\*\*Includes part-time and substitutes

(1) Total City Labor Force provided by EDD Labor Force Data

## **OPERATING INFORMATION**

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*These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.*

Full-Time and Part-Time City Employees by Function - Last Ten Fiscal Years

Operating Indicators by Function - Last Ten Fiscal Years

Capital Assets by Function - Last Ten Fiscal Years



**City of San Leandro  
Full-Time and Part-Time City Employees by Function  
Last Ten Fiscal Years**

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government	49	51	50	51	55	50	51	52	52	52
Police	133	136	136	139	139	143	143	140	140	140
Engineering & Transportation	25	25	27	27	27	31	30	29	29	29
Development Services	18	19	21	22	22	26	25	29	27	27
Public Works Services	104	103	102	101	102	102	104	110	109	109
Other Agencies	8	8.5	0	0	0	0	0	0	0	0
Library	33	33	33	33	33	34	34	36	36	36
Recreation & Human Services	35	33	37	39	39	39	39	41	41	41
<b>Total</b>	<b>405</b>	<b>409</b>	<b>406</b>	<b>412</b>	<b>417</b>	<b>425</b>	<b>426</b>	<b>437</b>	<b>434</b>	<b>434</b>

Notes:  
Numbers represent Full-Time equivalents. Fire Services contracted with the Alameda County Fire Department.

Source: City of San Leandro Adopted Budget

**City of San Leandro  
Operating Indicators by Function  
Last Ten Fiscal years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Police Department:</u>										
Arrests	3,486	3,299	3,279	3,036	2,148	2,789	2,799	2,513	2,151	1,968
<u>Building Department:</u>										
Permits Issued	2,446	2,503	2,564	2,624	1,961	2,891	2,762	4,080	2,275	2,065
<u>Public Works Department:</u>										
Street reconstruction (miles)	0.55	1.39	-	1.35	0.26	0.74	2.24	1.42	1.77	1.25
Street resurfacing (miles)	4.00	8.68	-	17.94	5.39	4.12	5.21	4.69	7.33	0.67
<u>Parks and Recreation:</u>										
Number of registrants	17,099	20,236	21,324	18,914	17,737	17,114	16,742	14,703	14,261	9,748
Number of facility rentals	1,190	1,282	1,999	2,656	3,830	2,439	2,222	2,465	2,373	1,209
<u>Golf Course:</u>										
Golf rounds played	98,000	97,310	95,995	96,450	102,534	99,185	98,987	105,043	100,409	97,803

Notes:

Fire Services are contracted with the Alameda County Fire Department.

Building Department: Methodology changed in 2015 from issuing permits for each discipline to one consolidated permit per project.

Source: City of San Leandro Recreation Department, Police Department, Public Works, and Building Regulations.

**City of San Leandro  
Capital Asset Statistics by Function  
Last Ten Fiscal Years**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<u>Police:</u>										
Stations	1	1	1	1	1	1	1	1	1	1
<u>Fire:</u>										
Fire Stations	5	5	5	5	5	5	5	5	5	5
<u>Park and Recreation:</u>										
Parks	16	16	16	16	16	16	16	16	16	16
Community Center	2	2	2	2	2	2	2	2	2	2
<u>Public works:</u>										
Streets (miles)	175	175	175	175	175	175	175	175	175	175
Streetlights	5,500	5,500	5,500	5,500	5,500	5,500	5,500	6,000	6,000	6,000
Traffic signals	755	755	755	755	755	755	755	1,254	1,254	1,254
<u>Wastewater:</u>										
Sanitary Sewer Lines (miles)	130	130	130	130	130	128	128	128	128	128
Storm Drainage Lines In the City (miles)	175	175	175	175	175	180	180	180	180	180
<u>Golf Course:</u>										
Courses	2	2	2	2	2	2	2	2	2	2

Sources: City of San Leandro: Public Works Department, Engineering & Transportation Department, Recreation Department

