

City of

LIVERMORE

CALIFORNIA



ANNUAL COMPREHENSIVE

**FINANCIAL
REPORT**

FISCAL YEAR ENDED JUNE 30, 2021

Cover Photograph

Jason Richard/Unsplash

Annual Comprehensive Financial Report

For the Year Ended June 30, 2021

Prepared By

Finance Division

Bhavna Chaudhary

Finance Manager/ Acting Administrative Service Director

Ann Furtado
Accounting Supervisor

David Doyle
Accounting Supervisor

Laurie Ong
Administrative Specialist

Erik Peterson
Accounting Supervisor

Ki Lam
Management Analyst

Natalia Gilina
Division Clerk



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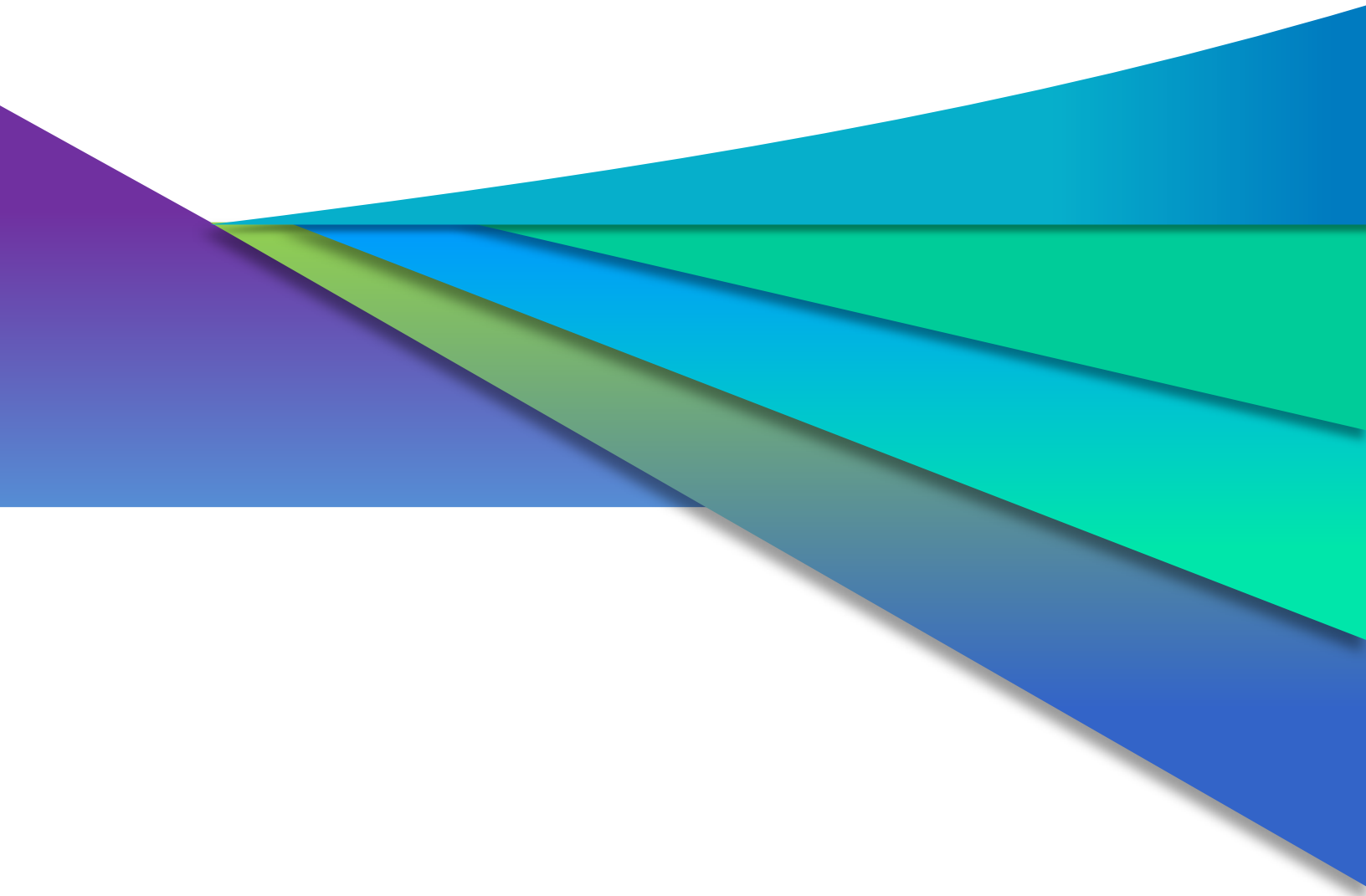
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INTRODUCTORY SECTION



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December 30, 2021

Honorable Mayor and Members of the City Council:

I am pleased to present the City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. State law requires that every general-purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report fulfills that requirement for the fiscal year ended June 30, 2021.

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

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

The City's financial statements have been audited by Eide Bailley LLP located in Menlo Park, California. The independent auditors concluded, based on their audit, that there was a reasonable basis for rendering an unmodified (or "clean") opinion that the City of Livermore's financial statements for the fiscal year (FY) ended June 30, 2021 are fairly presented in conformity with generally accepted accounting principles. The independent auditor's report is the first item presented in the financial section of this report.

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

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

Profile of the City of Livermore

The City of Livermore, incorporated on April 1, 1876, is located on the southeasterly boundary of Alameda County. The City of Livermore is a General Law city and has the power to make and enforce ordinances and regulations with respect to municipal affairs to the extent expressly permitted or implied by the California constitution or specific legislation. The City is organized as a council-manager form of local municipal government. The five-member City Council is elected at large for overlapping four-year terms. The City Council includes an elected Mayor whose term of office is two years.

On November 26, 2018, the City adopted an ordinance to transition from an at-large to district-based election system to comply with the California Voting Rights Act (California Government Code Section 34886 and 34871(c)). The City Council selected a district map dividing the City into four single member districts. Starting with the general municipal election in November 2020, City Council members are elected in City Council districts 3 and 4. Council members will be elected in City Council districts 1 and 2 beginning at the general municipal election in November 2022. The Mayor will continue to be elected on an at large basis.

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

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

The City, with 415.10 full-time equivalent employees, provides a wide range of services to a residential population of 91,216. These services include public safety (police, fire, building inspection, water, and sewer); street and landscape maintenance; street lighting; planning and public improvements; public libraries; general administrative services, and municipal airport services. Fire safety services are provided by a Joint Powers Authority, Livermore Pleasanton Fire Department (LPPD). Recreational services are provided to residents by the Livermore Area Recreation and Park District (LARPD), a special district governed by a separately elected board.

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

Economic Factors and Local Economy

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

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

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

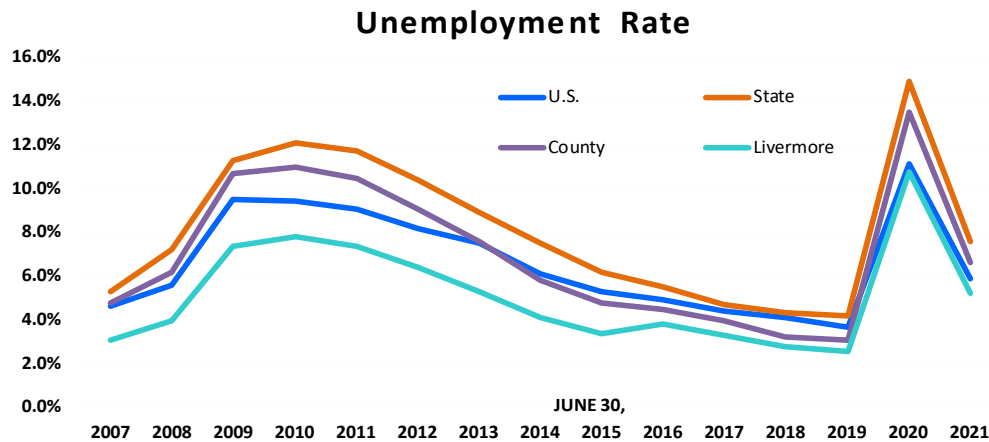
Livermore is the home of two world-renowned national laboratories: Lawrence Livermore National Laboratory (LLNL) and Sandia National Laboratories (SNL). The laboratories are premier science and technology research facilities, which conduct some of the nation's most innovative research related to several national programs, including security, combustion and renewable energy, water resources and biosciences. The presence of the

laboratories attract other technology and industrial companies as well as professional services businesses. In addition, one of the largest retail outlet malls in California is located in Livermore and is home to over 170 leading designer and name brand outlet stores.

The longest economic expansion in US history came abruptly to an end in March 2020 with emergence of the COVID-19 global pandemic. Once thriving businesses have seen their ability to generate revenue disappear overnight as the simple act of gathering with others has become a threat to public health. The State of California and the Alameda County issued Shelter in place directives to slow the spread of COVID-19 pandemic which continued in the current fiscal year.

Unemployment rate increased sharply with the closures of businesses, schools, and public buildings. Livermore’s unemployment jumped to 13.6% in April 2020 exceeding the peak rate of 8.1% in January 2010 during the Great Recession. The unemployment rate has declined since the peak in April 2020 and was 5.9 percent in June 2021 compared to 11.2 percent in June 2020.

The City’s unemployment rate continued to rank below the average unemployment rates of the county (6.6%) and state (7.6%). Employment in Livermore has historically been less volatile due to the presence of major public sector employers and their contractors. Besides the City itself, two national laboratories, a school district, a community college, and a park and recreation district are major employers in the City. The following chart shows a 15-year comparison of unemployment rates in the state and local areas as well as the U.S. by fiscal year:



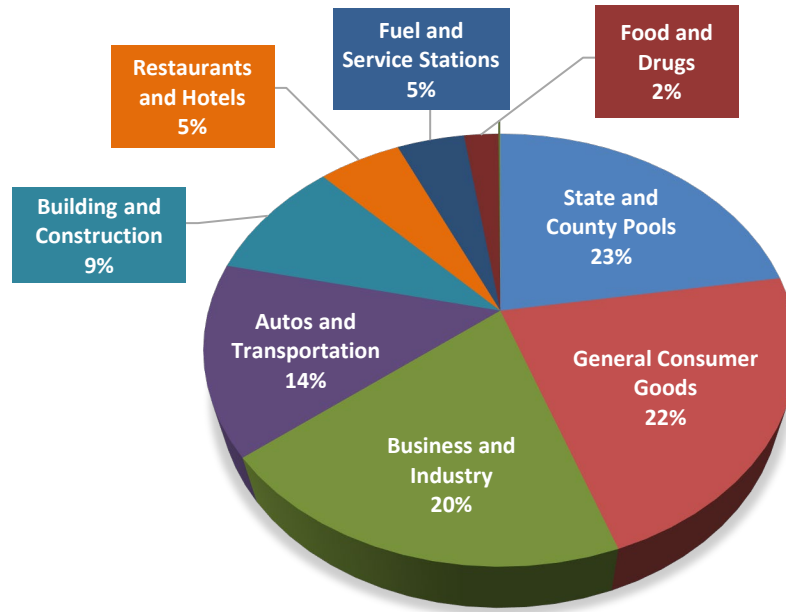
Source: Bureau of Labor Statistics

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

It is important to be aware that the City derives 20% of all sales tax revenue received from a very small geographic area which focuses upon retailing high-end consumer goods. Many shoppers are tourists visiting the San Francisco Bay area. The second quarter of 2020 was the most adversely impacted sales tax period due to the Covid-19 pandemic related restrictions on travel, indoor dining, and non-essential businesses. The City’s taxable sales (at point of sale) had dropped almost 40% in second quarter of 2020 compared to that of the 2019.

With the easing of restrictions, the local economy exhibited signs of improvement during the fiscal year ended June 30, 2021. Livermore’s taxable sales in second quarter of 2021 were 52% higher than the same quarter in 2020 with majority of gains coming from general consumer category. Online sales activity increased with the

shift in consumer spending habits due to the pandemic, which boosted the City's pool allocation by over 18% from the previous fiscal year. While consumer spending may shift back to brick-and-mortar stores to some degree, the long-term trend indicates that online shopping will continue to grow. The chart below illustrates the City's sales tax revenue for current fiscal year by major industry group.

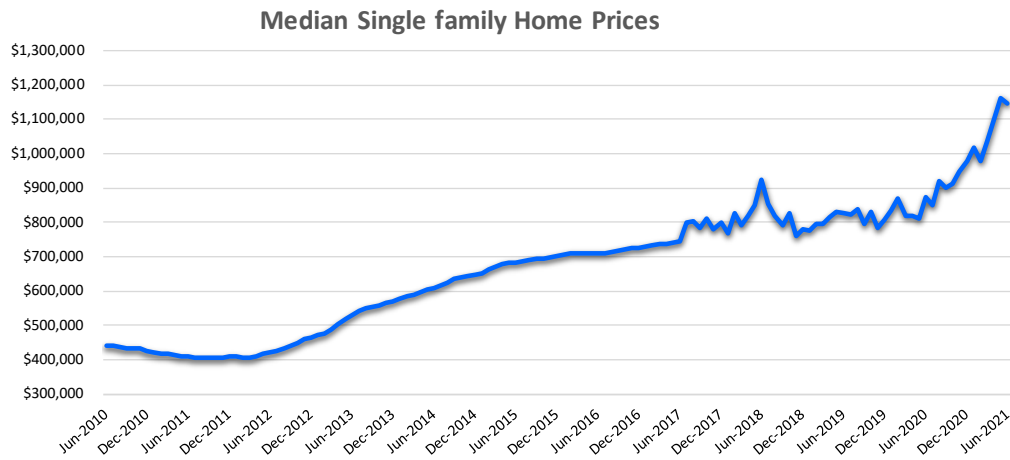


Source: HdL

Local real estate market and property value assessment are key indicators of the local economy. Property tax is less volatile compared to sales tax. While the pandemic had adverse impacts on the City's other revenue categories, so far property tax has not been significantly impacted from the pandemic. The City's assessed property valuation increased by 5% to \$21.6 billion in current fiscal year compared to 6% increase in last fiscal year.

Livermore's real estate market has continued to strengthen during the current fiscal year. As reported by the East Bay Association of Realtors, the median sales price for a single-family residence in Livermore has surged 31 percent to \$1,145,500 in June 2021 from \$875,000 in June 2020 largely due to housing shortage combined with low interest rates.

Chapman University forecasters predict mortgage rates to rise to 3.9% and U.S. house prices to drop 3% by the fourth quarter of 2022 from the same quarter in 2021. Recently California passed the Senate Bill 9, which compels local governments to allow high-density housing. This law will help ease the housing shortage in coming years.



Source: East Bay Association of Realtors

The Conference Board forecasts that the US economy is set to grow 3.5% in 2022, after expanding by 5.6% in 2021, fueled by pent-up demand for consumer spending and business investment. However, emergence of the Delta and Omicron variant across the nation indicates that COVID-19 will continue to have a severe impact on people’s lives and livelihoods in 2022. In addition, high inflation fueled by strong consumer demand, supply-chain bottlenecks, and ongoing labor shortages have potential to become a major economic challenge.

Long-Term Financial Planning

Although Livermore’s current financial picture is positive, there are plenty of reasons for concern when we look out further on the financial horizon. The City is on a steady financial course, but still strives to achieve long-term financial stability, which is linked to adequately funding its long-term liabilities. While General Fund reserves are currently fully funded, COVID-19 impacts, future liabilities, investment in downtown development, homelessness crisis, increasing employee costs, and deferred infrastructure maintenance temper the City’s progress.

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

One of the City’s strategies to contain costs and leverage the buying power was to save, while the economy was doing well, so that resources are available during the economic downturn in order to take advantage of better pricing which typically occurs in this part of the cycle. The City will need approximately two billion dollars to replace general government infrastructure in addition to another billion dollars to replace infrastructure maintained by the enterprise funds. Staff currently estimates that the City (like many local governmental agencies in the nation) is underfunding infrastructure maintenance by several million dollars per year. The City has started funding a reserve with \$2.0 million annually from General Fund. The City has accumulated \$12.0 million in this reserve as of June 30, 2021.

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

The FY 2021-23 Financial Plan allocates approximately \$13.5 million for General Fund resources for capital improvements, representing a significant investment in the Downtown in order to address the adopted City Council Goals and Priorities. With the Speedee Lube demolition and Veterans Way construction now complete, the remaining Downtown Development Plan projects contemplated as part of the General Fund include construction of the I Street parking structure, and Downtown surface parking. Other, non-Downtown related General Fund projects include decorative wall replacement, and Civic Center Meeting Hall.

The City of Livermore, along with the San Francisco Bay Area and much of California, is in the middle of a homelessness crisis. The prolonged economic expansion, low interest rates, and housing shortage has led to median home values skyrocketing throughout the Bay Area. As mentioned above, median home price for a single-family home is \$1,145,500 on June 30, 2021. To purchase a median priced home with 10% down requires approximately \$114,550 for down payment, \$34,365 for closing costs, and approximately \$200,000 in annual household income. The average rent in Livermore for a two-bedroom apartment is approximately \$2,500 per month. A household will need an annual average income of \$100,000 to afford this level of rent.

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

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

Ratio of Fund Balance to Total Expenditures and Transfers-out



Major Initiatives and Future Projects

As part of the biennial budget process, the City Council sets goals and priorities for the two-year budget cycle. Council goals comprise of high-priority tasks or programs that the City Council intends to address during the budget plan cycle, though attainment of these goals may take several years. The key initiatives included in the adopted biennial budget for FY 2021-23 are as follows:

1. **Asset Management and Stormwater:** Establish a comprehensive Asset Management Program with a focus on stormwater, ensuring the community continues to receive vital services through a sustainable infrastructure strategy.
2. **Downtown:** Enhance the City's vibrancy by completing critical projects downtown, ensuring the right balance of local amenities to support quality of life.
3. **General Plan Update:** Comprehensively Update the Livermore General Plan, including the Housing Element and Programmatic Environmental Impact Report (EIR), to address changes in regional and state policy, market trends, and community preferences, to plan for growth and conservation for the next 25 years to support and enhance Livermore's quality of life.
4. **Homelessness and Affordable Housing:** Establish a homelessness strategy, engaging local partners to develop a coordinated response, and expand diversity of affordable housing opportunities.
5. **Modernization, Training and Workplace Enhancements:** Develop a systematic approach to modernizing the City's aging business systems, reviewing processes for alignment with industry best practices, and providing the City's workforce with the tools and training necessary to effectively and efficiently deliver services to the community.

Three of the above priorities, Downtown, Asset Management, and Homeless and Affordable Housing are returning priorities from the previous budget cycle. The City has made extensive progress towards each of these priorities. Some of the achievements realized during the current fiscal year are as follows:

- The Stockmen's park in the downtown area has been completed.
- Construction of I Street Parking Garage has begun in April 2021. Project is scheduled for completion in Spring 2022.



- As of September 2021, \$462,330 in federal COVID-19 rent relief funds have been disbursed to Livermore tenants.
- Construction for Chestnut Square Family Apartments, located at 1665 Chestnut Street, is a 42-unit affordable rental project is completed. Ten units will have a preference for homeless households. The project also has 8 units reserved for people with disabilities.

- Coordinated with Alameda County and Cross Winds Church on the Goodness Village Project providing 28 tiny home units as well as wrap-around services to local community members experiencing homelessness.



Other major developments projects include the following:

- Phase 1 of a hydrogen gas filling hub including liquid hydrogen offloading areas, a hydrogen holding tank, compressor equipment, filling stalls, parking, and a temporary office trailer on two vacant lots totaling approximately 178,500 square feet, west of National Drive.
- 30,100 square foot automobile dealership (Subaru), including a service department, north side of Las Positas Rd next to Target.
- 186 townhome units ranging from two and three-stories on Lassen Road, northwest of I-580 and the First Street overpass.
- Pacific Avenue Affordable Housing Project consisting of 140 affordable senior housing rental units at the end of Pacific Avenue.
- A 128-unit, 112,195 square foot senior assisted living and memory care health facility located on the northern portion of the Sunset Office Plaza.
- Eden Housing in the Downtown Core, which consists of 130 affordable residential units in two four-story buildings with underground parking, Southeast corner of Railroad Avenue and South L Street.
- 25,000 square foot warehouse building consisting of approximately 1,800 square feet of office space at 6776 Patterson Pass Road.
- A 6,600 square foot two-story residence, 3,880 square foot winery, 1,200 square foot accessory dwelling unit, and a 1,340 square foot cabana, in a building envelope within a 20-acre vineyard property at 247 East Vallecitos Road.

Relevant Financial Policies

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

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

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

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

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

Achievement Awards

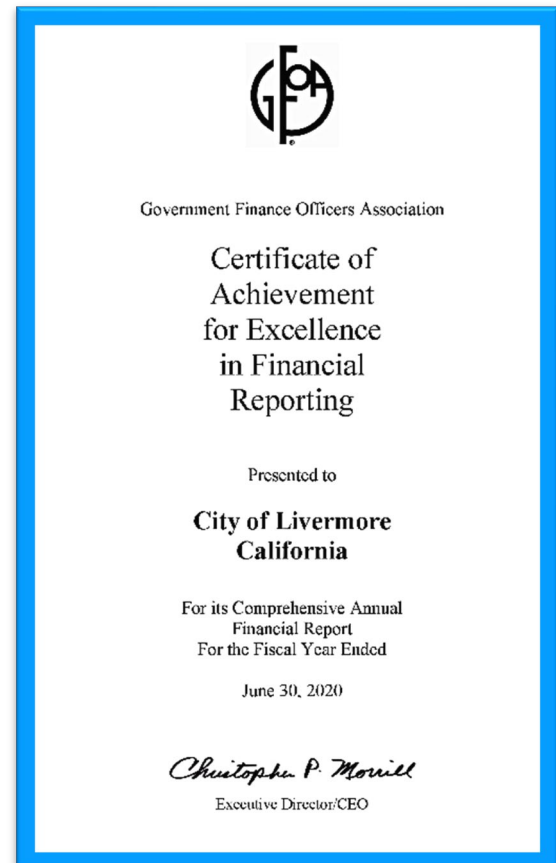
GFOA Financial Reporting Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Livermore for its annual comprehensive financial report for the fiscal year ended June 30, 2020. This was the 32nd consecutive year that the City of Livermore has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

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

GFOA Popular Annual Financial Reporting Award

The City summarizes and presents key financial information contained in the City's ACFR and other information, in an easy to read and understandable manner that includes multi-year graphs to show annual changes and trends in its Popular



Annual Financial Report (PAFR). The City received the GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting for its PAFR for the fiscal year ended on June 30, 2020. This prestigious national award recognizes conformance with the highest standards for preparation of a state and local government popular reports. In order to receive this award, a government must publish a PAFR, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. An award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year only.

Acknowledgments

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

Very truly yours,



Bhavna Chaudhary
Acting Administrative Services Director

Directory of City Officials
As of June 30, 2021

Elected Officials



Mayor
Bob Woerner



Vice Mayor
Trish Munro



Council Member
Gina Bonanno



Council Member
Bob Carling



Council Member
Brittni Kiick

Executive Team

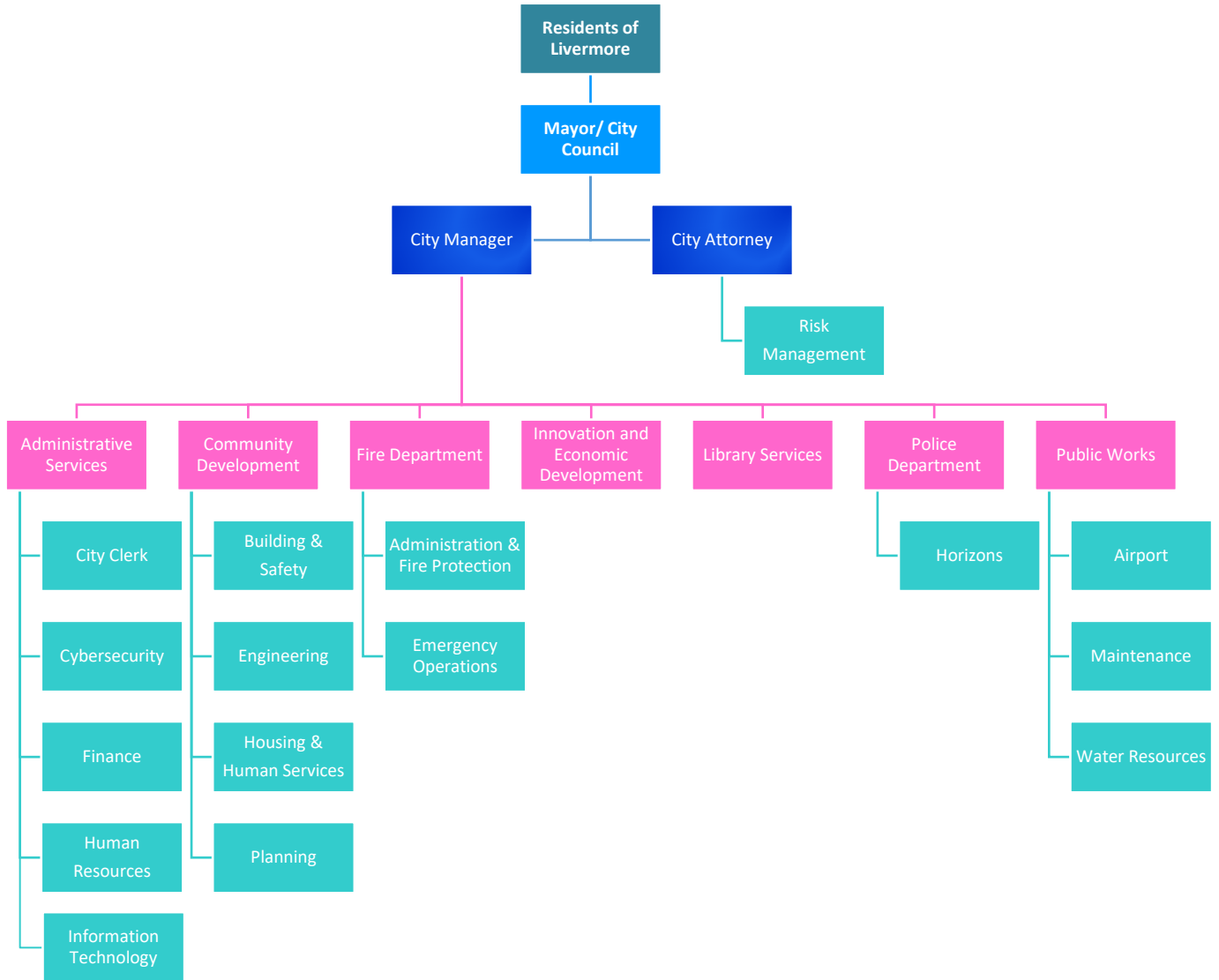
Marc Roberts
City Manager

Jason Alcalá
City Attorney

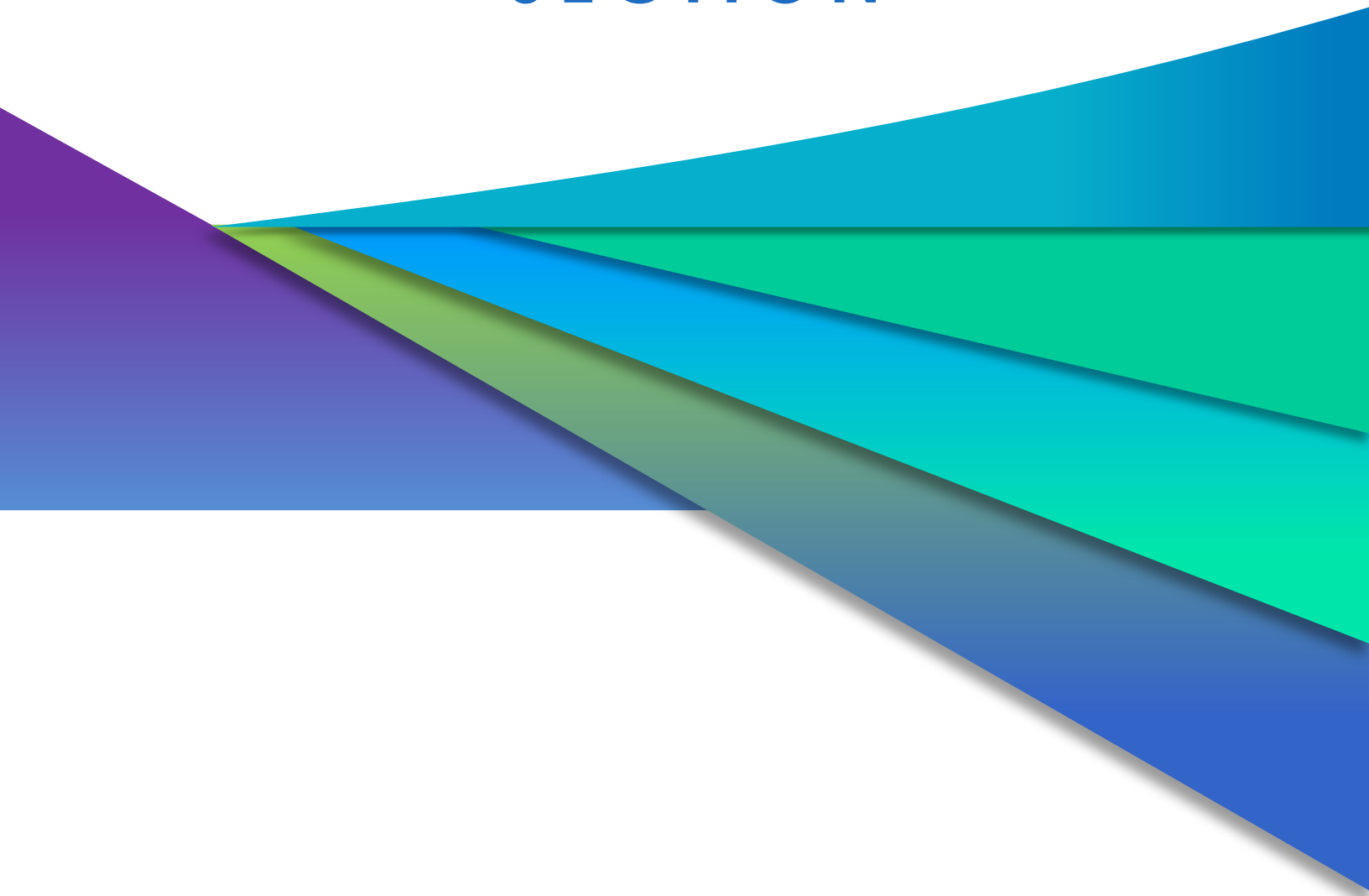
Director of Administrative Services
Director of Community Development
Director of Innovation & Economic Development
Director of Library Services
Director of Public Works
Interim Fire Chief
Police Chief

Douglas Alessio
Paul Spence
Adam Van de Water
Anwan Baker
Scott Lanphier
Joe Testa
Jeremy Young

Organization Chart
As of June 30, 2021



FINANCIAL SECTION



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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Livermore, California (City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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.

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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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1L and Note 9D to the financial statements, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*, effective July 1, 2020. The adoption resulted in a restatement of the net position of Governmental Activities, the Custodial and Other Postemployment Benefits Trust Funds and a restatement of fund balance of the nonmajor governmental funds. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 27 through 42, Schedule of Revenues, Expenditures and Changes in Fund Balances Budget and Actual for the General Fund and Low Income Housing Special Revenue Fund, schedule of the agent multiple employer plan's changes in net pension liability and related ratios, schedule of the cost sharing plan's proportionate share of the net pension liability, schedule of contributions for the agent multiple employer and cost sharing plans, schedule of changes in the net OPEB liability and related ratios, and schedule of OPEB contributions on pages 122 through 129, 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 financial statements. The introductory section, combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

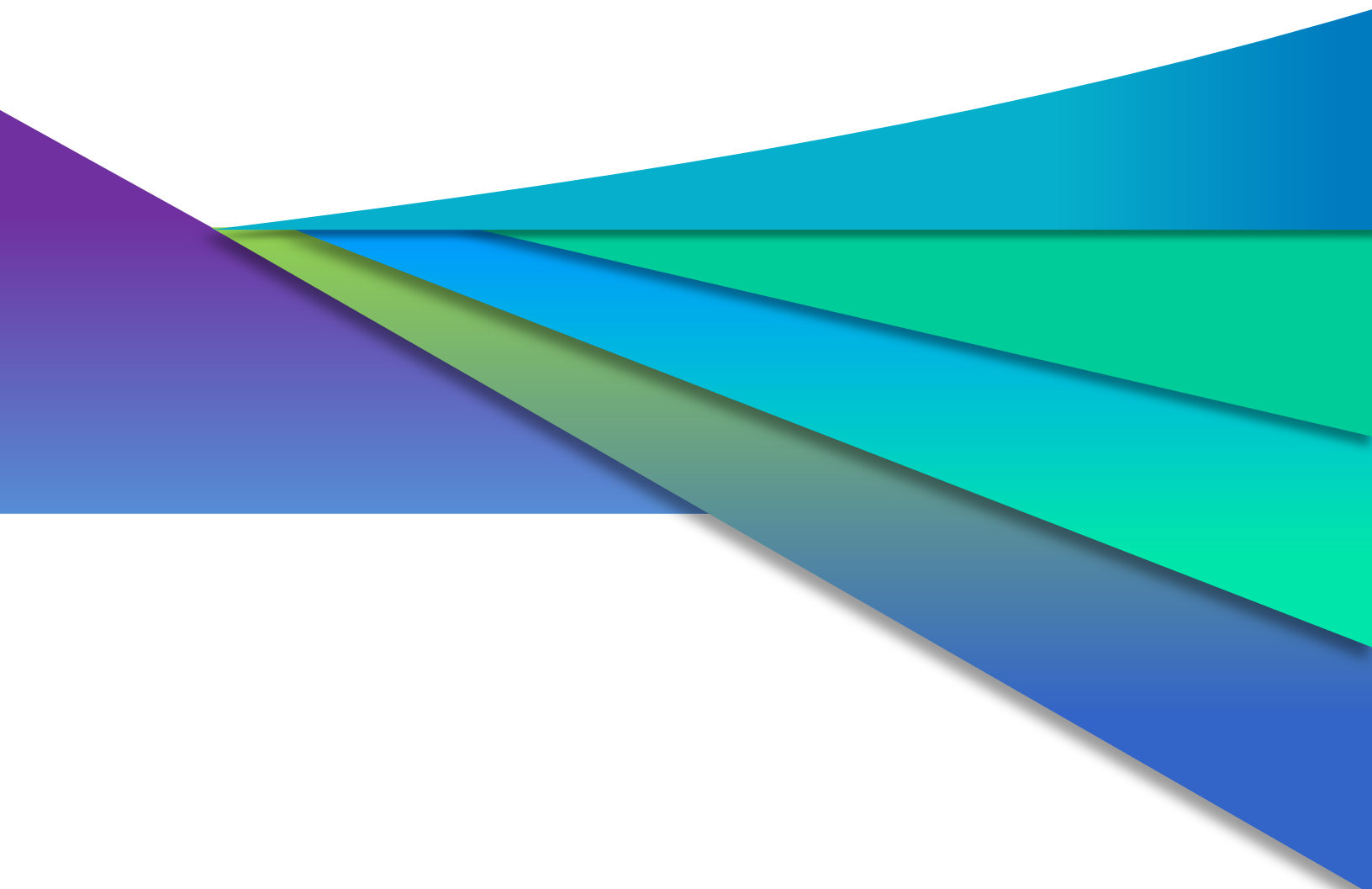
In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Menlo Park, California
December 30, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS



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MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of the Management's Discussion and Analysis is to offer to the reader of the City's financial statements a narrative overview and analysis of the financial activities of the City of Livermore for the fiscal year ended June 30, 2021. The reader is encouraged to consider the information presented here in conjunction with the additional information furnished in the letter of transmittal, which can be found on pages 7-16 of this report.

(A) Financial Highlights

- The City implemented the GASB Statement No. 84, Fiduciary Activities which became effective during the current fiscal year. The implementation of the Statement required the City to record prior period adjustments. As a result, the beginning net positions of Custodial Funds were restated and increased by \$5,681,919, and Governmental Funds and Governmental Activities were restated and increased by \$3,232,769. In addition, the City removed the Private Purpose OPEB Trust Fund to be consistent with the treatment of plans held by agent multiple employer plans which resulted in a decrease of \$32,250,629 in fiduciary net position. See Note 9D to the Financial Statements for more information.
- The assets and deferred outflows of resources of the City of Livermore exceeded its liabilities and deferred inflows of resources at the close of the fiscal year 2021 by \$641.0 million (net position). Of this amount, \$34.0 million represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's net position increased 1.8 percent (or \$11.5 million) for the current fiscal year to \$641.0 million from a restated net position balance of \$629.5 million in the prior fiscal year of which \$10.0 million was generated by governmental activities and approximately \$1.5 million was generated by business-type activities.
- The City's Net OPEB liability dropped \$12 million from \$46.9 million in prior year to \$34.9 million in current fiscal year, largely due to net investment income of \$10 million.
- At the close of the current fiscal year, the City's governmental funds reported combined fund balances of \$196.0 million, an increase of \$13.3 million from the prior fiscal year's restated fund balance of \$182.7 million. Approximately 12.5 percent of this amount (\$24.5 million) is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$71.6 million, or approximately 60.7 percent of total general fund expenditures, and transfers out.

(B) Overview of the Financial Statements

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

Government-wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This information may be useful in evaluating the City's near-term financial requirements. The basis of accounting in governmental funds is known as the modified accrual basis.

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

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

The governmental fund financial statements provide separate information for all major funds, while non-major funds are combined in a single column. In the FY 2020-21, the City identified two major governmental funds, which are the General Fund, and the Low-Income Housing Fund.

Proprietary Funds

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

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

Fiduciary Statements

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

The City maintains two different types of fiduciary funds. The Private-Purpose Trust Fund is used to account for the assets and liabilities held in trust for the Successor Agency to the former Redevelopment Agency; and Custodial Funds are used to account for monies collected and disbursed in a custodial capacity for the Livermore Pleasanton Fire District JPA and other agencies. The fiduciary fund financial statements can be found on pages 60-61.

Notes to the Basic Financial Statements

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

Other Information

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

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

(C) Government-wide Financial Analysis

As noted earlier, the City's net position may serve over time as a useful indicator of whether the City's financial position is improving or deteriorating. Other factors, such as market conditions, should be considered when measuring the City's overall financial position. This analysis focuses on the net position and changes in net position of the City as a whole. In the case of the City, total government-wide assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$641.0 million, at the close of the most recent fiscal year.

Long-term liabilities, which consist of claims, debt, compensated absences, pension, and postemployment benefit obligations, decreased by \$2.3 million from the previous year for governmental and business-type activities combined. The City's debt decreased by \$1.4 million primarily due to the scheduled principal payments, as discussed later under Debt Administration section. The claims liability decreased \$1.2 million due to reduction in actuarially determined claims liability. The increase in the City's total pension liability of \$10.1 million was offset by a decline of \$10.3 million in net OPEB liability.

City of Livermore Net Position (in Millions)						
	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and other assets	\$ 229.1	\$ 216.6 *	\$ 141.4	\$ 141.1	\$ 370.5	\$ 357.7
Capital assets	375.2	375.7	152.5	152.6	527.7	528.3
Total assets	604.3	592.3	293.9	293.7	898.2	886.0
Total Deferred outflows of resources	25.2	24.0	3.5	3.2	28.7	27.2
Liabilities:						
Long-term liabilities outstanding	220.6	223.2	33.3	33.0	253.9	256.2
Other liabilities	17.0	14.8	4.4	6.2	21.4	21.0
Total liabilities	237.6	238.0	37.7	39.2	275.3	277.2
Total Deferred inflows of resources	9.3	5.7	1.3	0.8	10.6	6.5
Net position:						
Net investment in capital assets	316.6	316.4	144.5	144.5	461.1	460.9
Restricted	145.9	139.9 *	-	-	145.9	139.9
Unrestricted	(79.9)	(83.7) *	113.9	112.4	34.0	28.7
Total net position	\$ 382.6	\$ 372.6 *	\$ 258.4	\$ 256.9	\$ 641.0	\$ 629.5

* restated

By far, the largest portion of the City's net position (\$461.1 million or 71.9 percent) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (\$145.9 million or 22.8 percent) represents resources that may be used only for specified capital projects, special revenue programs, or landscape and maintenance. The restrictions on these funds were placed there by outside agencies and are not subject to change by the City. The remaining balance of \$34.0 million or 5.3 percent is unrestricted and may be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions.

At the end of the current fiscal year, except for unrestricted net position, the City is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate business-type activities. The unrestricted category for governmental activities had a deficit balance of \$79.9 million as of the end of the current fiscal year. The deficit is caused primarily by the approximately \$98.6 million

for the unfunded pension liabilities and \$36.7 million in postemployment liabilities including the related deferred inflows and outflows of resources. The unfunded net pension liabilities and net OPEB liabilities will be funded annually in accordance with actuarially determined contribution rates. The positive component of the governmental unrestricted net position, excluding the effects of pension and OPEB liabilities, is \$55.4 million and may be used to meet the City's ongoing obligations to citizens and creditors.

Overall, the City's net position increased by \$11.5 million to \$641.0 million in the current fiscal year from \$629.5 million for the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

Changes in Net Position (in Millions)						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues:						
Charges for services	\$ 13.3	\$ 17.0	\$ 48.1	\$ 46.4	\$ 61.4	\$ 63.4
Operating contributions and grants	19.8	16.3	0.4	0.4	20.2	16.7
Capital grants and contributions	9.5	12.4	3.0	7.4	12.5	19.8
Total program revenues	42.6	45.7	51.5	54.2	94.1	99.9
General revenues:						
Property taxes	38.9	37.8	-	-	38.9	37.8
Sales taxes	35.4	32.9	-	-	35.4	32.9
Other taxes	16.2	16.2	-	-	16.2	16.2
Intergovernmental	9.4	9.0	-	-	9.4	9.0
Investment income	1.6	8.5	0.4	3.3	2.0	11.8
Miscellaneous	6.4	6.0	-	-	6.4	6.0
Change in value of investment in JPA	-	-	-	-	-	-
Total general revenues	107.9	110.4	0.4	3.3	108.3	113.7
Total Revenues	150.5	156.1	51.9	57.5	202.4	213.6
Expenses						
General Government	15.6	25.1	-	-	15.6	25.1
Fire	24.4	22.0	-	-	24.4	22.0
Police	40.4	37.3	-	-	40.4	37.3
Public Works	21.7	19.7	-	-	21.7	19.7
Community Development	24.8	32.6	-	-	24.8	32.6
Economic Development	4.4	2.8	-	-	4.4	2.8
Library	6.3	6.4	-	-	6.3	6.4
Interest on long term debt	1.2	1.7	-	-	1.2	1.7
Airport	-	-	4.0	4.2	4.0	4.2
Water	-	-	18.8	15.6	18.8	15.6
Sewer	-	-	24.0	24.0	24.0	24.0
Stormwater	-	-	5.3	5.2	5.3	5.2
Total expenses	138.8	147.6	52.1	49.0	190.9	196.6
Increase (Decrease) in Net Position before transfers	11.7	8.5	(0.2)	8.5	11.5	17.0
Transfers, net	(1.7)	(0.3)	1.7	0.3	-	-
Changes in net position	10.0	8.2	1.5	8.8	11.5	17.0
Net Position-Beginning, as restated	372.6 *	361.2	256.9	248.1	629.5	609.3
Net Position-Ending	382.6	369.4	258.4	256.9	641.0	626.3
Net position adjustment	-	3.2	-	-	-	3.2
Net position - Ending, as restated	\$ 382.6	\$ 372.6	\$ 258.4	\$ 256.9	\$ 641.0	\$ 629.5

* restated

Governmental Activities

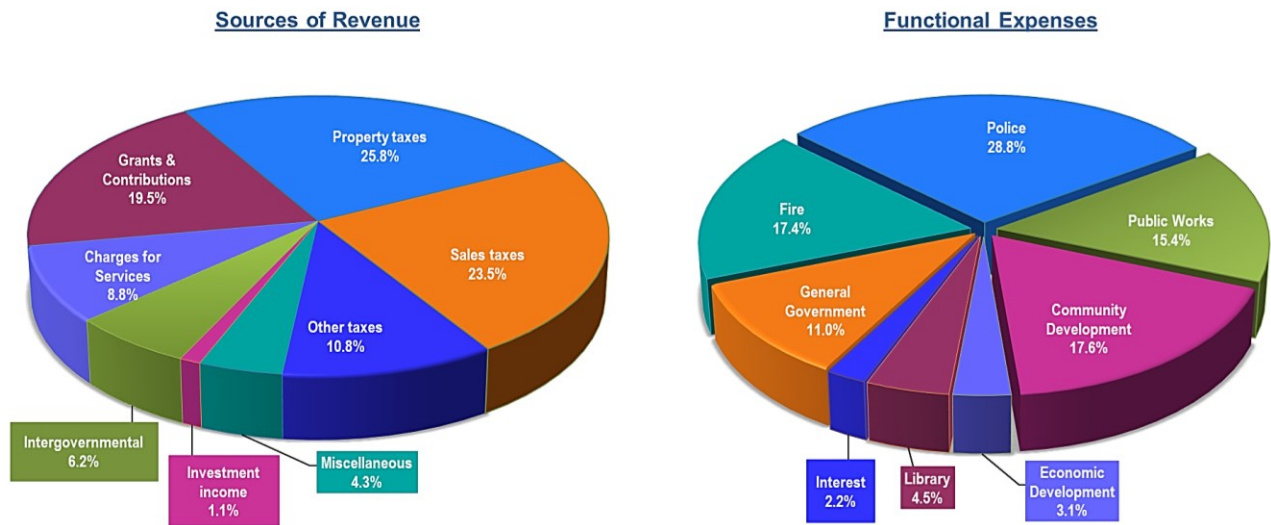
The *Statement of Activities* presents program revenues and expenses, and general revenues in detail. The City’s governmental Net Position was \$382.6 million on June 30, 2021, an increase of \$10.0 million over the restated 2020 balance of \$372.6 million. During the current fiscal year, the City made a prior period adjustment in the Governmental Net position as required by the GASB Statement No. 84, Fiduciary Activities. See Note 9D to the Financial Statements for more information.

Total revenues of governmental activities were \$150.5 million. The largest component of total revenue is taxes at \$90.5 million, making up 60.1 percent of total revenues. As shown in table on the previous page, \$42.6 million, or 28.3 percent, of the City’s Governmental revenue in the current year came from program revenues out of which charges for services accounted for 8.8 percent of total governmental revenues while Operating and Capital Grants made up 19.5 percent of the total governmental revenues.

Program revenues for governmental activities decreased by \$3.1 million during the year mainly due to a reduction of \$3.7 million and \$2.9 million for charges of services and capital grants and contribution respectively, General revenues also experienced a decline of \$2.5 million in the current year primarily due to a decline of \$6.9 million in investment income. This loss was offset by gain in other categories which are discussed in further detail under the Fund Financial Statements Analysis.

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

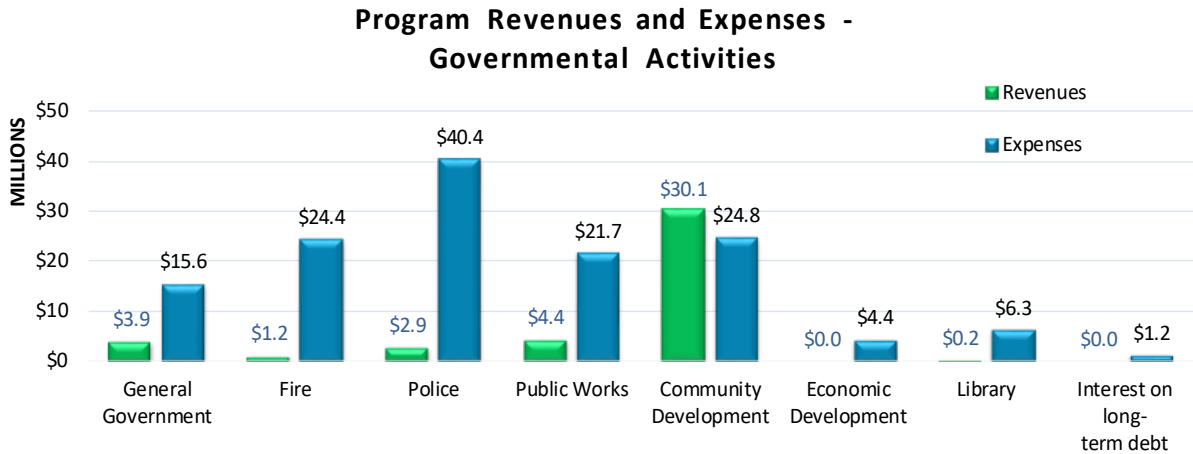
Citywide Governmental Activities



Total expenses were \$138.8 million in the current fiscal year, a decrease of \$8.7 million from the prior year. The largest increase was in public safety for Police and Fire of \$5.5 million followed by reductions in General Government and Community Development of \$8.0 and \$7.8 million, respectively.

The Functional Expenses chart above shows Police and Fire accounted for 46.2 percent of total governmental expenses while Community Development accounted for 17.6 percent, Public Works 15.4 percent and other governmental programs 20.8 percent.

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

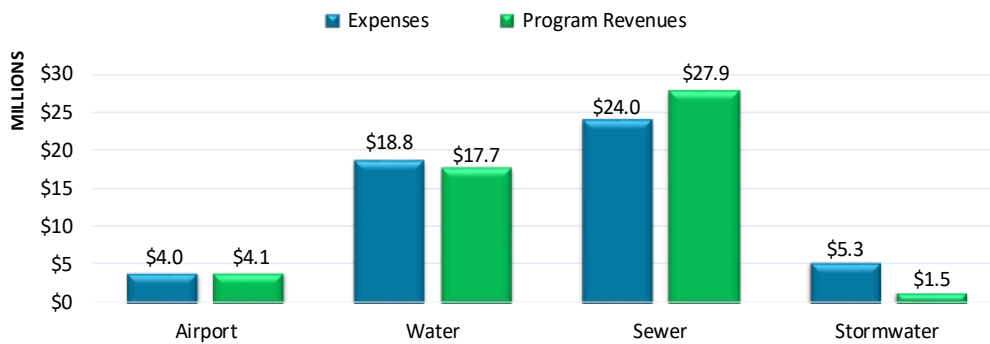


Business-type Activities

For the City's business-type activities, the results for the current fiscal year were positive in that the overall net position increased to reach an ending balance of \$258.4 million. The total increase in net position for business-type activities was \$1.5 million or 0.6 percent from the prior fiscal year. Overall business type program revenues decreased by \$2.7 million from the prior year level of \$54.2 million to \$51.5 million in the current fiscal year. The decrease was mostly due to a decline of \$4.4 million in capital grants and contributions partially offset by increase of \$1.7 million in charges for services associated with increase in annual water and sewer rates as well as a increase in water consumption.

Program expenses increased by \$3.1 million to a total of \$52.2 million in the current year. The reason for increase is related to higher costs of water, and repair of the HVAC system and roof of occupied buildings at the Water Reclamation Plant.

Program Revenues & Expenses- Business Activities



(D) Analysis of the Fund Statements

The table below summarizes the activities and balances of governmental funds. As of June 30, 2021, the City’s governmental funds reported combined fund balances of \$196.0 million, an increase of \$13.3 million from the prior year restated ending fund balance of \$182.7 million. Approximately 12.5 percent of this amount (\$24.5 million) is available for spending at the government’s discretion (unassigned fund balance). See Note 9 for detailed classifications of the City’s governmental fund balances.

During the current fiscal year, the City experienced an overall decrease of \$0.4 million in revenues for the governmental funds primarily due to the rise in the property tax and sales tax offset by the decline in charges for services and interest income revenues.

Financial Highlights at Fund Level at June 30 (in Millions)		
Governmental Funds	2021	2020
Total assets	\$ 245.5	\$ 230.4 *
Total liabilities	19.8	17.9
Total deferred inflows	29.7	29.8
Total fund balances	196.0	182.7 *
Total revenues	149.8	150.2
Total expenditures	134.7	144.5
Total other financing sources (uses)	(1.8)	(0.8)

* restated

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

- Property tax revenues grew \$1.9 million in the current fiscal year primarily from assessed valuation growth.
- Overall sales tax revenues increased approximately \$2.5 million compared to the prior fiscal year because businesses started to reopen, and the City received the sales tax payments from small businesses that were deferred due to the COVID-19 pandemic.
- Charges of services decreased by \$7.6 million mainly due to a decrease in Park Fee Special Revenue Fund and Traffic Impact Fee Capital Projects Fund by \$3.1 million and \$3.0 million, respectively. General Fund also decreased by approximately \$0.7 million due to decrease in cost recovery fees.
- Development related revenues contributions from outside sources increased by \$2.5 million mainly due to receiving the contribution from Alameda County for the Tiny Homes Project.

In fiscal year 2020-21 expenditures for governmental funds totaled \$134.7 million, a decrease of \$9.8 million (or 6.8%) from the fiscal year 2019-20 total of \$144.5 million. A major contributor of this decline was a decrease in community development expenditures and debt service payments. Community development expenditures decreased by approximately \$8.6 million mainly due to the COVID-19 sheltering in place measures. Most of the decreases were realized in expenditures associated with temporary staff, overtime, contractual services, issuance of new housing loans, and deferment of several projects. Community development expenditures in Park Fee special revenue fund were at \$0.2 million for the current fiscal year compared to \$4.0 million in the prior year, a decrease of \$3.8 million, due to the completion of certain projects in the prior fiscal year.

Debt service payments decreased by \$3.5 million since there was no principal due in the current year on the 2020 Certificates of Participations issued at the end of prior fiscal year.

Analyses of Major Governmental Funds

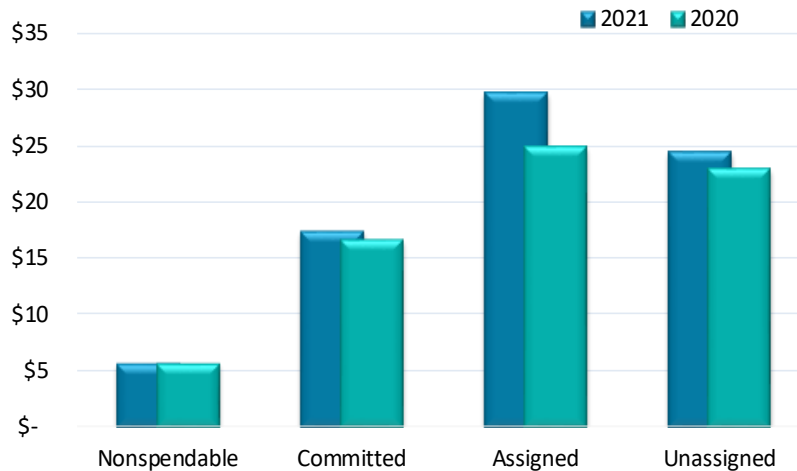
General Fund

The General Fund is the chief operating fund of the City of Livermore. At the end of the current fiscal year, the total fund balance of the General Fund was \$77.2 million, out of which \$24.5 million was unassigned.

As a measure of the general fund liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures and transfers-out. The unassigned fund balance of \$24.5 million represents approximately 20.8 percent of total general fund expenditures and transfers out, while the total fund balance of \$77.2 million represents approximately 65.5 percent of the same amount.

The non-spendable fund balance of \$5.6 million represents balances set aside to indicate items do not represent available, spendable resources. The Committed Fund Balance of \$17.4 million represents Financial Stabilization Operating Reserve which only to be used in a catastrophic event, major emergency, or in periods of severe fiscal crisis. The Assigned General Fund Balance of \$29.7 million represents the Economic Uncertainty Reserve and Infrastructure Replacement reserve. The Economic Uncertainty Reserve will be used during times of protracted recessionary periods. See Note 9 for further information.

Fund Balance Categories- General Fund



Local taxes, including property tax, sales taxes, transient occupancy tax, and business license taxes are the primary revenue source for the General Fund, constituting 72.6 percent of revenues in the fiscal year 2020-21. These revenue sources are highly susceptible to economic fluctuations.

The General Fund revenues were \$124.6 million in the fiscal year 2020-21, a \$6.2 million increase from the prior fiscal year amount of \$118.4 million. As discussed in detail under “The City’s Fund Financial Statements”, increase mainly came from property tax, sales tax, contribution from outside sources, and intergovernmental revenue categories while use of money and property and charges for services decreased from the prior year. The increase in intergovernmental revenues is largely associated with the American Rescue Plan Act (ARPA) funding of \$4.2 million recognized as revenue in current fiscal year.

General Fund		
Statement of Revenues, Expenditures And Changes In Fund Balances		
(in Millions)		
	2021	2020
REVENUES		
Property taxes and special assessments	\$38.9	\$37.4
Sales Taxes	35.4	32.9
Other taxes	16.2	16.3
Licenses and permits	2.6	2.4
Intergovernmental	15.3	10.3
Contributions from outside sources	3.0	0.0
Fines and forfeitures	0.4	0.5
Charges for current services	8.0	8.6
Use of money and property	4.4	9.7
Miscellaneous	0.4	0.4
Total Revenues	<u>124.6</u>	<u>118.5</u>
EXPENDITURES		
Current:		
General Government:	13.8	16.6
Fire	22.7	22.0
Police	38.1	36.2
Public Works	7.9	7.3
Community Development	17.8	15.2
Economic Development	4.4	2.8
Library	5.5	5.8
Capital Outlay	<u>3.5</u>	<u>3.3</u>
Total Expenditures	<u>113.7</u>	<u>109.2</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>10.9</u>	<u>9.3</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	0.5	0.7
Transfers (out)	<u>-4.2</u>	<u>-5.0</u>
Total Other Financing Sources (Uses)	<u>-3.7</u>	<u>-4.3</u>
NET CHANGE IN FUND BALANCES	7.2	5.0
FUND BALANCES- BEGINNING	<u>70.0</u>	<u>65.0</u>
FUND BALANCES- ENDING	<u><u>\$77.2</u></u>	<u><u>\$70.0</u></u>

The table on the following page shows the original budget, final amended budget, and the actual results for the current fiscal year. The original budget was amended to reflect the change in economic expectations between the adoption of the original and final budget. The variances computed are between the final budget and actual results.

General Fund sales tax revenues were \$4.1 million higher than the budgeted amounts. This was primarily due to businesses being able to reopen and receipts of deferred tax amounts from the prior year sales which helped businesses to mitigate cash flow issues arising from the pandemic: Other taxes had an increase of \$2.1 million in revenues, \$1.0 million can be attributed to the growth in Business License tax from new additions to the tax base, \$0.5 million from an increase in real property transfer tax, and \$0.3 million increase in franchise fees for the fiscal year.

From an expenditure perspective, total expenditures and transfers out came under budget. Expenditures for all departments were under budget for the fiscal year primarily due to vacant position as well as reduction in temporary employee expenses, and overtime costs as an impact of the COVID-19 sheltering at home measures. The General Government, capital projects, Police department expenditures, and transfers out accounted for \$4.7 million of the total \$6.4 million under budget.

General Fund Budgetary and Actual Variance Analysis (in Millions)					
	Original Budget	Final Budget	Actual	Variance Final Budget to Actual Positive/ (Negative)	Variance Final Budget to Actual (%)
Revenues and transfers in:					
Property taxes	\$37.0	\$39.3	\$38.9	-\$0.4	-1.0%
Sales taxes	30.9	31.3	35.4	4.1	13.10%
Other taxes	15.3	14.1	16.2	2.1	14.89%
Licenses and permits	2.2	2.7	2.6	-0.1	-3.70%
Intergovernmental	10.8	15.7	15.3	-0.4	-2.55%
Contributions from outside sources	0.0	3.0	3.0	0.0	0.00%
Fines and forfeitures	0.4	0.3	0.4	0.1	33.33%
Charges for current services	7.5	8.0	8.0	0.0	0.00%
Use of money and property	5.7	3.8	4.4	0.6	15.79%
Miscellaneous	0.4	0.4	0.4	0.0	0.00%
Total revenues	110.2	118.6	124.6	6.0	5.1%
Transfers in	2.1	2.8	0.5	-2.3	-82.14%
Total revenues and transfers in	\$112.3	\$121.4	\$125.1	\$3.7	3.05%
Expenditures and transfers out:					
General Government:	\$14.0	\$15.3	\$13.8	\$1.5	9.8%
City Council	0.2	0.4	0.3	0.1	25.0%
City Manager	2.1	2.1	2.1	0.0	0.0%
City Attorney	2.0	2.1	1.9	0.2	9.5%
Administrative Services	6.4	6.9	6.5	0.4	5.8%
General Services	3.3	3.8	3.0	0.8	21.1%
Fire	23.2	23.1	22.8	0.3	1.3%
Police	40.0	39.0	38.1	0.9	2.3%
Public Works	9.5	8.1	7.9	0.2	2.5%
Community Development	17.0	18.5	17.8	0.7	3.8%
Economic Development	3.4	4.5	4.4	0.1	2.2%
Library	6.3	5.9	5.5	0.4	6.8%
Capital projects	7.5	5.0	3.5	1.5	30.0%
Total expenditures	120.9	119.4	113.8	5.6	4.7%
Transfers out	4.7	5.0	4.2	0.8	16.0%
Total expenditures and transfers out	\$125.6	\$124.4	\$118.0	\$6.4	5.14%

Low Income Housing Fund

This fund is established to account for the receipt and disbursement of in-lieu low-income housing impact fees collected from developers and used to finance affordable housing developed offsite. In the current year revenues and expenditures decreased by \$1.1 million and \$2.1 million, respectively, over the prior year. Use of money and property revenues were down by \$1.1 million in the current fiscal year; the variance is mainly due to not having any gains from sale of properties in the current year, whereas in the prior year, the gain on sale of properties totaled to \$0.8 million. Additionally, investment income in the current year was down \$0.2 million due to lower market yields. The decrease in expenditures is cyclical in nature; in the prior year, higher level of new housing development loans was issued which was not the case in the current year.

Analysis of Major Enterprise Funds**Airport Fund**

The Livermore Municipal Airport is a General Aviation Reliever Airport, which serves private, business, and corporate tenants and customers. Airport revenues are primarily comprised of short-and medium-term hangar and tie-down space rents as well as Fixed Base Operator (FBO) and approved non-aeronautical ground rents. The Airport leases 393 hangar units and has approximately 150 aircraft tie-down spaces. Approximately 500 aircraft are currently based at the Airport and all hangar units are occupied.

Overall total revenues and expenses were consistent with those in prior fiscal year.

Water Fund

The Water Enterprise purchases potable water from water wholesaler Zone 7 Water Agency, and then distributes the water to customers in the Livermore Municipal Water service area. The City's municipal water service area has a combined residential and commercial customer base of approximately 10,600 water accounts. Each water bill consists of a flat rate City meter service charge based on the size of meter that is located at the property (fixed charge), a City consumption charge for water used at the property (variable charge), and pass-through of wholesale water charges. Effective January 1, 2017, the wholesale rate structure was changed by Zone 7 to include fixed and volume-based rates.

Water revenues increased slightly by \$0.8 million in the current fiscal year to \$17.6 million from \$16.8 million in the prior fiscal year. This variance resulted from a combination of increased water consumption and annual rate increases. Operating expenses were \$2.9 million higher compared to prior year expenses, primarily due to increases in personnel and water purchase costs. Personnel related costs were higher in the current fiscal year due to reallocation of employees among the Water, Sewer, and Stormwater Enterprise Funds. Capital contributions (conveyed property) declined by \$1.9 million which was related to acceptance of water public improvements in prior fiscal year when Shea and Ponderosa Homes development projects were completed. Connection fees revenue stayed depressed which was likely due to a slowdown in construction related to the COVID-19 pandemic.

Sewer Fund

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

The Sewer Fund's net operating income amounted to \$1.9 million in the current fiscal year compared to \$0.1 million in fiscal year 2019-20. Operating revenues were \$1.1 million higher in the current year, primarily due to

an increase in sewer rates. Revenue is expected to continue to rise as the City Council has approved rate increases in each of the next four fiscal years. Operating expenses of \$23.6 million experienced a slight decrease of \$0.7 million from \$24.3 million in the prior year. A decrease in cost of sales, salaries, and benefits of \$2.5 million was partially offset by an increase of \$1.7 million of repairs and maintenance expense. Personnel related costs were lower in the current fiscal year due to existing vacancies and reallocation of employees among the Water, Sewer, and Stormwater Enterprise Funds. Repairs and maintenance expenses were higher in the current fiscal year as the aeration tank and emergency generator projects were completed, and the remodel of the reverse osmosis building was started.

Sewer connection fees revenue experienced a slight increase of \$0.6 million while contribution revenue for conveyed properties dropped \$0.4 million compared to prior year. These changes are likely due to timing of issuance of permits and completion of residential and commercial development projects.

Stormwater Fund

The Stormwater Enterprise is responsible for costs associated with the implementation of the City's stormwater management and discharge control program along with the operation and periodic replacement of the stormwater conveyance system. Operating revenues of \$1.1 million remained flat while capital contributions and capital grants dropped by \$1.3 million each. Capital contributions in the prior fiscal year were related to storm drain public improvements conveyed to the City upon completion of new development projects from Shea and Ponderosa Homes. The reduction in capital grants revenue was due to delay in the Storm Damage project because of COVID-19 pandemic related constraints.

Operational expenses of \$5.3 million was comparable to those in the previous fiscal year. Cost of sales, salaries, and benefits increased \$1.1 million which was offset by decreases in expenses related to materials, depreciation, and repairs and maintenance. Decreases in material costs, and repairs and maintenance expense were due to a deferral of the Storm Drain Trash Capture Device and 2017 Storm Damage Repair projects into future years. Personnel related expenses in the current fiscal year were higher due to reallocation of employees among the Water, Sewer, and Stormwater Enterprise Funds.

(E) Capital Assets

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

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$526.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, roads, highways, and the water reclamation plant. At the end of fiscal years 2020-21 and 2019-20, the cost of capital assets recorded on the City's financial statements was as shown in the table as following:

Capital Assets at Year-end (in Millions)						
	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Land and Land Improvements	\$ 39.0	\$ 39.0	\$ 14.0	\$ 14.0	\$ 53.0	\$ 53.0
Intangible Assets	4.5	4.5	-	-	4.5	4.5
Construction in progress	97.2	86.5	36.1	29.4	133.3	115.9
Buildings	118.1	118.1	22.7	22.7	140.8	140.8
Equipment and vehicles	41.2	40.5	4.6	4.6	45.8	45.1
Infrastructure	340.8	339.9	-	-	340.8	339.9
Airport Infrastructure	-	-	11.6	11.6	11.6	11.6
Water Infrastructure	-	-	50.9	50.9	50.9	50.9
Sewer Infrastructure	-	-	133.3	133.0	133.3	133.0
Stormwater Infrastructure	-	-	106.6	106.5	106.6	106.5
Less accumulated depreciation	(265.6)	(252.8)	(227.3)	(220.1)	(492.9)	(472.9)
Totals	\$ 375.2	\$ 375.7	\$ 152.5	\$ 152.6	\$ 527.7	\$ 528.3

The total capital assets for the current fiscal year decreased approximately \$0.6 million (or 0.1 percent) due to depreciation being greater than new assets added. Major capital asset events during the current fiscal year included the following:

- Construction in progress for governmental activities grew \$10.5 million which included \$2.7 million for the I Street Garage and Land Acquisition project, \$1.8 million for the 2018 Arterial Street Rehab Project, and \$1.2 million for the Livermorium and Stockmen's Parks.
- The addition of \$6.8 million in construction in progress within business-type activities included approximately \$3.6 million for the Phase II of Sewer Treatment Plant Aeration Tank Modifications.

Additional information on capital assets may be found in Note 6 on pages 82-84 of this report.

(F) Debt Administration

Each of the City's debt issues is discussed in detail in Note 7 to the financial statements. As of June 30, 2021, and 2020, the City's debt comprised the following:

Outstanding Debt (in Millions)						
	Governmental activities		Business-type activities		Total	
	2021	2020	2021	2020	2021	2020
Certificates of Participation	\$ 50.3	\$ 50.9	\$ 7.7	\$ 7.8	\$ 58.0	\$ 58.7
Notes payable	1.4	1.5	-	-	1.4	1.5
Capital Leases	6.9	7.6	0.3	0.3	7.2	7.9
Totals	\$ 58.6	\$ 60.0	\$ 8.0	\$ 8.1	\$ 66.6	\$ 68.1

The outstanding debt in the current fiscal year decreased \$1.4 million and \$0.1 million for the governmental activities and business type activities respectively. This decrease is primarily due to the amortization of the premium for the 2020 Certificates of Participation (COP), and scheduled principal payments for the notes payable and capital lease. There was no principal payment due in the current year for the 2020 COP. Refer to Footnote 7 for further information.

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

(G) Economic Factors and Next Year's Budget

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

As the COVID-19 pandemic event unfolds, the potential long-term fiscal impacts to the City cannot yet be accurately projected. The City will reevaluate these forecasts as the progression of COVID-19 related events evolve. The FY 2021-22 and FY 2022-23 Budget reflects a slow recovery with cautious optimism about emerging from the worst of the COVID-19 pandemic event. However, a wide variety of programs and initiatives are supported by the City's healthy fund balance. The importance of a healthy reserves and fund balance has been stressed even more by the COVID-19 pandemic.

The total appropriation for FY 2021-22 is \$285.5 million for all City activities, including funding for fund balance reserves. The FY 2020-21 budget continues to provide resources for the City's long-term obligations, including fleet and information technology replacement needs, capital improvements, and other post-employment benefits.

Property tax revenue in FY 2021-22 is projected to be \$41.4 million, an increase of 6%, or \$2.5 million, compared to current year's actual revenue as property values are expected to continue to rise because of housing shortage and additional development. Sales tax is projected to be \$34.1 million, an increase of 9%, or \$2.9 million, for the next fiscal year compared to the current year's budgeted revenue. Actual sales tax revenue for the current fiscal year exceeded the budgeted amount partially due to receipts of deferred tax amounts in previous fiscal year. The City will evaluate the local economic conditions as well as the City's portfolio of the sales tax producers, and revise the sales tax forecast in next budget cycle, as appropriate. Transient occupancy tax is expected to grow from \$1.9 million of actual revenue in fiscal year 2020-21 to \$2.65 for the next fiscal year. Other revenues have also been projected slightly upwards to reflect anticipated increase in demand for services.

The General Fund budget for FY 2020-21 provides \$126.7 million in resources, including \$4.85 million from the American Rescue Plan Act of 2021 (ARPA), and \$137.2 million in uses, including \$13.4 million for the Capital Improvement Plan (CIP). The Proposed Financial Plan Update shows a General Fund budget shortfall of \$10.4 million in FY 2021-22 that will require use of the accumulated fund balance. This shortfall reflects the short-term impacts of COVID-19 and the additional resources needed for large-scale capital infrastructure improvements related to the development of the City-owned catalyst sites in Downtown, as well as contribution to the Stormwater Enterprise Fund for unfunded mandates imposed by the State.

The General Fund's operating expenditures are projected to grow \$3.3 million to \$117.0 million from FY 2020-21 actual expenditures of \$113.7 million with anticipated increases in employment-related costs, consulting services and other costs associated with the downtown development process, as well as the undertaking of other important projects such as the General Plan Update, Housing Plan Update, and asset management-related efforts.

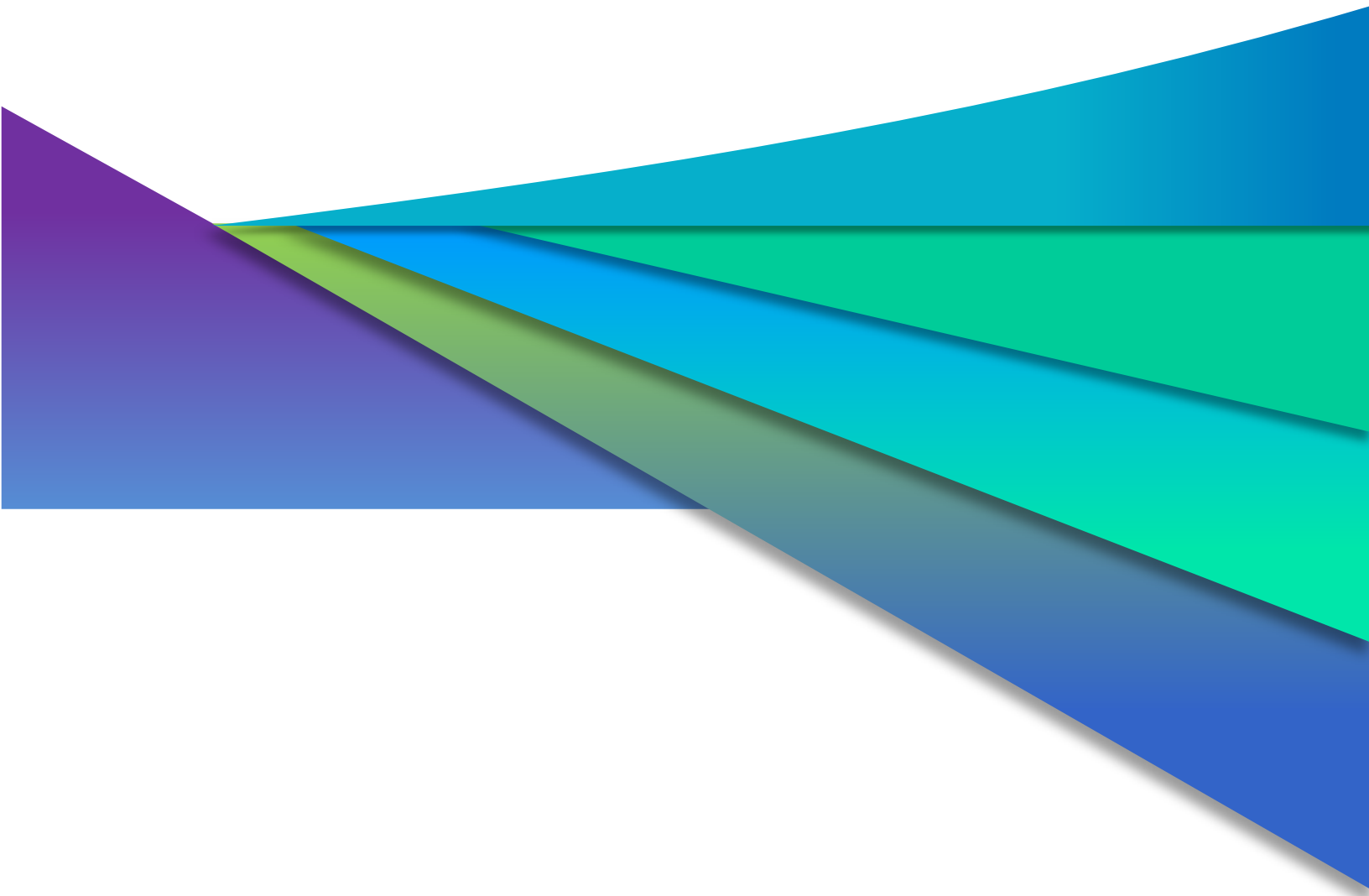
The fund balance for the General Fund at the end of operations for FY 2021-22 is estimated at \$56.6 million with \$52.1 million in reserves and \$4.5 million in spendable fund balance available for appropriations.

(H) Requests for Information

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

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BASIC FINANCIAL STATEMENTS



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Government-Wide Financial Statements

Statement of Net Position and Activities

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

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

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

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

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

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

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

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

STATEMENT OF NET POSITION			
JUNE 30, 2021			
	Governmental	Business-Type	Total
	Activities	Activities	
ASSETS			
Cash and investments in City Treasury (Note 3)	\$ 215,386,234	\$ 115,001,812	\$ 330,388,046
Cash and investments with Trustees (Note 3)	692,717	-	692,717
Accounts receivables, net	14,089,200	7,125,032	21,214,232
Interest receivable	1,278,834	-	1,278,834
Inventory	315,693	-	315,693
Internal balances (Note 4D)	(32,986)	32,986	-
Prepays, deposits and supplies	153,247	88,668	241,915
Notes receivable (Note 5)	30,210,677	-	30,210,677
Investment (Deficit) in JPA Equity (Note 13A and 13D)	(44,265,779)	19,187,078	(25,078,701)
Land held for investment (Note 1J)	11,321,586	-	11,321,586
Land, easements and construction in progress (Note 6)	140,739,890	50,168,661	190,908,551
Capital assets, net of accumulated depreciation (Note 6)	234,448,957	102,344,623	336,793,580
Total Assets	604,338,270	293,948,860	898,287,130
DEFERRED OUTFLOWS OF RESOURCES			
Related to pension (Notes 10)	24,611,892	3,384,112	27,996,004
Related to OPEB (Notes 11)	613,347	105,160	718,507
Total Deferred Outflows of Resources	25,225,239	3,489,272	28,714,511
LIABILITIES			
Accounts payable and other accruals	6,465,151	3,235,546	9,700,697
Accrued payroll	1,739,964	307,790	2,047,754
Interest payable	450,144	65,676	515,820
Deposit payable and unearned revenue	8,426,807	809,977	9,236,784
Non-current liabilities:			
Due within one year:			
Claims payable (Note 14B)	1,310,000	-	1,310,000
Accrued compensated absences (Note 7D)	1,266,330	237,378	1,503,708
Long-term debt (Note 7)	4,133,755	512,637	4,646,392
Due in more than one year:			
Claims payable (Note 14B)	5,365,491	-	5,365,491
Accrued compensated absences (Note 7D)	2,923,336	427,431	3,350,767
Long-term debt (Note 7)	54,438,570	7,454,849	61,893,419
Net pension liability (Note 10)	121,388,109	19,576,732	140,964,841
Net OPEB liabilities (Note 11)	29,777,480	5,105,470	34,882,950
Total Liabilities	237,685,137	37,733,486	275,418,623
DEFERRED INFLOWS OF RESOURCES			
Related to pension (Notes 10)	1,803,939	-	1,803,939
Related to OPEB (Notes 11)	7,499,499	1,285,820	8,785,319
Total Deferred Inflows of Resources	9,303,438	1,285,820	10,589,258
NET POSITION (Note 9)			
Net investment in capital assets	316,616,522	144,545,798	461,162,320
Restricted:			
Capital improvement programs	45,537,255	-	45,537,255
Landscape and Maintenance	12,314,954	-	12,314,954
Affordable Housing	51,221,030	-	51,221,030
Park fee	8,500,942	-	8,500,942
Art programs	2,363,818	-	2,363,818
Grant programs	6,384,510	-	6,384,510
Gas tax and other transportation programs	16,094,748	-	16,094,748
Community services	2,984,059	-	2,984,059
Nonexpendable endowment fund	506,524	-	506,524
Unrestricted	(79,949,428)	113,873,028	33,923,600
Total Net Position	\$ 382,574,934	\$ 258,418,826	\$ 640,993,760

See accompanying notes to financial statements

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2021							
Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities:							
General Government	\$ 15,550,878	\$ 1,203,282	\$ 2,739,469	\$ -	\$ (11,608,127)	\$ -	\$ (11,608,127)
Fire	24,427,677	1,150,341	-	-	(23,277,336)	-	(23,277,336)
Police	40,395,532	1,664,591	1,148,461	46,508	(37,535,972)	-	(37,535,972)
Public Works	21,662,957	237,986	4,114,618	-	(17,310,353)	-	(17,310,353)
Community Development	24,802,552	9,082,146	11,586,436	9,432,282	5,298,312	-	5,298,312
Economic Development	4,418,752	-	-	-	(4,418,752)	-	(4,418,752)
Library	6,303,545	935	195,533	-	(6,107,077)	-	(6,107,077)
Interest on long term debt	1,219,276	-	-	-	(1,219,276)	-	(1,219,276)
Total Governmental Activities	138,781,169	13,339,281	19,784,517	9,478,790	(96,178,581)	-	(96,178,581)
Business-type Activities:							
Airport	4,022,246	3,807,332	-	280,335	-	65,421	65,421
Water	18,821,642	17,610,383	-	124,054	-	(1,087,205)	(1,087,205)
Sewer	24,026,163	25,604,994	374,245	2,254,829	-	4,207,905	4,207,905
Stormwater	5,341,864	1,134,233	281	329,561	-	(3,877,789)	(3,877,789)
Total Business-type Activities	52,211,915	48,156,942	374,526	2,988,779	-	(691,668)	(691,668)
Total	\$ 190,993,084	\$ 61,496,223	\$ 20,159,043	\$ 12,467,569	(96,178,581)	(691,668)	(96,870,249)
General revenues:							
Property taxes					38,874,958	-	38,874,958
Sales taxes					35,441,550	-	35,441,550
Business license taxes					7,360,758	-	7,360,758
Transient occupancy and franchise taxes					8,789,444	-	8,789,444
Intergovernmental, unrestricted					9,417,844	-	9,417,844
Investment income					1,573,776	371,163	1,944,939
Miscellaneous					6,442,577	34,203	6,476,780
Transfers, net (Note 4B)					(1,767,363)	1,767,363	-
Total general revenues and transfers					106,133,544	2,172,729	108,306,273
Change in Net Position					9,954,963	1,481,061	11,436,024
Net Position-Beginning					369,387,202	256,937,765	626,324,967
Beginning Net Position Adjustments (Note 9D)					3,232,769	-	3,232,769
Net Position-Beginning, as restated					372,619,971	256,937,765	629,557,736
Net Position-Ending					\$ 382,574,934	\$ 258,418,826	\$ 640,993,760

See accompanying notes to financial statements

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Fund Financial Statements

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

The City has identified the funds below as major governmental funds in fiscal year 2020-21:

GENERAL FUND

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

LOW INCOME HOUSING SPECIAL REVENUE FUND

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

**GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021**

	General Fund	Low Income Housing Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments in City Treasury (Note 3)	\$ 68,899,712	\$ 9,901,920	\$ 105,480,765	\$ 184,282,397
Cash and investments with Trustees (Note 3)	-	-	692,717	692,717
Accounts receivables (net of applicable allowable for uncollectibles)	11,000,416	7,221	2,817,526	13,825,163
Interest receivable	1,278,834	-	-	1,278,834
Advances to other funds (Note 4C)	3,874,396	-	-	3,874,396
Prepays and deposits	8,000	14,958	-	22,958
Notes receivable (Note 5)	-	21,243,630	8,967,047	30,210,677
Land held for redevelopment (Note 1J)	1,727,437	9,594,149	-	11,321,586
Total Assets	\$ 86,788,795	\$ 40,761,878	\$ 117,958,055	\$ 245,508,728
LIABILITIES				
Accounts payable and other accrued liabilities	\$ 3,992,870	\$ 147,793	\$ 1,746,151	\$ 5,886,814
Accrued payroll and benefits	1,556,050	-	69,732	1,625,782
Deposit payable	2,805,547	7,537	2,101,070	4,914,154
Advance from other funds (Note 4C)	-	-	3,874,396	3,874,396
Unearned rents and revenue	1,256,835	-	2,252,513	3,509,348
Total Liabilities	9,611,302	155,330	10,043,862	19,810,494
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue	-	21,243,630	8,499,849	29,743,479
Total deferred inflows of resources	-	21,243,630	8,499,849	29,743,479
FUND BALANCES (Note 9)				
Nonspendable	5,609,833	14,958	506,524	6,131,315
Restricted	-	19,347,960	96,309,877	115,657,837
Committed	17,419,222	-	2,597,943	20,017,165
Assigned	29,677,300	-	-	29,677,300
Unassigned	24,471,138	-	-	24,471,138
Total fund balances	77,177,493	19,362,918	99,414,344	195,954,755
Total Liabilities, deferred inflows of resources, and fund balances	\$ 86,788,795	\$ 40,761,878	\$ 117,958,055	\$ 245,508,728

[See accompanying notes to financial statements](#)

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

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

Amount reported in the Governmental Balance Sheet as Fund Balance	\$ 195,954,755
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	\$357,895,627
ALLOCATION OF INTERNAL SERVICE FUND NET POSITION	
Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance, to individual governmental funds. The assets and liabilities of the Internal Service Funds are therefore included in Governmental Activities in the following line items in the Statement of Net Position.	
Cash and investments	31,103,837
Accounts receivable	264,037
Inventory	315,693
Internal balances	(32,986)
Prepays, deposits and supplies	130,289
Capital assets	17,293,220
Deferred pension outflows	1,255,532
Deferred outflow of resources related to OPEB	36,805
Accounts payable and other accruals	(578,337)
Accrued payroll	(114,182)
Deposits payable	(\$3,305)
Claims payable	(6,675,491)
Net pension liability	(7,262,184)
Net OPEB liabilities	(1,786,841)
Long term debt	(6,883,846)
Deferred inflow for resources related to OPEB	(450,018)
ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES	
Revenues which are reported as deferred inflows on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities.	29,743,479
LONG-TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Investment (Deficit) in JPA Equity	(44,265,779)
Compensated absences	(4,189,666)
Long-term debt	(51,688,479)
Interest payable	(450,144)
Net OPEB liabilities	(27,990,639)
Deferred outflow of resources related to OPEB	576,542
Deferred inflow of resources related to OPEB	(7,049,481)
Net pension liability	(114,125,925)
Deferred outflow of resources related to pension	23,356,360
Deferred inflow of resources related to pension	(1,803,939)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>382,574,934</u>

[See accompanying notes to financial statements](#)

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

	General Fund	Low Income Housing-Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes and special assessments	\$ 38,874,958	\$ -	\$ 3,802,774	\$ 42,677,732
Sales Taxes	35,441,550	-	-	35,441,550
Other taxes	16,150,202	-	-	16,150,202
Licenses and permits	2,587,449	-	-	2,587,449
Intergovernmental	15,307,657	-	12,516,923	27,824,580
Fines and forfeitures	395,011	-	-	395,011
Charges for current services	7,954,985	194,406	4,687,737	12,837,128
Use of money and property	4,407,874	159,155	755,209	5,322,238
Contributions from outside sources	3,024,939	84,688	1,112,846	4,222,473
Miscellaneous	413,965	762,839	1,134,808	2,311,612
Total Revenues	124,558,590	1,201,088	24,010,297	149,769,975
EXPENDITURES				
Current:				
General Government:				
City Council	292,587	-	-	292,587
City Manager	2,115,420	-	44,739	2,160,159
City Attorney	1,874,129	-	-	1,874,129
Administrative Services	6,459,231	-	-	6,459,231
General Services	3,040,213	-	-	3,040,213
Fire	22,758,011	-	7,653	22,765,664
Police	38,135,545	-	1,448,772	39,584,317
Public Works	7,886,134	-	5,207,860	13,093,994
Community Development	17,784,727	1,302,945	4,182,252	23,269,924
Economic Development	4,401,048	-	34,552	4,435,600
Library	5,517,721	-	108,459	5,626,180
Capital Outlay:				
Capital projects	3,462,289	13,689	7,153,101	10,629,079
Debt service:				
Principal	-	-	122,607	122,607
Interest and fiscal charges	-	-	1,375,594	1,375,594
Total Expenditures	113,727,055	1,316,634	19,685,589	134,729,278
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	10,831,535	(115,546)	4,324,708	15,040,697
OTHER FINANCING SOURCES (USES)				
Transfers in (Note 4B)	537,023	-	2,675,111	3,212,134
Transfers (out) (Note 4B)	(4,189,578)	(273,167)	(516,752)	(4,979,497)
Total Other Financing Sources (Uses)	(3,652,555)	(273,167)	2,158,359	(1,767,363)
NET CHANGE IN FUND BALANCES	7,178,980	(388,713)	6,483,067	13,273,334
FUND BALANCES- BEGINNING	69,998,513	19,751,631	89,698,508	179,448,652
Beginning Fund Balance Adjustment (Note 9D)	-	-	3,232,769	3,232,769
Fund Balance-Beginning, as restated	69,998,513	19,751,631	92,931,277	182,681,421
FUND BALANCES- ENDING	\$ 77,177,493	\$ 19,362,918	\$ 99,414,344	\$ 195,954,755

[See accompanying notes to financial statements](#)

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021**

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	\$ 13,273,334
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
CAPITAL ASSETS TRANSACTIONS	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.	
The capital outlay asset addition expenditures are therefore added back to fund balance	10,629,079
Depreciation expense is deducted from the fund balance	
(Depreciation expense is net of internal service fund depreciation of \$2,343,294 which has already been allocated to internal service funds.)	(11,074,119)
Contributions of infrastructure and improvements by developers are capitalized in the Statement of Net Position, but are not recorded in the Fund Statements because no cash changed hands.	830,292
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	122,607
Amortization of premium on long-term debt	584,174
ACCRUAL OF NON-CURRENT ITEMS	
The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):	
Long-term compensated absences	(163,504)
Interest payable	(427,857)
Unavailable revenue	(96,774)
Change in equity in JPA	(1,567,107)
CONTRIBUTIONS TO PENSION and OPEB PLAN	
Governmental funds report City pension and OPEB contributions as expenditures. However in the Statement of Activities, the cost of pension and OPEB benefits earned net of employee contributions is reported as pension expense and OPEB expense.	
Deferred outflow of resources related to pension	2,614,865
Deferred inflow of resources related to pension	1,773,834
Change in net pension liability	(9,188,833)
Deferred outflow of resources related to OPEB	(1,513,192)
Deferred inflow of resources related to OPEB	(5,165,820)
Change in net OPEB liability	9,673,992
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	(929,800)
Change in Net Position of Internal Service Funds reported with Business-Type Activities	579,792
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 9,954,963

[See accompanying notes to financial statements](#)

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Major Proprietary Funds

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

The City has identified the funds below as major proprietary funds in fiscal year 2020-21.

AIRPORT FUND

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

WATER FUND

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

SEWER FUND

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

STORMWATER FUND

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

INTERNAL SERVICE FUNDS

Internal service funds, which are used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles, maintenance of buildings, risk management services, and information technology services. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2021

	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Airport	Water	Sewer	Stormwater	Totals	
ASSETS						
Current Assets:						
Cash and investments in City Treasury (Note 3)	\$ 5,579,223	\$ 33,190,418	\$ 69,779,284	\$ 6,452,887	\$ 115,001,812	\$ 31,103,837
Accounts receivables (net of allowable for uncollectibles)	534,891	2,359,733	676,910	3,553,498	7,125,032	264,037
Inventory	-	-	-	-	-	315,693
Prepays, deposits and supplies	-	87,560	1,108	-	88,668	130,289
Total current assets	<u>6,114,114</u>	<u>35,637,711</u>	<u>70,457,302</u>	<u>10,006,385</u>	<u>122,215,512</u>	<u>31,813,856</u>
Noncurrent Assets:						
Investment in JPA-LAVWMA (Note 13A)	-	-	19,187,078	-	19,187,078	-
Land and construction in progress (Note 6)	14,857,743	9,103,994	20,404,912	5,802,012	50,168,661	892,488
Capital assets, net of accumulated depreciation (Note 6)	7,326,825	25,507,402	50,304,070	19,206,326	102,344,623	16,400,732
Total noncurrent assets	<u>22,184,568</u>	<u>34,611,396</u>	<u>89,896,060</u>	<u>25,008,338</u>	<u>171,700,362</u>	<u>17,293,220</u>
Total assets	<u>28,298,682</u>	<u>70,249,107</u>	<u>160,353,362</u>	<u>35,014,723</u>	<u>293,915,874</u>	<u>49,107,076</u>
DEFERRED OUTFLOWS OF RESOURCES						
Related to pension (Note 10)	398,172	749,363	2,017,808	218,769	3,384,112	1,255,532
Related to OPEB (Note 11)	12,597	19,235	70,345	2,983	105,160	36,805
Total deferred outflows of resources	<u>410,769</u>	<u>768,598</u>	<u>2,088,153</u>	<u>221,752</u>	<u>3,489,272</u>	<u>1,292,337</u>
LIABILITIES						
Current Liabilities:						
Accounts payable and other accruals	352,862	2,087,438	608,327	186,919	3,235,546	578,337
Accrued payroll and benefits	33,267	72,396	181,692	20,435	307,790	114,182
Interest payable	37,261	28,415	-	-	65,676	-
Accrued compensated absences (Note 7D)	23,255	54,302	144,036	15,785	237,378	-
Claims payable (Note 14B)	-	-	-	-	-	1,310,000
Deposit payable	232,898	128,220	448,859	-	809,977	3,305
Long-term debt (Note 7):						
Due within one year	230,093	282,544	-	-	512,637	735,353
Total current liabilities	<u>909,636</u>	<u>2,653,315</u>	<u>1,382,914</u>	<u>223,139</u>	<u>5,169,004</u>	<u>2,741,177</u>
Noncurrent Liabilities:						
Accrued compensated absences (Note 7D)	40,650	86,448	269,282	31,051	427,431	-
Claims payable (Note 14B)	-	-	-	-	-	5,365,491
Net pension liability (Note 10)	2,285,369	4,296,871	11,710,153	1,284,339	19,576,732	7,262,184
Net OPEB liabilities (Note 11)	611,583	933,860	3,415,185	144,842	5,105,470	1,786,841
Long-term debt (Note 7):						
Due in more than one year	4,427,055	3,027,794	-	-	7,454,849	6,148,493
Total non-current liabilities	<u>7,364,657</u>	<u>8,344,973</u>	<u>15,394,620</u>	<u>1,460,232</u>	<u>32,564,482</u>	<u>20,563,009</u>
Total liabilities	<u>8,274,293</u>	<u>10,998,288</u>	<u>16,777,534</u>	<u>1,683,371</u>	<u>37,733,486</u>	<u>23,304,186</u>
DEFERRED INFLOWS OF RESOURCES						
Related to OPEB (Note 11)	154,028	235,194	860,119	36,479	1,285,820	450,018
Total deferred inflows of resources	<u>154,028</u>	<u>235,194</u>	<u>860,119</u>	<u>36,479</u>	<u>1,285,820</u>	<u>450,018</u>
NET POSITION (Note 9)						
Net investment in capital assets	17,527,420	31,301,058	70,708,982	25,008,338	144,545,798	10,409,374
Unrestricted	2,753,710	28,483,165	74,094,880	8,508,287	113,840,042	16,235,835
Total net position	<u>\$ 20,281,130</u>	<u>\$ 59,784,223</u>	<u>\$ 144,803,862</u>	<u>\$ 33,516,625</u>	<u>258,385,840</u>	<u>\$ 26,645,209</u>
Some amounts reported for <i>business-type activities</i> in the Statement of Net Position are different because certain internal service fund assets and liabilities are included with business-type activities.					32,986	
Net position business-type activities					<u>\$ 258,418,826</u>	

See accompanying notes to financial statements

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Airport	Water	Sewer	Stormwater	Totals	
OPERATING REVENUES						
Charges for services	\$ 2,898,488	\$ -	\$ 25,500,934	\$ 1,132,050	\$ 29,531,472	\$ 13,928,812
Sales	385,345	17,584,570	-	-	17,969,915	-
Miscellaneous	14,885	25,813	98,543	7,701	146,942	442,070
Total Operating Revenues	<u>3,298,718</u>	<u>17,610,383</u>	<u>25,599,477</u>	<u>1,139,751</u>	<u>47,648,329</u>	<u>14,370,882</u>
OPERATING EXPENSES						
Cost of sales, salaries and benefits	1,971,661	15,289,471	9,293,539	2,367,058	28,921,729	4,801,271
Contracted services	411,388	877,284	5,075,042	854,012	7,217,726	2,015,172
Insurance premiums	79,803	294,899	462,902	65,411	903,015	1,600,429
Materials, supplies and other	49,259	104,198	1,093,057	190,471	1,436,985	2,090,486
Utilities	195,914	337,362	1,027,376	4,889	1,565,541	538,740
Depreciation	305,997	1,521,016	3,637,404	1,814,492	7,278,909	2,343,294
Repairs and maintenance	811,554	216,368	3,054,769	10,916	4,093,607	1,807,755
Total Operating Expenses	<u>3,825,576</u>	<u>18,640,598</u>	<u>23,644,089</u>	<u>5,307,249</u>	<u>51,417,512</u>	<u>15,197,147</u>
Operating Income (Loss)	<u>(526,858)</u>	<u>(1,030,215)</u>	<u>1,955,388</u>	<u>(4,167,498)</u>	<u>(3,769,183)</u>	<u>(826,265)</u>
NONOPERATING REVENUES (EXPENSES)						
Investment income (loss)	13,934	115,558	234,858	20,746	385,096	-
Interest and fiscal charges (expense)	(120,080)	(69,029)	-	-	(189,109)	(187,955)
Change of value from investment in JPA - LAVWMA	-	-	374,245	-	374,245	-
Other nonoperating revenues	494,680	34,203	-	-	528,883	84,420
Gain (loss) on disposal of surplus property	-	-	(25,502)	-	(25,502)	-
Net Nonoperating Revenues (Expenses)	<u>388,534</u>	<u>80,732</u>	<u>583,601</u>	<u>20,746</u>	<u>1,073,613</u>	<u>(103,535)</u>
Income (Loss) Before Contributed Assets and Transfers	<u>(138,324)</u>	<u>(949,483)</u>	<u>2,538,989</u>	<u>(4,146,752)</u>	<u>(2,695,570)</u>	<u>(929,800)</u>
Capital contributions - Conveyed Property	-	-	288,500	133,730	422,230	-
Capital contributions - Connection fees	-	124,054	1,966,329	156,414	2,246,797	-
Capital Grants	280,335	-	-	39,698	320,033	-
Transfers in (Note 4B)	-	-	-	1,767,363	1,767,363	-
Change in net position	<u>142,011</u>	<u>(825,429)</u>	<u>4,793,818</u>	<u>(2,049,547)</u>	<u>2,060,853</u>	<u>(929,800)</u>
Total net position (deficit)-beginning	<u>\$ 20,139,119</u>	<u>\$ 60,609,652</u>	<u>\$ 140,010,044</u>	<u>\$ 35,566,172</u>		<u>\$ 27,575,009</u>
Total net position(deficit)-ending	<u>\$ 20,281,130</u>	<u>\$ 59,784,223</u>	<u>\$ 144,803,862</u>	<u>\$ 33,516,625</u>		<u>\$ 26,645,209</u>
Some amounts reported for <i>business-type activities</i> in the Statement of Activities are different because the portion of the net income of certain internal service funds is reported with the business-type activities which those funds service.					<u>(579,792)</u>	
Net business-type activities reported on the Statement of Activities					<u>\$ 1,481,061</u>	

See accompanying notes to financial statements

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2021						
	Business-Type Activities-Enterprise Funds					Governmental Activities- Internal Service Funds
	Airport	Water	Sewer	Stormwater	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 3,117,535	\$ 17,793,769	\$ 25,803,426	\$ 1,136,321	\$ 47,851,051	\$ 14,209,006
Payments to suppliers	(2,016,091)	(13,800,272)	(12,596,223)	(2,686,651)	(31,099,237)	(8,255,728)
Payments to employees	(1,443,103)	(2,647,645)	(7,146,594)	(810,576)	(12,047,918)	(4,413,367)
Claims paid	-	-	-	-	-	(1,223,237)
Net cash provided by (used for) operating activities	(341,659)	1,345,852	6,060,609	(2,360,906)	4,703,896	316,674
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers in	-	-	-	1,767,363	1,767,363	-
Net cash provided by (used for) noncapital financing activities	-	-	-	1,767,363	1,767,363	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital Grants	280,335	-	-	39,698	320,033	-
Capital contributions	-	124,054	2,254,829	290,144	2,669,027	-
Capital asset additions	(33,800)	(694,597)	(5,667,967)	(850,185)	(7,246,549)	(1,415,212)
Long term debt:						
Repayment of principal	(26,687)	-	-	-	(26,687)	(679,300)
Interest paid	(122,149)	(87,502)	-	-	(209,651)	(187,955)
Net cash provided by (used for) capital and related financing activities	97,699	(658,045)	(3,413,138)	(520,343)	(4,493,827)	(2,282,467)
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment Income	508,614	149,761	234,858	20,746	913,979	84,420
Net cash provided by (used for) investing activities	508,614	149,761	234,858	20,746	913,979	84,420
Net increase (decrease) in cash and cash equivalents	264,654	837,568	2,882,329	(1,093,140)	2,891,411	(1,881,373)
Cash and investments at beginning of period	5,314,569	32,352,850	66,896,955	7,546,027	112,110,401	32,985,210
Cash and investments at end of period	\$ 5,579,223	\$ 33,190,418	\$ 69,779,284	\$ 6,452,887	\$ 115,001,812	\$ 31,103,837
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	\$ (526,858)	\$ (1,030,215)	\$ 1,955,388	\$ (4,167,498)	\$ (3,769,183)	\$ (826,265)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	305,997	1,521,016	3,637,404	1,814,492	7,278,909	2,343,294
Pension and OPEB Expense	(40,739)	1,096,410	(954,766)	485,843	586,748	366,808
Change in assets and liabilities:						
Accounts receivable	(164,146)	159,801	(30,982)	12,234	(23,093)	(65,280)
Prepays, deposits and supplies	-	6,523	2,394,539	-	2,401,062	(207,314)
Accounts payable and other accruals	127,766	(506,724)	(1,162,332)	(530,292)	(2,071,582)	(76,066)
Accrued payroll	(204)	26,128	5,320	9,661	40,905	4,734
Accrued compensated absences	(26,438)	49,328	(18,893)	30,318	34,315	-
Deposits payable	(17,037)	23,585	234,931	(15,664)	225,815	-
Claims Payable	-	-	-	-	-	(1,223,237)
Net Cash provided by (Used for) operating activities	\$ (341,659)	\$ 1,345,852	\$ 6,060,609	\$ (2,360,906)	\$ 4,703,896	\$ 316,674
Non-cash transactions:						
Investment in LAVWMA JPA equity	\$ -	\$ -	\$ 374,245	\$ -	\$ 374,245	\$ -
Loss on disposal	(2,000)	-	-	-	(2,000)	-
Amortization of premium	(39,330)	(46,888)	-	-	(86,218)	-
Capital assets contributed	-	-	288,500	133,730	422,230	-
	\$ (41,330)	\$ (46,888)	\$ 662,745	\$ 133,730	\$ 708,257	\$ -

See accompanying notes to financial statements

Fiduciary Funds

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

SUCCESSOR AGENCY TO THE LIVERMORE REDEVELOPMENT AGENCY PRIVATE PURPOSE TRUST FUND

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

CUSTODIAL FUNDS

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

FIDUCIARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2021		
	Successor Agency to the Livermore Redevelopment Agency Private-Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and investments in City Treasury (Note 3B)	\$ 4,144,497	\$ 14,431,255
Cash and investments with Trustees (Note 3B)	5	2,269,253
Accounts receivable	-	320,935
Total Assets	<u>4,144,502</u>	<u>17,021,443</u>
LIABILITIES		
Accrued liabilities	-	4,357,015
Accrued interest	304,571	-
Deposits payable	-	6,359,971
Loans payable to City of Livermore:		
Due in more than one year (Note 5 and 17B)	643,438	-
Long-term debt (Note 17A):		
Due within one year	1,437,490	-
Due in more than one year	18,030,256	-
Total Liabilities	<u>20,415,755</u>	<u>\$ 10,716,986</u>
NET POSITION		
Restricted for other organizations and governments	<u>\$ (16,271,253)</u>	<u>\$ 6,304,457</u>

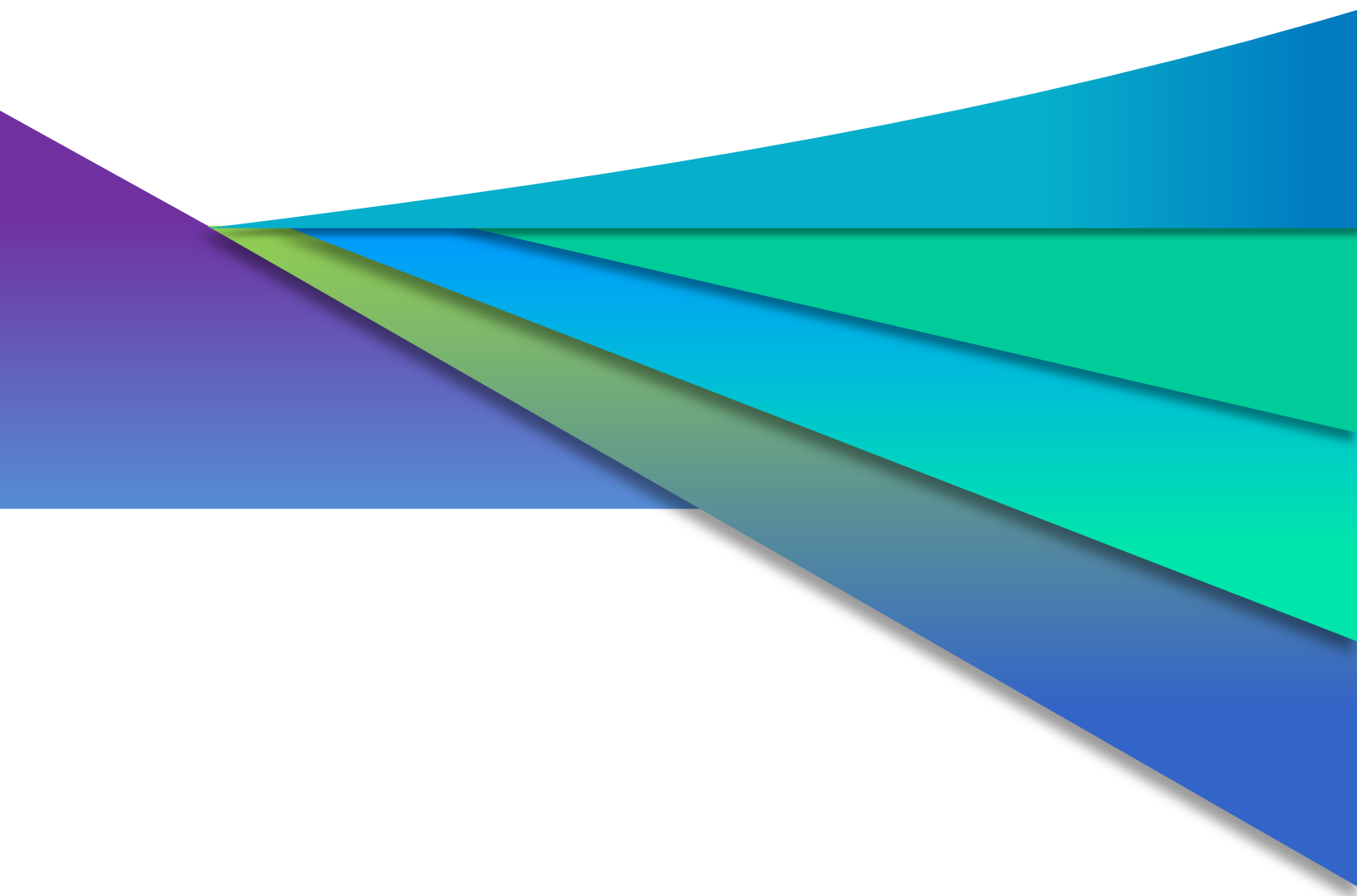
[See accompanying notes to financial statements](#)

FIDUCIARY FUNDS STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED ON JUNE 30, 2021		
	Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund	Custodial Funds
ADDITIONS		
Property taxes and special assessment	\$ 2,212,369	\$ -
Investment income	6	
Charges for services		44,687,093
Total Additions	<u>2,212,375</u>	<u>44,687,093</u>
DEDUCTIONS		
Administrative Fee	15,748	
Recipient Payments	13,252	44,064,555
Debt service:		
Interest and fiscal charges	643,813	-
Total Deductions	<u>672,813</u>	<u>44,064,555</u>
Net Change in Net Position	1,539,562	622,538
NET POSITION		
Beginning of year	(17,810,815)	-
Beginning Net Position Adjustments (Note 9D)	<u>-</u>	<u>5,681,919</u>
Net Position-Beginning, as restated (Note 9D)	<u>(17,810,815)</u>	<u>5,681,919</u>
End of year	<u>\$ (16,271,253)</u>	<u>\$ 6,304,457</u>

[See accompanying notes to financial statements](#)

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NOTES TO BASIC FINANCIAL STATEMENTS



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NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Reporting Entity

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

COMPONENT UNITS INCLUDED IN THE REPORTING ENTITY:

The **Livermore Capital Projects Financing Authority (LCPFA)** provides financing assistance to the City. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. Separate financial statements are not issued for the LCPFA.

B. Basis of Presentation

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

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

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

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

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

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

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

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

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

C. Major Funds

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

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

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

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

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

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

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

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

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

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

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

The City also reports the following fund types:

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

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

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

Custodial Funds – Established to account for assets held by the City in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments. Custodial Funds account for activities carried out exclusively for the benefit of that outside of the City but not administered through other fiduciary trusts or equivalent arrangements such as assessments for payments of certain conduit debt and other custodial activities as well as custodial activities related to the Livermore Pleasanton Fire District, JPA

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

D. Basis of Accounting

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

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

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

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

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

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

The proprietary and fiduciary funds are reported using the economic resources measurement focus and accrual basis of accounting.

E. Inventories and Prepaid items

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

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

F. Deferred Outflows/Inflows of Resources

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

In addition to liabilities, the statement of net position or governmental fund 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.

G. Pensions and Other Postemployment Benefits

For purposes of measuring the net pension and OPEB liabilities and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City of Livermore's California Public Employees' Retirement System (CalPERS) pension and Public Agency Retirement System (PARS) 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 and PARS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

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

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

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

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

I. Revenue Recognition for Water and Sewer Operations

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

J. Land Held for Redevelopment

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

K. Use of Estimates

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

L. Adoption of New Accounting Pronouncements

During the fiscal year ended June 30, 2021, the City implemented the following GASB Pronouncements:

GASB Statement No. 84, Fiduciary Activities. This statement was issued January 2017 to establish criteria for identifying fiduciary activities of all state and local governments. GASB 84 was implemented for the City during the current fiscal year. The City's Private Purpose Trust Funds were not impacted by this statement. The City's Agency Funds are now reported as custodial funds. In addition, certain programs previously reported under this category are no longer classified as a fiduciary activity. Accordingly, this activity which no longer qualifies as a fiduciary activity, is reported in the appropriate operating funds of the City. The City's previously reported OPEB Plan's Trust fund is no longer reported on the financial statements because the plan is considered an agent multiple employer plan handled by PARS. Consequently, the City made a beginning fund balance or net position adjustment as discussed in Note 9D. Additionally, throughout this report any references to the term "Agency Fund" has been updated to "Custodial Fund". The format of the fiduciary fund financial statements has also been updated to comply with the new requirements given by this statement.

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

GASB Statement No. 90, Majority Equity Interests – In August 2018, GASB issued Statement No. 90, Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. The City has implemented provisions of this statement in current fiscal year without any impact on its financial statements.

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

GASB Statement No. 98, The Annual Comprehensive Financial Report – In October 2021, GASB issued Statement No. 98, The Annual Comprehensive Financial Report. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021. Earlier implementation is encouraged. The City early implemented the provisions of this statement in the current fiscal year.

This Statement was developed in response to concerns raised by stakeholders that the common pronunciation of the acronym for comprehensive annual financial report sounds like a profoundly objectionable racial slur. This Statement's introduction of the new term is founded on a commitment to promoting inclusiveness

M. Future Accounting Pronouncements

The following GASB pronouncements have been issued, but are not effective as of June 30, 2021:

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

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**M. Future Accounting Pronouncements (Continued)**

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is

incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This statement is originally effective for reporting periods beginning after December 15, 2019. Per GASB Statement No. 95, the effective date is postponed for one year. The City has not yet determined its effect on the financial statements.

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

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

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

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (Continued)**M. Future Accounting Pronouncements (Continued)**

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

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

NOTE 2- STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**A. Budgeting Procedures**

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

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

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

NOTE 2- STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (continued)

B. Expenditures in Excess of Appropriations

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

Fund	Excess of Expenditures Over Appropriations
Housing Successor Fund	\$ 374
City Street Sweeping	3,705
Host Community Impact Fee Fund	30,428
TVTC 20% Fee Fund	14,534

C. Fund Balance Deficits / Net Position Deficits

As of June 30, 2021, none of the funds had fund balance/net position deficits.

NOTE 3 – CASH AND INVESTMENTS

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

A. Policies

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

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

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

NOTE 3 – CASH AND INVESTMENTS (continued)

B. Classification

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

Cash and investments in City Treasury	\$ 330,388,046
Cash and investments with Trustees	692,717
Total City cash and investments	331,080,763
Cash and investments in Fiduciary Funds (Separate Statement)	
In City Treasury	18,575,752
With Trustees	2,269,258
Total Fiduciary cash and investments	20,845,010
Total cash and investments	\$ 351,925,773

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

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

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

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

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

NOTE 3 – CASH AND INVESTMENTS (Continued)

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

D. Investments Authorized by Debt and Trust Agreements

The City and the Successor Agency to the former Redevelopment Agency must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City and/or the Successor Agency fail to meet their obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with the City resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents.

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

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

Interest rate risk represents how changes in market interest rates will adversely affect the fair value of an investment. Normally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City generally manages its interest rate risk by holding investments to maturity. Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	12 Months or less	13 to 24 Months	25 to 60 Months	More than 60 Months	Total
U.S. Government-Sponsored Enterprise Agencies -					
Callable	\$ 64,808,520	\$ 6,693,705	\$ 4,318,317	\$ -	\$ 75,820,542
Non-callable	11,291,480	11,281,730	61,636,467	-	84,209,677
California Local Agency Investment Fund	73,575,830	-	-	-	73,575,830
Money Market Mutual Funds	6,223,218	-	-	-	6,223,218
Negotiable Certificates of Deposit	3,235,060	1,264,649	12,408,493	-	16,908,202
Medium Term Corporate Notes	10,075,591	18,336,613	45,966,325	-	74,378,529
Municipal Bonds	-	1,792,595	524,683	919,537	3,236,815
Total Investments	\$ 169,209,699	\$ 39,369,292	\$ 124,854,285	\$ 919,537	334,352,813
Cash Equivalent					17,572,960
Total Cash and Investments					\$ 351,925,773

F. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of June 30, 2021 for each investment type as provided by Standard and Poor's investment rating service.

Investment Type	AAA	AA	A	BBB	Not Rated	Total
<i>Rated:</i>						
U.S. Government-Sponsored Enterprise Agencies -						
Callable	\$ 40,561,745	\$ 29,298,007	\$ -	\$ -	\$ 5,960,790	\$ 75,820,542
Non-callable	70,009,487	11,136,440	-	-	3,063,750	84,209,677
California Local Agency Investment Fund	-	-	-	-	73,575,830	73,575,830
Money Market Mutual Funds	5,002,429	-	-	-	1,220,789	6,223,218
Negotiable Certificates of Deposit	-	-	-	-	16,908,202	16,908,202
Medium Term Corporate Notes	-	1,558,968	70,794,230	2,025,331	-	74,378,529
Municipal Bonds	-	524,683	-	-	2,712,132	3,236,815
Total Investments	\$ 115,573,661	\$ 42,518,098	\$ 70,794,230	\$ 2,025,331	\$ 103,441,493	334,352,813
Cash Equivalent (Overdraft)						17,572,960
Total Cash and Investments						\$ 351,925,773

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

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. These investments matured in an average of 291 days.

Money Market funds were available for withdrawal on demand at June 30, 2021 with an average maturity of 30 days or less.

H. Concentration of Credit Risk

Investments in the securities of any individual issuer, other than U. S. Treasury securities, mutual funds, and external investment funds that represent 5% or more of total investments are as follows on June 30, 2021:

Issuer	Type of Investments	Amount
<i>Entity-wide:</i>		
Federal Home Loan Bank	U.S. Agency Securities	\$ 77,418,077
Federal Farm Credit Bank	U.S. Agency Securities	30,249,910
Federal National Mortgage Association	U.S. Agency Securities	23,906,090
Federal Home Loan Mortgage Association	U.S. Agency Securities	18,368,625

I. Fair Value Measurement of Investments

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

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

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

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

NOTE 3 – CASH AND INVESTMENTS (Continued)

I. Fair Value Measurement of Investments (Continued)

The City's fair value measurements are as follows at June 30, 2021:

	Fair Value Measurements Using Levels		
	Level 2	Level 3	June 30, 2021
U.S. Government-Sponsored Enterprise Agencies			
Callable	\$ 75,820,542	\$ -	\$ 75,820,542
Non-callable	84,209,677	-	84,209,677
Medium Term Corporate Notes	74,378,529	-	74,378,529
Municipal Bonds	2,317,278	919,537	3,236,815
Negotiable Certificates of Deposit	16,908,202	-	16,908,202
Total investments measured at fair value	\$ 253,634,228	\$ 919,537	254,553,765
Investments Measured at Amortized Cost:			
Money Market Mutual Funds			6,223,218
Investments Exempt from Fair Value Hierarchy:			
California Local Agency Investment Fund			73,575,830
Cash Equivalent			17,572,960
Total Cash and Investments			\$ 351,925,773

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

The City issued Pleasant View Limited Obligation Improvement Bonds, Series 2018 for and on behalf of Assessment District No.2016-2 in the amount of \$967,537 on June 14, 2018 as a direct placement debt. The City then purchased these bonds as an investment. These investments are not traded in the open market and, therefore, measured at Level 3 as per GASB Statement No. 72 since the valuation inputs for this bond are unobservable. As of June 30, 2021, the balance outstanding for these bonds is \$919,537. Additional information is provided in Note 8.

NOTE 4 - INTERFUND TRANSACTIONS

A. Current Interfund Balances

Current interfund balances arise in the normal course of business and represent short-term borrowings occurring as a result of expenditures which are paid prior to the receipt of revenues. These balances are expected to be repaid shortly after the end of the fiscal year when revenues are received. There were no current amounts due from one fund to another at June 30, 2021.

B. Transfers between Funds

With Council approval, resources may be transferred from one City fund to another. The purpose of the majority of transfers is to subsidize operations of programs and funds which are not self-sustaining. Less often, a transfer may be made to open or close a fund. Interfund transfers for the year ended June 30, 2021 are summarized below.

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred
General Fund	Low Income Housing Fund	\$ 273,167 A
	Non-Major Governmental Funds	263,856 A
Non-Major Governmental Funds	General Fund	2,422,215 B
	Non-Major Governmental Funds	252,896 B
Stormwater Enterprise Fund	General Fund	<u>1,767,363 C</u>
Total Interfund Transfers		<u>\$ 4,979,497</u>

A - Transfer for reimbursement for administrative costs

B - Transfers of approximately \$1.1 million for the 2020 COP debt service payments and remaining for operating subsidies and expenses.

C - Operating subsidy

C. Long-Term Interfund Advances

The City's General Fund made an advance of \$4,720,000 to the Other Impact Fees Special Revenue Fund for downtown revitalization and the loan will be repaid to the General Fund as the fees are collected. A payment of \$5,849 was made during fiscal year 2020-2021. The balance as of June 30, 2021 is \$3,874,396.

D. Internal Balances

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

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

NOTE 5 - NOTES RECEIVABLE

As of June 30, 2021, Notes Receivables balances are as follows:

	Housing Successor	Low Income Housing	Housing & Community Assistance	Other Local, State and Federal Grants	Other Special Revenue Funds	Total
Deferred Second Mortgage Program	\$ -	\$ 20,133,561	\$ 806,454	\$ 1,656,166	\$ -	\$ 22,596,181
Rehabilitation Loan Program	-	310,069	955,755	196,291	-	1,462,115
Valley Care Senior Housing Project	-	800,000	-	-	-	800,000
Livermore Housing Authority	-	-	-	510,000	-	510,000
Loans to Successor Agency of the former Redevelopment Agency	643,438	-	-	-	-	643,438
Eden Housing Project	1,386,622	-	-	-	-	1,386,622
Livermore Independent Living Associates Project	2,556,133	-	-	-	-	2,556,133
Affordable Housing Loans	171,760	-	-	-	-	171,760
California Water Service Agreement(s)	-	-	-	-	84,428	84,428
Totals	<u>\$ 4,757,953</u>	<u>\$ 21,243,630</u>	<u>\$ 1,762,209</u>	<u>\$ 2,362,457</u>	<u>\$ 84,428</u>	<u>\$ 30,210,677</u>

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

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

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

The former Redevelopment Agency (RDA) engaged in programs designed to encourage construction of or improvement to low-to-moderate income housing. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to expend these funds in accordance with the Agency's terms. With the dissolution of the former Redevelopment Agency the City became the Successor to the former Redevelopment Agency's housing activities and as a result, the Housing Successor Fund assumed the notes receivable of the former Redevelopment Agency's Low- and Moderate-Income Housing Fund. The balances of the notes receivable in the Housing Successor Fund at June 30, 2021 are set forth below:

During the fiscal year ended June 30, 2010, the former RDA approved an interfund advance of \$1,561,803 from the Low and Moderate Income Housing fund to the former Agency's Capital Projects Fund to make the required payment to the Supplemental Education Revenue Augmentation Fund (SERAF). During the fiscal year ended June 30, 2011, the former Agency approved a second interfund advance in the amount of \$321,548 for a total of \$1,883,351. As of June 30, 2021, the outstanding balance is \$643,438.

NOTE 5 - NOTES RECEIVABLE (Continued)

During fiscal year 1992, the former RDA loaned a developer \$1,520,605 as part of the Eden Housing Project agreement, the proceeds of which were used for land acquisition and development of low- and moderate-income housing. As of June 30, 2021, the loans had an outstanding balance of \$1,386,622. The land loan bears interest at 3% and the predevelopment loan bears interest at 9% which is due in 2049 and is subordinated to permanent bank loans.

In 2009, the former RDA agreed to a property tax loan, extended to the Livermore Senior Associates LLC, which bears interest at 4%. Annual repayments begin after the project is complete commencing in year eight from available cash flows of the project. In fiscal year 2017-18, loan advances have ceased, and the loan repayment period commenced. The principal balance was adjusted to match the repayment schedule. As of June 30, 2021, the outstanding loan balance was \$2,556,133.

In April 2011, the former RDA loaned an individual \$199,032 from Low- and Moderate-Income Housing Funds to be used for the purchase of an affordable housing unit. To assist in the refinancing of a below market rate unit, the City originally loaned the borrower \$61,000. To further assist, the City increased that loan to \$184,652 (original loan of \$61,000 included). The balance of the two loans as of June 30, 2021 is \$171,760.

In July 1990 and September 1992, the City and California Water Service Company ("Calwater") entered into agreements to make annual payments for a term of 40 years to the City of Livermore for water lines sold to Calwater under Consolidated Refunding District 2002, College Avenue. The balance outstanding on this loan on June 30, 2021 is \$84,428.

NOTE 6 – CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at acquisition cost. Some capital assets may be acquired using Federal and State grant funds, or they may be contributed by developers or other governments. GASB 34 requires that these contributions be accounted for as revenues at the time the capital assets are contributed.

The City’s policy is to capitalize infrastructure with a cost exceeding \$100,000 and other capital assets with a cost exceeding \$5,000 and with useful lives exceeding one year.

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

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

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

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

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

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

Capital asset activity for the year ended June 30, 2021 comprises the following:

	Balance June 30, 2020	Additions	Retirements and adjustments	Transfers/ Reclassification	Balance at June 30, 2021
Governmental activities					
Governmental Fund Capital Assets					
Capital assets not being depreciated:					
Land	\$ 39,008,811	\$ -	\$ -	\$ -	\$ 39,008,811
Intangible asset - easement	4,517,994	24,939	-	-	4,542,933
Construction in progress	85,840,810	10,454,848	-	-	96,295,658
Subtotal	129,367,615	10,479,787	-	-	139,847,402
Capital assets being depreciated, cost:					
Office equipment	8,696,143	71,499	-	-	8,767,642
Other equipment	7,881,666	77,793	-	-	7,959,459
Library books	2,062,340	-	-	-	2,062,340
Licensed vehicles	261,992	-	-	-	261,992
Infrastructure	327,549,444	830,292	-	-	328,379,736
Buildings	118,050,206	-	-	-	118,050,206
Subtotal	464,501,791	979,584	-	-	465,481,375
Accumulated Depreciation:					
Office equipment	(8,332,638)	(83,727)	-	-	(8,416,365)
Other equipment	(7,237,240)	(210,938)	-	-	(7,448,178)
Library books	(2,062,340)	-	-	-	(2,062,340)
Licensed vehicles	(78,120)	(105,750)	-	-	(183,870)
Infrastructure	(177,317,158)	(8,296,193)	-	-	(185,613,351)
Buildings	(41,331,535)	(2,377,511)	-	-	(43,709,046)
Subtotal	(236,359,031)	(11,074,119)	-	-	(247,433,150)
Net Governmental Funds capital assets being depreciated	228,142,760	(10,094,535)	-	-	218,048,225
Total Governmental Funds capital assets	\$ 357,510,375	\$ 385,252	\$ -	\$ -	\$ 357,895,627

	Balance at June 30, 2020	Additions	Retirements and Adjustments	Transfers/ Reclassification	Balance at June 30, 2021
Internal Service Fund Capital Assets					
Capital assets not being depreciated:					
Construction in progress	\$ 674,502	\$ 499,442	\$ -	\$ (281,456)	\$ 892,488
Subtotal	674,502	499,442	-	(281,456)	892,488
Capital assets being depreciated, cost:					
Office equipment	2,552,873	82,694	-	-	2,635,567
Other equipment	796,353	52,677	-	-	849,030
Infrastructure	12,388,178	18,409	-	-	12,406,587
Licensed vehicles	18,273,690	779,490	(670,972)	281,456	18,663,664
Subtotal	34,011,094	933,270	(670,972)	281,456	34,554,848
Accumulated Depreciation:					
Office equipment	(2,030,530)	(268,258)	-	-	(2,298,788)
Other equipment	(569,601)	(51,932)	-	-	(621,533)
Infrastructure	(2,675,988)	(430,958)	-	-	(3,106,946)
Licensed vehicles	(11,188,175)	(1,592,146)	653,472	-	(12,126,849)
Subtotal	(16,464,294)	(2,343,294)	653,472	-	(18,154,116)
Net Internal Service Fund capital assets being depreciated	17,546,800	(1,410,024)	(17,500)	281,456	16,400,732
Total Internal Service Funds	18,221,302	(910,582)	(17,500)	-	17,293,220
Governmental activity capital assets, net	\$ 375,731,677	\$ (525,330)	\$ (17,500)	\$ -	\$ 375,188,847

NOTE 6 – CAPITAL ASSETS (Continued)

A. Capital Asset Additions and Retirements (Continued)

	Balance June 30, 2020	Additions	Retirements and adjustments	Transfers/ Reclassification	Balance at June 30, 2021
Business-type activities					
Capital assets not being depreciated:					
Land	\$ 13,380,924	\$ -	\$ -	\$ -	\$ 13,380,924
Land improvements	634,433	-	-	-	634,433
Construction in progress	29,393,416	6,759,888	-	-	36,153,304
Subtotal	43,408,773	6,759,888	-	-	50,168,661
Capital assets being depreciated:					
Office equipment	844,864	-	-	-	844,864
Other equipment	2,789,841	73,425	(57,804)	-	2,805,462
Licensed Vehicles	971,102	-	(25,024)	-	946,078
Airport infrastructure	11,601,545	-	-	-	11,601,545
Water infrastructure	50,923,942	-	-	-	50,923,942
Sewer infrastructure	132,995,006	288,492	-	-	133,283,498
Storm Drain infrastructure	105,433,718	133,730	-	-	105,567,448
Stormwater infrastructure	1,011,473	-	-	-	1,011,473
Buildings	22,674,452	-	-	-	22,674,452
Subtotal	329,245,943	495,647	(82,828)	-	329,658,762
Accumulated Depreciation:					
Office equipment	(416,812)	(60,079)	-	-	(476,891)
Other equipment	(1,931,873)	(150,278)	23,318	-	(2,058,833)
Licensed Vehicles	(473,021)	(34,178)	25,022	-	(482,177)
Airport infrastructure	(10,942,947)	(71,939)	-	-	(11,014,886)
Water infrastructure	(25,446,006)	(1,455,245)	-	-	(26,901,251)
Sewer infrastructure	(84,924,451)	(3,244,639)	-	-	(88,169,090)
Storm Drain infrastructure	(85,462,445)	(1,766,931)	-	-	(87,229,376)
Stormwater infrastructure	(109,552)	(44,651)	-	-	(154,203)
Buildings	(10,376,463)	(450,969)	-	-	(10,827,432)
Subtotal	(220,083,570)	(7,278,909)	48,340	-	(227,314,139)
Net capital assets being depreciated	109,162,373	(6,783,262)	(34,488)	-	102,344,623
Business-type activity capital assets, net	\$ 152,571,146	\$ (23,374)	\$ (34,488)	\$ -	\$ 152,513,284

B. Depreciation Allocation

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

	Depreciation Expense	
	Governmental Activities	Business-Type Activities
General Government	\$ 2,344,220	\$ -
Fire	266,329	-
Police	303,127	-
Public Works	8,566,781	-
Community Development	1,328,045	-
Library	608,911	-
Airport	-	305,997
Water	-	1,521,016
Sewer	-	3,637,404
Storm Water	-	1,814,492
Total Depreciation Expense	\$ 13,417,413	\$ 7,278,909

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

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

	Balance at June 30, 2020	Retirements	Balance at June 30, 2021	Current Portion
Governmental Activities				
Certificates of Participation:				
2020A, 4%, 2042	\$ 7,465,000	\$ -	\$ 7,465,000	\$ 180,000
Unamortized Premium	1,413,613	64,255	1,349,358	64,255
2020B, 4%, 2030	35,467,418	-	35,467,418	2,507,470
Unamortized Premium	6,508,667	519,919	5,988,748	519,919
Housing & Urban Development Loan, varies, 2030	1,540,562	122,607	1,417,955	126,758
<u>Internal Service Funds:</u>				
Capital Lease Obligations:				
Banc of America Equipment Lease/Purchase Loan	7,563,146	679,300	6,883,846	735,353
Total governmental activities debt	<u>\$ 59,958,406</u>	<u>\$ 1,386,081</u>	<u>\$ 58,572,325</u>	<u>\$ 4,133,755</u>
Business-type Activities				
Airport				
Certificates of Participation:				
2020B, 4%, 2030	\$ 3,726,130	\$ -	\$ 3,726,130	\$ 161,875
Unamortized Premium	700,333	39,330	661,003	39,330
Capital Lease Obligations:				
Banc of America Equipment Lease/Purchase Loan	296,702	26,687	270,015	28,888
Water				
Certificates of Participation:				
2020B, 4%, 2030	2,841,453	-	2,841,453	235,656
Unamortized Premium	515,773	46,888	468,885	46,888
Total business-type activities debt	<u>\$ 8,080,391</u>	<u>\$ 112,905</u>	<u>\$ 7,967,486</u>	<u>\$ 512,637</u>

B. Long Term Debt**CERTIFICATES OF PARTICIPATION:**2020 Certificates of Participation

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

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

The **2020 Certificates of Participation Series A** (2020 COP Series A) are qualified 501(c)(3) certificates and are issued in the principal amount \$7,465,000 to refund the 2014 COP Series A (Livermore Valley Performing Arts Center Refunding) and to pay certain costs of executing and delivering the 2020 Series A Certificates.

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

The City issued \$42,035,000 principal amount of **2020 Certificates of Participation Series B**, (2020 COP Series B) to refund the outstanding principal balance of \$14,945,000 for the 2011 COP and \$35,530,000 for the 2014 COP Series B as well as to fund certain costs of executing and delivery of the Certificates. Lease payments for 2020 COP Series B will be made by the General fund, Airport Enterprise Fund, and Water Enterprise Fund.

HUD SECTION 108 LOANS – DIRECT BORROWING:

In fiscal year 2010, the City received a Section 108 loan in the amount of \$1,320,000 from the Department of Housing and Urban Development to purchase the Hagemann Farms. The principal payments are due annually from 2012 through 2030. As of June 30, 2021, the outstanding loan balance was \$620,000.

In fiscal year 2015, the City received a Section 108 loan in the amount of \$725,000 from the Department of Housing and Urban Development to purchase the building located at 141-145 North Livermore Avenue and the adjacent commercial units at 147-149 North Livermore Avenue. The principal payments are due annually from August 1, 2015 through 2030. As of June 30, 2021, the outstanding loan balance was \$509,000.

In May 2014, the City entered into a Public Participation Jurisdiction (PPJ) agreement with Alameda County and the Cities of Dublin and Pleasanton to jointly repay a \$1,250,000 Section 108 loan guarantee from the US Department of Housing and Urban Development (HUD). This loan was obtained to renovate a building owned by Axis Community Health at 5925 West Las Positas Boulevard, Pleasanton, to expand medical and mental health services throughout the Tri-Valley region. The City of Pleasanton drew \$950,000 only since Alameda County paid its share of \$300,000 in cash. The City of Livermore has committed to pay \$387,505 or approximately 41% of the total loan amount of \$950,000. As of June 30, 2021, the outstanding loan balance was \$288,955. Payment of the loan is made out of the Other State, Federal, and Local Grants Fund.

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

On October 24, 2012, the City entered into an equipment lease/purchase agreement with Banc of America Public Capital Corp to install photovoltaic panels and streetlights throughout the City. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of minimum lease payments in the amount of \$12,538,957. Rental payments are due in 180 uneven monthly payments ranging from \$69,892 to \$115,868 and include interest at the rate of 2.59%. Monthly lease payments began on November 24, 2013 and end on October 24, 2028. Because loan payments did not begin until construction was completed in November 2013, the accrued interest of \$110,494 for July through October was capitalized and added to the principal balance. Lease payments are being made by the Facilities Rehabilitation Internal Service Fund and the Airport Enterprise Fund.

NOTE 7 – LONG-TERM LIABILITIES (Continued)**C. Debt Service Requirements**

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

For the Year Ending June 30	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 3,549,581	\$ 1,881,222	\$ 426,419	\$ 261,419
2023	3,737,208	1,747,370	445,004	244,417
2024	3,931,537	1,606,578	464,973	226,678
2025	4,134,636	1,458,580	484,391	208,186
2026	4,349,782	1,303,051	505,124	188,928
2027-2031	21,324,769	4,040,284	2,738,021	629,942
2032-2036	4,482,792	1,599,604	797,580	277,507
2037-2041	5,198,914	641,002	976,086	100,698
2042	525,000	10,500	-	-
Total	\$ 51,234,219	\$ 14,288,191	\$ 6,837,598	\$ 2,137,775
Premium, net of amortization	7,338,106		1,129,888	
	<u>\$ 58,572,325</u>		<u>\$ 7,967,486</u>	

D. Compensated Absences

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

The change in compensated absences for the fiscal year 2020-21 was as follows:

	Governmental Activities	Business Type Activities	Total
Beginning balance	\$ 4,026,162	\$ 630,494	\$ 4,656,656
Additions	1,905,470	292,469	2,197,939
Payments	(1,741,966)	(258,154)	(2,000,120)
Ending balance	<u>\$ 4,189,666</u>	<u>\$ 664,809</u>	<u>\$ 4,854,475</u>
Current portion	<u>\$ 1,266,330</u>	<u>\$ 237,378</u>	<u>\$ 1,503,708</u>

NOTE 8 - SPECIAL ASSESSMENT DISTRICT DEBT WITH NO CITY COMMITMENT

Special assessment districts, including Mello Roos Districts, exist in various parts of the City to provide improvements to properties located in those districts. Properties are assessed for the cost of improvements; these assessments are payable over the term of the debt issued to finance the improvements and must be sufficient to repay this debt. The City acts solely as the collecting and paying agent for the special assessment district debt issues below, but it has no direct or contingent liability or moral obligation for the payment of this debt. This debt is not included in the general debt of the City. The outstanding balance of each of these issues as of June 30, 2021 is as follows:

District	Balance at June 30, 2020	Retirements	Balance at June 30, 2021	Current Portion
Community Facilities District No. 2009-1 (El Charro)				
2015 Refunding Special Tax Note	\$ 17,747,352	\$ 440,092	\$ 17,307,260	\$ 463,809
2016 Special Tax Bonds	4,517,343	97,366	4,419,977	101,162
2017 Special Tax Note	2,794,623	110,529	2,684,094	115,779
Community Facilities District No. 1999-1 (Tri-Valley Technology Park)				
Special Tax Bonds Series 2015	12,225,000	945,000	11,280,000	985,000
Community Facilities District No. 2016-2 (Shea Properties)				
Special Tax Refunding Bonds, Series 2016	9,110,000	295,000	8,815,000	315,000
Assessment District 2016-2 (Pleasant View)				
Improvement Bonds, Series 2018	919,537	-	919,537	19,537
Total	<u>\$ 47,313,855</u>	<u>\$ 1,887,987</u>	<u>\$ 45,425,868</u>	<u>\$ 2,000,287</u>

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

2015 Refunding Special Tax Note – On June 1, 2015, the City on behalf of El Charro CFD No. 2009-1 entered into a special tax loan agreement with Livermore Premium Outlets, LLC. This loan was issued to refund the remaining principal amounts of the 2012 and 2014 loans.

2016 Special Tax Bonds – On September 1, 2016 the City on behalf of El Charro CFD No. 2009-1 entered into a special tax loan agreement with Crosswinds Church. The Bonds were issued to fund certain public infrastructure improvements within the CFD.

2017 Special Tax Note – On July 14, 2017 the City on behalf of El Charro CFD No. 2009-1 entered into a special tax loan agreement with Livermore Investments, LLC. This loan was issued to fund certain public infrastructure improvements within the CFD.

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

On May 28, 2015, the City sponsored the issuance of the Community Facilities District No. 1999-1 (Tri-valley Technology Park) Special Tax Bonds, Series 2015. The Bonds were issued to defease and refund remaining principal amount of Community Facilities District No. 1999-1 (Tri-valley Technology Park) Special Tax Bonds, Series 2000.

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

On December 22, 2016, the City sponsored the issuance of Community Facilities District No. 2016-2 (Shea Properties) Special Tax Refunding Bonds, Series 2016. The bonds were issued to defease and refund the remaining principal amount of the Community Facilities District No 2006-1 (Shea Properties) Special Tax Bonds, Series 2006.

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

On June 14, 2018, the City issued bonds to fund certain public infrastructure improvements within the assessment district. The improvements included connections to the sanitary sewer service system, installation of streetlights, fire hydrants, provide for emergency vehicle access, and the addition of sidewalk curb and gutters to the required standards of the City. For additional information, see Note 3(l).

NOTE 9 – NET POSITION AND FUND BALANCES

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

A. Net Position

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

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

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

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

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

B. Fund Balances

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

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

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

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

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

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

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

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

The City's permanent fund reported a fund balance amount of \$692,717 of which \$183,193 represents the cumulative net appreciation on investments available for expenditure and a permanent amount of \$506,524 reported as restricted fund balance. The investment income can only be spent on Doolan Canyon projects.

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

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

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

Detailed classification of the City's fund balances as of June 30, 2021 are below

Fund Balance Classifications	General Fund	Low Income Housing-Special Revenue Fund	Other Governmental Funds	Total
Nonspendable:				
Items not in spendable form:				
Prepays and deposits	\$ 8,000	\$ 14,958	\$ 506,524	\$ 529,482
Advances	3,874,396	-	-	3,874,396
Land held for redevelopment	1,727,437	-	-	1,727,437
Total Nonspendable Fund Balances	<u>5,609,833</u>	<u>14,958</u>	<u>506,524</u>	<u>6,131,315</u>
Restricted for:				
Alameda County Transportation programs	-	-	6,587,813	6,587,813
Gas tax program	-	-	9,506,935	9,506,935
Grant Programs	-	-	3,845,813	3,845,813
Host Community Impact program	-	-	1,345,373	1,345,373
Housing and human services programs	-	19,347,960	4,752,716	24,100,676
Maintenance Program	-	-	12,314,954	12,314,954
Capital improvements programs	-	-	45,452,827	45,452,827
Park program	-	-	8,500,942	8,500,942
PEG program	-	-	1,065,783	1,065,783
Art programs	-	-	2,363,818	2,363,818
Solid waste and recycling program	-	-	471,070	471,070
Street sweeping program	-	-	101,833	101,833
Total Restricted Fund Balances	<u>-</u>	<u>19,347,960</u>	<u>96,309,877</u>	<u>115,657,837</u>
Committed for:				
Financial stabilization arrangement	17,419,222	-	-	17,419,222
Open space acquisition and management	-	-	2,597,943	2,597,943
Total Committed Fund Balance	<u>17,419,222</u>	<u>-</u>	<u>2,597,943</u>	<u>20,017,165</u>
Assigned for:				
Economic uncertainty reserve	15,677,300	-	-	15,677,300
Infrastructure replacement reserve	12,000,000	-	-	12,000,000
ERP System replacement	2,000,000	-	-	2,000,000
Total Assigned Fund Balances	<u>29,677,300</u>	<u>-</u>	<u>-</u>	<u>29,677,300</u>
Unassigned:				
General Fund	24,471,138	-	-	24,471,138
Total Unassigned Fund Balances	<u>24,471,138</u>	<u>-</u>	<u>-</u>	<u>24,471,138</u>
Total Fund Balances	<u>\$ 77,177,493</u>	<u>\$ 19,362,918</u>	<u>\$ 99,414,344</u>	<u>\$ 195,954,755</u>

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)**C. Minimum Operating Reserve Policy**

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

General Fund

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

Enterprise Funds

The Airport and Water Funds' unrestricted net position minimum balance is 12.5% (or 45 days' worth of working capital) and 33% (or 120 days' worth of working capital) of operating expenditures plus debt service requirements respectively. The Sewer Fund is recommended to maintain an unrestricted Net Position minimum balance of 50% of their operating budget plus debt service requirements.

Internal Service Funds

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

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

D. Restatement of Net Position/ Fund Balances

During the current fiscal the City made prior period adjustments of \$3,232,769 in its government wide financial statements for governmental type-activities and fund-level statements for the Maintenance Districts Special Revenue Fund. The City also removed the OPEB Trust Fund from the financial statements which is consistent with the treatment of the City's pension plans held by agent multiple employer plans. The City also reclassified its Passthroughs and LPFD Agency Funds to Custodial Funds. These changes were required by GASB Statement No. 84, Fiduciary Activities.

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

	Beginning Fund Balance/Net Position, as previously reported	Prior Period Adjustment-Change in Accounting Principle	Beginning Fund Balance/Net Position, as restated
<u>Government-wide Net Position</u>			
Governmental Activities - Reclassification of the Maintenance Fund	\$ 369,387,202	\$ 3,232,769	\$ 372,619,971
<u>Fund Balance- Governmental Funds</u>			
Other Governmental Funds - Reclassification of the Maintenance Fund	89,698,508	3,232,769	92,931,277
<u>Fiduciary Net Position:</u>			
OPEB Trust Fund - Reclassification to an Agent Multiple Employer Plan	32,250,629	(32,250,629)	-
Custodial Fund - Reclassification from Agency Fund	-	5,681,919	5,681,919

NOTE 10 – PENSION PLANS

A. Social Security/ Public Agency Retirement Systems (PARS)

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

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

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

For the fiscal year ended June 30, 2021, the City reported its net pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense for each of the above plans as follows:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
Miscellaneous Plan	\$ 94,436,719	\$ 5,549,151	\$ -	\$ 14,131,156
Safety Plan	46,528,122	6,260,064	1,803,939	9,827,063
Total	\$ 140,964,841	\$ 11,809,215	\$ 1,803,939	\$ 23,958,219

1. General Information about the Pension Plans

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

NOTE 10 – PENSION PLANS (Continued)**B. California Public Employees' Retirement System (CalPERS) Pension Plans (Continued)****1. General Information about the Pension Plans (Continued)**

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

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

2. Benefits Provided and Actuarial Assumptions

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

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

The Plans' provisions and benefits in effect at June 30, 2021, are summarized as follows:

	<u>Miscellaneous</u>	<u>Safety</u>
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Minimum retirement age	50/52	50
Employees hired prior to December 30, 2012	Tier 1	Tier 1
Monthly benefits, as a % of annual salary	2.7% at 55	3% at 50
Required member contribution rates	8%	9%
% paid by employee	8%	9% ¹
% paid by employer	0%	0% ¹
Required employer contribution rates (Normal cost)	11.854%	23.674%
Employer payment of unfunded liability	\$ 7,272,015 ⁴	\$ 2,916,644
Employees hired December 31, 2012	Tier 2	Tier 2
Monthly benefits, as a % of annual salary	2% at 60 ²	3% at 55 ³
Required member (employee) contribution rates	7%	9%
Required employer contribution rates (Normal cost)	11.854%	20.585%
Employer payment of unfunded liability	\$ -	\$ 8,081
Employees hired after December 31, 2012	Tier 3	Tier 3
Monthly benefits, as a % of annual salary	2% at 62 ²	2.7% at 57 ³
Required member (employee) contribution rates:	6.25%	12.0%
Required employer contribution rates (Normal cost)	11.854%	13.044%
Employer payment of unfunded liability	\$ -	\$ 3,696

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

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

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

⁴ Balance mentioned above is a combined amount for all Miscellaneous plans. As a percentage of projected payroll the UAL contribution for Fiscal Year 2020-21 is 23.858% for an estimated total employer contribution rate of 35.712%.

NOTE 10 – PENSION PLANS (Continued)

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

2. Benefits Provided and Actuarial Assumptions (Continued)

Employees Covered – At June 30, 2021, the following employees were covered by the benefit terms of the Miscellaneous Plans, however, information for the Safety Police Plans was not provided from CalPERS for cost-sharing multiple employer defined benefit pension plans.

	Miscellaneous ¹
Inactive employees or beneficiaries currently receiving benefits	460
Inactive employees entitled to but not yet receiving benefits	293
Active employees	320
Total	<u>1,073</u>

¹ All Tiers of the Miscellaneous plans were reported together in the Census data 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 the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The City must contribute these amounts. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions recognized as part of pension expense for the Plans were as follows:

	Miscellaneous ¹	Safety Police ¹	Total
Contributions - employer	\$ 10,729,567	\$ 5,457,222	16,186,789

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

NOTE 10 – PENSION PLANS (Continued)

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

2. Benefits Provided and Actuarial Assumptions (Continued)

Actuarial Assumptions – The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

	All Plans ⁽⁵⁾
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.500%
Payroll Growth	2.875%
Projected Salary Increase	2.75% - 4.5% ⁽¹⁾
Investment Rate of Return	7.25% ⁽²⁾
Mortality ⁽⁴⁾	36.1 to 17.0 ⁽³⁾

- ⁽¹⁾ Depending on age, service and type of employment
- ⁽²⁾ Net of pension plan investment expenses, including inflation
- ⁽³⁾ Represents life expectancy over the age ranging from 50 to 70 years. Assumptions include 20 years of mortality improvement.
- ⁽⁴⁾ 2017 CalPERS Experience Study for the period from 1997-2015, Recipients with attained age of 50
- ⁽⁵⁾ All of the City's plans for miscellaneous and safety police employed the same assumptions.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of the 2017 CalPERS Experience Study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

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

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

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

NOTE 10 – PENSION PLANS (Continued)

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

2. Benefits Provided and Actuarial Assumptions (Continued)

rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The table below reflects long-term expected real rate of return by asset class.

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

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

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

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

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

3. Miscellaneous Agent Multiple-Employer Defined Benefit Pension Plan (Miscellaneous)

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

Miscellaneous Plan ¹ :	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2019²	\$ 305,130,906	\$ 218,675,375	\$ 86,455,531
Changes in the year:			
Service cost	5,542,184	-	5,542,184
Interest on the total pension liability	21,754,166	-	21,754,166
Changes of assumptions	-	-	-
Difference between expected and actual experience	3,404,399	-	3,404,399
Net plan to plan resource movement	-	-	-
Contribution - employer	-	9,778,161	(9,778,161)
Contribution - employees	-	2,349,388	(2,349,388)
Net investment income	-	10,900,291	(10,900,291)
Benefit payments, including refunds of employee contributions	(14,104,669)	(14,104,669)	-
Administrative expenses	-	(308,279)	308,279
Net changes	16,596,080	8,614,892	7,981,188
Balance at June 30, 2020²	\$ 321,726,986	\$ 227,290,267	\$ 94,436,719

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

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

NOTE 10 – PENSION PLANS (Continued)

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

3. Benefits Provided and Actuarial Assumptions (Continued)

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

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

As of June 30, 2021, the City reported net pension liabilities for its proportionate share of the net pension liability of the Police Safety Plan as follows:

	Proportionate Share of Net Pension Liability ¹
Safety Police Plan	\$ 46,528,122

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

The City’s net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City’s proportionate share of the net pension liability for the Plan as of the measurements dates of June 30, 2019 and 2020 was as follows:

	Safety Police
Proportion - June 30, 2019	0.67581%
Proportion - June 30, 2020	0.69837%
Change - Increase (Decrease)	0.02256%

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

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

NOTE 10 – PENSION PLANS (Continued)

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

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

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

Net Pension Liability	Discount Rate		
	1% Decrease (6.15%)	Current (7.15%)	1% Increase (8.15%)
Miscellaneous Plan ¹	\$135,786,647	\$94,436,719	\$60,051,796
Police Safety Plan ¹	69,899,542	46,528,122	27,349,660

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

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

For the fiscal year ended June 30, 2021, the City recognized pension expense of \$14,131,156 for the Miscellaneous Plan and \$9,827,063 for the Police Safety Plan. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous Plan		Safety Police Plan		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 3,762,430	\$ -	\$ 3,608,020	\$ -	\$ 7,370,450	\$ -
Changes in assumptions	-	-	-	(154,986)	-	(154,986)
Net differences between projected and actual earnings on plan investments	1,786,721	-	1,011,252	-	2,797,973	-
Change in proportion and differences between actual contributions and proportionate share of contributions	-	-	1,640,792	(1,648,953)	1,640,792	(1,648,953)
Total	5,549,151	-	6,260,064	(1,803,939)	11,809,215	(1,803,939)

NOTE 10 – PENSION PLANS (Continued)

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

7. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Pension contributions subsequent to measurement date	Deferred Outflows of Resources	Deferred Inflows of Resources	Total
Miscellaneous Plan ¹	\$ 10,729,567	\$ -	\$ 10,729,567
Safety Police Plan ¹	5,457,222	-	5,457,222
Total	\$ 16,186,789	\$ -	\$ 16,186,789

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

In the table above amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30	Miscellaneous Plan Deferred Outflows/(inflows) of Resources	Safety Police Plan Deferred Outflows/(inflows) of Resources	Total Deferred Outflows/(inflows) of Resources
2022	\$ 2,031,869	\$ 1,128,762	\$ 3,160,631
2023	1,464,109	1,668,023	3,132,132
2024	1,128,077	1,152,647	2,280,724
2025	925,096	506,693	1,431,789
	5,549,151	4,456,125	10,005,276

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS

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

	Executive Management	Mid-Mgmt & Confidential	ALE	LPOA	Police Management																											
■ Hired Before	● 8/1/2014	● 2/1/2006	● 4/1/2007	● 2/1/2007	● 9/1/2004																											
■ Eligibility	<ul style="list-style-type: none"> ● Retire directly from the City with 10 years CalPERS service (15 years for Police safety) and a minimum of 5 years City service, or ● Industrial disability, for police safety (except for employees enrolled in retirement health savings account) 																															
■ Benefit	<ul style="list-style-type: none"> ● City reimburses up to a percentage subject to a cap that varies by bargaining group ● City will reimburse Medicare A & B if required for Medical coverage ● Reimbursement percentage based on bargaining group and CalPERS service: 																															
	<table border="1"> <thead> <tr> <th>PERS Service</th> <th>Reimb %</th> </tr> </thead> <tbody> <tr> <td>10</td> <td>75%</td> </tr> <tr> <td>15</td> <td>80%</td> </tr> <tr> <td>20</td> <td>90%</td> </tr> <tr> <td>25+</td> <td>100%</td> </tr> </tbody> </table>	PERS Service	Reimb %	10	75%	15	80%	20	90%	25+	100%	<table border="1"> <thead> <tr> <th>PERS Service</th> <th>Reimb %</th> </tr> </thead> <tbody> <tr> <td>10</td> <td>70%</td> </tr> <tr> <td>15</td> <td>80%</td> </tr> <tr> <td>20</td> <td>90%</td> </tr> <tr> <td>25+</td> <td>100%</td> </tr> </tbody> </table>	PERS Service	Reimb %	10	70%	15	80%	20	90%	25+	100%	<table border="1"> <thead> <tr> <th>PERS Service</th> <th>Reimb %</th> </tr> </thead> <tbody> <tr> <td>15</td> <td>75%</td> </tr> <tr> <td>20</td> <td>85%</td> </tr> <tr> <td>25+</td> <td>100%</td> </tr> </tbody> </table>	PERS Service	Reimb %	15	75%	20	85%	25+	100%	
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15	75%																															
20	85%																															
25+	100%																															
■ Cap	<ul style="list-style-type: none"> ● DOR < 10/9/01: \$200 ● DOR < 10/9/01 and DOH < 1/10/05: \$2,121.24 ● DOH ≥ 1/10/05: With a current benefit maximum of ● DOH ≥ 8/1/14: No benefits, City contributes 4% of base pay to RHSA 	<ul style="list-style-type: none"> ● DOR < 9/25/00: \$200 ● DOR between 9/25/00 and 7/1/15: \$2,121.24¹ ● DOR ≥ 7/1/15 and DOH < 2/1/06: With a current benefit maximum of \$1,950¹ ● DOH ≥ 2/1/06: No benefit, City contributes 4% of base pay to RHSA 	<ul style="list-style-type: none"> ● DOR < 10/3/03: \$200 ● DOR > 10/3/03: \$2,121.24 ● DOR > 1/1/06: With a current benefit maximum of \$2,058.20¹ ● DOR > 11/9/14: With a current benefit maximum of \$2,050 ● DOR > 1/1/17: \$1,950 ● DOH ≥ 4/1/07: No benefits, City contributes 4% of base pay to RHSA 	<ul style="list-style-type: none"> ● DOR < 2/1/02: \$200 ● DOH < 2/1/07: \$1,866.20² ● DOH > 2/1/07: No benefits, City contributes 5% of base pay to RHSA, EE contributes 1% of base pay to RHSA 	<ul style="list-style-type: none"> ● DOR < 4/7/03: \$200 ● Tier 1 (PL/Cpt): (DOR < 9/1/04) \$2,121.24¹ ● Tier 2 (Actively employed as of 8/30/04): \$2,371.81² ● Tier 3 (promoted after 9/1/04): \$1,866.20 ● Promoted EE's stay with RHSA if RHSA was prior benefit ● DOH ≥ 9/1/04: No benefits; City contributes 5% of base pay to RHSA 																											

1: Will be matched to Kaiser A two party rate for an active employee

2: Will be matched to Pre 65 Retiree Kaiser A two party rate

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

A. Funding Policy and Actuarial Assumptions

The actuarially determined contribution (ADC) to the OPEB plan was determined as part of a June 30, 2018 actuarial valuation using the entry age normal actuarial cost method. This is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future as well as those already accrued. The actuarial assumptions included (a) 6.5% investment rate of return, (b) 3.0% projected annual salary increase, and (c) 2.75% general inflation rate and (d) health inflation decreases ranging from 4.0%-7.5%. The actuarial methods and assumptions used include techniques that smooth the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets. Actuarial calculations reflect a long-term perspective and actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to revision at least biannually as results are compared to past expectations and new estimates are made about the future.

In accordance with the City’s budget, the actuarially determined contribution (ADC) is to be funded throughout the year as a percentage of payroll. During fiscal year ended June 30, 2010, the City joined the Public Agencies Post-Retirement Health Care Plan, a multiple employer trust administered by Public Agency Retirement Services (PARS). During current fiscal year, the City contributed \$5,163,000 to an irrevocable trust administered by PARS, managed by an appointed board not under the control of City Council. This trust is not considered a component unit by the City and has been excluded from these financial statements. Separately issued financial statements for PARS may be obtained from PARS at 4350 Von Karman Ave., Suite 200, Newport Beach, CA 92660.

B. OPEB Trust Fund

i. Plan Administration

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

	Fiscal Year ended 6/30/21
Plan Type	Agent Multiple Employer
OPEB Trust	No
Special Funding Situation	No
Nonemployer Contributing Entity	No

ii. Plan Membership

As of June 30, 2021, membership in the plan consisted of the following:

	Number of Covered Employees
Retirees and beneficiaries receiving benefits	320
Terminated plan members entitled to but not yet receiving benefits	17
Active plan members	174
	511

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

iii. Benefits Provided

Post-employment healthcare and similar benefit allowances are provided to eligible employees who retire from the City or to their surviving spouses. As noted in the table above in Note 11B(ii), there were 320 participants receiving these healthcare benefits as of June 30, 2021. Refer to the table on the previous page for the contractual maximum contribution rates for the eligible employees depending upon their association with specific bargaining groups.

iv. Contribution Information

PARS establish rates for each employer based on an actuarially determined rate for each employer. For the year ended June 30, 2021, the City’s average contribution rate was 19.5 percent of covered-employee payroll. Plan members are not required to contribute to the plan.

For the year ended June 30, 2021, the City contributed \$5,163,000 in relation to the actuarially determined contribution.

v. Investment Policy

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

The following is the City adopted asset allocation policy as of June 30, 2021.

Asset Class Component:	Target Allocation	Expected Real Rate of Return
Global Equity	73.00%	4.82%
Fixed Income	20.00%	1.47%
REITs	2.00%	3.76%
Cash	5.00%	0.06%
Assumed Long Term Rate of Inflation		2.75%
Discount Rate		6.25%

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

vi. Changes in Net OPEB Liability

The changes in the Net OPEB Liability are as follows

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
Balance at June 30, 2020 ¹	\$ 79,199,184	\$ 32,250,629	\$ 46,948,555
Changes in the year:			
Service cost	1,223,662	-	1,223,662
Interest on the total pension liability	5,115,274	-	5,115,274
Differences between actual and expected experience	-	-	-
Changes in assumptions	-	-	-
Changes in benefit terms	-	-	-
Changes of assumptions	(1,463,176)	-	(1,463,176)
Difference between expected and actual experience	(1,868,874)	-	(1,868,874)
Contribution - employer	-	5,163,000	(5,163,000)
Contribution - employee (paid by employer)	-	-	-
Contribution - employees	-	-	-
Net investment income	-	10,050,944	(10,050,944)
Administrative expenses	-	-	-
Benefit payments, including refunds of employee contributions	(3,452,661)	(3,452,661)	-
Administrative expenses	-	(141,453)	141,453
Net changes	<u>(445,775)</u>	<u>11,619,830</u>	<u>(12,065,605)</u>
Balance at June 30, 2021 ¹	<u>\$ 78,753,409</u>	<u>\$ 43,870,459</u>	<u>\$ 34,882,950</u>

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

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

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

vii. Actuarial Methods and Assumptions

The City’s net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2020, based on the following actuarial methods and assumptions:

Measurement Date	June 30, 2021
Valuation Date	June 30, 2020
Funding Policy	City Contributes full ADC PARS portfolio: Capital Appreciation
Medical Trend	Non-Medicare - 7.00% for 2022, decreasing to 4.0% in 2076 Medicare (Non-Kaiser) - 6.1% for 2022, decreasing to an ultimate rate of 4.0% in 2076 Medicare (Kaiser) - 5.0% for 2022, decreasing to an ultimate rate of 4.0% in 2076
Healthcare participation for future Retirees	Not in RHSA: 90%; In RHSA: not applicable
Cap Increases	Kaiser plan A 2-party premium: Medical trend Active medical cap - Minimum of: Healthnet PPO family premium (increase with medical trend); 1% (3/4% for Police Lieut.) of budgeted monthly salary (increased
Actuarial Assumptions:	
Discount Rate	6.25%
Salary Increase	Aggregate:-3% annually Merit- CalPERS 1997-2015 Experience Study
Inflation	2.75%
Investment Rate of Return	6.50%
Mortality , Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2020

viii. Discount rate

The discount rates used to measure the total OPEB liability were 6.25% as of June 30, 2021. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

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

In accordance with GASB 75, regarding the disclosure of the sensitivity of the net OPEB liability to changes in the discount rate, the following table presents the net OPEB liability of the Plan as of June 30, 2021, calculated using the discount rate of 6.25%, as well as what the Plan’s net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current rate:

	Discount Rate		
	1% Decrease	Current	1% Increase
	(5.25%)	(6.25%)	(7.25%)
Net OPEB Liability	\$ 44,687,919	\$ 34,882,950	\$ 26,712,746

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

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	Healthcare Trend Rate		
	1% Decrease	Current	1% Increase
	Net OPEB Liability	\$ 30,439,325	\$ 34,882,950

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

For the year ended June 30, 2021, the City recognized OPEB Expense of \$1,421,075. As of fiscal year, ended June 30, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ -	\$ (2,081,906)
Changes in assumptions	718,507	(940,613)
Net differences between projected and actual earnings on plan investments*	-	(5,762,800)
Change in proportion and differences between actual contributions and proportionate share of contributions	-	-
Total	\$ 718,507	\$ (8,785,319)

* Deferred Inflows and Outflows combined for footnote disclosure.

NOTE 11 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. OPEB Trust Fund (Continued)

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

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

Year Ended June 30	Deferred Outflows/(inflows) of Resources
2022	\$ (2,818,497)
2023	(2,317,886)
2024	(1,346,805)
2025	(1,583,624)
	\$ (8,066,812)

xii. Payable to OPEB Plan

The City did not report any payables for the outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2021.

NOTE 12 – DEFERRED COMPENSATION PLAN

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

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

NOTE 13 – JOINT VENTURES

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

NOTE 13 – JOINT VENTURES (Continued)**A. Livermore-Amador Valley Water Management Agency (LAVWMA)**

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

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

On August 1, 2011, LAVWMA issued \$105,345,000 principal amount of 2011 Sewer Revenue Refunding Bonds. Proceeds of the issuance were used to refund and retire the Series A Sewer Revenue Bonds and to pay costs of issuance. Under an Amended and Restated Sewer Service Contract dated October 1, 2011 between LAVWMA and the Members, the Members pledged and created, in favor of LAVWMA and the Trustee for the 2011 Bonds, a lien on the Net Revenues of their respective wastewater systems to pay to LAVWMA the amounts owed in order for LAVWMA to pay the debt service on the 2011 bonds. The City's share is 27.83% of the total debt service. The City's equity interest in LAVWMA was \$19,187,078 as of June 30, 2021. Financial statements for LAVWMA may be obtained from DSRSD at 7051 Dublin Boulevard, Dublin, California 94568.

B. Livermore-Amador Valley Transit Authority (LAVTA)

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

C. Tri-Valley Transportation Council (TVTC)

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

D. Livermore - Pleasanton Fire Department Joint Powers Agreement (LFPD)

On December 3, 1996, the cities of Livermore and Pleasanton signed a joint powers agreement to form a joint Fire Department covering both cities. The LFPD may own physical assets and can enter into contracts with the approval of the governing board, where applicable. Fire protection services are provided by the City of Pleasanton employees under the joint power agreement. The LFPD prepares its budget including contributions required from each City to fund operating and capital needs for the year. In January 2013, the City of Livermore began functioning as Treasurer for LFPD. The City of Livermore has 50% equity share (or deficit, when applicable) in LFPD and share all the costs at approximately 50%. The deficit net position of the LFPD is reported on the governmental activities statement of net position because the City has an ongoing financial responsibility. During the year ended June 30, 2021, the City contributed \$22,194,755 to LFPD representing its share of costs. The City's deficit interest in LFPD was \$44,265,779 as of June 30, 2021, based on LFPD audited financial statements for the fiscal year ended June 30, 2021. Financial statements for LFPD may be obtained from the City of Livermore at 1052 South Livermore Avenue, Livermore, California 94550.

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

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

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

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

F. East Bay Community Energy (EBCE)

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

G. Stopwaste

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

NOTE 14 - GENERAL LIABILITY AND WORKERS COMPENSATION COVERAGE

A. Risk Management

The City of Livermore is self-insured for general liability claims up to a self-insured retention (SIR) of \$750,000 per occurrence. It is a member of California Joint Powers Risk Management Authority (CJPRMA), an excess insurance pool that provides coverage for each occurrence that exceeds the SIR. CJPRMA provides coverage up to \$40,000,000 per occurrence. The first \$5,000,000 layer is retained by CJPRMA and the second and third layers totaling \$35,000,000 are covered by reinsurance, purchased through their broker of record, Aon. The City of Livermore contributed \$513,314 to CJPRMA for liability coverage for the fiscal year ending June 30, 2021. The City of Livermore purchases a variety of insurance products from Aon, both through the CJPRMA pooled programs and directly. The City paid \$249,497 directly to Aon, \$396,479 to Alliant through CJPRMA for property insurance, and \$56,876 for auto physical damage insurance to Aon through CJPRMA.

The Local Agency Workers Compensation Excess Joint Powers Authority (LAWCX) covers workers compensation up to statutory limits. The City has a deductible or uninsured liability of up to \$500,000 per claim. During the fiscal year ended June 30, 2021, the City contributed \$401,931 for program year coverage.

Each risk pool is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of each risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board. The City's contribution to each risk pool equals the ratio of the City's payroll to the total payrolls of all entities participating in the same layer of each program, in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. CJPRMA's financial statements may be obtained by contacting CJPRMA at (925) 837-0667. LAWCX's financial statements may be obtained by contacting LAWCX at (800) 541-4591.

B. Liability for Uninsured Claims

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

	Liability Insurance Reserve	Workers' Compensation	Total
Balances of claims payable at June 30, 2020	\$ 2,683,534	\$ 5,215,194	\$ 7,898,728
Incurred claims and change in estimated	(429,224)	161,128	(268,096)
Claims paid	(124,330)	(830,811)	(955,141)
Balances of claims payable at June 30, 2021	<u>\$ 2,129,980</u>	<u>\$ 4,545,511</u>	<u>\$ 6,675,491</u>
Claims payable - current	\$ 420,000	\$ 890,000	\$ 1,310,000

NOTE 15 – ECONOMIC DEVELOPMENT INCENTIVES – TAX ABATEMENTS

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

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

The taxes paid to the City are included in the revenue reported in these financial statements. The payments made to the businesses based upon the taxes paid are also included as expenditures in these financial statements. For the fiscal year ended June 30, 2021, under this program the City has abatements of sales tax totaling \$1,212,068.

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

NOTE 16 - COMMITMENTS AND CONTINGENCIES

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

The City participates in several Federal and State grant programs. These programs have been audited by the City's independent accountants in accordance with the provisions of the Federal Single Audit Act amendments of 1996 and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

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

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

NOTE 16 - COMMITMENTS AND CONTINGENCIES (Continued)

A. Construction Commitments

The City has the following outstanding construction commitments at June 30, 2021:

Vendors	Amount
S&H Constuction	\$ 336,260
Meyers & Sons	100,138
Roebbelen	11,338,383
Alex Kushner	361,180
Integra Construction Services	407,909
Marshall Brothers	306,962
Robert A Bothmans Constuction	3,507,000
	<u>\$ 16,357,832</u>

There were no outstanding encumbrances related to these commitments on June 30, 2021.

B. Animal Shelter

The Cities of Dublin, Pleasanton, and Livermore and the County of Alameda reached an agreement under which Alameda County constructed an animal shelter facility on County property. Under the agreement the entities share in the debt service and operating costs of the project based on their use of the animal shelter. The City of Livermore paid \$418,440 for its share of debt service and operating costs. The City’s portion of the project fluctuates based on actual usage and was 21% as of June 30, 2021.

C. Alameda County

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

NOTE 17 – SUCCESSOR AGENCY ACTIVITIES

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

A. Long-Term Debt

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

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

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

	Balance at June 30, 2020	Retirements	Balance at June 30, 2021	Amount due in one year
Fiduciary Activities				
2016 Tax Allocation Refunding Bonds, 3.00%-5.00%, 2032	\$ 19,815,000	\$ 1,280,000	\$ 18,535,000	\$ 1,345,000
Unamortized Premium	1,025,236	92,490	932,746	92,490
Total debt	\$ 20,840,236	\$ 1,372,490	\$ 19,467,746	\$ 1,437,490

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

For the Year Ending June 30	Principal	Interest	Total
2022	\$ 1,345,000	\$ 697,344	\$ 2,042,344
2023	1,410,000	628,469	2,038,469
2024	1,485,000	556,094	2,041,094
2025	1,550,000	480,219	2,030,219
2026	1,630,000	400,719	2,030,719
2027-2031	9,110,000	1,111,222	10,221,222
2032	2,005,000	35,088	2,040,088
Total	18,535,000	\$ 3,909,155	\$ 22,444,155
Unamortized Premium	932,746		
Total Debt	\$ 19,467,746		

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

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

Last and Final Recognized Obligation Payment Schedule (LFROPs)

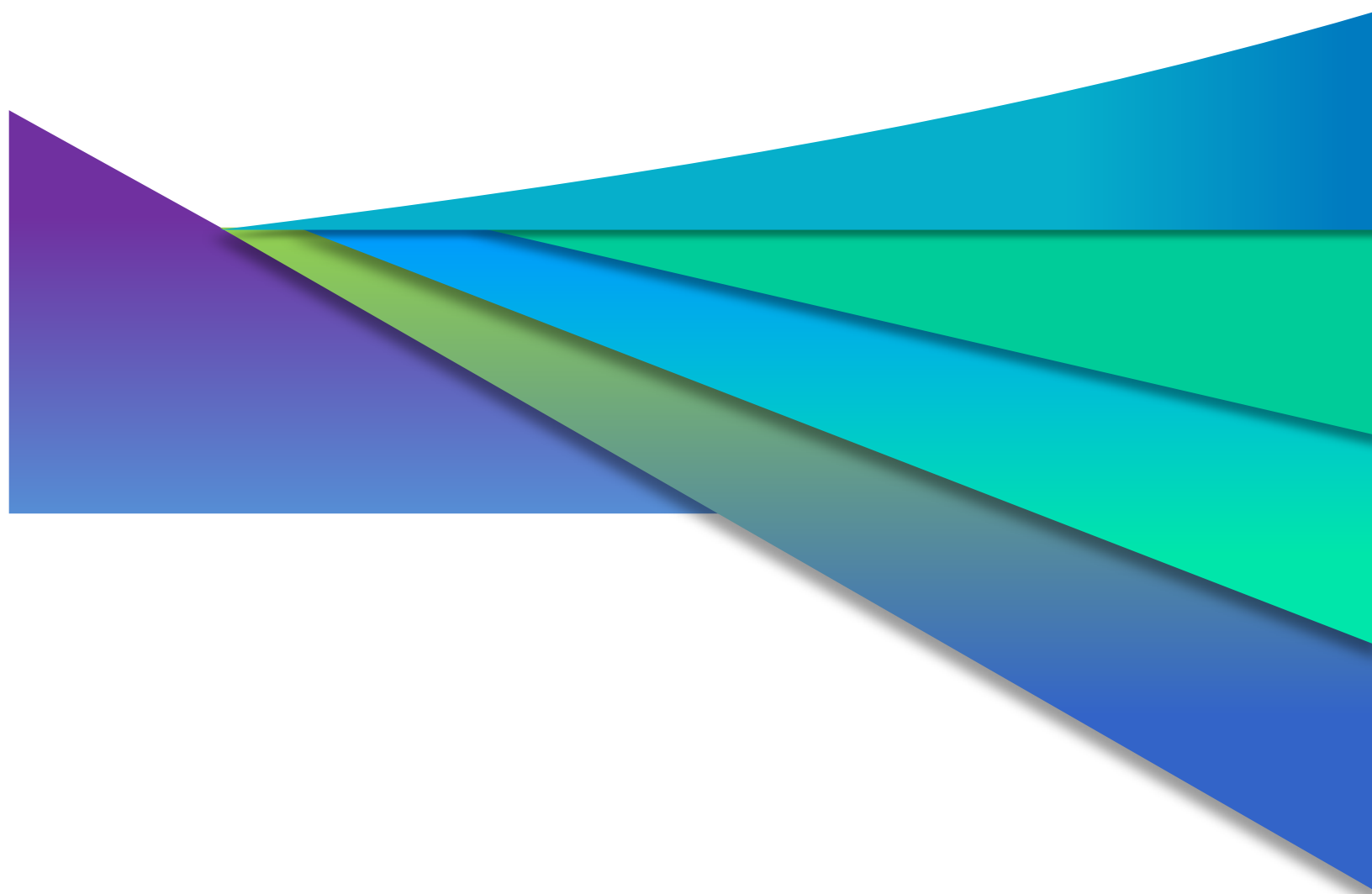
In September 2018, the State Department of Finance (DOF) approved the Successor Agency's Last and Final Recognized Obligation Payment Schedule (LFROP). The Successor Agency will continue to receive property tax increment revenue to pay items listed on the LFROPs, without any objections by the DOF, until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

Loans between the LSA and the City

The remaining loan left for the Successor agency is the SERAF Loan, with a current balance of \$643,438. Further information on the loans is provided in Note 5.

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REQUIRED SUPPLEMENTARY INFORMATION



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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

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

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

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

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

SCHEDULE OF CONTRIBUTIONS

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

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

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

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

SCHEDULE OF CONTRIBUTIONS

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

4. OTHER POST EMPLOYMENT BENEFITS:

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

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

SCHEDULE OF CONTRIBUTIONS

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

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GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		<u>Actual Amounts Budgetary Basis</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget Positive (Negative)</u>
REVENUES				
Property taxes	\$ 36,954,000	\$ 39,322,618	\$ 38,874,959	\$ (447,659)
Sales taxes	30,864,380	31,242,817	35,441,550	4,198,733
Other taxes	15,280,350	14,143,763	16,150,201	2,006,438
Licenses and permits	2,276,080	2,696,318	2,587,449	(108,869)
Intergovernmental	10,815,130	15,705,863	15,307,657	(398,206)
Contributions from outside sources	-	3,025,000	3,024,939	(61)
Fines and forfeitures	380,000	285,000	395,011	110,011
Charges for current services	7,511,769	7,979,253	7,954,991	(24,262)
Use of money and property	5,696,124	3,840,079	4,407,874	567,795
Miscellaneous	440,250	440,277	413,959	(26,318)
Total Revenues	<u>110,218,083</u>	<u>118,680,988</u>	<u>124,558,590</u>	<u>5,877,602</u>
EXPENDITURES				
General Government:				
City Council	177,444	356,074	292,587	63,487
City Manager	2,081,537	2,051,779	2,115,420	(63,641)
City Attorney	2,049,549	2,067,989	1,874,129	193,860
Administrative Services	6,431,356	6,857,149	6,459,231	397,918
General Services	3,313,638	3,814,378	3,040,213	774,165
Fire	23,184,178	23,079,446	22,758,011	321,435
Police	40,041,469	38,979,110	38,135,545	843,565
Public Works	9,500,909	8,126,510	7,886,134	240,376
Community Development	16,919,593	18,575,541	17,784,727	790,814
Economic Development	3,409,702	4,584,406	4,401,048	183,358
Library	6,304,650	5,904,697	5,517,721	386,976
Capital projects	7,520,000	5,056,939	3,462,289	1,594,650
Total Expenditures	<u>120,934,025</u>	<u>119,454,018</u>	<u>113,727,055</u>	<u>5,726,963</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(10,715,942)</u>	<u>(773,030)</u>	<u>10,831,535</u>	<u>11,604,565</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	2,145,934	2,767,749	537,023	(2,230,726)
Transfers (out)	(4,715,109)	(4,951,979)	(4,189,578)	762,401
Total Other Financing Sources (Uses)	<u>(2,569,175)</u>	<u>(2,184,230)</u>	<u>(3,652,555)</u>	<u>(1,468,325)</u>
Net change in fund balance	<u>(13,285,117)</u>	<u>(2,957,260)</u>	<u>7,178,980</u>	<u>\$ 10,136,240</u>
Fund balance-beginning	69,998,513	69,998,513	69,998,513	
Fund balance-ending	<u>\$ 56,713,396</u>	<u>\$ 67,041,253</u>	<u>\$ 77,177,493</u>	

LOW INCOME HOUSING SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL FOR THE FISCAL YEAR ENDED JUNE 30, 2021			
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Contributions from outside sources	\$ 25,727	\$ 84,688	\$ 58,961
Charges for services	500,000	194,406	(305,594)
Use of money and property	197,038	159,155	(37,883)
Miscellaneous	302,000	762,839	460,839
Total Revenues	<u>1,024,765</u>	<u>1,201,088</u>	<u>176,323</u>
EXPENDITURES			
Current:			
Community Development	6,322,433	1,302,945	5,019,488
Capital Outlay:			
Capital projects	<u>20,000</u>	<u>13,689</u>	<u>6,311</u>
Total Expenditures	<u>6,342,433</u>	<u>1,316,634</u>	<u>5,025,799</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	<u>(5,317,668)</u>	<u>(115,546)</u>	<u>5,202,122</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(239,671)</u>	<u>(273,167)</u>	<u>(33,496)</u>
Total Other Financing Sources (Uses)	<u>(239,671)</u>	<u>(273,167)</u>	<u>(33,496)</u>
Net change in fund balance	<u>\$ (5,557,339)</u>	<u>(388,713)</u>	<u>\$ 5,168,626</u>
Fund balances - beginning		<u>19,751,631</u>	
Fund balances - ending		<u>\$ 19,362,918</u>	

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

	Measurement period ended June 30,						
	2014	2015	2016	2017	2018	2019	2020
Total Pension Liability³							
Service Cost	\$ 4,972,951	\$ 4,537,193	\$ 4,562,441	\$ 5,221,025	\$ 5,353,724	\$ 5,434,229	\$ 5,542,184
Interest on total pension liability	16,548,323	17,148,686	18,070,523	18,672,998	19,302,859	20,616,830	21,754,166
Changes in assumptions ⁴	-	(4,175,908)	-	15,364,082	(2,304,595)	-	-
Differences between expected and actual experience	-	(3,477,134)	1,428,415	(1,649,050)	(921,100)	6,244,408	3,404,399
Benefit payments, including refunds of employee contributions	(9,745,631)	(10,512,026)	(11,641,525)	(11,823,392)	(12,027,431)	(13,100,635)	(14,104,669)
Net change in total pension liability	11,775,643	3,520,811	12,419,854	25,785,663	9,403,457	19,194,832	16,596,080
Total pension liability - beginning	223,030,646	234,806,289	238,327,100	250,746,954	276,532,617	285,936,074	305,130,906
Total pension liability - ending (a)	\$ 234,806,289	\$ 238,327,100	\$ 250,746,954	\$ 276,532,617	\$ 285,936,074	\$ 305,130,906	\$ 321,726,986
Plan fiduciary net position							
Contributions - employer	\$ 5,315,795	\$ 5,509,908	\$ 6,359,536	\$ 7,245,912	\$ 7,671,730	\$ 8,682,861	\$ 9,778,161
Contributions - employee	2,148,997	1,995,107	2,089,854	2,145,822	2,298,455	2,383,496	2,349,388
Net investment income	26,647,212	3,984,421	936,187	19,644,077	16,437,015	13,686,966	10,900,291
Benefit payments	(9,745,631)	(10,512,026)	(11,641,525)	(11,823,392)	(12,027,431)	(13,100,635)	(14,104,669)
Net plan to plan resource movement	-	-	-	-	(481)	-	-
Administrative expense	-	(201,583)	(109,139)	(260,907)	(301,784)	(147,841)	(308,279)
Other miscellaneous income/(expense)	-	-	-	-	(573,094)	481	-
Net change in plan fiduciary net position	24,366,373	775,827	(2,365,087)	16,951,512	13,504,410	11,505,328	8,614,892
Total fiduciary net position - beginning	153,937,012	178,303,385	179,079,212	176,714,125	193,665,637	207,170,047	218,675,375
Total fiduciary net position - ending (b)	\$ 178,303,385	\$ 179,079,212	\$ 176,714,125	\$ 193,665,637	\$ 207,170,047	\$ 218,675,375	\$ 227,290,267
Net pension liability - ending (a) - (b)	\$ 56,502,904	\$ 59,247,888	\$ 74,032,829	\$ 82,866,980	\$ 78,766,027	\$ 86,455,531	\$ 94,436,719
Fiscal Year Ended	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021
Plan fiduciary net position as a percentage of the total pension liability	75.94%	75.14%	70.48%	70.03%	72.45%	71.67%	70.65%
Covered payroll ⁵	\$ 25,934,554	\$ 24,958,429	\$ 25,849,521	\$ 26,984,829	\$ 27,914,510	\$ 28,870,154	\$ 30,022,667
Net pension liability as percentage of covered payroll	217.87%	237.39%	286.40%	307.09%	282.17%	299.46%	314.55%

Notes to Schedule

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

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

³ Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

⁴ Changes in assumptions: Discount rates 7.50% 7.65% 7.65% 7.15% 7.15% 7.15% 7.15%

⁵ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-20; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

SCHEDULE OF THE PLAN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS AS OF THE MEASUREMENT DATE
 Safety Police Plan
 A Cost Sharing Defined Benefit Pension Plan
 Last 10 Years¹

Measurement period ended June 30,	Proportion of the net pension liability	Proportionate share of the net pension liability	Plan's covered payroll ²	Proportionate share of the net pension Liability/(assets) as a percentage of its covered payroll	Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability	Proportionate share of aggregate employer contribution	Fiscal Year ended June 30, 2021
2014	0.35300%	\$ 21,965,368	\$ 9,836,927	223.30%	81.45%	\$ 2,724,851	2015
2015	0.62029%	25,558,797	9,776,879	261.42%	79.04%	2,620,740	2016
2016	0.63978%	33,135,364	10,332,152	320.70%	74.13%	2,894,745	2017
2017	0.64020%	38,253,169	10,874,918	351.76%	73.15%	3,301,561	2018
2018	0.66102%	38,785,811	11,599,156	334.38%	74.09%	3,759,899	2019
2019	0.67581%	42,187,668	12,310,910	342.69%	74.04%	4,387,258	2020
2020	0.69837%	46,528,122	13,023,674	357.26%	72.96%	5,095,707	2021

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

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

SCHEDULE OF CONTRIBUTIONS Miscellaneous Plan ¹ An Agent Multiple-Employer Defined Benefit Pension Plan Last 10 Years ²						
Fiscal year ended June 30,	Actuarially determined contributions	Contributions in relation to the actuarially determined contributions	Contributions deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll	
2014 ³	\$ 5,315,795	\$ (5,315,795)	\$ -	\$ 25,934,554	20.50%	
2015 ³	5,509,908	(5,509,908)	-	24,958,429	22.08%	
2016 ³	6,359,536	(6,359,536)	-	25,849,521	24.60%	
2017 ³	7,245,912	(7,245,912)	-	26,984,829	26.85%	
2018 ³	7,671,730	(7,671,730)	-	27,914,510	27.48%	
2019 ³	8,878,238	(8,878,238)	-	29,985,230	29.61%	
2020 ⁴	10,004,357	(10,004,357)	-	30,451,705	32.85%	
2021 ⁴	10,927,202	(10,927,202)	-	30,835,078	35.44%	

Notes to Schedule

Valuation date: June 30, 2017

Methods and assumptions used to determine

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Amortization period	A fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period.
Asset valuation method	Market value of assets
Inflation	2.625%
Salary increases	Varies by Entry Age and Service
Payroll growth	2.875%
Investment rate of return	7.25%, net of pension plan investment expense, including inflation.
Retirement age	50 years
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvements using 90% of Scale MP-2016 published by the Society of Actuaries.

Benefit changes: None

Changes in assumptions: None

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

² This schedule is intended to show information for 10 years. Information in this schedule is not available prior to 2014.

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

³ Fiscal years noted in this table match with the fiscal years presented in the GASB 68 actuarial valuation report

⁴ As prescribed in GASB 68, paragraph 46, the information presented is from the most recent year

SCHEDULE OF CONTRIBUTIONS						
Safety Police Plan						
A Cost Sharing Defined Benefit Pension Plan						
Last 10 Years ¹						
Fiscal year ended June 30,	Actuarially determined contributions	Contributions in relation to the actuarially determined contributions	Contributions deficiency (excess)	Covered payroll ⁴	Contributions as a percentage of covered payroll	
2014 ²	\$ 2,334,711	\$ (2,334,711)	\$ -	\$ 9,487,559	24.61%	
2015 ²	2,620,741	(2,620,741)	-	9,776,879	26.81%	
2016 ²	2,894,745	(2,894,745)	-	10,332,152	28.02%	
2017 ²	3,301,561	(3,301,561)	-	10,874,918	30.36%	
2018 ²	3,759,899	(3,759,899)	-	11,599,156	32.42%	
2019 ²	4,387,258	(4,387,258)	-	12,310,910	35.64%	
2020 ³	5,095,707	(5,095,707)	-	13,023,674	39.13%	
2021 ³	5,548,843	(5,548,843)	-	12,779,176	43.42%	

Notes to Schedule

Benefit changes: None

Changes in assumptions: None

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

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

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

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

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

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

	Measurement Date / Fiscal Year Ended June 30,				
	2017	2018	2019	2020	2021
Service Cost	\$ 1,324,000	\$ 1,364,072	\$ 1,404,890	\$ 1,188,021	\$ 1,223,662
Interest	4,461,000	4,645,578	4,827,840	4,936,407	5,115,274
Changes in assumptions	-	-	4,311,034	-	(1,463,176)
Differences between expected and actual experience	-	-	(5,282,915)	-	(1,868,874)
Benefit payments, including refunds	(2,839,793)	(3,109,307)	(3,383,525)	(3,363,911)	(3,452,661)
Net change in total OPEB liability	2,945,207	2,900,343	1,877,324	2,760,517	(445,775)
Total OPEB liability - beginning	68,715,793	71,661,000	74,561,343	76,438,667	79,199,184
Total OPEB liability - ending (a)	\$ 71,661,000	\$ 74,561,343	\$ 76,438,667	\$ 79,199,184	\$ 78,753,409
Plan fiduciary net position					
Contributions - employer	\$ 5,747,533	\$ 5,324,000	\$ 5,380,000	\$ 4,900,000	\$ 5,163,000
Net investment income	2,128,521	2,012,498	1,855,034	805,844	10,050,944
Benefit payments, including refunds	(2,839,793)	(3,109,307)	(3,383,525)	(3,363,911)	(3,452,661)
Administrative expense	(86,886)	(102,288)	(111,259)	(121,024)	(141,453)
Net change in plan fiduciary net position	4,949,375	4,124,903	3,740,250	2,220,909	11,619,830
Plan fiduciary net position - beginning	17,215,192	22,164,567	26,289,470	30,029,720	32,250,629
Plan fiduciary net position - ending (b)	\$ 22,164,567	\$ 26,289,470	\$ 30,029,720	\$ 32,250,629	\$ 43,870,459
City's net OPEB liability - ending (a) - (b)	\$ 49,496,433	\$ 48,271,873	\$ 46,408,947	\$ 46,948,555	\$ 34,882,950
Plan fiduciary net position as a percentage of the total pension liability	30.9%	35.3%	39.3%	40.7%	55.7%
Covered payroll ²	\$ 29,345,533	\$ 47,169,986	\$ 28,506,581	\$ 26,656,102	\$ 26,508,421
City's net OPEB liability as a percentage of covered payroll	168.7%	102.3%	162.8%	176.1%	131.6%

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

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

Notes to Schedule

Benefit changes: None

Changes in assumptions:

- Discount Rate was updated from 6.5% to 6.25% for anticipated lower capital market assumptions in fiscal year 2021
- Decreased medical trend rate for Kaiser Senior Advantage plans
- Participation at retirement changed from 95% to 90%
- Medical Plan Election updated based on current experience
- Mortality improvement scale was updated to Scale MP-2020

OTHER POST EMPLOYMENT BENEFITS					
Last 10 Fiscal Years ¹					
Fiscal year ended June 30,	Actuarially determined contributions	Contributions in relation to the actuarially determined contributions	Contributions deficiency (excess)	Covered payroll ²	Contributions as a percentage of covered payroll
2017	\$ 5,426,000	\$ (5,747,533)	\$ (321,533)	\$ 29,345,533	19.59%
2018	5,060,000	(5,324,000)	(264,000)	47,169,986	11.29%
2019	5,082,000	(5,380,000)	(298,000)	28,506,581	18.87%
2020	4,900,000	(4,900,000)	-	26,656,102	18.38%
2021	4,963,000	(5,163,000)	(200,000)	26,508,421	19.48%

Notes to Schedule

Valuation date: June 30, 2018

Methods and assumptions used to determine

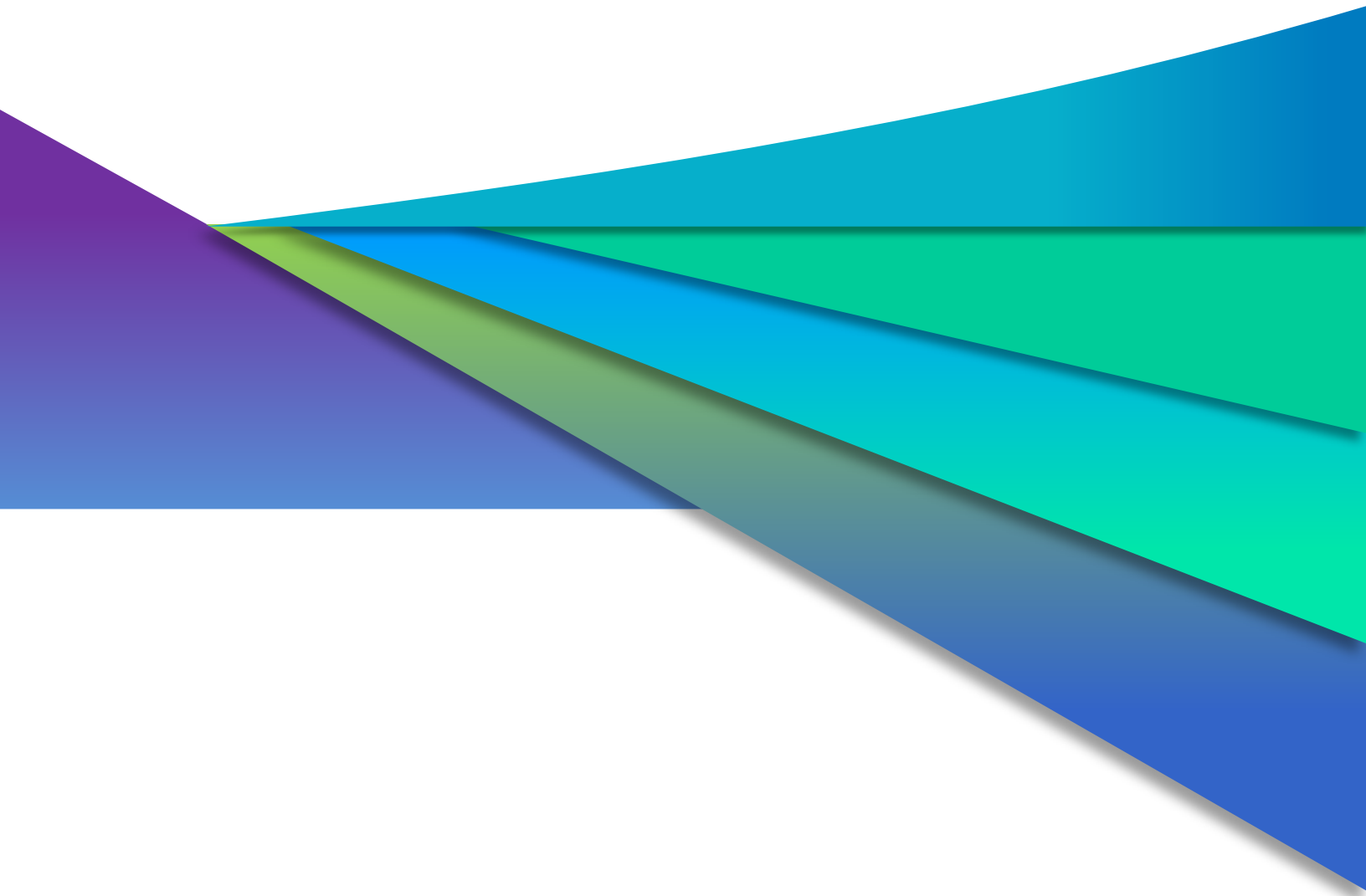
Actuarial cost method	Entry age, level percentage of payroll
Amortization method	Level percentage of payroll
Remaining amortization period	17-year fixed period for 2020-21
Asset valuation method	Investment gains and losses spread over 5-year rolling period
Inflation	2.75%
Healthcare cost trend rates	Non-medicare - 7.0% for 2020 scaling down to 4.0% in 2076 Medicare - 6.1% for 2020 scaling down to 4.0% in 2076
Salary increases	3.00%
Discount Rate	6.50%
Retirement age	Average retirement age for Miscellaneous & Safety employees is 58.6 and 53.4 years, respectively.
Mortality	The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2015 CalPERS Experience Study report, derived from data collected during fiscal years 1997 to 2015. The table includes Mortality improvement projection Scale MP-2018 with 15-year convergence.
Benefit changes:	None
Changes in assumptions:	None

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

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

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SUPPLEMENTARY INFORMATION



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NON-MAJOR GOVERNMENTAL FUNDS

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

HOUSING SUCCESSOR AGENCY

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

HOUSING AND COMMUNITY ASSISTANCE

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

HORIZONS

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

SOLID WASTE MANAGEMENT

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

MAINTENANCE DISTRICT

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

CITY STREET SWEEPING

Established to administer funds received through solid waste collection fees.

PARK FEE

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

OTHER SPECIAL REVENUE FUNDS

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

PEG

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

ALAMEDA COUNTY TRANSPORTATION FUNDS

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

GAS TAX

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

HOST COMMUNITY IMPACT FEE

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

OTHER IMPACT FEE SPECIAL REVENUE FUND

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

TRI-VALLEY TRANSPORTATION COUNCIL (TVTC) 20% FEE

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

OTHER LOCAL, STATE, AND FEDERAL GRANTS SPECIAL REVENUE FUND

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

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

2020 COP

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

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

TRAFFIC IMPACT FEE

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

ISABEL AVENUE

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

EL CHARRO SPECIFIC PLAN

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

DEVELOPER DEPOSITS

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

OTHER CAPITAL PROJECTS

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

STREET FUND

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

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

DOOLAN CANYON ENDOWMENT FUND

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

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021

	SPECIAL REVENUE FUNDS					
	Housing Successor Agency	Housing & Community Assistance	Horizons	Solid Waste Management	Maintenance District	City Street Sweeping
ASSETS						
Cash and investments in City Treasury	\$ 2,716,914	\$ 1,087,853	\$ -	\$ 439,585	\$ 12,389,142	\$ 124,158
Cash and investments with Trustees	-	-	-	-	-	-
Accounts receivables (net of applicable allowable for uncollectibles)	-	341,238	154,591	67,307	31,234	490
Notes receivable	4,757,953	1,762,209	-	-	-	-
Total Assets	\$ 7,474,867	\$ 3,191,300	\$ 154,591	\$ 506,892	\$ 12,420,376	\$ 124,648
LIABILITIES						
Accounts payable and other accruals	\$ -	\$ 31,645	\$ 38,116	\$ 25,443	\$ 267,843	\$ 18,385
Accrued payroll	-	5,082	23,009	10,379	23,772	4,430
Deposits payable	-	-	-	-	-	-
Advances from other funds	-	-	-	-	-	-
Unearned rents and revenue	-	-	1,902	-	-	-
Total Liabilities	-	36,727	63,027	35,822	291,615	22,815
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	4,114,515	1,762,209	-	-	-	-
Total deferred inflows of resources	4,114,515	1,762,209	-	-	-	-
FUND BALANCE						
Nonspendable	-	-	-	-	-	-
Restricted	3,360,352	1,392,364	91,564	471,070	12,128,761	101,833
Committed	-	-	-	-	-	-
Total Fund Balances (Deficits)	3,360,352	1,392,364	91,564	471,070	12,128,761	101,833
Total Liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 7,474,867	\$ 3,191,300	\$ 154,591	\$ 506,892	\$ 12,420,376	\$ 124,648

SPECIAL REVENUE FUNDS								
Park Fee	Other Special Revenue Funds	PEG	Alameda County Transportation Funds	Gas Tax	Host Community Impact Fee	Other Impact Fee	TVTC 20% Fee	
\$ 8,613,747	\$ 6,646,751	\$ 1,002,652	\$ 6,044,860	\$ 9,344,235	\$ 1,239,606	\$ 6,437,463	\$ 3,878,759	
-	-	-	-	-	-	-	-	-
-	592	63,131	663,820	166,005	125,679	-	-	-
-	84,428	-	-	-	-	-	-	-
<u>\$ 8,613,747</u>	<u>\$ 6,731,771</u>	<u>\$ 1,065,783</u>	<u>\$ 6,708,680</u>	<u>\$ 9,510,240</u>	<u>\$ 1,365,285</u>	<u>\$ 6,437,463</u>	<u>\$ 3,878,759</u>	
\$ 46,040	\$ 104,754	\$ -	\$ 75,714	\$ 3,305	\$ 19,912	\$ 197,232	\$ -	
-	-	-	-	-	-	-	-	-
-	-	-	45,153	-	-	2,017	-	-
-	-	-	-	-	-	3,874,396	-	-
66,765	451,222	-	-	-	-	-	-	-
<u>112,805</u>	<u>555,976</u>	<u>-</u>	<u>120,867</u>	<u>3,305</u>	<u>19,912</u>	<u>4,073,645</u>	<u>-</u>	
-	84,428	-	-	-	-	-	-	-
-	84,428	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
8,500,942	3,493,424	1,065,783	6,587,813	9,506,935	1,345,373	2,363,818	3,878,759	
-	2,597,943	-	-	-	-	-	-	-
<u>8,500,942</u>	<u>6,091,367</u>	<u>1,065,783</u>	<u>6,587,813</u>	<u>9,506,935</u>	<u>1,345,373</u>	<u>2,363,818</u>	<u>3,878,759</u>	
<u>\$ 8,613,747</u>	<u>\$ 6,731,771</u>	<u>\$ 1,065,783</u>	<u>\$ 6,708,680</u>	<u>\$ 9,510,240</u>	<u>\$ 1,365,285</u>	<u>\$ 6,437,463</u>	<u>\$ 3,878,759</u>	

(Continued)

NON-MAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET JUNE 30, 2021					
	SPECIAL REVENUE FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUNDS		
	Other Local, State and Federal Grants	2020 COP	Traffic Impact Fee	El Charro Specific Plan	Developer Deposits
ASSETS					
Cash and investments in City Treasury	\$ 4,252,308	\$ -	\$ 23,645,831	\$ 35,134	\$ 2,953,319
Cash and investments with Trustees	-	-	-	-	-
Accounts receivables (net of applicable allowable for uncollectibles)	1,203,411	-	-	-	-
Notes receivable	2,362,457	-	-	-	-
Total Assets	\$ 7,818,176	\$ -	\$ 23,645,831	\$ 35,134	\$ 2,953,319
LIABILITIES					
Accounts payable and other accruals	\$ 663,945	\$ -	\$ 225,932	\$ 1,285	\$ 25,020
Accrued payroll	3,060	-	-	-	-
Deposits payable	803,211	-	-	-	1,250,689
Advances from other funds	-	-	-	-	-
Unearned rents and revenue	55,014	-	-	-	1,677,610
Total Liabilities	1,525,230	-	225,932	1,285	2,953,319
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	2,538,697	-	-	-	-
Total deferred inflows of resources	2,538,697	-	-	-	-
FUND BALANCE					
Nonspendable	-	-	-	-	-
Restricted	3,754,249	-	23,419,899	33,849	-
Committed	-	-	-	-	-
	3,754,249	-	23,419,899	33,849	-
Total Liabilities, deferred inflows of resources, and fund balances (deficits)	\$ 7,818,176	\$ -	\$ 23,645,831	\$ 35,134	\$ 2,953,319

CAPITAL PROJECTS FUNDS		PERMANENT FUND		Total Nonmajor Governmental Funds
Other Capital Projects	Street Fund	Doolan Canyon Endowment Fund		
\$ 14,557,752	\$ 69,116	\$ 1,580	\$ 105,480,765	
-	-	692,717	692,717	
-	28	-	2,817,526	
-	-	-	8,967,047	
<u>\$ 14,557,752</u>	<u>\$ 69,144</u>	<u>\$ 694,297</u>	<u>\$ 117,958,055</u>	
\$ -	\$ -	\$ 1,580	\$ 1,746,151	
-	-	-	69,732	
-	-	-	2,101,070	
-	-	-	3,874,396	
-	-	-	2,252,513	
-	-	1,580	10,043,862	
-	-	-	8,499,849	
-	-	-	8,499,849	
-	-	506,524	506,524	
14,557,752	69,144	186,193	96,309,877	
-	-	-	2,597,943	
<u>14,557,752</u>	<u>69,144</u>	<u>692,717</u>	<u>99,414,344</u>	
<u>\$ 14,557,752</u>	<u>\$ 69,144</u>	<u>\$ 694,297</u>	<u>\$ 117,958,055</u>	

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	SPECIAL REVENUE FUNDS					
	Housing Successor Agency	Housing & Community Assistance	Horizons	Solid Waste Management	Maintenance District	City Street Sweeping
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ 3,802,774	\$ -
Intergovernmental	-	681,763	52,852	273,589	-	-
Contributions from outside sources	-	16,000	33,375	-	-	-
Charges for services	-	-	481,938	236,486	-	662,304
Use of money and property	73,607	25,921	-	912	-	-
Miscellaneous	323,193	138,493	2,125	-	-	-
Total Revenues	396,800	862,177	570,290	510,987	3,802,774	662,304
EXPENDITURES						
Current:						
General Government						
City Manager	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	-	179,480	1,120,830	-	-	-
Public Works	-	-	-	532,215	3,478,456	691,759
Community Development	1,010	471,987	-	-	-	-
Economic Development	-	-	-	-	-	-
Library	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	54,472	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	1,010	705,939	1,120,830	532,215	3,478,456	691,759
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	395,790	156,238	(550,540)	(21,228)	324,318	(29,455)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	638,749	-	118,985	-
Transfers (out)	-	-	-	-	(246,707)	-
Total Other Financing Sources (Uses)	-	-	638,749	-	(127,722)	-
Change in fund balances before extraordinary items	395,790	156,238	88,209	(21,228)	196,596	(29,455)
Net change in fund balances	395,790	156,238	88,209	(21,228)	196,596	(29,455)
Fund balances (deficits)- beginning	2,964,562	1,236,126	3,355	492,298	8,699,396	131,288
Beginning fund balance adjustment	-	-	-	-	3,232,769	-
Fund balances (deficits)- beginning (as restated)	2,964,562	1,236,126	3,355	492,298	11,932,165	131,288
Fund balances (deficits)- ending	\$ 3,360,352	\$ 1,392,364	\$ 91,564	\$ 471,070	\$ 12,128,761	\$ 101,833

SPECIAL REVENUE FUNDS							
Park Fee	Other Special Revenue Funds	PEG	Alameda County Transportation Funds	Gas Tax	Host Community Impact Fee	Other Impact Fee	TVTC 20% Fee
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	3,363,020	3,677,267	-	-	-
-	9,044	-	-	-	508,073	-	-
1,051,719	96,976	-	-	-	-	1,439,672	148,945
22,423	9,963	-	19,476	207,617	5,401	-	14,026
-	100	247,107	-	-	-	-	-
<u>1,074,142</u>	<u>116,083</u>	<u>247,107</u>	<u>3,382,496</u>	<u>3,884,884</u>	<u>513,474</u>	<u>1,439,672</u>	<u>162,971</u>
-	-	44,739	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	436,531	-	40,603	-	-
151,503	322,171	-	261,400	719,277	-	842,360	14,534
-	34,552	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,195,420	171,380	-	1,984,255	135,521	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,346,923</u>	<u>528,103</u>	<u>44,739</u>	<u>2,682,186</u>	<u>854,798</u>	<u>40,603</u>	<u>842,360</u>	<u>14,534</u>
<u>(272,781)</u>	<u>(412,020)</u>	<u>202,368</u>	<u>700,310</u>	<u>3,030,086</u>	<u>472,871</u>	<u>597,312</u>	<u>148,437</u>
-	-	-	-	-	-	-	-
-	(31,219)	-	-	-	(228,171)	-	-
-	(31,219)	-	-	-	(228,171)	-	-
<u>(272,781)</u>	<u>(443,239)</u>	<u>202,368</u>	<u>700,310</u>	<u>3,030,086</u>	<u>244,700</u>	<u>597,312</u>	<u>148,437</u>
(272,781)	(443,239)	202,368	700,310	3,030,086	244,700	597,312	148,437
8,773,723	6,534,606	863,415	5,887,503	6,476,849	1,100,673	1,766,506	3,730,322
-	-	-	-	-	-	-	-
<u>8,773,723</u>	<u>6,534,606</u>	<u>863,415</u>	<u>5,887,503</u>	<u>6,476,849</u>	<u>1,100,673</u>	<u>1,766,506</u>	<u>3,730,322</u>
<u>\$ 8,500,942</u>	<u>\$ 6,091,367</u>	<u>\$ 1,065,783</u>	<u>\$ 6,587,813</u>	<u>\$ 9,506,935</u>	<u>\$ 1,345,373</u>	<u>\$ 2,363,818</u>	<u>\$ 3,878,759</u>

(Continued)

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2021

	SPECIAL REVENUE FUND	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS		
	Other Local, State and Federal Grants	2020 COP	Traffic Impact Fee	El Charro Specific Plan	Developer Deposits
REVENUES					
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,468,432	-	-	-	-
Contributions from outside sources	346,354	-	-	-	200,000
Charges for services	28,305	-	521,291	20,101	-
Use of money and property	128,562	-	85,646	-	-
Miscellaneous	423,790	-	-	-	-
Total Revenues	<u>5,395,443</u>	<u>-</u>	<u>606,937</u>	<u>20,101</u>	<u>200,000</u>
EXPENDITURES					
Current:					
General Government:					
City Manager	-	-	-	-	-
Fire	7,653	-	-	-	-
Police	148,462	-	-	-	-
Public works	28,296	-	-	-	-
Community Development	914,701	-	456,446	-	-
Economic Development	-	-	-	-	-
Library	108,459	-	-	-	-
Capital Outlay:					
Capital projects	2,606,339	-	348,782	453,578	200,000
Debt service:					
Principal retirement	122,607	-	-	-	-
Interest and fiscal charges	51,735	1,323,859	-	-	-
Total Expenditures	<u>3,988,252</u>	<u>1,323,859</u>	<u>805,228</u>	<u>453,578</u>	<u>200,000</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,407,191</u>	<u>(1,323,859)</u>	<u>(198,291)</u>	<u>(433,477)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	587,797	1,304,855	-	-	-
Transfers (out)	(10,655)	-	-	-	-
Total Other Financing Sources (Uses)	<u>577,142</u>	<u>1,304,855</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balances before extraordinary items	<u>1,984,333</u>	<u>(19,004)</u>	<u>(198,291)</u>	<u>(433,477)</u>	<u>-</u>
Net change in fund balances	1,984,333	(19,004)	(198,291)	(433,477)	-
Fund balances (deficits)- beginning	1,769,916	19,004	23,618,190	467,326	-
Beginning fund balance adjustment	-	-	-	-	-
	<u>1,769,916</u>	<u>19,004</u>	<u>23,618,190</u>	<u>467,326</u>	<u>-</u>
Fund balances (deficits)- ending	<u>\$ 3,754,249</u>	<u>\$ -</u>	<u>\$ 23,419,899</u>	<u>\$ 33,849</u>	<u>\$ -</u>

CITY OF LIVERMORE			
CAPITAL PROJECTS FUNDS		PERMANENT FUND	
Other Capital Projects	Street Fund	Doolan Canyon Endowment	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 3,802,774
-	-	-	12,516,923
-	-	-	1,112,846
-	-	-	4,687,737
-	183	161,472	755,209
-	-	-	1,134,808
<u>-</u>	<u>183</u>	<u>161,472</u>	<u>24,010,297</u>
-	-	-	44,739
-	-	-	7,653
-	-	-	1,448,772
-	-	-	5,207,860
543	-	26,320	4,182,252
-	-	-	34,552
-	-	-	108,459
3,354	-	-	7,153,101
-	-	-	122,607
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,375,594</u>
<u>3,897</u>	<u>-</u>	<u>26,320</u>	<u>19,685,589</u>
<u>(3,897)</u>	<u>183</u>	<u>135,152</u>	<u>4,324,708</u>
-	-	24,725	2,675,111
-	-	-	(516,752)
<u>-</u>	<u>-</u>	<u>24,725</u>	<u>2,158,359</u>
<u>(3,897)</u>	<u>183</u>	<u>159,877</u>	<u>6,483,067</u>
(3,897)	183	159,877	6,483,067
14,561,649	68,961	532,840	89,698,508
-	-	-	3,232,769
<u>14,561,649</u>	<u>68,961</u>	<u>532,840</u>	<u>92,931,277</u>
<u>\$ 14,557,752</u>	<u>\$ 69,144</u>	<u>\$ 692,717</u>	<u>\$ 99,414,344</u>

BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	HOUSING SUCCESSOR			HOUSING & COMMUNITY ASSISTANCE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	745,356	681,763	(63,593)
Contributions from outside sources	-	-	-	16,000	16,000	-
Charges for services	-	-	-	-	-	-
Use of money and property	44,629	73,607	28,978	5,100	25,921	20,821
Miscellaneous	105,000	323,193	218,193	11,000	138,493	127,493
Total Revenues	149,629	396,800	247,171	777,456	862,177	84,721
EXPENDITURES						
Current:						
General Government:						
City Manager	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	-	-	-	181,182	179,480	1,702
Public works	-	-	-	-	-	-
Community Development	636	1,010	(374)	696,526	471,987	224,539
Economic Development	-	-	-	-	-	-
Library	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	-	-	91,000	54,472	36,528
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	636	1,010	(374)	968,708	705,939	262,769
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	148,993	395,790	246,797	(191,252)	156,238	347,490
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	\$ 148,993	395,790	\$ 246,797	\$ (191,252)	156,238	\$ 347,490
Fund balances (deficits)- beginning, as restated		2,964,562			1,236,126	
Fund balances (deficits)- ending		<u>\$ 3,360,352</u>			<u>\$ 1,392,364</u>	

HORIZONS			SOLID WASTE MANAGEMENT			MAINTENANCE DISTRICT		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,237,965	\$ 3,802,774	\$ (435,191)
550,000	52,852	(497,148)	280,000	273,589	(6,411)	-	-	-
19,500	33,375	13,875	-	-	-	-	-	-
10,000	481,938	471,938	236,486	236,486	-	-	-	-
-	-	-	999	912	(87)	33,299	-	(33,299)
3,000	2,125	(875)	-	-	-	-	-	-
<u>582,500</u>	<u>570,290</u>	<u>(12,210)</u>	<u>517,485</u>	<u>510,987</u>	<u>(6,498)</u>	<u>4,271,264</u>	<u>3,802,774</u>	<u>(468,490)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,158,156	1,120,830	37,326	-	-	-	-	-	-
-	-	-	554,603	532,215	22,388	3,518,704	3,478,456	40,248
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>1,158,156</u>	<u>1,120,830</u>	<u>37,326</u>	<u>554,603</u>	<u>532,215</u>	<u>22,388</u>	<u>3,518,704</u>	<u>3,478,456</u>	<u>40,248</u>
<u>(575,656)</u>	<u>(550,540)</u>	<u>25,116</u>	<u>(37,118)</u>	<u>(21,228)</u>	<u>15,890</u>	<u>752,560</u>	<u>324,318</u>	<u>(428,242)</u>
572,301	638,749	66,448	-	-	-	120,000	118,985	(1,015)
-	-	-	-	-	-	(228,000)	(246,707)	(18,707)
<u>572,301</u>	<u>638,749</u>	<u>66,448</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(108,000)</u>	<u>(127,722)</u>	<u>(19,722)</u>
<u>\$ (3,355)</u>	<u>88,209</u>	<u>\$ 91,564</u>	<u>\$ (37,118)</u>	<u>(21,228)</u>	<u>\$ 15,890</u>	<u>\$ 644,560</u>	<u>196,596</u>	<u>\$ (447,964)</u>
	<u>3,355</u>			<u>492,298</u>			<u>11,932,165</u>	
	<u>\$ 91,564</u>			<u>\$ 471,070</u>			<u>\$ 12,128,761</u>	

(Continued)

**BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	CITY STREET SWEEPING			PARK FEE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Contributions from outside sources	-	-	-	-	-	-
Charges for services	661,620	662,304	684	1,076,000	1,051,719	(24,281)
Use of money and property	-	-	-	32,571	22,423	(10,148)
Miscellaneous	-	-	-	-	-	-
Total Revenues	661,620	662,304	684	1,108,571	1,074,142	(34,429)
EXPENDITURES						
Current:						
General Government:						
City Manager	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	688,054	691,759	(3,705)	-	-	-
Community Development	-	-	-	900,000	151,503	748,497
Economic Development	-	-	-	-	-	-
Library	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	-	-	1,265,000	1,195,420	69,580
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	688,054	691,759	(3,705)	2,165,000	1,346,923	818,077
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(26,434)	(29,455)	(3,021)	(1,056,429)	(272,781)	783,648
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-
Net change in fund balance	\$ (26,434)	(29,455)	\$ (3,021)	\$ (1,056,429)	(272,781)	\$ 783,648
Fund balances (deficits)- beginning		131,288			8,773,723	
Fund balances (deficits)- ending		<u>\$ 101,833</u>			<u>\$ 8,500,942</u>	

OTHER SPECIAL REVENUE FUNDS			PEG			ALAMEDA COUNTY TRANSPORTATION FUNDS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	2,800,000	3,363,020	563,020
9,044	9,044	-	-	-	-	-	-	-
84,500	96,976	12,476	-	-	-	-	-	-
10,350	9,963	(387)	-	-	-	23,198	19,476	(3,722)
-	100	100	222,000	247,107	25,107	-	-	-
<u>103,894</u>	<u>116,083</u>	<u>12,189</u>	<u>222,000</u>	<u>247,107</u>	<u>25,107</u>	<u>2,823,198</u>	<u>3,382,496</u>	<u>559,298</u>
-	-	-	45,787	44,739	1,048	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	445,255	436,531	8,724
293,000	322,171	(29,171)	-	-	-	159,740	261,400	(101,660)
108,231	34,552	73,679	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
176,666	171,380	5,286	-	-	-	2,318,773	1,984,255	334,518
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>577,897</u>	<u>528,103</u>	<u>49,794</u>	<u>45,787</u>	<u>44,739</u>	<u>1,048</u>	<u>2,923,768</u>	<u>2,682,186</u>	<u>241,582</u>
<u>(474,003)</u>	<u>(412,020)</u>	<u>61,983</u>	<u>176,213</u>	<u>202,368</u>	<u>26,155</u>	<u>(100,570)</u>	<u>700,310</u>	<u>800,880</u>
-	-	-	-	-	-	-	-	-
<u>(4,500)</u>	<u>(31,219)</u>	<u>(26,719)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(4,500)</u>	<u>(31,219)</u>	<u>(26,719)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ (478,503)</u>	<u>(443,239)</u>	<u>\$ 35,264</u>	<u>\$ 176,213</u>	<u>202,368</u>	<u>\$ 26,155</u>	<u>\$ (100,570)</u>	<u>700,310</u>	<u>\$ 800,880</u>
	<u>6,534,606</u>			<u>863,415</u>			<u>5,887,503</u>	
	<u>\$ 6,091,367</u>			<u>\$ 1,065,783</u>			<u>\$ 6,587,813</u>	

Continued

BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	GAS TAX			HOST COMMUNITY IMPACT FEE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	3,684,500	3,677,267	(7,233)	-	-	-
Contributions from outside sources	-	-	-	506,000	508,073	2,073
Charges for services	-	-	-	-	-	-
Use of money and property	14,989	207,617	192,628	-	5,401	5,401
Miscellaneous	-	-	-	-	-	-
Total Revenues	3,699,489	3,884,884	185,395	506,000	513,474	7,474
EXPENDITURES						
Current:						
General Government:						
City Manager	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	-	-	-	10,175	40,603	(30,428)
Community Development	700,000	719,277	(19,277)	-	-	-
Economic Development	-	-	-	-	-	-
Library	-	-	-	-	-	-
Capital Outlay:						
Capital projects	263,000	135,521	127,479	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	963,000	854,798	108,202	10,175	40,603	(30,428)
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	2,736,489	3,030,086	293,597	495,825	472,871	(22,954)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers out	(990,467)	-	990,467	(358,299)	(228,171)	130,128
Total Other Financing Sources (Uses)	(990,467)	-	990,467	(358,299)	(228,171)	130,128
Net change in fund balance	\$ 1,746,022	3,030,086	\$ 1,284,064	\$ 137,526	244,700	\$ 107,174
Fund balances (deficits)- beginning		6,476,849			1,100,673	
Fund balances (deficits)- ending		\$ 9,506,935			\$ 1,345,373	

OTHER IMPACT FEE			TVTC 20% FEE			OTHER LOCAL, STATE, AND FEDERAL GRANTS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	4,993,838	4,468,432	(525,406)
-	-	-	-	-	-	337,000	346,354	9,354
1,451,535	1,439,672	(11,863)	964,000	148,945	(815,055)	35,000	28,305	(6,695)
-	-	-	15,162	14,026	(1,136)	75,802	128,562	52,760
-	-	-	-	-	-	208,122	423,790	215,668
<u>1,451,535</u>	<u>1,439,672</u>	<u>(11,863)</u>	<u>979,162</u>	<u>162,971</u>	<u>(816,191)</u>	<u>5,649,762</u>	<u>5,395,443</u>	<u>(254,319)</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	24,200	7,653	16,547
-	-	-	-	-	-	392,720	148,462	244,258
-	-	-	-	-	-	22,000	28,296	(6,296)
1,293,000	842,360	450,640	-	14,534	(14,534)	1,546,886	914,701	632,185
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	162,160	108,459	53,701
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	2,746,745	2,606,339	140,406
-	-	-	-	-	-	122,607	122,607	-
-	-	-	-	-	-	50,262	51,735	(1,473)
<u>1,293,000</u>	<u>842,360</u>	<u>450,640</u>	<u>-</u>	<u>14,534</u>	<u>(14,534)</u>	<u>5,067,580</u>	<u>3,988,252</u>	<u>1,079,328</u>
<u>158,535</u>	<u>597,312</u>	<u>438,777</u>	<u>979,162</u>	<u>148,437</u>	<u>(830,725)</u>	<u>582,182</u>	<u>1,407,191</u>	<u>825,009</u>
-	-	-	-	-	-	786,787	587,797	(198,990)
(219,198)	-	219,198	-	-	-	(25,000)	(10,655)	14,345
<u>(219,198)</u>	<u>-</u>	<u>219,198</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>761,787</u>	<u>577,142</u>	<u>(184,645)</u>
<u>\$ (60,663)</u>	<u>597,312</u>	<u>\$ 657,975</u>	<u>\$ 979,162</u>	<u>148,437</u>	<u>\$ (830,725)</u>	<u>\$ 1,343,969</u>	<u>1,984,333</u>	<u>\$ 640,364</u>
	<u>1,766,506</u>			<u>3,730,322</u>			<u>1,769,916</u>	
	<u>\$ 2,363,818</u>			<u>\$ 3,878,759</u>			<u>\$ 3,754,249</u>	

BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	2020 COP DEBT SERVICE			TRAFFIC IMPACT FEE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Contributions from outside sources	-	-	-	-	-	-
Charges for services	-	-	-	908,000	521,291	(386,709)
Use of money and property	-	-	-	95,249	85,646	(9,603)
Miscellaneous	-	-	-	-	-	-
Total Revenues	-	-	-	1,003,249	606,937	(396,312)
EXPENDITURES						
Current:						
General Government:						
City Manager	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Community Development	-	-	-	25,000	456,446	(431,446)
Economic Development	-	-	-	-	-	-
Library	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	-	-	1,091,962	348,782	743,180
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	2,079,299	1,323,859	755,440	-	-	-
Total Expenditures	2,079,299	1,323,859	755,440	1,116,962	805,228	311,734
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	(2,079,299)	(1,323,859)	755,440	(113,713)	(198,291)	(84,578)
OTHER FINANCING SOURCES (USES)						
Transfers in	2,063,827	1,304,855	-	-	-	-
Transfers out	-	-	-	(60,913)	-	60,913
Total Other Financing Sources (Uses)	2,063,827	1,304,855	-	(60,913)	-	60,913
Net change in fund balance	\$ (15,472)	(19,004)	\$ 755,440	\$ (174,626)	(198,291)	\$ (23,665)
Fund balances (deficits)- beginning		19,004			23,618,190	
Fund balances (deficits)- ending		\$ -			\$ 23,419,899	

EL CHARRO SPECIFIC PLAN			DEVELOPER DEPOSITS			OTHER CAPITAL PROJECTS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	-	-	200,000	200,000	-	-	-	-
24,780	20,101	(4,679)	-	-	-	-	-	-
-	-	-	6,176	-	(6,176)	-	-	-
-	-	-	-	-	-	-	-	-
<u>24,780</u>	<u>20,101</u>	<u>(4,679)</u>	<u>206,176</u>	<u>200,000</u>	<u>(6,176)</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	543	543	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
492,106	453,578	38,528	200,000	200,000	-	3,354	3,354	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>492,106</u>	<u>453,578</u>	<u>38,528</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>3,897</u>	<u>3,897</u>	<u>-</u>
<u>(467,326)</u>	<u>(433,477)</u>	<u>33,849</u>	<u>6,176</u>	<u>-</u>	<u>(6,176)</u>	<u>(3,897)</u>	<u>(3,897)</u>	<u>-</u>
467,326	-	(467,326)	-	-	-	-	-	-
<u>(467,326)</u>	<u>-</u>	<u>467,326</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-	-
<u>\$ (467,326)</u>	<u>(433,477)</u>	<u>\$ 33,849</u>	<u>\$ 6,176</u>	<u>-</u>	<u>\$ (6,176)</u>	<u>\$ (3,897)</u>	<u>(3,897)</u>	<u>\$ -</u>
	<u>467,326</u>			<u>-</u>			<u>14,561,649</u>	
	<u>\$ 33,849</u>		<u>\$ -</u>				<u>\$ 14,557,752</u>	

BUDGETED NON-MAJOR FUNDS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	STREET FUND			DOOLAN CANYON ENDWOMENT FUND		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes and special assessments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-
Contributions from outside sources	-	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Use of money and property	200	183	(17)	66,244	161,472	95,228
Miscellaneous	-	-	-	-	-	-
Total Revenues	200	183	(17)	66,244	161,472	95,228
EXPENDITURES						
Current:						
General Government:						
City Manager	-	-	-	-	-	-
Fire	-	-	-	-	-	-
Police	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Community Development	-	-	-	32,000	26,320	5,680
Economic Development	-	-	-	-	-	-
Library	-	-	-	-	-	-
Capital Outlay:						
Capital projects	-	-	-	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	-	-	-	32,000	26,320	5,680
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURES	200	183	(17)	34,244	135,152	100,908
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	24,725	24,725
Transfers out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	24,725	24,725
Net change in fund balance	\$ 200	183	\$ (17)	\$ 34,244	159,877	\$ 125,633
Fund balances (deficits)- beginning		68,961			532,840	
Fund balances (deficits)- ending		<u>\$ 69,144</u>			<u>\$ 692,717</u>	

INTERNAL SERVICE FUNDS

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

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

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

LIABILITY INSURANCE RESERVE

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

WORKERS COMPENSATION

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

FLEET AND EQUIPMENT SERVICES

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

INFORMATION TECHNOLOGY

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

FACILITIES REHABILITATION PROJECTS

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

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF NET POSITION JUNE 30, 2021			
	Liability Insurance Reserve	Workers Compensation	Fleet and Equipment Services
ASSETS			
Current Assets:			
Cash and investments in City Treasury	\$ 4,443,759	\$ 6,788,663	\$ 5,252,901
Accounts receivable (net of applicable allowance for uncollectibles)	-	2,293	73,019
Inventory	-	-	315,693
Prepays, deposits and supplies	-	-	-
Total current assets	4,443,759	6,790,956	5,641,613
Noncurrent Assets:			
Land and construction in progress	-	-	172,378
Depreciable capital assets (net of depreciation)	-	-	6,764,312
Total noncurrent assets	-	-	6,936,690
Total Assets	4,443,759	6,790,956	12,578,303
DEFERRED OUTFLOWS OF RESOURCES			
Related to pension	107,495	94,198	362,322
Related to OPEB	3,964	1,200	14,053
Total deferred outflows of resources	111,459	95,398	376,375
LIABILITIES			
Current Liabilities:			
Accounts payable and other accruals	102,405	4,081	83,486
Accrued payroll	9,755	8,644	33,884
Claims payable	420,000	890,000	-
Deposits payable	-	-	-
Long-term debt:			
Due within one year	-	-	-
Total current liabilities	532,160	902,725	117,370
Noncurrent Liabilities:			
Claims payable	1,709,980	3,655,511	-
Net Pension liability	613,839	547,733	2,124,826
Net OPEB liabilities	192,427	58,253	682,275
Long-term debt:			
Due in more than one year	-	-	-
Total noncurrent liabilities	2,516,246	4,261,497	2,807,101
Total liabilities	3,048,406	5,164,222	2,924,471
DEFERRED INFLOWS OF RESOURCES			
Related to OPEB	48,463	14,671	171,832
Total deferred inflows of resources	48,463	14,671	171,832
NET POSITION			
Net Investment in Capital Assets	-	-	6,936,690
Unrestricted	1,458,349	1,707,461	2,921,685
Total Net Position	\$ 1,458,349	\$ 1,707,461	\$ 9,858,375

Information Technology	Facilities Rehabilitation Projects	Total
\$ 5,849,530	\$ 8,768,984	\$ 31,103,837
-	188,725	264,037
-	-	315,693
130,289	-	130,289
<u>5,979,819</u>	<u>8,957,709</u>	<u>31,813,856</u>
-	720,110	892,488
336,779	9,299,641	16,400,732
<u>336,779</u>	<u>10,019,751</u>	<u>17,293,220</u>
<u>6,316,598</u>	<u>18,977,460</u>	<u>49,107,076</u>
538,559	152,958	1,255,532
14,199	3,389	36,805
<u>552,758</u>	<u>156,347</u>	<u>1,292,337</u>
24,004	364,361	578,337
47,404	14,495	114,182
-	-	1,310,000
-	3,305	3,305
-	735,353	735,353
<u>71,408</u>	<u>1,117,514</u>	<u>2,741,177</u>
-	-	5,365,491
3,106,968	868,818	7,262,184
689,349	164,537	1,786,841
-	6,148,493	6,148,493
<u>3,796,317</u>	<u>7,181,848</u>	<u>20,563,009</u>
<u>3,867,725</u>	<u>8,299,362</u>	<u>23,304,186</u>
<u>173,613</u>	<u>41,439</u>	<u>450,018</u>
<u>173,613</u>	<u>41,439</u>	<u>450,018</u>
336,779	3,135,905	10,409,374
2,491,239	7,657,101	16,235,835
<u>\$ 2,828,018</u>	<u>\$ 10,793,006</u>	<u>\$ 26,645,209</u>

INTERNAL SERVICE FUNDS			
COMBINING STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION			
FOR THE YEAR ENDED JUNE 30, 2021			
	Liability Insurance Reserve	Workers Compensation	Fleet and Equipment Services
OPERATING REVENUES			
Charges for services	\$ 3,150,000	\$ 806,008	\$ 4,078,220
Miscellaneous	-	5,680	327,171
Total Operating Revenues	<u>3,150,000</u>	<u>811,688</u>	<u>4,405,391</u>
OPERATING EXPENSES			
Salaries and benefits	434,133	365,751	1,541,484
Contracted services	718,156	134,114	48,507
Insurance premiums and claim expenses	766,239	661,159	65,992
Materials, supplies and others	29,790	1,235,704	620,542
Utilities	1,959	1,084	1,160
Depreciation	-	-	1,644,078
Repairs and maintenance	3,230	1,320	582,014
Total Operating Expenses	<u>1,953,507</u>	<u>2,399,132</u>	<u>4,503,777</u>
Operating Income (Loss)	<u>1,196,493</u>	<u>(1,587,444)</u>	<u>(98,386)</u>
NONOPERATING REVENUE (EXPENSES)			
Interest and fiscal charges (expense)	-	-	-
Other Nonoperating Income (expenses)	-	-	18,315
Net Nonoperating Revenues (Expenses)	<u>-</u>	<u>-</u>	<u>18,315</u>
Income (Loss) Before Transfers	<u>1,196,493</u>	<u>(1,587,444)</u>	<u>(80,071)</u>
Change in Net Position	1,196,493	(1,587,444)	(80,071)
Net position-beginning (Deficit)	261,856	3,294,905	9,938,446
Net position-ending	<u>\$ 1,458,349</u>	<u>\$ 1,707,461</u>	<u>\$ 9,858,375</u>

Information Technology	Facilities Rehabilitation Projects	Total
\$ 3,720,000	\$ 2,174,584	\$ 13,928,812
-	109,219	442,070
<u>3,720,000</u>	<u>2,283,803</u>	<u>14,370,882</u>
2,071,930	387,973	4,801,271
1,103,107	11,288	2,015,172
67,049	39,990	1,600,429
163,013	41,437	2,090,486
99,538	434,999	538,740
268,260	430,956	2,343,294
461,261	759,930	1,807,755
<u>4,234,158</u>	<u>2,106,573</u>	<u>15,197,147</u>
<u>(514,158)</u>	<u>177,230</u>	<u>(826,265)</u>
-	(187,955)	(187,955)
-	66,105	84,420
<u>-</u>	<u>(121,850)</u>	<u>(103,535)</u>
<u>(514,158)</u>	<u>55,380</u>	<u>(929,800)</u>
(514,158)	55,380	(929,800)
<u>3,342,176</u>	<u>10,737,626</u>	<u>27,575,009</u>
<u>\$ 2,828,018</u>	<u>\$ 10,793,006</u>	<u>\$ 26,645,209</u>

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

	Liability Insurance Reserve	Workers Compensation	Fleet and Equipment Services
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 3,150,000	\$ 810,022	\$ 4,404,811
Payments to suppliers	(1,761,713)	(2,034,654)	(1,429,301)
Payments to or on behalf of employees	(375,206)	(313,359)	(1,357,532)
Claims paid	(553,554)	(669,683)	-
Net cash provided (used) by operating activities	459,527	(2,207,674)	1,617,978
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital asset additions, net	-	-	(1,056,067)
Long term Debt			
Repayments	-	-	-
Interest paid	-	-	-
Cash Flows (used for) Capital and Related Financing Activities	-	-	(1,056,067)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment income (loss)	-	-	18,315
Cash Flow from (used by) Investing Activities	-	-	18,315
Net Cash Flows	459,527	(2,207,674)	580,226
Cash and investments at beginning of period	3,984,232	8,996,337	4,672,675
Cash and Investment at end of period	\$ 4,443,759	\$ 6,788,663	\$ 5,252,901
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income	\$ 1,196,493	\$ (1,587,444)	\$ (98,386)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	-	-	1,644,078
Change in assets and liabilities:			
Accounts receivable	-	(1,666)	(580)
Prepays, deposits and supplies	-	-	(36,699)
Deferred outflows	(16,424)	(18,112)	(32,317)
Net pension liability	103,751	89,519	248,741
Net OPEB liabilities	(54,043)	(17,487)	(125,595)
Accounts payable and accrued liabilities	(242,339)	(1,273)	(67,290)
Accrued payroll	2,468	2,266	-
Claims payable	(553,554)	(669,683)	-
Deferred inflows	23,175	(3,794)	86,026
Net cash provided (used) by operating activities	\$ 459,527	\$ (2,207,674)	\$ 1,617,978

Information Technology	Facilities Rehabilitation Projects	Total
\$ 3,720,000	\$ 2,124,173	\$ 14,209,006
(2,019,324)	(1,010,736)	(8,255,728)
(1,842,379)	(524,891)	(4,413,367)
-	-	(1,223,237)
<u>(141,703)</u>	<u>588,546</u>	<u>316,674</u>
(82,695)	(276,450)	(1,415,212)
-	(679,300)	(679,300)
-	<u>(187,955)</u>	<u>(187,955)</u>
<u>(82,695)</u>	<u>(1,143,705)</u>	<u>(2,282,467)</u>
-	66,105	84,420
-	66,105	84,420
(224,398)	(489,054)	(1,881,373)
<u>6,073,928</u>	<u>9,258,038</u>	<u>32,985,210</u>
<u>\$ 5,849,530</u>	<u>\$ 8,768,984</u>	<u>\$ 31,103,837</u>
\$ (514,158)	\$ 177,230	\$ (826,265)
268,260	430,956	2,343,294
-	(63,034)	(65,280)
(74,019)	(96,596)	(207,314)
(83,440)	(4,192)	(154,485)
487,365	30,199	959,575
(238,747)	(167,025)	(602,897)
(41,544)	276,380	(76,066)
-	-	4,734
-	-	(1,223,237)
54,580	4,628	164,615
<u>\$ (141,703)</u>	<u>\$ 588,546</u>	<u>\$ 316,674</u>

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CUSTODIAL FUNDS

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

Community Facilities and Assessment Districts' Bonds

This fund accounts for the collection of property owners' debt service obligation which is used to pay principal and interest on 1915 Act Bonds.

Other Custodial Funds

This fund accounts for assets which are held for other governmental agencies or individuals by the City in a custodial capacity.

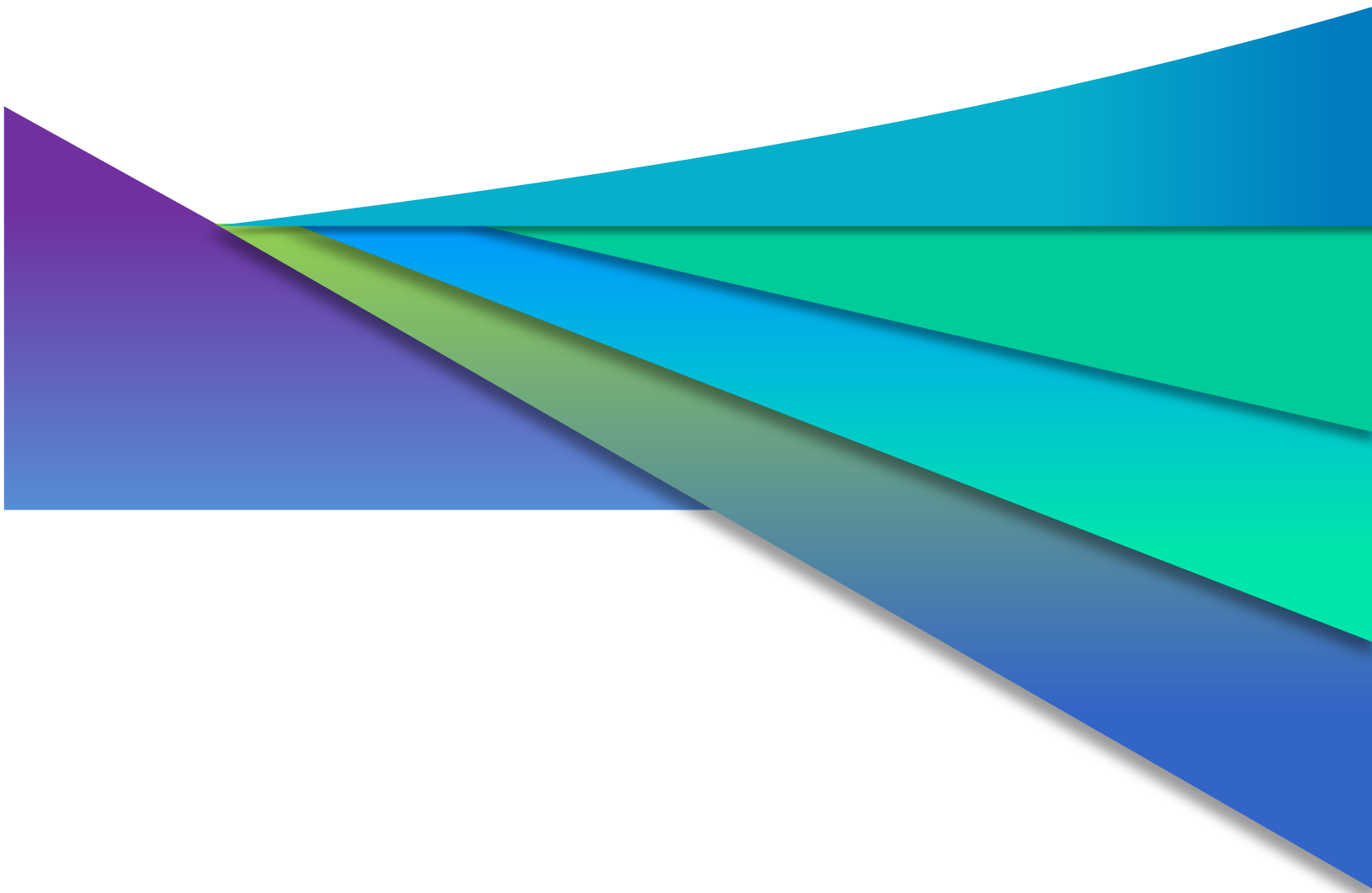
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021

	Passthrough	LPFD JPA	Total
ASSETS			
Cash and investments in City Treasury (Note 3B)	\$ 10,162,955	\$ 4,268,300	\$ 14,431,255
Cash and investments with Trustees (Note 3B)	2,269,253	-	2,269,253
Accounts receivable	174,778	146,157	320,935
Total Assets	<u>12,606,986</u>	<u>4,414,457</u>	<u>17,021,443</u>
LIABILITIES			
Accrued liabilities	\$ 942,558	\$ 3,414,457	4,357,015
Deposits payable	6,359,971	-	6,359,971
Total Liabilities	<u>\$ 7,302,529</u>	<u>\$ 3,414,457</u>	<u>\$ 10,716,986</u>
NET POSITION			
Held in trust	<u>\$ 5,304,457</u>	<u>\$ 1,000,000</u>	<u>\$ 6,304,457</u>

CUSTODIAL FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED ON JUNE 30, 2021			
	Passthrough	LPFD JPA	Total
ADDITIONS			
Charges for services	4,219,608	40,467,485	44,687,093
	<u>4,219,608</u>	<u>40,467,485</u>	<u>44,687,093</u>
Total Additions	4,219,608	40,467,485	44,687,093
DEDUCTIONS			
Recipient Payments	3,847,070	40,217,485	44,064,555
	<u>3,847,070</u>	<u>40,217,485</u>	<u>44,064,555</u>
Total Deductions	3,847,070	40,217,485	44,064,555
Net Change in Net Position	372,538	250,000	622,538
NET POSITION			
Beginning of year	-	-	-
Beginning Net Position Adjustments (Note 9F)	4,931,919	750,000	5,681,919
Net Position-Beginning, as restated (Note 9F)	4,931,919	750,000	5,681,919
End of year	<u>\$ 5,304,457</u>	<u>\$ 1,000,000</u>	<u>\$ 6,304,457</u>

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STATISTICAL SECTION



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STATISTICAL SECTION

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

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

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

Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$ 259,362,430	\$ 278,093,595	\$ 278,670,042	\$ 282,932,408	\$ 286,589,221	\$ 288,382,796	\$ 290,283,699	\$ 308,461,598	\$ 316,407,161	\$ 316,616,522
Restricted	16,216,462	22,454,139	34,034,587	61,824,573	78,250,270	76,320,882	92,305,699	81,561,447	88,497,962	145,907,840
Unrestricted	62,557,722	42,670,999	33,575,365	(59,176,525)	(36,129,816)	(20,113,778)	(31,158,732)	(28,940,594)	(35,517,921)	(79,949,428)
Total governmental activities net position	\$ 338,136,614	\$ 343,218,733	\$ 346,279,994	\$ 285,580,456	\$ 328,709,675	\$ 344,589,900	\$ 351,430,666	\$ 361,082,451	\$ 369,387,202	\$ 382,574,934
Business-type activities										
Net investment in capital assets	\$ 144,761,509	\$ 144,486,932	\$ 140,571,723	\$ 141,163,645	\$ 137,068,262	\$ 139,333,158	\$ 141,811,387	\$ 132,533,193	\$ 144,490,755	\$ 144,545,798
Unrestricted	92,361,887	93,219,127	97,792,547	91,680,464	96,819,619	94,747,853	102,114,754	113,918,054	112,447,010	113,873,028
Total business-type activities net position	\$ 237,123,396	\$ 237,706,059	\$ 238,364,270	\$ 232,844,109	\$ 233,887,881	\$ 234,081,011	\$ 243,926,141	\$ 246,451,247	\$ 256,937,765	\$ 258,418,826
Primary government										
Net investment in capital assets	\$ 404,123,939	\$ 422,580,527	\$ 419,241,765	\$ 424,096,053	\$ 423,657,483	\$ 427,715,954	\$ 432,095,086	\$ 440,994,791	\$ 460,897,916	\$ 461,162,320
Restricted	16,216,462	22,454,139	34,034,587	61,824,573	78,250,270	76,320,882	92,305,699	81,561,447	88,497,962	145,907,840
Unrestricted	154,919,609	135,890,126	131,367,912	32,503,939	60,689,803	74,634,075	70,956,022	84,977,460	76,929,089	33,923,600
Total primary government net position	\$ 575,260,010	\$ 580,924,792	\$ 584,644,264	\$ 518,424,565	\$ 562,597,556	\$ 578,670,911	\$ 595,356,807	\$ 607,533,698	\$ 626,324,967	\$ 640,993,760

	Changes in Net Position									
	Last Ten Fiscal Years (accrual basis of accounting)									
	2012	2013	2014	2015	2016	2017 *	2018	2019	2020	2021
Expenses										
Governmental activities:										
City Council	\$ 203,749	\$ 323,432	\$ 320,564	\$ 319,910	\$ 305,501	\$ 320,856	\$ 317,658	\$ 311,985	\$ 292,220	\$ 294,172
City Manager	1,481,798	1,239,792	1,725,290	1,681,436	1,649,663	1,662,729	1,933,419	2,160,058	1,857,725	2,177,473
City Attorney	1,395,340	1,450,572	1,240,671	1,267,491	1,476,535	1,596,579	1,328,032	1,648,089	1,700,994	1,885,435
City Clerk	984,762	552,708	649,652	753,436	674,295	-	-	-	-	-
Administrative Services	12,744,494	3,205,106	3,692,795	3,612,507	3,602,398	4,941,962	4,982,681	5,616,900	5,587,975	6,518,045
General Services	-	9,897,780	4,960,595	4,245,719	3,724,700	2,991,868	7,167,712	8,882,653	14,093,688	4,675,753
Fire	15,840,299	15,044,679	15,368,561	16,665,396	17,222,099	23,553,737	25,472,063	20,854,960	21,975,048	24,427,677
Police	27,883,362	31,441,958	31,092,970	30,516,594	29,624,394	32,703,145	36,741,948	37,862,170	37,301,780	40,395,532
Public Works	14,963,662	14,161,650	14,383,488	14,363,304	14,985,937	18,116,391	19,060,229	19,290,328	19,665,609	21,662,957
Community Development	24,172,190	26,867,068	23,528,766	15,711,525	27,302,011	22,044,584	20,012,366	36,444,392	32,628,435	24,802,552
Economic Development	-	-	-	-	-	2,353,896	2,165,309	2,820,265	2,805,692	4,418,752
Library	5,784,086	4,906,056	5,052,341	4,863,723	4,886,840	5,858,998	6,214,109	6,341,564	6,349,762	6,303,545
Redevelopment	1,422,996	-	-	-	-	-	-	-	-	-
Interest on long term debt	2,463,121	2,886,993	1,142,866	1,288,881	1,033,661	1,266,179	1,270,061	1,397,328	1,682,372	1,219,276
Total governmental activities expenses	109,339,859	111,977,794	103,158,559	95,289,922	106,488,034	117,410,924	126,665,587	143,630,692	145,941,300	138,781,169
Business-type activities:										
Airport	5,597,645	8,098,139	6,336,579	5,637,480	3,870,139	7,017,908	3,016,304	3,504,956	4,250,953	4,022,246
Water	11,514,203	11,860,758	11,408,389	9,907,976	10,996,708	13,884,791	14,701,669	15,934,857	15,625,538	18,821,642
Sewer	22,467,214	25,582,473	21,614,437	23,005,606	25,293,809	24,879,897	21,824,590	24,081,018	24,049,671	24,026,163
Stormwater	-	-	-	-	-	-	4,572,368	6,215,290	5,157,718	5,341,864
Las Positas	2,517,171	2,631,759	3,492,698	3,331,686	3,204,730	2,935,020	3,025,888	1,986,853	-	-
Springtown	26,660	16,568	38,399	32,171	105,030	-	-	-	-	-
Total business-type activities expenses	42,122,893	48,189,697	42,890,502	41,914,919	43,470,416	48,717,616	47,140,819	51,722,974	49,083,880	52,211,915
Total primary government expenses	\$ 151,462,752	\$ 160,167,491	\$ 146,049,061	\$ 137,204,841	\$ 149,958,450	\$ 166,128,540	\$ 173,806,406	\$ 195,353,666	\$ 195,025,180	\$ 190,993,084

* Starting fiscal year 2017, City Clerk is presented as a part of Administrative Services
 * Starting fiscal year 2018, Stormwater is presented separately from Sewer

(Continued)

	Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)									
	2012	2013	2014	2015	2016	2017 *	2018	2019	2020	2021
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	\$ -	\$ 125,000	\$ 774,339	\$ 1,083,813	\$ 855,888	\$ 1,534,690	2,009,308	1,598,885	1,502,556	1,203,282
Fire	1,189,918	1,254,438	1,714,973	1,634,534	1,822,267	1,813,604	2,560,405	767,507	1,339,356	1,150,341
Police	1,373,008	1,239,236	1,340,240	1,600,551	1,718,669	1,596,383	1,866,310	1,936,452	1,781,262	1,664,591
Public Works	128,206	311,393	178,263	205,163	220,715	253,942	214,104	319,336	237,566	237,986
Community Development	6,346,285	8,076,312	10,414,752	14,881,608	19,070,042	13,679,642	12,374,344	8,685,435	12,068,342	9,082,146
Economic Development	-	-	-	-	-	-	-	-	-	-
Library	139,104	150,179	147,543	121,244	113,218	109,423	106,819	102,007	29,584	935
Redevelopment	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	8,304,359	10,614,625	9,665,802	19,882,483	14,034,381	10,152,472	17,851,251	14,944,050	16,349,423	19,784,517
Capital grants and contributions	46,991,639	18,349,337	8,435,777	20,161,044	21,329,334	10,968,620	22,984,924	11,646,318	12,379,725	9,478,790
Total governmental activities program revenues	64,472,519	40,120,520	32,671,689	59,570,440	59,164,514	40,108,776	59,967,465	39,999,990	45,687,814	42,602,588
Business-type activities:										
Charges for services:										
Airport	6,976,531	7,609,923	6,925,128	6,166,771	4,671,643	3,989,363	3,638,327	3,949,727	3,988,814	3,807,332
Water	11,357,357	13,083,389	12,523,886	13,211,780	12,567,619	13,790,365	15,088,661	14,871,772	16,757,972	17,610,383
Sewer	18,553,327	18,474,750	18,822,193	20,401,801	22,853,237	20,438,612	21,391,758	22,944,348	24,535,578	25,604,994
Stormwater	-	-	-	-	-	-	1,112,473	1,136,319	1,137,063	1,134,233
Las Positas	1,932,811	2,957,505	3,259,879	3,087,554	3,016,898	2,636,577	2,733,407	1,628,472	-	-
Springtown	12,010	6,000	11,392	6,173	3,694	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-	3,079,962	199,428	643,541	-	374,526
Capital grants and contributions	1,366,499	6,663,795	2,120,480	2,691,864	50,450	4,269,465	7,025,848	7,342,209	7,381,049	2,988,779
Total business-type activities program revenues	40,198,535	48,795,362	43,662,958	45,565,943	43,163,541	48,204,344	51,189,902	52,516,388	53,800,476	51,520,247
Total primary government program revenues	\$ 104,671,054	\$ 88,915,882	\$ 76,334,647	\$ 105,136,383	\$ 102,328,055	\$ 88,313,120	\$ 111,157,367	\$ 92,516,378	\$ 99,488,290	\$ 94,122,835
Net (Expense) Revenue										
Governmental activities	\$ (44,867,340)	\$ (71,857,274)	\$ (70,486,870)	\$ (35,719,482)	\$ (47,323,520)	\$ (77,302,148)	\$ (66,698,122)	\$ (103,630,702)	\$ (100,253,486)	\$ (96,178,581)
Business-type activities	(1,924,358)	605,665	772,456	3,651,024	(306,875)	(513,272)	4,049,083	793,414	4,716,596	(691,668)
Total primary government net expenses	\$ (46,791,698)	\$ (71,251,609)	\$ (69,714,414)	\$ (32,068,458)	\$ (47,630,395)	\$ (77,815,420)	\$ (62,649,039)	\$ (102,837,288)	\$ (95,536,890)	\$ (96,870,249)

(Continued)

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes	\$ 25,228,218	\$ 24,340,228	\$ 24,721,318	\$ 26,379,108	\$ 28,340,602	\$ 30,494,247	32,960,384	35,577,827	37,797,380	38,874,958
Incremental property taxes	-	-	-	-	-	-	-	-	-	-
Sales taxes	20,761,599	23,711,235	25,159,952	27,278,151	29,932,022	30,684,026	32,346,374	35,556,493	32,869,001	35,441,550
Other taxes	9,811,089	11,466,048	11,859,580	13,587,065	15,204,335	15,429,188	17,211,775	16,895,027	16,253,107	16,150,202
Intergovernmental	5,633,766	5,893,271	6,055,370	6,506,780	6,964,071	7,411,648	7,897,068	8,417,344	8,962,999	9,417,844
Investment income	2,399,333	1,458,335	1,336,195	952,239	1,782,742	757,516	1,295,887	6,928,825	8,520,096	1,573,776
Miscellaneous	8,070,519	7,723,668	7,366,432	8,313,221	8,430,147	8,608,485	6,655,867	5,508,154	6,001,803	6,442,577
Change of value from investment in JPA	-	-	-	-	-	-	-	(1,354,554)	(1,522,359)	-
Transfers (net)	230,147	175,216	328,427	(4,258,088)	(201,180)	(202,737)	(12,507,742)	3,794,799	(323,790)	(1,767,363)
Assets transferred to/liabilities assumed by Successor Agency	25,136,863	(1,704,483)	-	-	-	-	-	-	-	-
Total governmental activities	97,271,534	73,063,518	76,827,274	78,758,476	90,452,739	93,182,373	85,859,613	111,323,915	108,558,237	106,133,544
Business-type activities:										
Interest and other income	-	-	281,708	388,004	1,034,225	293,279	711,495	4,250,989	3,293,931	405,366
Transfers (net)	(230,147)	(175,216)	(328,427)	4,258,088	201,180	202,737	12,507,742	(3,794,799)	323,790	1,767,363
Change in value of Investment in JPA	6,021,144	152,214	(232,754)	39,878	115,242	210,386	329,595	1,275,502	445,399	-
Total business-type activities	5,790,997	(23,002)	(561,181)	4,685,970	1,350,647	706,402	13,548,832	1,731,692	4,063,120	2,172,729
Total primary government activities	\$ 103,062,531	\$ 73,040,516	\$ 76,266,093	\$ 83,444,446	\$ 91,803,386	\$ 93,888,775	\$ 99,408,445	\$ 113,055,607	\$ 112,621,357	\$ 108,306,273
Change in Net Position										
Governmental activities	\$ 52,404,194	\$ 1,206,244	\$ 6,340,404	\$ 43,038,994	\$ 43,129,219	\$ 15,880,225	\$ 19,161,491	\$ 7,693,213	\$ 8,304,751	\$ 9,954,963
Business-type activities	3,866,639	582,663	211,275	8,336,994	1,043,772	193,130	17,597,915	2,525,106	8,779,716	1,481,061
Total primary government	\$ 56,270,833	\$ 1,788,907	\$ 6,551,679	\$ 51,375,988	\$ 44,172,991	\$ 16,073,355	\$ 36,759,406	\$ 10,218,319	\$ 17,084,467	\$ 11,436,024

Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 5,262,813	\$ 6,832,287	\$ 6,317,781	\$ 5,423,421	\$ 5,220,875	\$ 5,191,768	\$ 6,911,157	\$ 5,712,441	\$ 5,627,682	\$ 5,609,833
Committed	11,500,000	12,003,511	12,548,889	12,897,711	13,980,181	14,534,792	15,689,514	15,954,446	16,561,703	17,419,222
Assigned	5,349,482	8,002,341	8,365,926	8,598,474	16,490,551	17,891,417	20,120,563	22,359,001	24,905,533	29,677,300
Unassigned	1,134,242	3,229,530	5,050,960	10,406,034	11,447,929	16,850,333	20,197,806	21,015,747	22,903,595	24,471,138
Total general fund	\$ 23,246,537	\$ 30,067,669	\$ 32,283,556	\$ 37,325,640	\$ 47,139,536	\$ 54,468,310	\$ 62,919,040	\$ 65,041,635	\$ 69,998,513	\$ 77,177,493
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ 57,439,026	\$ 4,000	\$ -	\$ 3,580	\$ 510,525	\$ 540,789	\$ 537,935	\$ 521,482
Restricted	63,995,900	58,524,301	-	82,222,196	106,877,672	117,117,738	122,335,628	107,752,207	106,314,261	115,657,837
Committed	-	545,378	-	-	-	-	980,960	1,583,505	2,597,943	2,597,943
Assigned	-	363,585	-	-	-	-	-	-	-	-
Unassigned	(5,709,086)	(3,229,530)	(1,230,719)	(548)	-	(157,775)	(66,518)	(337,703)	-	-
Total all other governmental funds	\$ 58,286,814	\$ 56,203,734	\$ 56,208,307	\$ 82,225,648	\$ 106,877,672	\$ 116,963,543	\$ 123,760,595	\$ 109,538,798	\$ 109,450,139	\$ 118,777,262

Changes In Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Property Taxes and special assessments	\$ 37,723,715	\$ 38,391,028	\$ 39,047,027	\$ 42,437,878	\$ 46,106,890	\$ 48,513,433	\$ 52,797,891	\$ 55,378,923	\$ 57,137,281	\$ 58,827,934
Sales taxes	20,761,599	23,711,235	25,159,952	27,278,151	29,932,022	30,684,026	32,346,374	35,556,493	32,869,001	35,441,550
Property tax increment	-	-	-	-	-	-	-	-	-	-
Licenses and permits	2,006,311	2,782,819	2,020,956	2,919,585	3,375,139	2,587,073	3,329,443	2,647,472	2,408,482	2,587,449
Intergovernmental	53,725,198	20,525,065	14,523,429	17,513,836	15,818,812	15,329,383	18,609,342	19,663,932	21,151,712	27,824,580
Contributions from outside sources	1,162,859	532,899	3,090,683	6,407,835	1,492,046	3,360,435	12,763,436	3,668,666	1,735,332	395,011
Fines and forfeitures	465,263	353,754	442,101	474,279	404,562	382,735	472,063	522,198	480,714	12,837,128
Charges for current services	14,169,779	18,826,809	18,937,543	34,250,853	39,071,843	23,669,667	25,413,665	15,988,594	20,392,611	5,322,238
Use of money and property	2,754,238	1,634,027	3,444,283	3,573,515	5,106,185	3,718,382	4,594,593	12,607,413	12,667,441	4,222,473
Miscellaneous	3,122,175	7,422,435	1,568,992	7,731,071	8,218,597	2,754,329	4,344,239	1,820,316	1,338,085	2,311,612
Total revenues	135,891,137	114,180,071	108,234,966	142,587,003	149,526,096	130,999,463	154,671,046	147,854,007	150,180,659	149,769,975
Expenditures										
General government	16,311,189	12,528,286	13,440,473	13,981,528	14,343,118	13,531,789	13,631,535	15,040,356	16,768,256	13,826,319
Fire	14,214,342	14,505,466	15,293,516	16,392,361	17,593,133	18,160,089	19,742,654	21,484,772	21,963,399	22,765,664
Police	25,979,732	27,091,180	30,000,873	32,114,470	31,248,269	32,611,631	35,474,413	37,991,489	37,855,355	39,584,317
Public Works	6,282,113	5,766,027	6,259,095	6,479,506	7,125,447	9,801,590	10,649,264	10,858,274	11,296,986	13,093,994
Community Development	16,606,896	30,608,371	22,660,129	23,177,157	26,435,968	22,366,625	26,613,789	41,744,030	31,872,893	23,269,924
Economic Development	-	-	-	-	-	2,355,266	2,169,717	2,815,442	2,826,509	4,435,600
Library	4,735,732	4,232,678	4,369,666	4,455,160	4,540,660	5,287,778	5,639,115	5,665,784	5,896,798	5,626,180
Redevelopment	996,524	-	-	-	-	-	-	-	-	-
Capital outlay	41,750,672	13,800,868	5,641,979	18,897,678	6,211,698	4,065,706	9,106,715	20,651,425	11,028,144	10,629,079
Debt service funds:										
Principal	3,663,583	8,583,683	8,445,369	4,703,788	5,597,905	3,908,648	3,274,972	2,817,102	3,125,453	122,607
Interest and fiscal charges	2,463,121	1,554,416	1,414,883	1,872,291	1,555,850	1,292,959	1,274,238	1,400,431	1,505,596	1,375,594
Issuance cost	-	-	-	-	-	-	-	-	407,260	-
Total Expenditures	133,003,904	118,670,975	107,525,983	122,073,939	114,652,048	113,382,081	127,576,412	160,469,105	144,546,649	134,729,278
Excess of Revenues over (under) expenditures	2,887,233	(4,490,904)	708,983	20,513,064	34,874,048	17,617,382	27,094,634	(12,615,098)	5,634,010	15,040,697

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Changes In Fund Balances of Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Other Financing Sources (Uses)										
Assets transferred to/liabilities assumed by Successor Agency	\$ (6,520,981)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds from long term debt	-	5,964,051	-	49,776,268	-	-	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	(39,411,268)	-	-	-	-	(51,296,699)	-
Refunding bonds issued	-	-	-	-	-	-	-	-	42,932,418	-
Premium on refunding bonds issued	-	-	-	-	-	-	-	-	7,922,280	-
Transfers in	33,309,856	22,350,922	11,632,939	58,411,053	8,915,955	8,774,169	8,914,189	5,744,041	56,604,093	3,212,134
Transfers out	(33,079,709)	(22,154,575)	(11,449,012)	(58,229,692)	(9,324,083)	(8,976,906)	(20,951,304)	(7,186,717)	(56,927,883)	(4,979,497)
Total other financing sources (uses)	(6,290,834)	6,160,398	183,927	10,546,361	(408,128)	(202,737)	(12,037,115)	(1,442,676)	(765,791)	(1,767,363)
Net change in fund balances	<u>\$ (3,403,601)</u>	<u>\$ 1,669,494</u>	<u>\$ 892,910</u>	<u>\$ 31,059,425</u>	<u>\$ 34,465,920</u>	<u>\$ 17,414,645</u>	<u>\$ 15,057,519</u>	<u>\$ (14,057,774)</u>	<u>\$ 4,868,219</u>	<u>\$ 13,273,334</u>
Debt service as a percentage of noncapital expenditures	6.4%	9.7%	9.7%	6.4%	6.6%	4.8%	3.8%	3.0%	3.5%	1.2%

TAXABLE SALES BY CATEGORY * LAST TEN CALENDAR YEARS (In thousands)										
Business Type	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Apparel Stores	\$ 13,137	\$ 75,592	\$ 281,213	\$ 301,420	\$ 374,109	\$ 464,023	\$ 480,652	\$ 518,405	\$ 532,044	\$ 272,474
General Merchandise	198,817	220,493	237,158	239,714	237,252	237,408	248,349	256,779	264,109	231,840
Food Stores	39,048	40,687	41,699	41,826	43,382	44,270	44,271	43,356	44,351	48,180
Eating and Drinking Places	119,899	135,073	151,094	165,519	179,048	196,255	203,491	212,106	217,440	160,472
Building Materials	134,245	145,134	172,267	175,894	206,430	217,450	235,880	256,206	240,062	246,236
Auto Dealers and Supplies	208,212	230,403	285,901	388,357	447,319	452,109	469,775	471,729	511,014	404,080
Service Stations	182,611	204,243	199,835	192,465	161,129	150,645	169,036	200,023	177,362	129,325
Other Retail Stores	132,829	147,877	180,000	190,964	208,468	218,210	218,485	227,529	224,479	182,568
All Other Outlets	750,381	814,146	894,342	915,827	941,153	1,009,498	1,190,098	1,261,208	1,363,666	1,464,522
Total	\$ 1,779,179	\$ 2,013,648	\$ 2,443,508	\$ 2,611,988	\$ 2,798,290	\$ 2,989,869	\$ 3,260,037	\$ 3,447,340	\$ 3,574,527	\$ 3,139,697

Direct and Overlapping Sales Tax Rates Last Ten Fiscal Years (In Percentage)										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
City Direct Rate	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
State General Fund	3.94% (a)	4.19% (b)	4.19%	4.19%	4.19%	3.94% (d)	3.94%	3.94%	3.94%	3.94%
Public Safety (Prop 172)	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Countywide Transportation Fund	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
County Realignment (Mental Health/ Welfare/ Public Safety)	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%	1.56%
BART in Alameda County	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Alameda County Transportation Commission (ACTC)- Measure B	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Alameda County Essential Healthcare Services Transactions and Use Tax (ACHC)	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Alameda County Transportation Commission (ACTC)- Measure BB	0.00%	0.00%	0.00%	0.50% (c)	0.50% (c)	0.50%	0.50%	0.50%	0.50%	0.50%
Total Rate	8.75%	9.00%	9.00%	9.50%	9.50%	9.25%	9.25%	9.25%	9.25%	9.25%

- (a) On July 1, 2011 the State Rate reduced by 2.06%
- (b) On January 1, 2013 the State Rate increased by 0.25%
- (c) On April 1, 2015 ACTC (Measure BB) was added at .5%
- (d) On January 1, 2017 the State rate was reduced by .25%

Principal Sales Tax Payers Current Year and Nine Years Ago In Alphabetical Order	
2021	2012
Burberry Limited	7 Eleven
Coach/Kate Spade	AMS Net
Computacenter Fusionstorm	Arco AM PM
Costco	Costco
Gillig	F Rodgers
Gucci Outlet	Harris Rebar
Happy Daze RV	Home Depot
Home Depot	JA Momaney Services
JA Momaney Services	Jifco
Jifco	Kaiser Pharmacy
Livermore Ford/Lincoln/Alfa/Maserati	Kohls
Livermore Honda	Livermore Ford
Livermore Toyota	Livermore Honda
Lowe's	Lowe's
Mobile Modular Management	Macpherson Western Tool Supply
Nike	Mobile Modular Management
Porsche Livermore	Owens & Minor Distribution
Safeway	Porsche Livermore
Safeway Fuel	Quik Stop Market
Target	Safeway
Tory Burch	Safeway Fuel
Toyota Material Handling	Target
US Foodservice	US Foodservice
Walmart	Walmart
Waxie Sanitary Supply	Waxies

Source: HdL Company

Assessed Value and Estimated Taxable Property Last Ten Fiscal Years					
Fiscal Year	Common Property	Public Utility	Unsecured Valuation	Total Taxable Assessed Valuation	Total Direct Tax Rate*
2011-2012	12,677,885,472	16,667,214	621,343,226	13,315,895,912	1.00%
2012-2013	12,785,579,465	16,652,307	712,651,650	13,514,883,422	1.00%
2013-2014	13,495,749,069	16,534,025	677,891,857	14,190,174,951	1.00%
2014-2015	14,441,874,348	15,920,292	618,857,248	15,076,651,888	1.00%
2015-2016	15,425,274,831	16,125,723	644,740,332	16,086,140,886	1.00%
2016-2017	16,462,710,778	16,036,533	669,293,841	17,148,041,152	1.00%
2017-2018	17,584,794,540	13,149,678	665,835,413	18,263,779,631	1.00%
2018-2019	18,716,232,125	13,261,314	742,728,963	19,472,222,402	1.00%
2019-2020	19,706,452,617	12,659,804	887,677,095	20,606,789,516	1.00%
2020-2021	20,739,018,910	12,463,593	890,242,048	21,641,724,551	1.00%

Note:

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

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

Source: Alameda County Office of the Auditor-Controller.

Direct and Overlapping Governments Property Tax Rates (Rates per \$1,000 of assessed value) Last Ten Fiscal Years										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Direct Rates:										
City Direct Rate	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Overlapping Rates (1):										
School District	0.0627	0.0607	0.0596	0.0497	0.0404	0.0886	0.0803	0.0771	0.0743	0.0691
Community College	0.0214	0.0219	0.0214	0.0217	0.0198	0.0246	0.0445	0.0443	0.0422	0.0214
Bay Area Rapid Transit	0.0041	0.0043	0.0075	0.0045	0.0026	0.0080	0.0084	0.0070	0.0120	0.0139
Zone 7 Flood Control	0.0307	0.0228	0.0257	0.0250	0.0343	0.0333	0.0359	0.0332	0.0309	0.0309
County General Obligation Bond	-	-	-	-	-	-	-	0.0112	0.0108	0.0036
Total Direct and Overlapping Rate	1.1189	1.1097	1.1142	1.1009	1.0971	1.1545	1.1691	1.1728	1.1702	1.1389

Source: Alameda County Treasurer and Tax Collector.

Note:

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

Principal Property Taxpayers Current Year and Nine Years Ago						
Taxpayer	2021			2012		
	Taxable Assessed Value Secured/Unsecured	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value Secured/Unsecured	Rank	Percentage of Total City Taxable Assessed Value
Livermore Premium Outlets LLC	\$ 225,102,324	1	1.06%	\$ -		
Livermore Oaks Joint Venture LLC	152,239,091	2	0.72%			
Kaiser	116,907,962	3	0.55%	114,470,826	1	0.89%
Arkay	100,373,402	4	0.47%			
Raintree Ironwood LLC	80,720,483	5	0.38%			
Comcast	75,135,828	6	0.35%			
Form Factor Inc	73,841,484	7	0.35%	64,374,999	2	0.50%
LAM Research Corporation	69,368,312	8	0.33%			
Longfellow Logistics Center LLC	68,666,400	9	0.32%			
Marathon Drive Buildings LLC	66,888,484	10	0.31%	55,372,703	3	0.43%
Valley Care Senior Housing Inc				50,015,845	4	0.39%
RT Tri Valley LLC				49,368,970	5	0.38%
Sutter Health				39,738,708	6	0.31%
BNP Paribas Leasing Corporation				37,588,113	7	0.29%
Golden Bears LLC & Ellis Street Property				33,606,480	8	0.26%
Oak Charlotte 12 B LLC				33,520,895	9	0.26%
Vineyard Management Company				32,333,222	10	0.25%
	<u>\$ 1,029,243,770</u>		<u>4.84%</u>	<u>\$510,390,761</u>		<u>3.96%</u>

Source: HdL Company

Property Tax Levies and Collections Last Ten Fiscal Years						
Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Property Taxes for the Fiscal Year	Delinquent Tax Collections (Refund)	
		Amount	Percentage of Levy			
2012	\$ 22,301,891 (a)	\$ 22,056,236	98.90%	\$ 245,655	\$ 722,949 (b)	
2013	23,453,707 (a)	23,241,857	99.10%	211,850	439,594 (b)	
2014	24,137,249 (a)	23,526,725	97.47%	610,524	458,926 (b)	
2015	26,171,312 (a)	26,034,522	99.48%	136,790	(7,631) (b)	
2016	27,839,513 (a)	27,718,828	99.57%	120,685	320,482 (b)	
2017	29,014,829 (a)	28,341,709	97.68%	673,120	321,785 (b)	
2018	31,087,296 (a)	30,559,069	98.30%	528,227	338,288 (b)	
2019	33,273,066 (a)	32,570,581	97.89%	702,485	533,453 (b)	
2020	35,368,204 (a)	34,740,288	98.22%	627,916	341,676 (b)	
2021	36,930,452 (a)	36,077,734	97.69%	852,718	451,056 (b)	

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

(a) Taxes Levied include secured, unsecured, and estimated unitary tax.

- Tax levies are net of payments for
 - Educational Revenue Augmentation Fund.
 - Redevelopment agencies for the fiscal years 2005-06 through 2011-12
 - Redevelopment Property Tax Trust Fund (RPTTF) payments beginning from Fiscal year 2012-13.

(b) Alameda County does not provide delinquent tax collection data by levy year, so the amounts shown in the delinquent tax collections column include delinquency collections for all prior years that were remitted to the City in each fiscal year.

Ratios of Outstanding Debt by Type Last Ten Fiscal Years										
Fiscal Year	Governmental Activities			Business-Type Activities			Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita	
	Certificates of Participation	Notes & Loans Payable	Capital Lease	Certificates of Participation	Revenue Loans	State Loan				Capital Lease
2012	\$ 64,060,573	\$ 9,717,339	\$ -	\$ 17,349,427	\$ -	\$ 1,606,113	\$ -	\$ 92,733,452	5.2%	1,125
2013	61,481,383	10,167,572	13,470,406	16,566,456	-	813,753	481,818	102,981,388	4.8%	1,236
2014	58,367,644	4,803,697	12,654,274	15,589,104	-	-	847,354	92,262,073	5.9%	1,075
2015	64,032,534	3,970,233	11,668,003	15,348,123	-	-	740,467	95,759,358	6.6%	1,100
2016	60,193,384	2,566,738	11,330,801	14,186,182	-	-	619,257	88,896,362	5.5%	1,009
2017	56,386,950	2,440,343	10,300,691	13,003,050	-	-	512,946	82,643,980	7.5%	922
2018	53,758,606	1,793,715	9,152,150	12,336,394	-	-	392,972	77,433,837	8.5%	847
2019	54,295,394	1,667,320	8,189,116	8,429,606	-	-	321,293	72,902,729	9.8%	801
2020	50,854,698	1,540,562	7,563,146	7,783,689	-	-	296,702	68,038,797	11.3%	747
2021	50,270,524	1,417,955	6,883,846	7,697,470	-	-	270,016	66,539,811	13.1%	729

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

⁽¹⁾ Personal income is income for Alameda County.

Direct and Overlapping Governmental Activities Debt As of June 30, 2021			
City Assessed Valuation, net of exemptions		\$ 21,069,528,193	
Redevelopment Agency Incremental Valuation*		-	
Total Assessed Valuation		\$ 21,069,528,193	
	Percentage Applicable ⁽¹⁾	Outstanding Debt 6/30/21	Estimated share of Overlapping Debt
Governmental Unit			
Overlapping Debt Repaid with Property Taxes:			
Alameda County	6.393%	\$ 191,300,000	\$ 12,229,809
Bay Area Rapid Transit District	2.474%	1,871,890,000	46,310,559
Chabot-Las Positas Community College District	15.082%	593,290,000	89,479,998
Livermore Valley Joint Unified School District	93.595%	199,105,000	186,352,325
East Bay Regional Park District	0.084%	133,170,000	111,863
City of Livermore Community Facilities District No. 99-1	100.000%	11,280,000	11,280,000
City of Livermore Community Facilities District No. 2009-1 I.A. No. 1	100.000%	17,307,260	17,307,260
City of Livermore Community Facilities District No. 2009-1 I.A. No. 2	100.000%	4,419,977	4,419,977
City of Livermore Community Facilities District No. 2009-1 I.A. No. 3	100.000%	2,684,094	2,684,094
City of Livermore Community Facilities District No. 2016-2	100.000%	8,815,000	8,815,000
City of Livermore 1915 Act Bonds	100.000%	919,537	919,537
CA Statewide Communities Development Authority Assessment District Bonds	100.000%	9,774,586	9,774,586
Total overlapping debt repaid with property taxes		3,043,955,454	389,685,008
Overlapping Other Debt:			
Alameda County Gen. Fund Obligations & Coliseum Authority	6.393%	790,122,500	50,512,531
Tax Increment Debt (Successor Agency)	100.000%	18,535,000	18,535,000
Total overlapping other debt		808,657,500	69,047,531
Total overlapping debt		\$ 3,852,612,954	458,732,539
City of Livermore Certificate of Participation			49,500,000
City of Livermore Notes & Loans			1,417,955
City of Livermore Capital Leases			7,153,862
Total gross direct debt			58,071,817
Less: City of Livermore Obligations Supported by Rate Payers' Fees			(6,837,598)
Less: City of Livermore Obligations Funded by Grants Revenues			(8,882,955)
Total net direct debt			42,351,264
Total direct and overlapping debt			\$ 501,083,803

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

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

* Redevelopment Agency was dissolved effective January 31, 2012, in accordance with Assembly Bill 1X26.

Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2020-21

Common Property Assessed Valuation-Secured Roll	\$ 20,739,018,910
Government Code Sec. 43605 Debt Limit 15% of Assessed Valuation	3,110,852,837
Amount of debt applicable to the limit	-
Legal debt margin	3,110,852,837
Percent of debt limit authorized and issued	0.00%

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt limit	\$ 1,901,682,821	\$ 1,917,836,920	\$ 2,024,362,360	\$ 2,166,281,152	\$ 2,313,791,225	\$ 2,469,406,617	\$ 2,637,719,181	\$ 2,807,434,819	\$ 2,955,967,893	\$ 3,110,852,837
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 1,901,682,821	\$ 1,917,836,920	\$ 2,024,362,360	\$ 2,166,281,152	\$ 2,313,791,225	\$ 2,469,406,617	\$ 2,637,719,181	\$ 2,807,434,819	\$ 2,955,967,893	\$ 3,110,852,837
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Demographic and Economic Statistics Last Ten Calendar Years					
Year	Livermore Population (1)	Per Capita Personal Income Alameda County (2)	Total Personal Income	Unemployment (3)	
2012	83,184	Est. 52,811	4,393,030,224	6.2%	
2013	84,486	Est. 54,774	4,627,636,164	4.8%	
2014	85,819	Est. 58,175	4,992,520,325	4.1%	
2015	87,090	Est. 62,926	5,480,225,340	3.1%	
2016	88,974	Est. 65,884	5,861,963,016	3.1%	
2017	90,454	Est. 71,947	6,507,893,938	2.9%	
2018	91,411	Est. 77,233	7,059,945,763	2.8%	
2019	91,039	Est. 81,171	7,389,726,669	2.6%	
2020	91,082	Est. 87,078	7,931,238,396	11.2%	
2021	91,216	Est. 87,078 ⁽²⁾	7,942,906,848 ⁽²⁾	5.9%	

Note:

1. Data Source: State of California, Department of Finance
2. Data Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Accounts, Local Area Personal Income. County income estimates are not currently available after 2020.
3. Data Source: Bureau of Labor Statistics

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

Note:

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

Principal Employers Current Year and Nine Years Ago						
Employer	2021			2012		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lawrence Livermore National Lab	8,765	1	16.63%	6,700 *	1	16.14%
Sandia National Lab	1,570	2	2.98%	1,000 *	3	2.41%
Livermore Valley Joint Unified School District	1,299	3	2.46%	1,242 *	2	2.99%
Lam Research	1,166	4	2.21%	435	9	1.05%
GILLIG	886	5	1.68%			
Form Factor	800	6	1.52%	570	6	1.37%
City of Livermore	493	7	0.94%	420	10	1.01%
Las Positas College	476	8	0.90%			
Topcon Positioning Systems	400	9	0.76%			
Costco	363	10	0.69%			
Kaiser Permanente				750	4	1.81%
US Foodservice Inc				631	5	1.52%
Comcast				546	7	1.32%
Hospital Committee for Livermore/Pleasanton				479	8	1.15%
			30.77%			30.77%

* Estimated

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

Full-time Equivalent City Government Employees by Function/Program										
Last Ten Fiscal Years										
Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Administrative Services ^{1,4}	30.75	31.50	31.75	31.75	32.50	33.50	35.50	39.25	38.25	39.25
City Manager ²	6.00	6.00	7.00	7.00	7.00	6.00	7.00	7.00	7.00	7.00
City Attorney	8.50	8.00	8.00	8.00	8.50	8.50	8.50	8.50	9.00	9.00
Police ⁴	143.25	140.25	140.75	141.75	141.75	142.75	141.75	145.00	145.50	145.50
Public Works	48.10	42.70	42.70	42.70	41.45	43.80	43.80	45.50	45.50	45.50
Community Development	69.50	64.50	63.50	63.50	63.50	64.50	66.50	66.50	68.50	68.50
Economic Development ³	5.00	3.00	-	-	-	3.00	3.00	3.00	4.00	4.00
Library	32.13	29.00	28.00	28.00	28.00	27.00	27.00	27.00	27.35	27.35
Airport	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.50	8.50
Water	15.25	15.25	15.00	15.00	15.00	13.75	13.75	10.00	11.00	10.00
Sewer	47.50	47.50	48.50	48.50	48.50	49.50	49.50	49.50	49.50	50.50
Las Positas Golf Course	1.00	0.80	0.80	0.80	0.80	0.70	0.70	-	-	-
Total	419.98	401.00	398.50	399.50	399.00	401.00	405.00	409.25	414.10	415.10

Notes:

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

Capital Asset Statistics by Function/Program Last Ten Fiscal Years										
Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol units	51	52	58	57	58	59	63	61	63	61
Fire stations	5	5	5	5	5	5	5	5	5	5
Public Works										
Streets (centerline miles)	303	306.2	306	306	308	306	308	308	308	308
Streetlights	7,301	7,301	7,382	7,382	7,382	7,500	7,500	7,500	7,500	7,500
Traffic Signals	137	103	111	104	105	106	106	106	108	114
Enhanced Crosswalks	11	11	10	11	15	17	17	17	22	24
Las Positas Municipal Golf Course ²										
Total acreage	205	195	195	195	195	195	195	195	195	195
Length of 18-hole course in yards	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723	6,723
Length of 9-hole executive course in yards	1,133	1,133	1,133	1,133	1,133	1,133	1,133	1,133	1,133	1,133
Springtown Municipal Golf Course										
Total acreage	90	90	90	90	90	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾
Length of 9-hole course in yards	2,941	2,941	2,941	2,941	2,941	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾	N/A ⁽¹⁾
Water										
Water mains (miles)										
Potable water	146	147	147	148	148	148	151	162	162	162
Recycled water	21.5	22.5	22.5	21	21	21	21	20.4	20.4	20.4
Fire hydrants	1,385	1,493	1,560	1,487	1,495	1,516	1,548	1,550	1,559	1,567
Fire hydrants (recycled)	113	160	160	121	122	122	121	120	120	120
Wastewater										
Sanitary sewers (miles)	303	295	295	297	297	297	302	304	304	304
Storm sewers (miles)	207	210	210	214	214	214	224	226	226	226
Treatment capacity (millions of gallons)	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5	8.5
Municipal Airport										
Length of longest runway in feet	5,253	5,253	5,253	5,253	5,253	5,253	5,253	5,253	5,253	5,253
Length of longest taxiway in feet	5,720	5,720	5,720	5,720	5,720	5,720	5,720	5,720	5,720	5,720
Total acreage	644	644	644	644	644	644	644	644	644	644
Number of hangars	393	393	393	393	393	393	393	393	393	393

* No data available

Sources: Various city departments.

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

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

(1) Springtown Golf Course has closed. The City has asked the Livermore Area Recreation and Park District to lead the Springtown Open Space Master Plan process.

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

Operating Indicators by Function/Program Last Ten Fiscal Years ⁽¹⁾										
Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Police										
Physical arrests	2,391	2,537	2,613	2,323	2,781	2,278	3,034	3,502	2,922	2,168
Parking violations	1433	1296	1056	1613	1708	2,021	2,269	2,819	2,736	1,482
Traffic violations	9264	8635	7114	6813	5142	4,540	5,344	8,620	8,576	5,531
Fire										
Emergency responses	4,607	6,684	6,664	6,777	7,233	7,620	7,539	7,536	7,610	7,700
Fires extinguished	239	237	221	192	210	210	227	218	239	322
Inspections ⁽¹⁾	623	1106	453	505	1,195	1,411	1,013	810	839	849
Annual fire inspection program	470	540	529	594	541	624	674	602	712	74
Public Works										
Street resurfacing (centerline miles)	1.8	12.7	3.8	4.1	3.3	0	0	0	3.6	1.4
Potholes repaired	238	204	190	653	504	1,347	969	1,152	858	639
Maintenance of Landscaping (acres)	263	316	316	320	329	330	334	338	340	350
Library										
Volumes in collection	273,500	262,410	255,333	⁽²⁾ 261,818	281,469	276,849	268,154	⁽⁵⁾ 267,319	266,803	270,155
Total volumes borrowed	941,873	868,861	849,145	777,970	762,939	762,304	753,072	760,960	540,073	⁽⁷⁾ 249,348 ⁽⁷⁾
Community Development										
Building permits issued	NA	NA	NA	NA	NA	3,694	4,086	3,755	3,729	5,948
Water										
New connections	59	79	32	52	200	232	120	89	57	27
Water mains breaks	2	0	1	1	3	3	0	0	0	0
Other water breaks & leaks	74	20	14	14	18	19	16	30	17	31
Average Daily Consumption										
Potable water (millions of gallons)	5.9	5.9	5.5	4.2	4.1	4.4	4.8	5.2	5.4	5.5
Recycled water (millions of gallons)	1.27	1.97	1.85	2.04	2.02	1.7	1.84	1.91	1.88	2
Peak daily consumption - potable (millions of gallons)	9.1	9.5	9.3	9.1	8.8	9.0	9.5	10.1	10.2	10.4
Wastewater										
Average daily sewage treatment (millions of gallons)	6.8	6.7	6.6	6.1	5.9	5.8	5.8	5.6	5.5	5.5
New connections	71	280	190	389	659	311	385	347	200	286
Average Daily Influent Flow (mgd)	6.83	6.82	6.29	5.97	5.51	5.85	5.50	5.61	5.51	5.40
Municipal Airport										
Number of tenant aircraft	516	506	517	508	503	507	512	495	487	497
Total landings & takeoffs	139,140	143,651	160,733	122,140	121,050	117,834	146,988	156,405	148,568	⁽⁷⁾ 170,707 ⁽⁷⁾
Gallons of fuel pumped	643,272	642,239	734,597	644,617	281,288	0	⁽⁴⁾ 0	⁽⁴⁾ 0	⁽⁴⁾ 0	⁽⁴⁾ 0 ⁽⁴⁾
Las Positas Municipal Golf Course										
Rounds Played	66,667	62,733	77,408	69,387	66,711	58,982	61,418	N/A	⁽⁶⁾ N/A	⁽⁶⁾ N/A ⁽⁶⁾
Springtown Municipal Golf Course										
Rounds Played	24,366	19,583	19,583	N/A	⁽³⁾ N/A	⁽³⁾ N/A	⁽³⁾ N/A	⁽³⁾ N/A	⁽³⁾ N/A	⁽³⁾ N/A ⁽³⁾

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

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

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

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

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

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

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

(8) Reflects calendar year data

NA Data not available.

Source: Various city departments.

**Water and Sewer Rates
For Year Ended June 30, 2021**

Customers in the City's Water service area are billed monthly with rates shown below. The rates provided below are those in effect as of June 30, 2021. Residential sewer customers are billed via their property tax bill while the Commercial customers are billed monthly.

The monthly residential water bill for a customer using 10 CCF of water per month with a 5/8" meter would be \$76.20.

Water			
Meter Size (inches)	City Service Meter Charge Flat Rate	Alameda County Zone 7 Meter Charge Flat Rate	Total Meter Charge
5/8" (0.625)	\$ 21.71	\$ 20.18	\$ 41.89
3/4" (0.75)	27.42	30.27	57.69
1" with Fire Line	21.71	20.18	41.89
1"	43.38	50.45	93.83
1 1/2" Displacement	79.50	100.90	180.40
1 1/2" Turbine	93.95	121.08	215.03
2" Displacement	122.85	161.44	284.29
2" Turbine	144.52	191.71	336.23
3" Turbine	321.50	438.92	760.42
4" Turbine	549.06	756.75	1,305.81
6" Turbine	1,163.08	1,614.40	2,777.48
8"	2,029.96	2,825.20	4,855.16
10"	3,041.29	4,237.80	7,279.09
1" Fire Line	2.68	exempt	2.68
1 1/2" Fire Line	4.02	exempt	4.02
2" Fire Line	5.35	exempt	5.35
3" Fire Line	8.02	exempt	8.02
4" Fire Line	10.69	exempt	10.69
6" Fire Line	16.02	exempt	16.02
8" Fire Line	21.36	exempt	21.36
10" Fire Line	26.68	exempt	26.68

Sewer			
Residential			
	Billing Type	Monthly Charge	
Single Family	per Dwelling Unit	\$ 58.93	
Multi-Family	per Dwelling Unit	48.21	
Commercial			
	Billing Type	Monthly Charge	
Fixed Charge:	Flat Rate	\$26.66	
Variable Charge:			<i>Winter Water Use</i>
	Billing Type	Monthly Charge	(Monthly + 10%) ¹
Auto Steam Cleaning	per 100 Cubic ft.	n/a	n/a
Bakeries	per 100 Cubic ft.	10.01	\$ 11.01
Commercial Laundries	per 100 Cubic ft.	6.23	\$ 6.85
Markets	per 100 Cubic ft.	10.04	\$ 11.04
Mortuaries	per 100 Cubic ft.	10.04	\$ 11.04
Restaurants	per 100 Cubic ft.	10.01	\$ 11.01
All Other	per 100 Cubic ft.	4.44	\$ 4.88
Institutional:			
Schools	per 100 Cubic ft.	4.33	\$ 4.76
All Other - Institution	per 100 Cubic ft.	4.33	\$ 4.76

Water and Sewer Rates For Year Ended June 30, 2021			
Water		Sewer	
Water Usage Cost Per Unit:			
	City Distribution Cost	Zone 7 Wholesale Cost	Total Variable Cost
<u>Residential:</u>			
Tier 1 (0-7 Units)	\$ 1.19	2.10	3.29
Tier 2 (8+ Units)	\$ 1.66	2.10	3.76
<u>Commercial, Institution, Hydrant (Non-REC) & Public Agency:</u>			
All Units	1.29	2.10	3.39
<u>Irrigation</u>			
All Units	1.66	2.10	3.76
<u>Recycled Water:</u>			
All Units (Non-Demineralized)			3.14

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

Livermore Sewer System Revenues by Class of User Fiscal Year 2020-21		
User Class	Fiscal Year Revenues	Percentage of Revenues
Residential	\$ 21,334,077	83.7%
Commercial/Industrial	4,166,857	16.3%
Total	\$ 25,500,934	100.0%

**Sewer Connection Fees
City of Livermore**

Effective Date 7/1/20

Residential

Single Family	\$ 6,876.00
Multi-Family	
Studio	\$ 3,629.00
One Bedroom	4,087.40
Two Bedroom	5,271.60
Three Bedroom	5,997.40
Four Bedroom	6,876.00

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

Auto Repair	\$ 4.20
Assembly Facilities	5.73
Eating/drinking w/o cooking	13.37
Gas Stations	17.95
General Use	1.53
Gyms, Health Clubs	11.46
Hotels, Motels (excluding dining facilities)	5.73
Markets	7.26
Mixed use	3.82
Medical/Dental Office/Clinic	8.40
Restaurants	30.96
Warehouse	0.38

Industrial

F = Flow cost \$/gpd	\$ 29.58
B = BOD cost \$/lb-day	2,573.31
S = SS cost \$/lb-day	1,047.51

**Livermore Sewer System
Number of Dwelling Unit Equivalents and Connections
by Classification of User
As of June 30, 2021**

User Type	Flow/Volume in mg	2021 DUEs	Connections
Single Family Residential	1,154	23,972	23,972
Condominiums/Multiple Family Residential	317	6,584	8,551
Commercial/Institutional	507	8,645	1,168
Total Users	<u>1,978</u>	<u>39,201</u>	<u>33,691</u>

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

The declines in Single Family parcels was caused by the reclassification of certain Single Family Residential parcels in FY 2019-20 as Multi-Family Residential due to a use code charge at the Alameda County level.

Livermore Sewer System					
Summary of Historical Operating Results ⁽¹⁾					
Fiscal Year Ended June 30					
	Audited 2017⁽⁵⁾	Audited 2018	Audited 2019	Audited 2020	Audited 2021
Gross Revenues					
Charges for services	\$ 20,388,467	\$ 21,341,703	\$ 22,920,343	\$ 24,503,188	\$ 25,500,934
Connection Fees	1,834,854	2,477,971	2,311,224	1,341,958	1,966,329
Investment Income (Loss)	178,872	395,756	1,783,751	1,955,582	234,858
Other Revenue ⁽⁴⁾	50,147	33,205	20,806	32,390	73,041
Total Gross Revenues	<u>22,452,340</u>	<u>24,248,635</u>	<u>27,036,124</u>	<u>27,833,118</u>	<u>27,775,162</u>
Maintenance & Operations Costs ⁽²⁾	<u>15,784,287</u>	<u>15,982,653</u>	<u>18,020,641</u>	<u>18,480,604</u>	<u>17,778,653</u>
LAVWMA Net Revenues	6,668,053	8,265,982	9,015,483	9,352,514	9,996,509
Net Revenue minus Obligations ⁽³⁾	6,668,053	8,265,982	9,015,483	9,352,514	9,996,509
Share of LAVWMA Debt Service					
Rehabilitation Project	973,985	974,289	973,970	974,183	974,244
Expansion Project	1,253,455	1,253,847	1,253,436	1,253,710	1,253,788
Total LAVWMA Debt Service	<u>\$ 2,227,440</u>	<u>\$ 2,228,136</u>	<u>\$ 2,227,406</u>	<u>\$ 2,227,893</u>	<u>\$ 2,228,032</u>
LAVWMA Debt Service Coverage	2.99x	3.71x	4.05x	4.2x	4.49x
Net Revenues Available after Obligations/LAVWMA	\$ 4,440,613	\$ 6,037,846	\$ 6,788,077	\$ 7,124,621	\$ 7,768,477

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

⁽²⁾ M&O excludes depreciation and debt service. M&O includes Payments to LAVWMA for LAVWMA Maintenance and Operation Costs. See "SECURITY FOR THE 2021 BONDS." Includes Operating Transfers Out, if any.

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

⁽⁴⁾ Includes Operating Transfers in, if any.

⁽⁵⁾ In fiscal year 2016-17, Stormwater activities were reported together with Sewer activities, but were approximately 5% of total gross revenues. Stormwater revenues are not pledged to the 2021 Bonds. Starting in fiscal year 2017-18, Stormwater activities are reported separately from Sewer.

SCHEDULE OF INSURANCE AS OF JUNE 30, 2021

COVERAGE	BROKER	COVERAGE	POLICY NO	LIMITS	TERM
General/Auto Liability Primary Layer	City of Livermore - Self Insured Retention		Not applicable	\$750,000 Self Insured Retention.	7/1/20-6/30/21
General/Auto Liability Excess Coverage First Layer	California Joint Powers Risk Management Authority (CJPRMA)	Bodily Injury, Property Damage, Personal Injury, Public Officials Errors & Omissions, Employment Practices, Mold, Sexual Abuse at day care, terrorism, Pollution	2020-2021 MOC	CJPRMA jointly indemnifies members from SIR to \$5M	7/1/20-6/30/21
General/Auto Liability Excess Coverage Second Layer	AON - Munich Re - A.M. Best Rating A++:XV	Following CJPRMA Memorandum of Coverage	152376-3019263-2017	\$10,000,000 per occurrence excess of \$5,000,000 per occurrence retention for Bodily Injury / Property Damage / Personal Injury / Public Officials E&O	7/1/20-6/30/21
General/Auto Liability Excess Coverage Second Layer	Everest Re A.M. Best Rating A+:XV	Following CJPRMA Memorandum of Coverage	FC10045252-2020	\$5,000,000 per occurrence excess of \$20,000,000 per occurrence retention for Bodily Injury / Property Damage / Personal Injury / Public Officials E&O	7/1/20-6/30/21
General/Auto Liability Excess Coverage Second Layer	Chubb +A.M. Best Rating A++:XV	Following CJPRMA Memorandum of Coverage	G71816370001	\$5,000,000 per occurrence excess of \$15,000,000 per occurrence retention for Bodily Injury / Property Damage / Personal Injury / Public Officials E&O	7/1/20-6/30/21
General/Auto Liability Excess Coverage Third Layer	Scor Reinsurance Company A.M. Best Rating A-:XV	Following CJPRMA Memorandum of Coverage	10F148843-2020-1	\$15,000,000 excess of \$25,000,000	7/1/20-6/30/21
Commercial Property	Lloyd's of London AIP	Real and Personal Property / Business Interruption / Extra Expense / Rental Coverage / Flood, Excluding Earthquake Coverage is on a replacement cost basis.	Lloyds - B0180PJ1900047 AIP - 017471589/06	Primary Property Limit: \$400,000,00 Deductible \$250,000 \$500,000 for Wildfire \$1,000,000 Flood Zones A & V	7/1/20-6/30/21
Pooled Property Program	CJPRMA	Following CJPRMA Memorandum of Coverage Pooled Property Program	2020-2021 MOC	\$100,000 not to exceed \$250,000 All Risk \$100,000 not to exceed \$500,000 Wildfire	7/1/20-6/30/21
*Boiler and Machinery *this year included in property program	APIP/Travelers Boiler & Machinery		APIP 017471589/06 Travelers 2H11173A	\$100,000,000.00	7/1/20-6/30/21
Pollution	Allianz Interstate Fire & Casualty Company	Claims Made and Reported Pollution Liability	USL00889720	\$3,000,000 per occurrence \$3,000,000 aggregate with \$75,000 deductible	7/1/20-6/30/21
Pollution	APIP/Interstate Fire & Casualty Company	Claims Made and Reported Pollution Liability		\$2,000,000 per occurrence \$25,000,000 aggregate (all insureds combined)	7/1/20-6/30/21
Cyber Liability	APIP/Beazley	Information security & privacy insurance with electronic media liability coverage	MLN624127.01/2019	\$2,000,000 per member; \$25,000,000 aggregate. Deductible is \$100,000.	7/1/20-6/30/21
Excess Cyber	APIP/Axis	Information security & privacy insurance with electronic media liability coverage	MLN624127.01/2018	\$3,000,000 excess of \$2,000,000 pool aggregate \$4,000,000	7/1/20-6/30/21
Terrorism	APIP/Lloyds	Terrorism	Lloyds - B0180PJ1900048	\$100,000,000 per occurrence & aggregate \$100,000 deductible	7/1/20-6/30/21

SCHEDULE OF INSURANCE AS OF JUNE 30, 2021

COVERAGE	BROKER	COVERAGE	POLICY NO	LIMITS	TERM
Deadly Weapon Response Program	APIPLloyds	Claims Made and Reported	PJ20000500004	\$500,000 per occurrence & aggregate \$2,500,000 deductible	7/1/20-6/30/21
Auto Physical Damage	Hanover - Inland Marine	Auto physical damage coverage for city-owned vehicles	IH3 9163180-09	Per occurrence limit: \$10,000,000 deductible with replacement value as scheduled	7/1/20-6/30/21
Fiduciary	AONTravelers	457 Governmental money purchase plan and trust.	106945404	\$1,000,000 for all claims, \$100,000 for each settlement program notice.	7/1/20-6/30/21
DIC (Difference in Conditions) Earthquake and Flood	AON - ACE Westchester Surplus Lines Insurance	Property coverage per schedule for damage from Earthquake or Flood as excluded from Property Program.	D3740021A009	\$5,000,000 per occurrence with \$5,000,000 annual aggregate; deductible is \$25,000 for flood; 10% of the separate insurable value subject to a minimum of \$100,000 per occurrence	7/1/20-6/30/21
DIC (Difference in Conditions) Earthquake and Flood (Excess)	AON - Evanston Insurance Company	Property coverage per schedule for damage from Earthquake or Flood as excluded from Property Program.	MKLV14XP014374	Additional \$5,000,000 coverage	7/1/20-6/30/21
DIC (Difference in Conditions) Earthquake and Flood (Excess)	AON - Arch Specialty Insurance Company	Property coverage per schedule for damage from Earthquake or Flood as excluded from Property Program.	ESP100342300	Additional \$5,000,000 coverage	7/1/20-6/30/21
Public Employee Blanket Bond (Crime/Fidelity)	AON - Great American Insurance Group	Faithful performance, any dishonest act, including forgery, alteration, & theft Covers all employees statutorily required to maintain bonding.	GVT05217780700	Deductible is \$10,000 per loss Coverage is \$500,000 per loss	7/1/20-6/30/21
Airport Liability	AON/Old Republic Insurance Co.	Airport liability / Hangerkeeper's / Advertising / Vehicles / Non-owned aircraft / Fire Legal Liability / Products and Completed Operations / Premises	PR00269702	\$75,000,000 per occurrence with \$0 deductible	7/1/20-6/30/21
Workers' Compensation and Employer Liability Primary Layer	City of Livermore - Self Insured Retention	State Mandated workers' compensation coverage for miscellaneous and safety member employees, including volunteers. Also covers employer liability not covered under statutory workers' compensation coverage.	Not applicable	Self insured retention of \$500,000	7/1/20-6/30/21
Workers' Compensation and Employer Liability Excess Coverage First Layer	Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX)	State mandated workers' compensation coverage for miscellaneous and safety member employees, including volunteers. Also covers employer liability not covered under statutory workers' compensation coverage.	2020-2021 MOC	\$5 million in excess of SIR of \$500,000 per claim	7/1/20-6/30/21
Worker's Compensation and Employer Liability Reinsurance and Excess Coverage Second Layer	PRISM, Reinsurance from ACE American Insurance Co.	State mandated workers' compensation coverage for miscellaneous and safety member employees, including volunteers. Also covers employer liability not covered under statutory workers' compensation coverage.	PRISM-PE 20 EWC-32	\$50,000,000 each accident/each employee (Difference between \$50,000,000 and the individual member's retention)	7/1/20-6/30/21
Worker's Compensation and Employer Liability Reinsurance and Excess Coverage Third Layer	Liberty Insurance Corporation	State mandated workers' compensation coverage for miscellaneous and safety member employees, including volunteers. Also covers employer liability not covered under statutory workers' compensation coverage.	EW7-444785-020	Statutory excess of \$50,000,000	7/1/20-6/30/21

Livermore Successor Agency to the Former Redevelopment Agency Redevelopment Project Historical Tax Revenues						
Category	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21
Secured Assessed Values	\$ 605,121,061	\$ 669,402,838	\$ 724,912,255	\$ 758,981,194	\$ 791,094,983	\$ 822,520,189
Unsecured Assessed Values	48,359,416	53,829,143	50,958,223	45,926,379	35,085,427	51,529,379
Total Assessed Values	653,480,477	723,231,981	775,870,478	804,907,573	826,180,410	874,049,568
Percentage Change	7.44%	10.67%	7.28%	3.74%	2.64%	5.79%
Base Year Assessed Values	\$ 70,060,057	\$ 70,060,057	\$ 70,060,057	\$ 70,060,057	\$ 70,060,057	\$ 70,060,057
Incremental Assessed Values	583,420,420	653,271,924	705,810,421	734,847,516	756,120,353	803,989,511
Gross Tax Increment Revenue	6,058,269	6,874,820	7,445,163	7,580,878	7,803,155	8,120,693
Unitary Tax Revenues	22,544	20,139	26,881	33,058	34,184	34,184
Gross Revenues	6,080,813	6,894,959	7,472,044	7,613,936	7,837,339	8,154,877
Adjustments to Gross Revenues:						
County Administrative Fees	43,624	46,546	48,779	58,375	52,352	53,869
Sections 33676 Payments	2,407	2,500	2,620	2,742	2,867	2,994
Tax Revenues	\$ 6,034,782	\$ 6,845,913	\$ 7,420,645	\$ 7,552,819	\$ 7,782,120	\$ 8,098,014
Negotiation Pass-Through Payments	1,081,931	1,199,765	1,296,935	1,313,615	1,358,458	1,410,293
Statutory Pass-Through Payments	271,154	375,440	449,671	451,116	497,712	541,976
Net Tax Increment Revenues	\$ 4,681,697	\$ 5,270,708	\$ 5,674,039	\$ 5,788,088	\$ 5,925,950	\$ 6,145,745

Source: The HDL Companies

Secured values include state assessed non-unitary utility property

Represents section 33676 payments to the Bart, the Abatement District, the Community College and the Flood Control District

Represents payments pursuant to the Pass-Through Agreements. Such payments were not subordinate to the payment of

debt service on the 2001 Bonds but, because such payments are subordinate to the payment of debt service on the 2016

Bonds, are shown as such for purposes of showing historical Tax Revenues.

Represents statutory pass-through payments with respect to the Project Area required pursuant to AB 1290. Such

payments were not subordinate to the payment of debt service on the 2016 Bonds, are shown as such for purposes of

showing historical Tax Revenues

Ten Largest Taxable Property Owners					
Assessee	Land Use	Total FY 2020-21 Assessed Value	% of Total Assessed Value	% of Incremental Value	
ValleyCare Senior Housing Inc.	Assisted Care Senior Housing Development	\$ 58,855,938	6.73%	7.32%	
Sequoia Equities Mill Springs	Mill Springs Park Apartments	52,418,151	6.00%	6.52%	
Dorothy J. Anderson Trust ⁽¹⁾	Orchard Hardware / Safeway Retail Center	38,732,371	4.43%	4.82%	
Hospital Comm Livermore	Stanford Valleycare Medical Offices/Facilities	37,808,812	4.33%	4.70%	
Maroon Bear 2 LP	Commercial Center - Livermore Ave at 1st Street	32,248,237	3.69%	4.01%	
35 Fenton Street LLC	The Watermark - Assisted Living	22,857,536	2.62%	2.84%	
Vine Center LLC	Commercial Center - Vine Center	16,500,000	1.89%	2.05%	
Comcast of California	Cable Television/Internet Facilities	15,872,218	1.82%	1.97%	
Serra LLC ⁽¹⁾	Walgreens Pharmacy - 1st Street & SP Street	15,424,485	1.76%	1.92%	
Sai La Family LP et al and LAC et al	Trader Joe's Home Furnishings Retail Center	12,914,027	1.48%	1.61%	
Top Ten Total		\$ 303,631,775	34.75%	37.76%	
Total FY 2020-21 Assessed Valuation		\$ 874,049,568	100.00%		
Total FY 2020-21 Incremental Assessed Valuation		\$ 803,989,511		100.00%	

Source: The HDL Companies

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

Livermore Successor Agency to the Former Redevelopment Agency					
Assessment Appeals					
Appeals for FY 2015-16 to FY 2020-21					
Total Appeals Filed	No. of Resolved Appeals	No. of Successful Appeals	Average AV Reduction	No. of Appeals Pending	Value of Appeals Pending
47	34	13	17.10%	12	\$ 58,727,431

Livermore Successor Agency to the Former Redevelopment Agency Redevelopment Project Actual ⁽¹⁾ and Projected ⁽²⁾ Tax Revenues and Debt Service Coverage (Assumes 0% Growth)						
Fiscal Year	Gross Tax Revenues	SB 2557 Charge	Section 33676 Payments	Tax Revenues	Debt Service on 2016 Bonds	Debt Service Coverage
2016-17	\$ 6,894,959	\$ (46,546)	\$ (2,500)	\$ 6,845,913	\$ 2,151,702	3.18
2017-18	7,472,044	(48,779)	(2,620)	7,420,645	2,073,969	3.58
2018-19	7,613,936	(58,375)	(2,742)	7,552,819	2,075,969	3.64
2019-20	7,837,339	(52,352)	(2,867)	7,782,120	2,074,969	3.75
2020-21	8,154,877	(53,869)	(2,994)	8,098,014	2,075,969	3.90
2021-22	6,293,445	(46,309)	(2,268)	6,214,867	2,073,719	3.00
2022-23	6,293,445	(46,309)	(2,268)	6,214,867	2,078,219	2.99
2023-24	6,293,445	(46,309)	(2,268)	6,214,867	2,068,969	3.00
2024-25	6,293,445	(46,309)	(2,268)	6,214,867	2,071,469	3.00
2025-26	6,293,445	(46,309)	(2,268)	6,214,867	2,074,969	3.00
2026-27	6,293,445	(46,309)	(2,268)	6,214,867	2,073,519	3.00
2027-28	6,293,445	(46,309)	(2,268)	6,214,867	2,070,569	3.00
2028-29	6,293,445	(46,309)	(2,268)	6,214,867	2,076,581	2.99
2029-30	6,293,445	(46,309)	(2,268)	6,214,867	2,070,481	3.00
2030-31	6,293,445	(46,309)	(2,268)	6,214,867	2,075,175	2.99
2031-32	6,293,445	(46,309)	(2,268)	6,214,867	-	0.00
2032-33	6,293,445	(46,309)	(2,268)	6,214,867	-	0.00

- 1) FY 2016-17 through FY 2020-21 are based on actual
- 2) FY 2021-22 and on are the projections set forth in the official statement

