

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2019



CITY OF SAN LEANDRO
CALIFORNIA



CITY OF SAN LEANDRO, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2019

PREPARED BY:
City of San Leandro – Finance Department



CITY OF SAN LEANDRO
Comprehensive Annual Financial Report
For the Year Ended June 30, 2019

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City of San Leandro

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



March 13, 2020

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

Dear Mayor and Members of the City Council:

The Comprehensive Annual Financial Report (CAFR) for the City of San Leandro is hereby submitted for the year ended June 30, 2019. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed information is accurate in all material respects and is reported in a manner designed to fairly present the City's financial position and results of operations of all funds. All disclosures necessary to understand the City's financial activities are included.

Section 555 of the City Charter requires an annual independent audit of the City's fiscal affairs. This report is published to fulfill this requirement for the fiscal year ending June 30, 2019.

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

The City contracted with Maze & Associates, a public accounting firm licensed to perform local government audits in California, to complete the annual audit. Maze concluded that the financial statements present fairly the respective financial position of the government activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, and the respective changes in financial position, and where applicable, cash flows for the year ended June 30, 2019 in accordance with GAAP. This is a favorable conclusion and is commonly referred to as an unqualified opinion.

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

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

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

CITY PROFILE

The City was incorporated in 1872 and is one of the older communities in the San Francisco Bay Area. The city occupies fifteen square miles between the cities of Oakland and Hayward and is bordered on the west by the San Francisco Bay. San Leandro offers its 89,800 residents the charm and character of a community that has been established for 146 years. Once an agricultural community, the City has been successful in attracting significant residential, industrial, manufacturing, and retail development.

City Structure

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

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

Component Units

The City’s blended component units include operations of the San Leandro Parking Authority and the San Leandro Public Financing Authority. As of June 30, 2019, there were no discrete reportable component units.

The CAFR for the year ending June 30, 2019 provides a financial account of these units, organizational elements, and the City functions for which the City Council provides policy direction and general oversight. It presents financial information on the activities of the City itself and the component units of the City upon which the City Council is authorized to impose its will. The operating nature of the City’s component units determines how they are reported in the financial statements. The activities of component units that provide financial benefit or create financial burden for the City are blended within the City’s general financial statements.

ECONOMIC CONDITION OF THE CITY

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

The recession resulting from the global financial and credit market meltdown in late 2008 had a direct and dramatic impact on the City's local revenues. However, current data indicates the City's economy has rebounded with median home prices of \$689,000, near the median price at the 2006 peak and an unemployment rate is 3%.

The City's General Fund supports basic municipal services, such as public safety, library and parks and recreation. Revenue to this critical fund, generated largely from sales and property taxes, has grown to higher levels due to voter-approved tax measures in 2014 and 2016. Low mortgage rates have spurred investment in housing. The improving housing market, which represents 63% of the City's tax roll, led to a 6.4% growth in taxable assessed value in 2018-19. Sales tax increased 6.7% in the City. With the passage of Measure HH effective April 1, 2015, the half-cent sales tax added \$12.3 million sales tax revenue in 2018-19.

City operations are also supported by other funds, including major and non-major enterprise (proprietary) funds. Major enterprise funds include the Water Pollution Control Plant and Shoreline Enterprise Funds. Both funds experienced revenues slightly improving over the last year. The Water Pollution Control Plant Enterprise fund was established to account for the City's sewers, which protect public health and preserve water quality through collection, treatment, and disposal of the community's wastewater. Program revenues to this fund in 2018-19 totaled \$14.2 million, a 12.6% increase from the prior year. The Shoreline Enterprise Fund was established in 2002-03 by combining the Marina and the Golf Course Funds. Program revenues to this fund in 2018-19 totaled \$2.0 million, unchanged from the prior year.

While the City has implemented considerable expenditure/service reductions to balance its budget, it continues to face increased operating costs. For example, the City's contribution rates for employee pensions continue to rise due to prior CalPERS portfolio losses and the changes in actuarial assumptions, with additional increases projected in future years. The City has offset some increases with staff reductions in recent years, and continues working with employee groups over the next couple of years to address this growing cost. Partially mitigating the double digit increases in annual CalPERS funding are extra contributions to the pension from employees that can be as much as 12% of salary.

Long-term perspective

The City adopts a biennial budget employing long-term planning as the framework for fiscal decisions. While San Leandro's underlying economy is viewed as positive in the long-term, today's economic challenges, notably in the General Fund, must be dealt with now to ensure long-term fiscal stability. The City Council has implemented numerous cost cutting measures after staffing peaked in 2008-09 to produce recurring budget savings to address unfunded liabilities. Passage of Measure Z in November 2010, Measure HH in 2014, and Measures OO, PP, and NN in 2016 have improved revenues enough to restore selective services.

City Council unrestricted reserves total \$42.7 million in the General Fund at June 30, 2019. The restricted reserve balance is \$17.2 million.

FINANCIAL INFORMATION

City Budget & Budgetary Controls

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

Accounting System

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

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

Risk Management

The City maintains commercial insurance combined with self-insurance for all of its governmental operations. The City is a member of the Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX). The City is also a member of California Joint Powers Risk Management Authority (CJPRMA), providing general liability coverage in an aggregate up to \$40 million. Additional information on the City's risk management activity can be found in Note 11 to the basic financial statements.

OTHER INFORMATION

Certificate of Achievement

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its CAFR for the year ended June 30, 2018. This was the 23rd consecutive year that the City received this award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

Acknowledgements

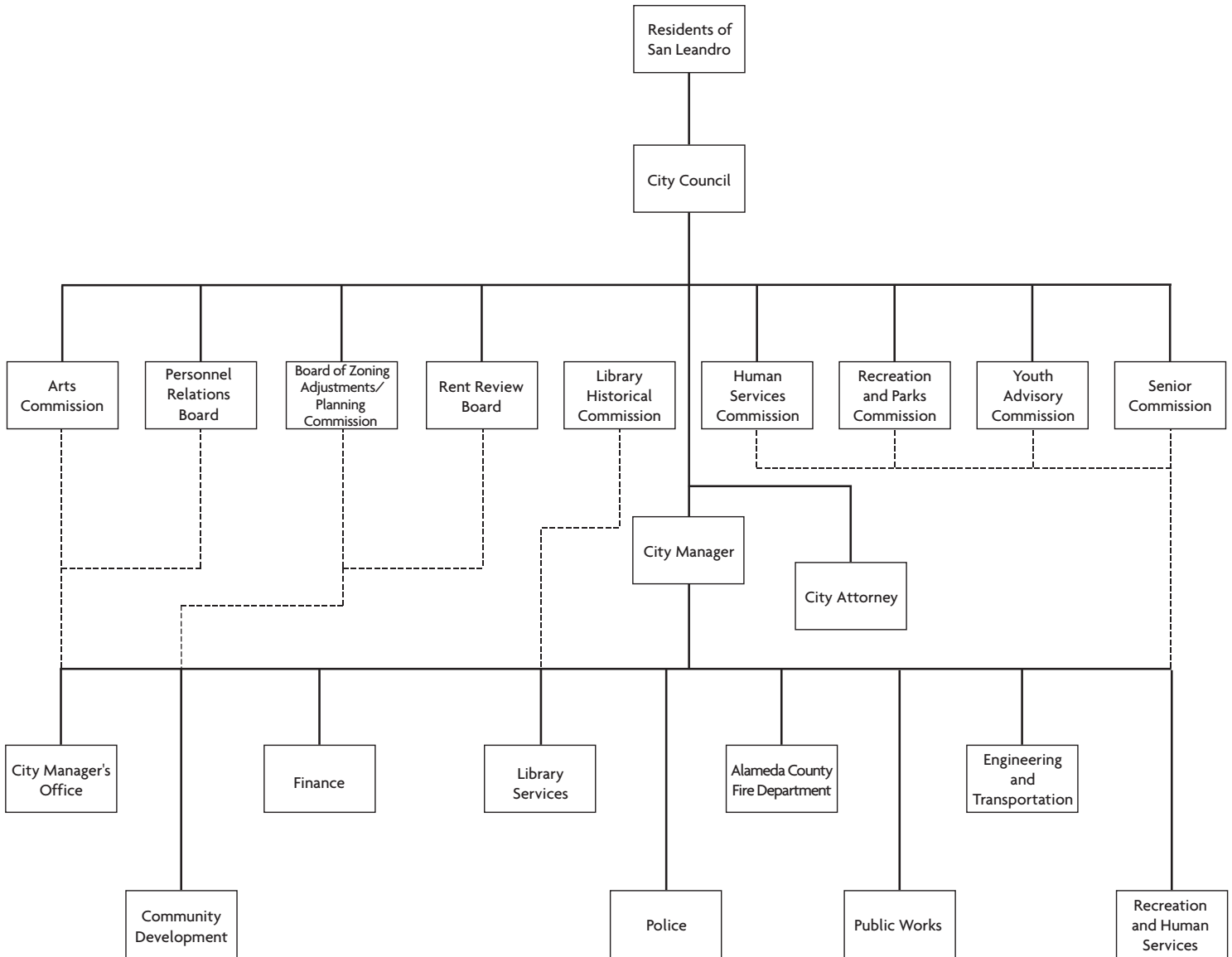
This CAFR represents the culmination of numerous hours of hard work expended by the dedicated staff in the Finance Department. Furthermore, I would like to thank Maze & Associates for their professional assistance and cooperation. Finally, I want to thank the City Council for their continued interest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

Respectfully submitted,



Elizabeth Warmerdam
Interim Finance Director

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



PRINCIPAL OFFICERS

CITY OF SAN LEANDRO

As of March 13, 2020

CITY COUNCIL

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

COUNCIL APPOINTEES

City Manager	Jeff Kay
City Attorney	Richard Pio Roda

APPOINTED OFFICIALS

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





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of San Leandro
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO



INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of City Council
City of San Leandro, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of San Leandro (City), California, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2019 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

Management adopted the provisions of the following Governmental Accounting Standards Board Statement, which became effective during the year ended June 30, 2019:

Governmental Accounting Standards Board Statement 88 – *Certain Disclosures Related to Debt including Direct Borrowings and Direct Placements*. See Notes 6 and 16 to the financial statement for relevant disclosures.

The emphasis of this matter does not constitute a modification to our opinion.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
March 13, 2020



Management's Discussion and Analysis for Fiscal Year Ended June 30, 2019

The Management's Discussion and Analysis (MD&A) provides an overview of the City of San Leandro's financial activities and fiscal performance for the year ended June 30, 2019. Read this discussion and analysis in conjunction with the accompanying Transmittal Letter and Basic Financial Statements to obtain a complete picture of the City financial condition.

FINANCIAL HIGHLIGHTS

- City's Assets and Deferred Outflow of Resources exceeded its Liabilities and Deferred Inflow of Resources by \$186.0 million (Net Position), a \$4.2 million decrease from the prior year. Of total net position, \$191.2 million was invested in capital assets, \$63.1 million was restricted for other purposes, and (\$68.3) million was unrestricted. While Net Investment in Capital Assets and Unrestricted Net Position saw a decrease of \$24.9 million and \$1.3 million respectively, Restricted Net Position increased by \$22.0 million.
- Assets and Deferred Outflow of Resources increased by \$13.2 million from the prior fiscal year, fully offset by an increase in Liabilities and Deferred Inflow of Resources of \$17.4 million. The increase in Liabilities is in part due to the issue of the 2018 Lease Revenue Bonds for the principal amount of \$18.9 million to finance the acquisition and construction of capital improvement projects consisting of Police Headquarters and South Office Building, the Mulford-Marina Branch Library, Manor Park Competition Pool, and Casa Peralta.
- The City's total net position decrease of \$4.2 million is comprised of a \$10.1 million decrease in governmental activities and a \$5.9 million increase in Business-Type activities.
- In accordance with GASB Statement No. 54, governments are obligated to enhance the financial reporting of the fund balance categories. Fund balances reported in Note 9 detail the classifications of the City's new fund balance categories. The City's governmental fund balance, which includes the general, special revenue, debt service, and capital projects funds, increased by \$28.8 million for an ending fund balance of \$123.1 million. Ending fund balance classifications include:
 - a) Nonspendable: \$10.9 million with these funds are not available or spendable due to advances and loans to other funds.
 - b) Restricted: \$63.8 million based on constraints on the use of resources or imposed by law through constitutional provisions or enabling legislation. These include capital projects and debt service payments.
 - c) Assigned: \$6.3 million including General fund encumbrances from prior fiscal year and a reserve to fund anticipated Other Post-Employment Benefits (OPEB) costs arising from the City's contract for Fire Services with Alameda County Fire Department.
 - d) Unassigned: \$42.1 million and is available for expenditure. Unassigned is further categorized by Compensated Absences, Major Emergencies, Economic Uncertainties and offsets from other fund deficits.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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

Government-Wide Financial Statements

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

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

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

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

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

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

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

Fund Financial Statements

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

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financial capacity.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for government funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

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

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

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

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

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

Notes to the Basic Financial Statements

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

Other Information

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position – As noted, net position may serve over time as a useful indicator of the City's financial position. In the case of the City, total assets exceeded liabilities by \$186.0 million at the close of fiscal year 2018-19, a decrease of 2.2%.

City of San Leandro
Net Assets at June 30, 2019
(in thousands)

	Governmental Activities			Business-Type Activities			Total		
	2019	2018	% change	2019	2018	% change	2019	2018	% change
Current Assets	\$ 143,771	\$ 111,605	28.8%	\$ 38,104	34,636	10.0%	\$ 181,875	\$ 146,241	24.4%
Non-Current Assets	9,072	8,597	5.5%	(4,543)	(3,888)	16.8%	4,529	4,709	-3.8%
Capital Assets	197,907	210,047	-5.8%	77,036	75,236	2.4%	274,943	285,283	-3.6%
Total assets	350,750	330,249	6.2%	110,597	105,984	4.4%	461,347	436,233	5.8%
Deferred Outflows of Resources	32,034	42,627	-24.9%	1,382	2,719	-49.2%	33,416	45,346	-26.3%
Current and other liabilities	17,531	15,761	11.2%	3,300	3,033	8.8%	20,831	18,794	10.8%
Long-term liabilities	231,340	213,070	8.6%	49,720	52,733	-5.7%	281,060	265,803	5.7%
Total liabilities	248,871	228,831	8.8%	53,020	55,766	-4.9%	301,891	284,597	6.1%
Deferred Inflows of Resources	6,705	6,725	-0.3%	207	102	102.9%	6,912	6,827	1.2%
Net assets:									
Net investment in capital assets	152,522	181,179	-15.8%	38,662	34,872	10.9%	191,184	216,051	-11.5%
Restricted	63,079	41,104	53.5%	-	-	N/A	63,079	41,104	53.5%
Unrestricted	(88,393)	(84,963)	4.0%	20,090	17,963	11.8%	(68,303)	(67,000)	1.9%
Total net position	\$ 127,208	\$ 137,320	-7.4%	58,752	52,835	11.2%	\$ 185,960	\$ 190,155	-2.2%

The City's \$191.2 million net investment in capital assets such as infrastructure, land, buildings, machinery, and equipment is by far the largest portion of the City's net position. Because the City uses these capital assets to provide services to residents, these assets are not available for future spending. Although investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay these investments must be provided from other sources (future income), since the capital assets themselves cannot be used to liquidate these liabilities.

Of the City's total net position, \$63.1 million represents resources that are subject to external restrictions on how they may be used. The remaining balance of (\$68.3) million represents an unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors within the restrictions set forth by various funding sources.

Year over year, the City's total net position for both governmental and business-type activities decreased by \$4.2 million. Information about changes in net position is presented in the summary schedule below:

Changes in Net Activities
Year Ended June 30, 2019
(in thousands)

	Governmental Activities			Business-Type Activities			Total		
	2019	2018	% Change	2019	2018	% Change	2019	2018	% Change
Revenues									
Program revenues:									
Charges for Services	\$ 19,315	\$ 18,675	3.4%	\$ 18,053	\$ 16,369	10.3%	\$ 37,368	\$ 35,044	6.6%
Operating grants and contributions	6,898	6,579	4.8%	268	-	0.0%	7,166	6,579	8.9%
Capital grants and contributions	7,998	9,395	-14.9%	982	369	166.1%	8,980	9,764	-8.0%
General revenues:									
Property taxes	24,124	22,994	4.9%	-	-	0.0%	24,124	22,994	4.9%
Sales tax	45,866	42,990	6.7%	-	-	0.0%	45,866	42,990	6.7%
Franchise Fee	5,192	5,269	-1.5%	-	-	0.0%	5,192	5,269	-1.5%
Utility users Tax	10,182	10,719	-5.0%	-	-	0.0%	10,182	10,719	-5.0%
Property Transfer Tax	5,373	5,177	3.8%	-	-	0.0%	5,373	5,177	3.8%
911 communication Access Tax	3,110	3,035	2.5%	-	-	0.0%	3,110	3,035	2.5%
Other taxes	1,431	1,008	42.0%	836	806	3.7%	2,267	1,814	25.0%
Investment Earnings	4,286	1,692	153.3%	1,262	284	344.4%	5,548	1,976	180.8%
Gain or loss on sale of assets	554	1,021	-45.3%	-	-	0.0%	554	1,021	-45.3%
Miscellaneous	854	5,427	-84.3%	-	-	0.0%	854	5,427	-84.3%
Total Revenues	135,183	133,981	0.9%	21,401	17,828	20.0%	156,584	151,809	3.1%
Expenses									
General Government	14,054	13,659	2.9%	-	-	0.0%	14,054	13,659	2.9%
Public safety	68,742	64,972	5.8%	-	-	0.0%	68,742	64,972	5.8%
Engineering & Transportation	35,750	32,933	8.6%	-	-	0.0%	35,750	32,933	8.6%
Recreation and Culture	14,087	14,756	-4.5%	-	-	0.0%	14,087	14,756	-4.5%
Community Development	10,391	10,217	1.7%	-	-	0.0%	10,391	10,217	1.7%
Interest on Long-Term Debt	1,795	1,677	7.0%	-	-	0.0%	1,795	1,677	7.0%
Water Pollution Control	-	-	0.0%	11,814	12,185	-3.0%	11,814	12,185	-3.0%
Shoreline	-	-	0.0%	1,678	1,786	-6.0%	1,678	1,786	-6.0%
Storm Water Utility	-	-	0.0%	1,407	1,412	-0.4%	1,407	1,412	-0.4%
Environmental Services	-	-	0.0%	1,061	1,095	-3.1%	1,061	1,095	-3.1%
Total Expenses	144,819	138,214	4.8%	15,960	16,478	-3.1%	160,779	154,692	3.9%
Excess(deficiency)of revenues									
over expenses before transfers	(9,636)	(4,233)	127.6%	5,441	1,350	303.0%	(4,195)	(2,883)	45.5%
Transfer	(476)	188	353.2%	476	(188)	-353.2%	-	-	0.0%
Increase in net position	(10,112)	(4,045)	150.0%	5,917	1,162	409.2%	(4,195)	(2,883)	45.5%
Beginning net position									
	137,320	141,365	-2.9%	52,835	51,673	2.2%	190,155	193,038	-1.5%
Ending net position	\$ 127,208	\$ 137,320	-7.4%	\$ 58,752	\$ 52,835	11.2%	\$ 185,960	\$ 190,155	-2.2%

Revenue – Total revenue for Fiscal Year 2018-19 amounted to \$156.6 million, an \$4.8 million increase from the prior year. Of this amount, revenue from governmental activities increased by \$1.2 million or 0.9% and revenue from business-type activities increased by \$3.6 million or 20.0%. The increase in revenue was due to the following:

- Charges for services in Governmental activities are primarily fees for recreation, building, fire, planning and engineering services. Revenue from these charges saw an increase of \$0.6 million. Business-Type Activities saw an increase of \$1.7 million most of which is attributed to the Water Pollution Control Plant and Shoreline.
- Operating grants, capital grants, and contributions include Federal and State grants and other government and private contributions, including impact fees. Operating grants, capital grants and contributions decreased by \$0.2 million in 2018-19.
- Property taxes increased 4.9% or \$1.1 million when compared to the 2017-18 fiscal year. This is consistent with an increase in property taxes levied and assessed valuations provided through the County Assessor's Office.
- Sales tax revenue increased by 6.7% or \$2.9 million, year over year. The City's three largest sales tax producing sectors were Transportation, Construction, and General Retail followed by Business to Business and Food Products. The City saw significant sales tax revenue growth in Wholesale Building Materials and Miscellaneous Vehicle Sales. New Auto Sales continue to decrease from its high four years ago.
- Gain or loss on sale of assets decreased by \$0.5 million. The higher related expenditure in 2017-18 related to one-time acquisition of real properties.
- Miscellaneous revenues decreased by \$4.6 million from the prior Fiscal Year. The higher related expenditure in Fiscal Year 2017-18 mostly related to higher capital improvement project costs.

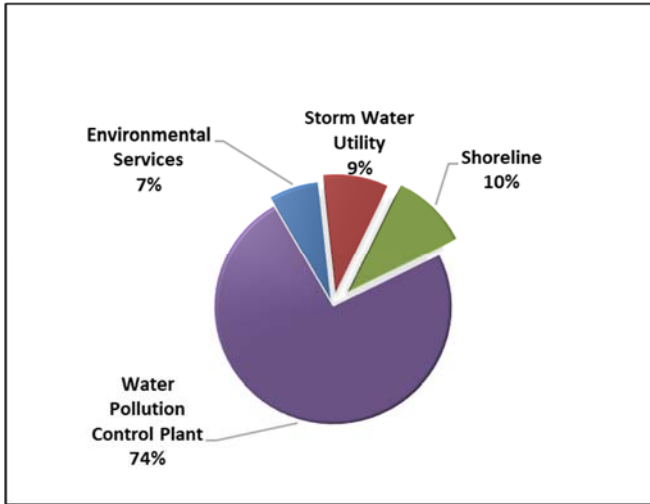
Expenses – Total expenses for both governmental and business-type activities increased by \$6.1 million compared to the prior Fiscal Year. Program expenses for governmental activities, as a whole, increased by \$6.6 million while program expenses for business-type activities decreased by \$0.5 million. For each governmental and business-type activity, the total costs are the expenses associated with that activity.

	Change in expense (in thousands)		
	2019	2018	% Change
General Government	\$ 14,054	\$ 13,659	2.9%
Public safety	68,742	64,972	5.8%
Engineering & Transportation	35,750	32,933	8.6%
Recreation and Culture	14,087	14,756	-4.5%
Community Development	10,391	10,217	1.7%
Interest on Long-Term Debt	1,795	1,677	7.0%
Governmental Activities	<u>144,819</u>	<u>138,214</u>	<u>4.8%</u>
Water Pollution Control Plant	11,814	12,185	-3.0%
Shoreline	1,678	1,786	-6.0%
Storm Water	1,407	1,412	-0.4%
Environmental Services	1,061	1,095	-3.1%
Business-Type Activities	<u>15,960</u>	<u>16,478</u>	<u>-3.1%</u>
Total Expenses	<u>\$ 160,779</u>	<u>\$ 154,692</u>	<u>3.9%</u>

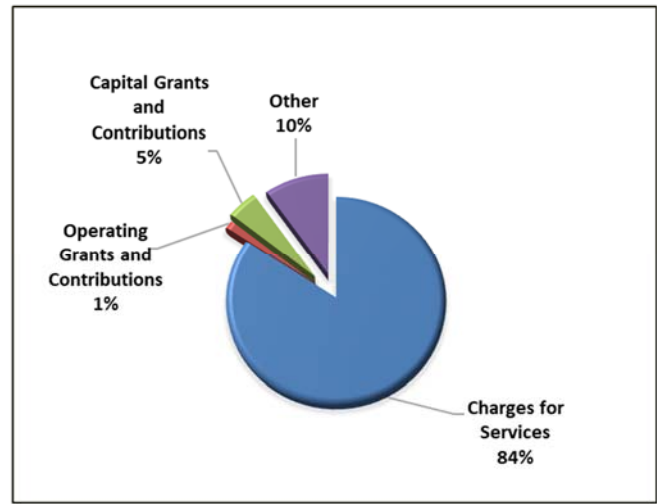
- Within governmental activities, Public Safety saw the largest increase in program expenses at \$3.8 million greater than the prior Fiscal Year. This represents a 5.8% increase, year over year. Engineering & Transportation followed with a \$2.8 million increase representing a 8.6% increase, year over year.
- Business-type activities saw decreases in expenses across the board for the total of \$0.5 million. Of that amount, the largest increase was from the Water Pollution Control Plant at \$0.4 million.

Business-Type Activities – The City’s business-type activities include the Water Pollution Control Plant, Shoreline, Storm Water and Environmental Services. Business-Type activities net position increased by \$5.9 million from prior Fiscal Year mainly due to the increase in the net position of the Water Pollution Control Plant Fund by \$3.4 million before transfers. The Water Pollution Control Plant Fund’s net position increased from \$50.6 to \$54.9 million.

Expenses by Function – Business-Type Activities



Revenues by Source – Business-Type Activities



FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

Governmental Funds

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

At the end of 2018-19, the City’s governmental funds reported combined ending fund balances of \$123.1 million, an increase of \$28.8 million in comparison with the prior year. Approximately 8.9% or \$10.9 million of the fund balance represents Nonspendable; 51.8% or \$63.7 million represents Restricted; 5.1% or \$6.3 million represents Assigned; and 34.2% or \$42.1 million is Unassigned and is available for spending at the City Council’s discretion.

General Fund

The General Fund is a major governmental fund and represents all funds not required to be accounted for in another fund. The General Fund accounted for 87.9% of the total governmental revenues and 82.4% of the total expenditures. A number of primary City services are accounted for in the General Fund including general government, public safety, development services, library and community services, and maintenance services. At the end of 2018-19, the unassigned fund balance of the General Fund was \$42.7 million, while the total fund balance was \$60.0 million. As a measure of the General Fund’s liquidity, it may be useful to compare the Unassigned Fund Balance to total of fund expenditures.

The Unassigned Fund Balance represents 41.6% of total General Fund expenditures of \$102.8 million (not including Transfers Out). The Unassigned Fund Balance of \$42.7 million has been designated for the following purposes:

- \$0.6 million for Compensated Absences
- \$5.0 million for Major Emergencies
- \$12.4 million for Economic Uncertainty
- \$24.7 million for Remaining Unassigned (for liquidity and other purposes)

At the end of Fiscal Year 2018-19 the General Fund ending balance increased by \$6.8 million compared to prior Fiscal Year. General Fund revenues increased by \$7.3 million primarily due to increases from property tax (\$3.8 million), business licensing (\$1.0 million), and use of money and property (\$2.3 million). General Fund expenditures (not including Transfers Out) show an increase of \$3.7 million from prior Fiscal Year. The increase is largely due to public safety (\$2.4 million increase) and general government (\$0.6 million increase).

Capital Improvement Capital Projects Fund

The Capital Improvement Capital Projects Fund is also a major governmental fund and accounted for less than 0.1% of the total governmental revenues and 3.3% of the total expenditures (not including other financing sources such as issuance of debt or interfund transfers). The Fund accounts for monies for major capital improvement projects not provided for in the other special revenue funds such as the Measure B, BB, and F Funds. At June 30, 2019, the Capital Improvement Capital Projects Fund had a total fund balance of \$46.3 million, an increase of 101.0% mostly due to the issue of the 2018 Lease Revenue Bonds for \$18.9 million. The fund balance including the proceeds from issue of the Lease Revenue Bonds are anticipated to consist of improvements to the Police and South Office Buildings, the Mulford-Marina Branch Library, Manor Park Competition Pool, Farrelly Pool, Casa Peralta, and the Boat Harbor.

Non-major Governmental Funds

The City's non-major funds are presented in the basic financial statements in the aggregate. As of June 30, 2019, non-major funds had a total fund balance of \$16.8 million of which all are legally restricted for specific purposes by external funding. More information about these aggregate non-major funds can be found in the combining statements immediately following the required supplementary information.

Proprietary Funds

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

The total net position of the Enterprise Funds was \$58.8 million at the end on June 30, 2019, an increase of \$5.9 million from the prior fiscal year. The total net position of the Internal Service Funds was \$14.1 million at the end on June 30, 2019, an increase of only \$2.3 million from the prior Fiscal Year.

Water Pollution Control Plant Enterprise Fund

The Water Pollution Control Plant Enterprise Fund was established to account for the City's sewers, which protect public health and preserve water quality through collection, treatment, and disposal of wastewater and wastewater solids. As of June 30, 2019, the Fund's net position totaled \$54.9 million, an increase of \$4.4 million due increased service charges and investment income.

Shoreline Enterprise Fund

The Shoreline Enterprise Fund was established in 2002-03 by combining the Marina Enterprise and the Golf Course Enterprise Funds. The Fund accounts for the operation of recreational berthing, food service facilities, and the public golf course. As of June 30, 2019, the Fund's net position totaled \$2.8 million, an increase of \$1.7 million or 165.1%. Net position for the prior year was \$1.1 million. This increase of \$1.7 million is due to increased investment income and transfer in.

Non-major Enterprise Funds

The City's non-major enterprise funds include Storm Water and Environmental Services. Year over year, ending net position for non-major enterprise funds decreased by 16.4%, or \$0.2 million, due to decrease or loss in the Storm Water Fund of \$0.3 million and an increase of \$0.1 million in the Environment Services Fund. More information about these aggregate non-major enterprise funds can be found in the combining statements following the required supplementary information.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund ended the Fiscal Year with actual revenues above final budget projections by 7.8% or \$8.6 million, not including end of Fiscal Year carryovers. Expenditures were 8.6% or \$9.6 million below final projections.

CITY OF SAN LEANDRO
Summary Analysis of General Fund Budget, Fiscal Year 2018-19
(in thousands)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES:				
Property taxes and other taxes	\$ 89,291	\$ 90,238	\$ 94,894	\$ 4,656
Licenses and permits	8,632	8,867	10,592	1,725
Fines and forfeitures	1,495	1,565	1,676	111
Services charges	3,347	3,258	3,280	22
Intergovernmental	1,080	1,138	1,032	(106)
Use of money and property	1,267	1,285	3,970	2,685
Interdepartmental charges	2,000	2,000	2,000	-
Other	1,914	1,943	1,410	(533)
Total revenues	109,026	110,294	118,854	8,560
EXPENDITURES:				
Current:				
General government	12,173	14,944	12,301	2,643
Public safety	61,955	64,179	61,799	2,380
Engineering and transportation	10,049	10,815	9,572	1,243
Recreation and culture	10,848	11,413	10,720	693
Community development	6,303	7,946	5,798	2,148
Debt service:				
Principal	2,358	2,359	1,853	506
Interest and fees	796	796	794	2
Total expenditures	104,482	112,452	102,837	9,615
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,544	(2,158)	16,017	18,175
OTHER FINANCING SOURCES (USES):				
Transfers (out)	(10,179)	(9,048)	(9,198)	(150)
Total other financing sources (uses)	(10,179)	(9,048)	(9,198)	(150)
NET CHANGE IN FUND BALANCE	\$ (5,635)	\$ (11,206)	\$ 6,819	\$ 18,025
FUND BALANCES:				
Beginning of year			53,172	
End of year			\$ 59,991	

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The City's capital assets for its governmental and business-type activities as of June 30, 2019 amount to \$274.9 million, net of accumulated depreciation. This represents a decrease of \$10.3 million due to an annual depreciation expense of over \$18.1 million offset by expenditure for Water Pollution Control Plant and Asphalt Replacement, the Climatec project, the Police Building & South Office Expansion and police vehicles.

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

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

City of San Leandro
Capital Assets (net of depreciation)
Year Ended June 30, 2019
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 16,550	\$ 16,550	\$ 5,234	\$ 5,234	\$ 21,784	\$ 21,784
Construction in progress	4,048	8,593	1,469	3,482	5,517	12,075
Total non-depreciable assets	20,598	25,143	6,703	8,716	27,301	33,859
Depreciable assets (net of depreciation)						
Buildings	54,397	55,963	57,115	58,424	111,512	114,387
Improvements other than buildings	5,239	2,738	-	-	5,239	2,738
Machinery and equipment	2,999	2,446	5,082	2,748	8,081	5,194
Licensed Vehicles	6,226	4,813	32	34	6,258	4,847
Infrastructure	108,447	118,944	8,103	5,315	116,551	124,259
Total depreciable assets	177,309	184,904	70,332	66,521	247,641	251,425
Total capital assets	\$ 197,907	\$ 210,047	\$ 77,035	\$ 75,237	\$ 274,942	\$ 285,283

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

Debt Administration

At the end of the current Fiscal Year, the City’s total long-term debt outstanding is \$95.8 million, an increase of \$14.5 million from the prior Fiscal Year.

At the end of the current Fiscal Year, the City’s total long-term debt outstanding for governmental activities is \$57.4 million, an increase of \$16.5 million from the prior Fiscal Year. The increase was due to issue of the 2018 Lease Revenue Bonds for \$18.9 million reduced by normal debt amortization as seen in Note 6 of the notes to the financial statements.

At the end of the current Fiscal Year, the City’s total long-term debt outstanding for business-type activities is \$38.4 million, a decrease of \$2.0 million from the prior Fiscal Year. The decrease reflects normal debt amortization for the State Water Resources Control Board Loan and Marina Cal Boating Loan.

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

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

**City of San Leandro
Outstanding Debt
Year Ended June 30, 2019
(in thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenue bonds and notes (backed by specific tax and fee revenues)	\$ 51,018	\$ 34,057	\$ -	\$ -	\$ 51,018	\$ 34,057
Other loans	6,393	6,838	38,374	40,364	44,767	47,202
Total	<u>\$ 57,411</u>	<u>\$ 40,895</u>	<u>\$ 38,374</u>	<u>\$ 40,364</u>	<u>\$ 95,785</u>	<u>\$ 81,259</u>

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET

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

REQUESTS FOR INFORMATION

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



BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS



City of San Leandro
Statement of Net Position
June 30, 2019

ASSETS	Governmental Activities	Business - Type Activities	Total
Current assets:			
Cash and investments (Note 2)	\$ 124,986,369	\$ 34,932,837	\$ 159,919,206
Cash and investments with fiscal agent (Note 2)	96,073	-	96,073
Receivables:			
Property taxes	178,981	-	178,981
Accounts	17,860,800	3,043,338	20,904,138
Interest	381,155	109,378	490,533
Special assessments	61,813	-	61,813
Inventory and prepaid items	205,897	19,022	224,919
Total current assets	143,771,088	38,104,575	181,875,663
Noncurrent assets:			
Loans receivable (Note 3)	2,912,559	-	2,912,559
Internal balances (Note 4E)	4,542,413	(4,542,413)	-
Loan to Successor Agency (Note 4C)	1,575,205	-	1,575,205
Other assets	41,293	-	41,293
Capital assets (Note 5):			
Non-depreciable	20,598,270	6,703,525	27,301,795
Depreciable	503,788,261	85,865,717	589,653,978
Less accumulated depreciation	<u>(326,479,343)</u>	<u>(15,533,548)</u>	<u>(342,012,891)</u>
Capital assets, net	197,907,188	77,035,694	274,942,882
Total noncurrent assets	206,978,658	72,493,281	279,471,939
Total Assets	350,749,746	110,597,856	461,347,602
DEFERRED OUTFLOWS OF RESOURCES			
Related to pension (Note 13)	29,030,373	1,381,899	30,412,272
Related to OPEB (Note 14)	3,004,291	-	3,004,291
Total Deferred Outflows of Resources	32,034,664	1,381,899	33,416,563
LIABILITIES			
Current liabilities:			
Accounts payable and accruals:	8,263,179	1,156,912	9,420,091
Interest payable	371,819	41,448	413,267
Other liabilities	530,892	-	530,892
Unearned revenue (Note 8)	2,698,618	-	2,698,618
Compensated absences - Due within one year (Note 7)	610,151	54,951	665,102
Claims and judgments payable - Due within one year (Note 11)	1,170,645	-	1,170,645
Long-term debt - Due within one year (Note 6)	3,885,423	2,046,772	5,932,195
Total current liabilities	17,530,727	3,300,083	20,830,810
Noncurrent liabilities:			
Deposits	-	48,583	48,583
Compensated absences payable - Due in more than one year (Note 7)	3,574,875	555,614	4,130,489
Claims and judgments payable - Due in more than one year (Note 11)	5,655,051	-	5,655,051
Net pension liability (Note 13)	162,507,352	12,788,726	175,296,078
Net OPEB liability (Note 14)	6,077,481	-	6,077,481
Long-term debt - Due in more than one year (Note 6)	53,525,684	36,327,008	89,852,692
Total noncurrent liabilities	231,340,443	49,719,931	281,060,374
Total Liabilities	248,871,170	53,020,014	301,891,184
DEFERRED INFLOWS OF RESOURCES			
Related to pension (Note 13)	6,705,492	207,067	6,912,559
NET POSITION (Note 9)			
Net investment in capital assets	152,522,070	38,661,914	191,183,984
Restricted for:			
Capital projects	46,296,041	-	46,296,041
Debt service	970,457	-	970,457
Engineering and transportation	8,855,675	-	8,855,675
Recreation and culture	1,048,216	-	1,048,216
Community Development	4,825,467	-	4,825,467
Public Safety	1,083,597	-	1,083,597
Total restricted	63,079,453	-	63,079,453
Unrestricted	(88,393,775)	20,090,760	(68,303,015)
Total Net Position	\$ 127,207,748	\$ 58,752,674	\$ 185,960,422

See Accompanying Notes to Basic Financial Statements

City of San Leandro
Statement of Activities and Changes in Net Position
For the year ended June 30, 2019

Functions/Programs	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Primary government:					
Governmental Activities:					
General government	\$ 14,053,667	\$ 8,911,614	\$ -	\$ 874,811	\$ 9,786,425
Public safety	68,742,284	3,595,062	282,724	-	3,877,786
Engineering and transportation	35,750,270	858,109	5,090,121	5,678,419	11,626,649
Recreation and culture	14,087,453	1,472,698	641,918	1,444,975	3,559,591
Community development	10,390,977	4,477,710	883,143	-	5,360,853
Interest on long-term debt	1,794,526	-	-	-	-
Total Governmental Activities	144,819,177	19,315,193	6,897,906	7,998,205	34,211,304
Business-type activities:					
Water Pollution Control Plant	11,814,460	14,268,660	-	982,215	15,250,875
Shoreline	1,677,896	1,970,376	-	-	1,970,376
Storm Water Utility	1,407,078	1,068,814	-	-	1,068,814
Environmental Services	1,061,370	745,131	268,599	-	1,013,730
Total business-type Activities	15,960,804	18,052,981	268,599	982,215	19,303,795
Total primary government	\$160,779,981	\$ 37,368,174	\$ 7,166,505	\$ 8,980,420	\$ 53,515,099

General revenues:

Taxes:

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

Total Taxes

- Investment earnings
- Miscellaneous
- Gain on sale of assets

Transfers

Total general revenues and transfers

Change in net position

Net position - Beginning of year

Net position - End of year

See Accompanying Notes to Basic Financial Statements

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business- Type Activities	Total
\$ (4,267,242)	\$ -	\$ (4,267,242)
(64,864,498)	-	(64,864,498)
(24,123,621)	-	(24,123,621)
(10,527,862)	-	(10,527,862)
(5,030,124)	-	(5,030,124)
(1,794,526)	-	(1,794,526)
<u>(110,607,873)</u>		<u>(110,607,873)</u>
-	3,436,415	3,436,415
-	292,480	292,480
-	(338,264)	(338,264)
-	(47,640)	(47,640)
<u>-</u>	<u>3,342,991</u>	<u>3,342,991</u>
<u>(110,607,873)</u>	<u>3,342,991</u>	<u>(107,264,882)</u>
24,123,875	-	24,123,875
45,865,704	-	45,865,704
5,192,138	-	5,192,138
10,182,141	-	10,182,141
5,372,712	-	5,372,712
3,110,165	-	3,110,165
1,430,740	836,332	2,267,072
<u>95,277,475</u>	<u>836,332</u>	<u>96,113,807</u>
4,286,379	1,262,342	5,548,721
853,797	-	853,797
553,670	-	553,670
(476,000)	476,000	-
<u>100,495,321</u>	<u>2,574,674</u>	<u>103,069,995</u>
(10,112,552)	5,917,665	(4,194,887)
<u>137,320,300</u>	<u>52,835,009</u>	<u>190,155,309</u>
<u>\$ 127,207,748</u>	<u>\$ 58,752,674</u>	<u>\$ 185,960,422</u>



FUND FINANCIAL STATEMENTS

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



GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

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

**City of San Leandro
Governmental Funds
Balance Sheet
June 30, 2019**

	Major Funds			Total
	General Fund	Capital Improvement Capital Projects Fund	Non-Major Governmental Funds	
ASSETS				
Cash and investments (Note 2)	\$ 44,159,213	\$ 46,948,045	\$ 16,319,212	\$ 107,426,470
Cash and investments with fiscal agent (Note 2)	279	95,794	-	96,073
Receivables:				
Property taxes	177,533	1,448	-	178,981
Accounts	13,915,943	-	1,126,944	15,042,887
Federal, State, and local grants	70,693	-	2,747,220	2,817,913
Interest	276,729	-	52,032	328,761
Special Assessment	61,009	-	804	61,813
Loans (Note 3)	2,615,050	-	297,509	2,912,559
Due from other funds (Note 4A)	1,530,386	-	-	1,530,386
Advances to other funds (Note 4B)	6,712,486	-	-	6,712,486
Loan to Successor Agency (Note 4C)	1,575,205	-	-	1,575,205
Other assets	41,293	-	-	41,293
Total Assets	\$ 71,135,819	\$ 47,045,287	\$ 20,543,721	\$ 138,724,827
LIABILITIES				
Liabilities:				
Accounts payable and accruals	\$ 5,685,915	\$ 762,868	\$ 396,179	\$ 6,844,962
Due to other funds (Note 4A)	-	-	939,937	939,937
Advances from other funds (Note 4B)	2,760,522	-	-	2,760,522
Unearned revenue	2,698,618	-	-	2,698,618
Total Liabilities	11,145,055	762,868	1,336,116	13,244,039
DEFERRED INFLOW OF RESOURCES				
Unavailable revenue - grants receivable	-	-	2,410,571	2,410,571
Total Deferred Inflow of Resources	-	-	2,410,571	2,410,571
Fund Balances: (Note 9)				
Nonspendable	10,902,741	-	-	10,902,741
Restricted	50,000	46,282,419	17,443,725	63,776,144
Assigned	6,296,907	-	-	6,296,907
Unassigned	42,741,116	-	(646,691)	42,094,425
Total Fund Balances	59,990,764	46,282,419	16,797,034	123,070,217
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 71,135,819	\$ 47,045,287	\$ 20,543,721	\$ 138,724,827

See Accompanying Notes to Basic Financial Statements

City of San Leandro
Reconciliation of the Governmental Funds Balance Sheet
with the Statement of Net Position
June 30, 2019

Total fund balances reported on the governmental funds balance sheet \$ 123,070,217

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

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds. 192,697,361

ALLOCATION OF INTERNAL SERVICE FUND NET POSITION

Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance to individual governmental funds. The net current assets of the Internal Service Funds are therefore included in Governmental Statement of Activities. 14,063,416

LONG-TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:

Net OPEB liability, related deferred outflows and inflows of resources	(3,073,190)
Net pension liability, related deferred outflows and inflows of resources	(140,182,471)
Long-term debt	(57,411,107)
Interest payable	(371,819)
Compensated absences	(3,995,230)
Recognition of grants revenue	<u>2,410,571</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 127,207,748

See Accompanying Notes to Basic Financial Statements

City of San Leandro
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2019

	Major Fund			Total
	General	Capital Improvement Capital Projects Fund	Non-Major Governmental Funds	
REVENUES				
Property and other taxes	\$ 94,894,359	\$ -	\$ 702,548	\$ 95,596,907
Licenses and permits	10,591,601	-	838,225	11,429,826
Fines and forfeitures	1,675,533	-	-	1,675,533
Service charges	3,280,323	58,702	253,788	3,592,813
Intergovernmental	1,031,813	-	10,932,196	11,964,009
Use of money and property	3,970,462	1,534	2,906,050	6,878,046
Interdepartmental charges	1,999,878	-	-	1,999,878
Other	1,410,255	-	635,358	2,045,613
Total Revenues	118,854,224	60,236	16,268,165	135,182,625
EXPENDITURES				
Current:				
General Government	12,300,883	-	4,873	12,305,756
Public safety	61,799,437	-	592,999	62,392,436
Engineering and transportation	9,571,683	1,570,643	12,990,673	24,132,999
Recreation and culture	10,720,040	-	381,842	11,101,882
Community development	5,797,529	2,519,105	815,676	9,132,310
Debt service:				
Principal	1,853,537	-	1,627,000	3,480,537
Interest and fees	794,315	-	1,413,526	2,207,841
Total Expenditures	102,837,424	4,089,748	17,826,589	124,753,761
REVENUES OVER (UNDER) EXPENDITURES	16,016,800	(4,029,512)	(1,558,424)	10,428,864
OTHER FINANCING SOURCES (USES)				
Transfers in (Note 4D)	-	27,765,000	433,333	28,198,333
Transfers (out) (Note 4D)	(9,198,333)	(476,000)	(20,373,327)	(30,047,660)
Issuance of debt	-	-	18,905,000	18,905,000
Premium on issuance of debt	-	-	1,309,351	1,309,351
Total Other Financing Sources (Uses)	(9,198,333)	27,289,000	274,357	18,365,024
NET CHANGE IN FUND BALANCES	6,818,467	23,259,488	(1,284,067)	28,793,888
FUND BALANCES				
Beginning of year	53,172,297	23,022,931	18,081,101	94,276,329
End of year	\$ 59,990,764	\$ 46,282,419	\$ 16,797,034	\$ 123,070,217

See Accompanying Notes to Basic Financial Statements

City of San Leandro
Reconciliation of the Net Change in Fund Balances - Total Government Funds with
the Statement of Activities
For the year ended June 30, 2019

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 \$ 28,793,888

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

CAPITAL ASSET TRANSACTIONS

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

Capital expenditures are therefore added back to fund balance	3,196,624
Depreciation expense is deducted from the fund balance. The amount excludes the depreciation of \$947,717, which is reported in the Internal Service Funds.	(15,538,476)

LONG-TERM DEBT PROCEEDS AND PAYMENTS

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.

Repayment of debt principal is added back to fund balance	3,480,537
Amortization of bond discount is deducted from fund balance	(10,119)
Amortization of bond premium is added back to fund balance	227,386
Bond issuance is deducted from fund balance	(20,214,351)

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Unearned revenue	87,127
Interest payable	(129,161)
Compensated absences	(486,071)
Net pension liabilities, related deferred outflows and inflows of resources	(12,753,334)
Net OPEB liabilities, related deferred outflows and inflows of resources	960,538

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

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

Change in Net Position - All Internal Service Funds	<u>2,272,860</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ (10,112,552)</u></u>
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See Accompanying Notes to Basic Financial Statements



PROPRIETARY FUND FINANCIAL STATEMENTS

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

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

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

City of San Leandro
Statement of Net Position
Proprietary Funds
June 30, 2019

	Major Enterprise Funds			Total	Governmental Activities- Internal Service Funds
	Water Pollution Control Plant	Shoreline	Non- Major Enterprise Funds		
ASSETS					
Current Assets:					
Cash and investments (Note 2)	\$ 29,052,600	\$ 4,270,448	\$ 1,609,789	\$ 34,932,837	\$ 17,559,899
Receivables:					
Accounts	2,416,620	458,895	167,823	3,043,338	-
Interest	91,270	12,987	5,121	109,378	52,394
Inventory	19,022	-	-	19,022	205,897
Total current assets	<u>31,579,512</u>	<u>4,742,330</u>	<u>1,782,733</u>	<u>38,104,575</u>	<u>17,818,190</u>
Noncurrent assets:					
Advance to other fund (Note 4B)	2,760,522	-	-	2,760,522	-
Capital assets (Note 5)					
Non-Depreciable	3,125,715	3,577,810	-	6,703,525	-
Depreciable	80,067,002	5,778,252	20,463	85,865,717	16,929,351
Less accumulated depreciation	(11,873,327)	(3,659,005)	(1,216)	(15,533,548)	(11,719,524)
Total capital assets, net	<u>71,319,390</u>	<u>5,697,057</u>	<u>19,247</u>	<u>77,035,694</u>	<u>5,209,827</u>
Total noncurrent assets	<u>74,079,912</u>	<u>5,697,057</u>	<u>19,247</u>	<u>79,796,216</u>	<u>5,209,827</u>
Total Assets	<u>105,659,424</u>	<u>10,439,387</u>	<u>1,801,980</u>	<u>117,900,791</u>	<u>23,028,017</u>
DEFERRED OUTFLOWS OF RESOURCES					
Related to pension (Note 13)	1,381,899	-	-	1,381,899	-
LIABILITIES					
Current Liabilities:					
Accounts payable	1,102,398	32,673	21,841	1,156,912	1,418,217
Interest payable	-	41,448	-	41,448	-
Due to other funds (Note 4A)	-	-	590,449	590,449	-
Other liabilities	-	-	-	-	530,892
Clams and judgments - due in 1 year (Note 11)	-	-	-	-	1,170,645
Compensated absences - due in 1 year (Note 7)	34,135	5,342	15,474	54,951	17,082
Notes payable - due in 1 year (Note 6)	1,787,828	258,944	-	2,046,772	-
Total current liabilities	<u>2,924,361</u>	<u>338,407</u>	<u>627,764</u>	<u>3,890,532</u>	<u>3,136,836</u>
Non-current Liabilities:					
Deposits payable	3,000	45,583	-	48,583	-
Advances from other funds (Note 4B)	-	6,712,486	-	6,712,486	-
Claims and judgments - due in more than 1 year (Note 11)	-	-	-	-	5,655,051
Compensated absences - due in more than 1 year (Note 7)	345,141	54,013	156,460	555,614	172,714
Net pension liability (Note 13)	12,788,726	-	-	12,788,726	-
Long-term debt - due in more than 1 year (Note 6)	35,828,954	498,054	-	36,327,008	-
Total noncurrent liabilities	<u>48,965,821</u>	<u>7,310,136</u>	<u>156,460</u>	<u>56,432,417</u>	<u>5,827,765</u>
Total liabilities	<u>51,890,182</u>	<u>7,648,543</u>	<u>784,224</u>	<u>60,322,949</u>	<u>8,964,601</u>
DEFERRED INFLOWS OF RESOURCES					
Related to pension (Note 13)	207,067	-	-	207,067	-
NET POSITION (Note 9)					
Net investment in capital asset	33,702,608	4,940,059	19,247	38,661,914	5,209,827
Unrestricted	21,241,466	(2,149,215)	998,509	20,090,760	8,853,589
Total Net Position	<u>\$ 54,944,074</u>	<u>\$ 2,790,844</u>	<u>\$ 1,017,756</u>	<u>\$ 58,752,674</u>	<u>\$ 14,063,416</u>

See Accompanying Notes to Basic Financial Statements

City of San Leandro
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the year ended June 30, 2019

	Major Enterprise Funds			Non- Major Enterprise Funds	Governmental Activities- Internal Service Funds
	Water Pollution Control Plant	Shoreline	Total		
OPERATING REVENUES:					
Charges for services	\$ 12,826,956	\$ 312,224	\$ 1,427,709	\$ 14,566,889	\$ 16,765,741
Licenses and permits	32,868	19,059	360,073	412,000	-
Rents and concessions	-	1,638,607	-	1,638,607	-
Other operating revenues	1,408,836	486	26,163	1,435,485	559,373
Total Operating Revenues	14,268,660	1,970,376	1,813,945	18,052,981	17,325,114
OPERATING EXPENSES:					
Salaries and benefits	5,073,928	570,447	1,311,286	6,955,661	3,599,723
Contractual and other services	1,925,709	239,453	414,217	2,579,379	9,527,342
Materials and supplies	445,430	20,405	56,509	522,344	867,666
Depreciation	1,490,906	113,889	565	1,605,360	947,717
Other operating costs	1,855,145	331,416	685,871	2,872,432	2,025,609
Total Operating Expenses	10,791,118	1,275,610	2,468,448	14,535,176	16,968,057
OPERATING INCOME (LOSS)	3,477,542	694,766	(654,503)	3,517,805	357,057
NONOPERATING REVENUES (EXPENSES):					
Property and other taxes	-	836,332	-	836,332	-
Intergovernmental	-	-	268,599	268,599	-
Investment income	1,075,789	132,880	53,673	1,262,342	542,476
Interest expense	(1,023,342)	(402,286)	-	(1,425,628)	-
Total Nonoperating Revenues (Expenses)	52,447	566,926	322,272	941,645	542,476
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	3,529,989	1,261,692	(332,231)	4,459,450	899,533
CONTRIBUTIONS AND TRANSFERS:					
Capital contributions	982,215	-	-	982,215	-
Transfers in (Note 4D)	-	476,000	132,782	608,782	1,373,327
Transfers out (Note 4D)	(132,782)	-	-	(132,782)	-
Total capital contributions and transfers	849,433	476,000	132,782	1,458,215	1,373,327
Change in net position	4,379,422	1,737,692	(199,449)	5,917,665	2,272,860
NET POSITION:					
Net Position-Beginning of year	50,564,652	1,053,152	1,217,205	52,835,009	11,790,556
Net Position-Ending of year	\$ 54,944,074	\$ 2,790,844	\$ 1,017,756	\$ 58,752,674	\$ 14,063,416

See Accompanying Notes to Basic Financial Statements

City of San Leandro
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2019

	Major Enterprise Funds		Non- Major Enterprise Funds	Total	Governmental Activities- Internal Service Funds
	Water Pollution Control Plant	Shoreline			
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	\$ 13,192,114	\$ 1,993,435	\$ 1,809,601	\$ 16,995,150	\$ 559,758
Cash received from other funds	-	-	350,733	350,733	-
Receipts from interfund charges	-	-	-	-	16,754,671
Cash payments to suppliers and service providers	(3,648,010)	(580,733)	(1,160,942)	(5,389,685)	(11,637,488)
Cash payments to employees for services	(4,967,620)	(585,937)	(1,316,100)	(6,869,657)	(3,112,712)
Net cash provided (used) by operating activities	4,576,484	826,765	(316,708)	5,086,541	2,564,229
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Property and other taxes received	-	836,332	-	836,332	-
Intergovernmental revenue received	-	-	268,599	268,599	-
Interfund loan	504,812	(201,921)	-	302,891	-
Transfers in from other funds	-	476,000	132,782	608,782	1,373,327
Transfer out to other funds	(132,782)	-	-	(132,782)	-
Net cash provided (used) by noncapital financing activities	372,030	1,110,411	401,381	1,883,822	1,373,327
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal paid on capital debt	(1,742,522)	(247,794)	-	(1,990,316)	-
Acquisition of capital assets	(3,404,651)	-	-	(3,404,651)	(1,149,432)
Capital contributions	982,215	-	-	982,215	-
Interest payments on bonds and notes payable	(1,023,342)	(402,286)	-	(1,425,628)	-
Net cash provided (used) by capital and related financing activities	(5,188,300)	(650,080)	-	(5,838,380)	(1,149,432)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Change in market values of investments	485,093	64,181	26,127	575,401	264,456
Interest income (expense)	565,650	62,691	25,590	653,931	256,570
Net cash provided (used) by investing activities	1,050,743	126,872	51,717	1,229,332	521,026
Net increase (decrease) in cash and cash equivalents	810,957	1,413,968	136,390	2,361,315	3,309,150
CASH AND CASH EQUIVALENTS:					
Cash and investments at beginning of year	28,241,643	2,856,480	1,473,399	32,571,522	14,250,749
Cash and investments at end of year	\$ 29,052,600	\$ 4,270,448	\$ 1,609,789	\$ 34,932,837	\$ 17,559,899
RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 3,477,542	\$ 694,766	\$ (654,503)	\$ 3,517,805	\$ 357,057
Adjustments to reconcile operating income to net cash provided by operating activities:					
Depreciation	1,490,906	113,889	565	1,605,360	947,717
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	(1,076,546)	26,071	(4,344)	(1,054,819)	385
(Increase) decrease in inventories	(19,022)	-	-	(19,022)	(5,094)
(Decrease) increase in accounts payable	197,019	10,541	(4,345)	203,215	549,801
(Decrease) increase in other liabilities	-	-	-	-	464,523
(Decrease) increase due to other funds	-	-	350,733	350,733	-
(Decrease) increase in deposits payable	-	(3,012)	-	(3,012)	-
(Decrease) increase claims and judgments payable	-	-	-	-	227,352
(Decrease) increase in compensated absences	106,308	(15,490)	(4,814)	86,004	22,488
(Decrease) increase in deferred outflow	1,336,995	-	-	1,336,995	-
(Decrease) increase in deferred inflow	104,888	-	-	104,888	-
(Decrease) increase in net pension liability	(1,041,606)	-	-	(1,041,606)	-
Total adjustments	1,098,942	131,999	337,795	1,568,736	2,207,172
Net cash provided (used) by operating activities	\$ 4,576,484	\$ 826,765	\$ (316,708)	\$ 5,086,541	\$ 2,564,229

See Accompanying Notes to Basic Financial Statements

FIDUCIARY FUND FINANCIAL STATEMENTS

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

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

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

City of San Leandro
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2019

	Agency Funds	Private-Purpose Trust Fund	OPEB Trust Fund
ASSETS			
Current assets:			
Cash and cash equivalents (Note 2)	\$ 5,288,986	\$ 5,785,002	\$ 585,828
Investments (Note 2):			
Mutual funds	-	-	16,294,752
Cash and investments with fiscal agents (Note 2)	457,681	184	-
Interest receivable	1,330	9,723	6,928
Total Current Assets	<u>5,747,997</u>	<u>5,794,909</u>	<u>16,887,508</u>
Noncurrent assets:			
Capital assets (Note 16C):			
Land	-	706,376	-
Depreciable assets, net	-	411,525	-
Total non-current assets	<u>-</u>	<u>1,117,901</u>	<u>-</u>
Total assets	<u><u>\$ 5,747,997</u></u>	<u><u>\$ 6,912,810</u></u>	<u><u>\$ 16,887,508</u></u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 158,408	\$ -	\$ -
Deposits payable	4,056,577	-	-
Interest payable	-	447,486	-
Long-term debt - due in less than one year (Note 16D)	-	1,715,394	-
Due to bondholders	1,533,012	-	-
Total current liabilities	<u>\$ 5,747,997</u>	<u>2,162,880</u>	<u>-</u>
Noncurrent Liabilities:			
Loan from the City (Note 16B)		1,575,205	-
Long-term debt - due in more than one year (Note 16D)		34,344,879	-
Total non current liabilities		<u>35,920,084</u>	<u>-</u>
Total liabilities		<u>38,082,964</u>	<u>-</u>
NET POSITION			
Restricted for OPEB			<u>\$ 16,887,508</u>
Held in trust for private purposes		<u>\$ (31,170,154)</u>	

See Accompanying Notes to Basic Financial Statements

City of San Leandro
Statement of Changes in Fiduciary Net Position
For the year ended June 30, 2019

	Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund	OPEB Trust Fund
Additions:		
Property taxes	\$ 6,022,372	\$ -
Use of money and property	111,004	-
Investment earnings:		
Investment earnings	-	1,088,170
Contributions to OPEB Trust-Employer	-	1,000,000
Total additions	6,133,376	2,088,170
Deductions:		
Community development	396,454	-
Depreciation	14,237	-
Debt service interest and fiscal agent fees	1,157,752	77,059
Total deductions	1,568,443	77,059
Change in net position	4,564,933	2,011,111
NET POSITION HELD IN TRUST		
Net position - beginning	(35,735,087)	14,876,397
Net position - end	<u>\$ (31,170,154)</u>	<u>\$ 16,887,508</u>

See Accompanying Notes to Basic Financial Statements



City of San Leandro
Index to Notes to Basic Financial Statements
For the year ended June 30, 2019

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City of San Leandro
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For the year ended June 30, 2018 (Continued)

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CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

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

A. Financial Reporting Entity

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

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

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

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

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

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

B. Government-Wide Financial Statements

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

The City reports the following major governmental funds:

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The City also reports the following major proprietary funds:

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

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

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

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

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

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

D. Recognition of Interest Liability

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Use of Restricted and Unrestricted Net Position

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

F. Cash, Cash Equivalents and Investments

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

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

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

G. Inventory

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets

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

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

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

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

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

I. Long-Term Debt

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

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences

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

K. Property Taxes

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

L. Deferred Inflows/Outflows of Resources

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

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

M. Use of Estimates

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Fair Value Measurements

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

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

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

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

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

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

Management adopted the provisions of the following Governmental Accounting Standards Board (GASB) Statements which became effective during the year ended June 30, 2019.

GASB Statement No. 88 – In April 2018, GASB issued Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one of more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The City implemented this statement in current year. See additional information in Notes 6 and 16.

GASB Statement No. 83 – In November 2016, GASB issued Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirements of this statement are effective for reporting periods beginning after June 15, 2018. This statement had no impact on the City’s financial statements.

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 2 – CASH AND INVESTMENTS

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

A. Cash Deposits

The carrying amount of the City's cash deposits is \$3,392,203 at June 30, 2019. Bank balances before reconciling items were \$ 4,958,975, at that date, the total amount of which was insured or collateralized with securities held by the pledging financial institutions in the City's name as discussed below.

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

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 2 – CASH AND INVESTMENTS (Continued)

B. Investments

Under the provisions of the City’s investment policy, and in accordance with California Government Code, the City’s Cash and investments as of June 30, 2019, are classified as follows:

Statement of net position:	
Cash and investments	\$ 159,919,206
Cash and investments held by fiscal agents	96,073
Fiduciary Funds:	
Cash and investments	27,940,331
Cash and investments with fiscal agents	<u>457,865</u>
Total cash and investments	<u>\$ 188,413,475</u>
Cash and investments as of June 30, 2019, are classified as follows:	
Deposits with financial institutions	\$ 4,415,143
Investments	<u>183,998,332</u>
Total cash and investments	<u>\$ 188,413,475</u>

Interest Rate Risk

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

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

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

Investment Type	Fair Value	12 Months or Less	13 to 24 Months	25 to 60 Months
Federal Agency Securities	\$ 27,195,934	\$ 9,799,184	\$ 7,777,479	\$ 9,619,271
Money Market Fund	17,234,044	17,234,044	-	-
U.S. Treasury Notes	37,623,921	10,153,827	12,995,053	14,475,041
Local Agency Investment Fund (LAIF)	59,237,328	59,237,328	-	-
Medium-Term Notes	26,886,311	1,597,218	9,770,244	15,518,849
Asset Backed Securities	7,267,010	-	741,086	6,525,924
Supranationals	4,417,518	998,350	2,612,792	806,376
Commercial Paper	3,582,336	3,582,336	-	-
Held by fiscal agent:				
U.S. Treasury Money Market Funds	553,930	553,930	-	-
Total	<u>\$ 183,998,332</u>	<u>\$ 103,156,217</u>	<u>\$ 33,896,654</u>	<u>\$ 46,945,461</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 2 – CASH AND INVESTMENTS (Continued)

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

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

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

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

Investments in Local Agency Investment Fund

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

The fair value is calculated by multiplying the account balance with LAIF times a fair value factor of 1.001711790 which is determined by LAIF. This fair value factor was determined by dividing all LAIF participants’ total aggregate amortized cost by total aggregate fair value.

The City’s investments with Local Agency Investment Funds (LAIF) at June 30, 2019, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments included the following:

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 2 – CASH AND INVESTMENTS (Continued)

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

Concentration of Credit Risk

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

<u>US Government Agency Securities</u>	<u>Amount Invested</u>	<u>Percentage of Investments</u>
Federal agency securities:		
Federal Home Loan Bank (FHLB)	\$ 14,254,108	20.55%
Federal Home Loan Mortgage Corporation (FHLMC)	5,416,042	7.81%
Federal National Mortgage Association (FNMA)	6,523,374	9.41%
Toyota	5,315,904	7.67%
Total	<u>\$ 31,509,428</u>	<u>45.44%</u>

Disclosures Relating to Credit Risk

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

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

<u>Investment Type</u>	<u>Fair Value</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Not Rated</u>	<u>Minimum Rating</u>				
					<u>A-1</u>	<u>A-1+</u>	<u>AAA</u>	<u>AA+</u>	
Federal Agency Securities	\$ 27,195,934	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,195,934	
Money Market Fund	17,234,044	N/A					17,234,044		
U.S. Treasury Notes	37,623,921	N/A	37,623,921						
Local Agency Investment Fund	59,237,328	N/A		59,237,328					
Medium-Term Notes	26,886,311	A					1,154,990	908,910	
Asset Backed Securities	7,267,010	AAA					7,267,010		
Supranationals	4,417,518	AA					4,417,518		
Commercial Paper	3,582,336	A-1+			1,990,240	1,592,096			
Held by fiscal agent:									
U.S. Treasury Money Market	553,930	A					553,930		
Total	<u>\$ 183,998,332</u>		<u>\$ 37,623,921</u>	<u>\$ 59,237,328</u>	<u>\$ 1,990,240</u>	<u>\$ 1,592,096</u>	<u>\$ 30,627,492</u>	<u>\$ 28,104,844</u>	
					<u>AA</u>	<u>AA-</u>	<u>A+</u>	<u>A</u>	<u>A-</u>
Medium-Term Notes			<u>\$ 2,987,884</u>	<u>\$ 5,498,661</u>	<u>\$ 2,288,821</u>	<u>\$ 11,492,624</u>	<u>\$ 2,554,421</u>		

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 2 – CASH AND INVESTMENTS (Continued)

Fair Value Hierarchy

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

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2019:

	<u>Level 1</u>	<u>Level 2</u>	<u>Total</u>
Investments By Fair Value Level:			
Federal Agency Securities	\$ -	\$ 27,195,934	\$ 27,195,934
U.S. Treasury Notes	37,623,921		37,623,921
Medium-Term Notes		26,886,311	26,886,311
Asset Backed Securities		7,267,010	7,267,010
Supranationals		4,417,518	4,417,518
Commercial Paper		3,582,336	3,582,336
Total Investments	<u>\$ 37,623,921</u>	<u>\$ 69,349,109</u>	106,973,030
Investments Exempt from Fair Value Hierarchy:			
Local Agency Investment Fund (LAIF)			59,237,328
Investments Measured at Amortized Cost:			
Held by fiscal agent:			
U.S. Treasury Money Market Funds			553,930
Money Market Fund			17,234,044
Total			<u>\$ 183,998,332</u>

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 3 – LOANS RECEIVABLE

At June 30, 2019, the City had loans receivable in the following funds:

Governmental Funds:	
General Fund	\$ 2,615,050
Non Major Special Revenue Funds:	
Affordable Housing Asset Special Revenue Fund	7,303,092
Community Development Block Grant (CDBG)	240,753
HOME Fund	3,335,000
Housing In-Lieu	637,000
Less allowance for uncollectible loans	<u>(11,218,336)</u>
Total net loans receivable	<u><u>\$ 2,912,559</u></u>

At June 30, 2019, the City was owed in the General Fund, \$773,608 for a loan made by the City to the San Leandro Unified School District related to property acquisition. The loan is for purchase of a property in the City that will be used to directly support the educational and administrative function of the District. The loan is evidenced by a promissory note with a term of 15 years and is to be repaid in full on August 1, 2028. The interest rates range from 1.5% to a maximum of 5%.

At June 30, 2019, the City was owed in the General Fund, \$725,601 for a loan made by the City to Alameda County Industries Inc. (ACI). The loan is to refurbish ACI's Materials Recovery Facility in order to expand operations to take in more solid waste, recyclable, and green waste tonnage. The loan is evidenced by a promissory note with a term of 10 years and is to be repaid in full on July 1, 2025. The interest rate is 2.5% per annum.

At June 30, 2019, the City was owed in the General Fund, \$13,258 for loans made by the City to employees as part of the Employee Computer Purchase Loan Program. The loans are to assist regular full-time employees after completion of the one-year probationary period, “permanent” part-time employees as defined in the relevant MOU and City Council Members with the purchase of a home computer or laptop. The loans range from \$500 to \$3,000, are repaid over a 1 or 2 year period, and are interest free. Payments on the loans are handled as standard payroll deduction.

At June 30, 2019, the City was owed in the General Fund, \$260,139 for a loan made by the City to San Leandro Improvement Agency. The loan is to fund Downtown San Leandro capital improvements. The loan is evidenced by a promissory note with a term of 10 years. The interest rate is 3% per annum.

At June 30, 2019, the City was owed in the General Fund, \$387,337 for a loan made by the City to the Historic BAL Theatre. The loan is to promote the performing arts, music, and City's culture, which is vital to the public health and economic vitality of the City. The loan is evidenced by a promissory note with a term of 30 years. The interest rate is 3% per annum.

At June 30, 2019, the City was owed in the General Fund, \$455,107 for a loan made by the City to MTLG, LLC. The loan is for litigation costs between the City of San Leandro and MTLG, LLC for a proposed wind energy conversion project. The loan is evidenced by a promissory note in the amount of the loan and a deed of trust with a term of 10 years. The interest rate is 2% per annum.

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 3 – LOANS RECEIVABLE (Continued)

During fiscal year 2019, the City was owed in its Low/Moderate Asset Housing Fund, \$7,303,092 which includes (1) loans made to the City property owners who meet the HUD requirements for financial assistance for property improvements and first time home buyer loans; (2) a loan made to Ruth Rogers and Sara Bagwell; (3) a loan made to Eden Housing, Inc.; (4) a loan made to San Leandro Senior Housing; (5) a loan made to Citizens’ Housing Corporation for property improvements; and (6) a loan made to Mercy Housing for the construction of the Casa Verde. The total loan receivable amount was reduced by an allowance for uncollectible loans in the amount of \$7,005,583 leaving a balance of \$297,509 as of June 30, 2019.

At June 30, 2019, the City was owed in its Community Development Block Grant Special Revenue Fund, \$240,753 for various housing assistance loans made by the City. The terms of repayment vary. All of the loans receivable was reduced by allowance for uncollectible loans.

At June 30, 2019, the City was owed in its HOME Special Revenue Fund, \$3,335,000 which includes (1) two housing assistance loans made by the City to Citizens’ Housing Corporation; (2) a loan made to Estabrook Senior Housing for construction of senior housing facility; (3) a loan made to Hello Housing for the rehabilitation of a single family home; (4) a housing assistance loan made to Allied Housing. The terms of repayment vary. All of the loans receivable were reduced by allowance for uncollectible loans.

At June 30, 2019, the City was owed in its Housing In-Lieu Special Revenue Fund, \$637,000 for a housing assistance loan made by the City to the Estabrook Senior Housing for low-moderate housing construction. The terms of repayment vary. The entire loan receivable was reduced by allowance for uncollectible loans.

NOTE 4 – INTERFUND TRANSACTIONS

A. Interfund Receivables and Payables

At June 30, 2019, the City had the following short-term receivables and payables:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Storm Water Utility Fund	\$ 590,449
	Non-Major Governmental Funds	<u>939,937</u>
	Total	<u><u>\$ 1,530,386</u></u>

The City has recorded due to/due from all funds requiring cash at the end of June 30, 2019. The funds that had deficit year-end balances will be repaid back to the General Fund during the 2019-20 fiscal year.

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 4 – INTERFUND TRANSACTIONS (Continued)

B. Long-Term Advances

Long-term advances to be repaid out of future earnings or charges at June 30, 2019, consisted of:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Shoreline Enterprise Fund	\$ 6,712,486
Water Pollution Control Plant Enterprise Fund	General Fund	<u>2,760,552</u>
	Total	<u>\$ 9,473,038</u>

The City Council authorized General Fund loans to the Shoreline Enterprise Fund for capital improvements at the Marina and Golf Course. The loans are to be paid over 30 years with an annual interest accrual rate of 5%. Principal payments are made annually provided the fund has sufficient resources. The balance as of June 30, 2019, was \$2,992,728 and \$3,719,758 for the Marina and the Golf Course, respectively, for a total of \$6,712,486.

The City Council authorized a loan to the General Fund from the Water Pollution Control Plant in 2011 for the partial payment of the Public Safety Side Fund Obligation. The \$6,000,000 loan was to pay-down the CalPERS Public Safety Side Fund with a long term adjustable rate of 4% or less annually for 13 years. As of June 30, 2019, the outstanding amount was \$2,760,552.

C. Loan to Successor Agency

The City Council authorized various loans to the Private Purpose Trust Fund from the General Fund for operating and capital improvement purposes. The balance as of June 30, 2019, was \$1,575,205.

D. Transfers

Transfers during the fiscal year ended June 30, 2019, comprised the following:

<u>Transfers In</u>	<u>Transfers Out:</u>					<u>Total</u>
	<u>General Fund</u>	<u>Capital Improvements Capital Projects Fund</u>	<u>Water Pollution Control Plan Enterprise Fund</u>	<u>Non-Major Governmental Funds</u>		
Capital Improvements Capital Projects Funds	\$ 7,765,000	\$ -	\$ -	\$ 20,000,000		\$ 27,765,000
Non-major Governmental Funds	433,333					433,333
Shoreline Enterprise Fund		476,000				476,000
Non-major Enterprise Funds			132,782			132,782
Internal Service Funds	<u>1,000,000</u>			<u>373,327</u>		<u>1,373,327</u>
Total	<u>\$ 9,198,333</u>	<u>\$ 476,000</u>	<u>\$ 132,782</u>	<u>\$ 20,373,327</u>		<u>\$ 30,180,442</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 4 – INTERFUND TRANSACTIONS (Continued)

The City Council authorized transfers to various funds for fiscal year 2018-19 to the following accounts and projects:

Capital Improvement Fund	\$ 3,680,000	Street Improvement Projects
Capital Improvement Fund	1,160,000	Building Improvement Projects
Capital Improvement Fund	2,450,000	Marina Improvement Projects
Capital Improvement Fund	475,000	Parks Improvement Projects
Capital Improvement Fund	20,000,000	Police Headquarters and others
Non-major Governmental Funds	433,333	Street Improvement Projects
Environmental Services Fund	132,782	Sewer Inspections
Self-Insurance Fund	1,000,000	PULL plan
Shoreline Fund	476,000	Monarch Bay Golf Club Improvements Project
Equipment Maintenance Fund	<u>373,327</u>	Vehicle Purchase
Total	<u>\$ 30,180,442</u>	

E. Internal Balances

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 5 – CAPITAL ASSETS

A. Government-Wide Financial Statements

At June 30, 2019, the City’s capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Non-depreciable assets:			
Land	\$ 16,550,305	\$ 5,234,310	\$ 21,784,615
Construction in Progress	4,047,965	1,469,215	5,517,180
Total non-depreciable assets	20,598,270	6,703,525	27,301,795
Depreciable assets:			
Buildings	82,705,552	67,353,755	150,059,307
Improvements	10,438,268	113,416	10,551,684
Machinery and Equipment	12,174,725	8,704,491	20,879,216
Licensed Vehicles	15,087,115	124,175	15,211,290
Infrastructure:			
Park Irrigation Systems	4,668,420		4,668,420
Medians Irrigation	10,145,502		10,145,502
Park Structures	2,886,103		2,886,103
Roadway	253,319,183		253,319,183
Sidewalk	74,895,578		74,895,578
Curb and Gutter	37,447,790		37,447,790
Underground Piping and Storm Drain	20,025	9,569,880	9,589,905
Total depreciable assets	503,788,261	85,865,717	589,653,978
Less accumulated depreciation	(326,479,343)	(15,533,548)	(342,012,891)
Total depreciable assets, net	177,308,918	70,332,169	247,641,087
Total capital assets	\$ 197,907,188	\$ 77,035,694	\$ 274,942,882

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 5 – CAPITAL ASSETS (Continued)

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

	Balance July 1, 2018	Additions	Retirements	Transfers	Balance June 30, 2019
Non-Depreciable Assets:					
Land	\$ 16,550,305	\$ -	\$ -	\$ -	\$ 16,550,305
Construction in progress	8,592,893	3,176,269		(7,721,197)	4,047,965
Total Non-Depreciable Assets	25,143,198	3,176,269		(7,721,197)	20,598,270
Depreciable Assets:					
Buildings	82,705,552				82,705,552
Improvements	7,734,728			2,703,540	10,438,268
Machinery and equipment	11,255,701		(97,640)	1,016,664	12,174,725
Licensed vehicles	13,546,988	1,169,787	(889,660)	1,260,000	15,087,115
Infrastructure	380,641,608			2,740,993	383,382,601
Total Depreciable Assets	495,884,577	1,169,787	(987,300)	7,721,197	503,788,261
Accumulated Depreciation:					
Buildings	(26,742,414)	(1,566,014)			(28,308,428)
Improvements	(4,997,035)	(202,035)			(5,199,070)
Machinery and equipment	(8,809,579)	(463,574)	97,640		(9,175,513)
Licensed vehicles	(8,734,059)	(1,016,668)	889,660		(8,861,067)
Infrastructure	(261,697,363)	(13,237,902)			(274,935,265)
Total Accumulated Depreciation	(310,980,450)	(16,486,193)	987,300		(326,479,343)
Depreciable Assets, Net	184,904,127	(15,316,406)		7,721,197	177,308,918
Total Governmental Activities					
Capital Assets, Net	\$ 210,047,325	\$ (12,140,137)	\$ -	\$ -	\$ 197,907,188

Governmental activities depreciation expenses for capital assets for the year ended June 30, 2019, are as follows:

General Government	\$ 310,770
Public Safety	466,154
Engineering and Transportation	12,896,934
Recreation and Human services	1,553,848
Community Development	310,770
Subtotal	15,538,476
Capital assets held by the City's Internal Service Funds	947,717
Total Depreciation Expense	\$ 16,486,193

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 5 – CAPITAL ASSETS (Continued)

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

	Balance July 1, 2018	Additions	Transfers	Balance June 30, 2019
Non-Depreciable Assets:				
Land	\$ 5,234,310	\$ -	\$ -	\$ 5,234,310
Construction in progress	3,481,562	3,365,434	(5,377,781)	1,469,215
Total Non-Depreciable Assets	8,715,872	3,365,434	(5,377,781)	6,703,525
Depreciable Assets:				
Buildings	67,353,755			67,353,755
Improvements	113,416			113,416
Machinery and equipment	6,214,006	39,217	2,451,268	8,704,491
Licensed vehicles	124,175			124,175
Infrastructure	6,643,367		2,926,513	9,569,880
Total Depreciable Assets	80,448,719	39,217	5,377,781	85,865,717
Accumulated Depreciation:				
Buildings	(8,930,253)	(1,308,576)		(10,238,829)
Improvements	(113,416)			(113,416)
Machinery and equipment	(3,465,952)	(156,625)		(3,622,577)
Licensed vehicles	(90,292)	(1,895)		(92,187)
Infrastructure	(1,328,275)	(138,264)		(1,466,539)
Total Accumulated Depreciation	(13,928,188)	(1,605,360)		(15,533,548)
Total Business-Type Activities				
Capital Assets, Net	\$ 75,236,403	\$ 1,799,291	\$ -	\$ 77,035,694

B. Funds Financial Statements

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 6 – LONG-TERM DEBT

A. Governmental Activities Long-Term Debt

Summary of changes in governmental activities long-term debt for the year ended June 30, 2019, follows:

	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Due within one year	Due in more than one year
Governmental Activity Debt:						
Pension Obligation Bonds:						
2012 Taxable Pension Obligation Bonds	\$ 11,625,000	\$ -	\$ (1,540,000)	\$ 10,085,000	\$ 1,680,000	\$ 8,405,000
Lease Revenue Bonds:						
2013 Refunding Lease Revenue Bonds						
City portion	7,275,000		(621,000)	6,654,000	641,000	6,013,000
2016 Refunding Lease Revenue Bonds	13,220,000		(875,000)	12,345,000	895,000	11,450,000
2018 Lease Revenue Bonds		18,905,000		18,905,000		18,905,000
Total Governmental Activity Debt	<u>32,120,000</u>	<u>18,905,000</u>	<u>(3,036,000)</u>	<u>47,989,000</u>	<u>3,216,000</u>	<u>44,773,000</u>
Direct Borrowings:						
Capital Leases:						
2016 Bank of America Equipment Lease	5,254,715		(313,537)	4,941,178	320,156	4,621,022
Total Capital Leases	<u>5,254,715</u>		<u>(313,537)</u>	<u>4,941,178</u>	<u>320,156</u>	<u>4,621,022</u>
Other Debt						
HUD 108 Loan - Guarantee Loan - Senior Center	1,583,000		(131,000)	1,452,000	132,000	1,320,000
Total Other Debt	<u>1,583,000</u>		<u>(131,000)</u>	<u>1,452,000</u>	<u>132,000</u>	<u>1,320,000</u>
Total Government Activity Debt	<u>38,957,715</u>	<u>18,905,000</u>	<u>(3,480,537)</u>	<u>54,382,178</u>	<u>3,668,156</u>	<u>50,714,022</u>
Plus unamortized:						
Discount (2012 POB)	(59,444)		10,119	(49,325)	(10,119)	(39,206)
Premium (2013 RLRB)	193,903		(19,888)	174,015	19,888	154,127
Premium (2016 RLRB)	1,802,386		(163,853)	1,638,533	163,853	1,474,680
Premium (2018 LRB)		1,309,351	(43,645)	1,265,706	43,645	1,222,061
Total General Long-term Obligations	<u>\$ 40,894,560</u>	<u>\$ 20,214,351</u>	<u>\$ (3,697,804)</u>	<u>\$ 57,411,107</u>	<u>\$ 3,885,423</u>	<u>\$ 53,525,684</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 6 – LONG-TERM DEBT (Continued)

2012 Taxable Pension Obligation Bonds

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

The 2012 POB are general obligations of the City, payable solely from any legally available moneys or funds of the City. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events during the fiscal year ending June 30, 2019.

At June 30, 2019, future debt service requirements for the City’s portion of the 2012 POB follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 1,680,000	\$ 519,116	\$ 2,199,116
2021	1,835,000	441,164	2,276,164
2022	2,000,000	350,516	2,350,516
2023	2,185,000	247,716	2,432,716
2024	2,385,000	132,127	2,517,127
	\$ 10,085,000	\$ 1,690,639	\$ 11,775,639

2013 Refunding Lease Revenue Bonds

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

The Refunding Bonds are general obligations of the City, payable solely from and secured by Revenues and certain funds and accounts held under the Indenture. The bond covenants contain events of default that may result in the termination of the lease, collection of rent due and other monetary charges but do not terminate the City’s right to possession of the leased property as applied by the Trustee and specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events occurred during the fiscal year ending June 30, 2019.

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 6 – LONG-TERM DEBT (Continued)

At June 30, 2019, future debt service requirements for the City’s portion of the 2013 RLRB follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 641,000	\$ 234,881	\$ 875,881
2021	661,000	215,351	876,351
2022	681,000	191,816	872,816
2023	710,000	163,996	873,996
2024	736,000	137,836	873,836
2025 - 2028	3,225,000	274,956	3,499,956
	<u>\$ 6,654,000</u>	<u>\$ 1,218,836</u>	<u>\$ 7,872,836</u>

2016 Refunding Lease Revenue Bonds

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

The Refunding Bonds are general obligations of the City, payable solely from and secured by Revenues and certain funds and accounts held under the Indenture. The bond covenants contain events of default that may result in the termination of the lease or may retain the lease and hold the City liable for all payments on an annual basis and still have the right to re-enter the leased property without effecting a surrender of the lease. These may be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events occurred during the fiscal year ending June 30, 2019.

At June 30, 2019, future debt service requirements for the 2016 RLRBs follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 895,000	\$ 538,950	\$ 1,433,950
2021	930,000	502,450	1,432,450
2022	970,000	459,600	1,429,600
2023	1,015,000	409,975	1,424,975
2024	1,070,000	357,850	1,427,850
2025 - 2029	6,085,000	1,040,850	7,125,850
2030 - 2030	1,380,000	34,500	1,414,500
	<u>\$ 12,345,000</u>	<u>\$ 3,344,175</u>	<u>\$ 15,689,175</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 6 – LONG-TERM DEBT (Continued)

2018 Lease Revenue Bonds

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

The 2018 Bonds are special obligations of the authority payable solely from and secured by a pledge of Revenues and certain funds and accounts held under the indenture on a parity with the 2016 Bonds. The bond covenants contain events of default that may result in the termination of the lease or may retain the lease and hold the City liable for all payments on an annual basis and still have the right to re-enter the leased property without effecting a surrender of the lease. These may be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events occurred during the fiscal year ending June 30, 2019.

At June 30, 2019, future debt service requirements for the 2018 LRBs are as follow:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ -	\$ 752,944	\$ 752,944
2021	-	871,575	871,575
2022	-	871,575	871,575
2023	-	871,575	871,575
2024	-	871,575	871,575
2025 - 2029	-	4,357,875	4,357,875
2030 - 2034	2,705,000	4,162,875	6,867,875
2035 - 2039	4,190,000	3,310,025	7,500,025
2040 - 2044	5,340,000	2,161,250	7,501,250
2045 - 2049	6,670,000	821,400	7,491,400
	<u>\$ 18,905,000</u>	<u>\$ 19,052,669</u>	<u>\$ 37,957,669</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 6 – LONG-TERM DEBT (Continued)

2016 Bank of America Equipment Lease

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

At June 30, 2019, future debt service requirements for the 2016 equipment lease follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 320,156	\$ 102,092	\$ 422,248
2021	326,915	95,334	422,249
2022	333,816	88,433	422,249
2023	340,864	81,389	422,253
2024	348,059	74,190	422,249
2025 - 2029	1,853,663	257,585	2,111,248
2030 - 2033	1,417,705	60,163	1,477,868
	<u>\$ 4,941,178</u>	<u>\$ 759,186</u>	<u>\$ 5,700,364</u>

HUD 108 Guarantee Loan – Senior Center

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

The loan covenants contain events of default which include collection of any funds pledged under the contract, withholding the guarantee of any or all obligations not yet disbursed to the City or the Loanee may direct the City's financial institution to refuse to release any loan funds held in loan accounts, repayment accounts and investment accounts to the City. These events may be applied by the Loanee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City. There were no such events occurred during the fiscal year ending June 30, 2019.

At June 30, 2019 future debt service requirements for the HUD 108 Guarantee loan follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 132,000	\$ 55,414	\$ 187,414
2021	132,000	50,972	182,972
2022	132,000	46,246	178,246
2023	132,000	41,256	173,256
2024	132,000	36,135	168,135
2025 - 2029	660,000	99,450	759,450
2030 - 2030	132,000	2,911	134,911
	<u>\$ 1,452,000</u>	<u>\$ 332,384</u>	<u>\$ 1,784,384</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 6 – LONG-TERM DEBT (Continued)

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

Summary of changes in long-term debt of business-type and proprietary funds for the year ended June 30, 2019:

<i>Direct Borrowings</i>	Balance June 30, 2018	Retirements	Balance June 30, 2019	Due Within one year	Due in more than one year
State Water Resources Control Board	\$ 39,359,304	\$ (1,742,522)	\$ 37,616,782	\$ 1,787,828	\$ 35,828,954
Marina Note	1,004,792	(247,794)	756,998	258,944	498,054
Total	<u>\$ 40,364,096</u>	<u>\$ (1,990,316)</u>	<u>\$ 38,373,780</u>	<u>\$ 2,046,772</u>	<u>\$ 36,327,008</u>

State Water Resources Control Board

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

Pursuant to the agreement, the City is expected to obtain net revenues of the Water system to be equal to at least 1.20 times the total annual debt service in such fiscal year. In fiscal year 2018-19, net revenues amounted to \$5,424,246, which represented coverage of 196% under the \$2,765,864 in debt service. Future debt service is expected to average \$3 million per year through fiscal year 2035-36 for a total of \$52.6 million. The City is preparing a report to propose an increase in sewer rates to meet the coverage expectation. Cash and investments are sufficient to meet any debt service requirement, until rates increased.

At June 30, 2019, future debt service requirements for the State Water Resources Control Board loan are as follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 1,787,828	\$ 978,036	\$ 2,765,864
2021	1,834,312	931,553	2,765,865
2022	1,882,004	883,861	2,765,865
2023	1,930,936	834,929	2,765,865
2024	1,981,140	784,724	2,765,864
2025 - 2029	10,705,659	3,123,665	13,829,324
2030 - 2034	12,171,670	1,657,651	13,829,321
2034 - 2036	5,323,233	208,494	5,531,727
	<u>\$ 37,616,782</u>	<u>\$ 9,402,913</u>	<u>\$ 47,019,695</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 6 – LONG-TERM DEBT (Continued)

Marina Cal Boating Notes Payable

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

At June 30, 2019, future debt service requirements for the Marina Cal Boating Notes Payable are as follows:

For The Year Ending	Principal	Interest	Total
2020	\$ 258,944	\$ 34,065	\$ 293,009
2021	270,587	22,413	293,000
2022	93,273	10,236	103,509
2023	45,334	6,039	51,373
2024	20,770	3,999	24,769
2025 - 2027	68,090	6,218	74,308
	<u>\$ 756,998</u>	<u>\$ 82,970</u>	<u>\$ 839,968</u>

C. Debt Covenants and Restrictions

For fiscal year 2018-19, the City complied with all general and specific covenants regarding debt proceeds usage and debt repayment. In accordance with bond official statements, the City also maintained adequate reserves for all debt issues.

NOTE 7 – COMPENSATED ABSENCES

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

Summary of changes in compensated absences for the year ended June 30, 2019, follows:

	Balance July 1, 2018	Additions	Retirements	Balance June 30, 2019	Due within one year	Due in more than one year
Governmental Activities	\$ 3,676,467	\$ 1,069,079	\$ (560,520)	\$ 4,185,026	\$ 610,151	\$ 3,574,875
Business-type Activities	524,561	257,498	(171,494)	610,565	54,951	555,614
Total	<u>\$ 4,201,028</u>	<u>\$ 1,326,577</u>	<u>\$ (732,014)</u>	<u>\$ 4,795,591</u>	<u>\$ 665,102</u>	<u>\$ 4,130,489</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 8 – UNEARNED REVENUE

A. Governmental-Wide Financial Statements

Unearned revenue in the Government-Wide Financial Statements represents amounts for which revenues have not been earned. At June 30, 2019, unearned revenue in the Government-Wide Financial Statements was \$2,698,618.

NOTE 9 – NET POSITION AND FUND BALANCES

A. Net Position

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

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

Restricted net position describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include capital projects, debt service requirements, and special revenue programs restricted to special revenue purposes such as Measure B, Measure BB, Measure F, special Gas Tax, Grant funds, and other special revenue funds.

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

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The City's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the City to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by formal action of the City’s highest level decision-making authority. The City Council is the highest level of decision-making authority for the City that can, by adoption of a resolution prior to end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources. As of June 30, 2019, the City does not have committed fund balance.

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

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

C. Encumbrances

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

As of June 30, 2019, the General Fund had outstanding encumbrances of \$2,105,840.

D. Contingency Arrangements

The City’s annual budget requires the City to implement and maintain fund balance to handle any unforeseen contingencies in the future, rather than continued reliance on the City’s operating General Fund reserves. These unforeseen contingencies include Economic Uncertainty, major Emergencies and Contingencies. As of June 30, 2019, the following are reported within the unassigned fund balance of the General Fund:

Compensated Absences	\$	593,069
Major Emergencies		5,000,000
Economic Uncertainty		12,411,000
Other Remaining Unassigned		24,737,047
		24,737,047
Total	\$	42,741,116

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

Detailed classifications of the City’s Fund Balances, as of June 30, 2019, are below:

	General Fund	Capital Improvement Capital Project Fund	Non-Major Governmental Funds	Total
Nonspendables:				
Advances to Other Funds	\$ 6,712,486	\$ -	\$ -	\$ 6,712,486
Loans receivable	2,615,050			2,615,050
Loan to Successor Agency	1,575,205			1,575,205
Total Nonspendable Fund Balances	10,902,741			10,902,741
Restricted for:				
Internship	50,000			50,000
Capital Projects				
Capital Improvement Projects		46,282,419		46,282,419
Subtotal	50,000	46,282,419		46,332,419
Non-Major Governmental Funds				
Special Assessment District Debt Service			121	121
San Leandro Public Financing Authority			438,623	438,623
GHAD			13,622	13,622
Affordable Housing			2,349,377	2,349,377
Street/ Traffic Improvements			1,702,451	1,702,451
Park Development Fees			495,593	495,593
Underground Utility			2,913,426	2,913,426
Parking			82,534	82,534
Special Gas Tax			1,581,380	1,581,380
Cherrywood Maintenance			422,482	422,482
Measure B - Paratransit			531,713	531,713
Asset Seizure			1,083,597	1,083,597
Heron Bay			734,370	734,370
Proposition 1B - Local Streets & Roads			13,637	13,637
Special Grants			259,114	259,114
Measure B			1,343,869	1,343,869
Measure F			1,110,362	1,110,362
CDBG			307,418	307,418
HOME			516,476	516,476
Housing In- Lieu			254,283	254,283
Business Improvement District			241,061	241,061
Public Education and Government			1,048,216	1,048,216
Subtotal			17,443,725	17,443,725
Total Restricted Fund Balances	50,000	46,282,419	17,443,725	63,776,144
Assigned to:				
Encumbrances - departmental projects	2,105,840			2,105,840
ACFD OPEB	4,191,067			4,191,067
Total Assigned Fund Balances	6,296,907			6,296,907
Unassigned:				
General fund - Compensated Absences	593,069			593,069
General fund - Major Emergencies	5,000,000			5,000,000
General fund - Economic Uncertainty	12,411,000			12,411,000
General fund - Other	24,737,047			24,737,047
Deficit balance:				
Measure BB			(646,691)	(646,691)
Total Unassigned Fund Balances	42,741,116		(646,691)	42,094,425
Total Fund Balances	\$ 59,990,764	\$ 46,282,419	\$ 16,797,034	\$ 123,070,217

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 10 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Fund Deficits

At June 30, 2019, the Measure BB Special Revenue Fund and the Storm Water Utility Enterprise Fund had a net position deficits of \$646,691 and \$628,580, respectively.

B. Expenditures in Excess of Appropriations

Excess of expenditures over appropriations approved by the City Council occurred in individual funds during the fiscal year 2018-19 as follows:

Fund/Department	Expenditure	Appropriation	Excess
Special Revenue Funds			
Affordable Housing	\$ 2,244	\$ -	\$ (2,244)
Measure B Paratransit	170,495	-	(170,495)
San Leandro Public Financing Authority			
Debt Service Fund	2,846,491	2,324,386	(522,105)

NOTE 11 – INSURANCE

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

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

The City's deposits in the CJPRMA equal the ratio of the City's payroll to the total payrolls of all entities participating in the same layer of each program in each program year. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. Estimated claims liabilities, as shown below, are presented on a basis of actuarial value as determined by the City's actuary, who determines the expected value of the overall claim based upon certain criteria of the claim.

The following provides a reconciliation of claims and judgments:

	Liability Balance July 1	Current Year Claims and Changes in Estimates	Claims for Payments in Current and Prior Fiscal Years	Liability Balance June 30	Liability Due in One Year
2016-17	\$ 6,096,784	\$ 9,704,853	\$ (9,752,568)	\$ 6,049,069	\$ 1,170,645
2017-18	6,049,069	4,068,268	(3,518,993)	6,598,344	1,170,645
2018-19	6,598,344	1,801,745	(2,029,097)	6,825,696	1,170,645

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 12 – COMMITMENTS AND CONTINGENCIES

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

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions when finally adjudicated will not have a material adverse effect on the financial position of the City. As discussed in Note 11 to the Financial Statements, the City maintains a Self-Insurance Fund which has reserves of \$1,917,072 at the end of June 30, 2019. These reserves are available to satisfy any future liability.

A. Sales Tax Reimbursement Agreement

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

For financial reporting purposes, GASB Statement No. 77 defines a tax abatement as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. According to GASB Statement No. 77, the substance of this sales-tax reimbursement agreement meets the definition of "tax abatements."

For the fiscal year ended June 30, 2019, under this sales-tax reimbursement agreement, the City has abatements totaling \$164,378.

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

NOTE 13 – PENSIONS PLAN

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 13 – PENSIONS PLAN (Continued)

A. Plan Descriptions and Summary of Balances by Plan

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

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

These plans are administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Below is a summary of the deferred outflows of resources, net pension liabilities, and deferred inflows of resources by Plan for the year ended June 30, 2019:

	Deferred Outflows of Resources	Net Pension Liability	Deferred Inflows of Resources
Miscellaneous	\$ 9,677,160	\$ 89,556,903	\$ 1,450,049
Safety	20,735,112	85,739,175	5,462,510
Total	<u>\$ 30,412,272</u>	<u>\$ 175,296,078</u>	<u>\$ 6,912,559</u>

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law. The Pension Reform Act of 2013 (PEPRA), Assembly Bill 340, is applicable to employees new to CalPERS and hired after December 31, 2012. The Plans’ provisions and benefits in effect at June 30, 2019, are summarized as follows:

	Miscellaneous		
	Prior to May 6, 2010	On or after May 6, 2010 to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula	2.5% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 to 55	50 to 55	52 to 62
Monthly benefits, as a % of eligible compensation	2.000% - 2.500%	1.426% - 2.418%	1.000% - 2.500%
Required employee contribution rates	8.000%	7.000%	6.750%
Required employer contribution rates, (blended)	9.877%	9.877%	9.877%

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 13 – PENSIONS PLAN (Continued)

	Safety	
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50 to 57
Monthly benefits, as a % of eligible compensation	3.000%	2.000% - 2.700%
Required employee contribution rates	9.000%	12.750%
Required employer contribution rates	22.346%	12.965%

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded accrued liability (UAL). The dollar amounts are billed on a monthly basis. The City's required contribution for the UAL in the Miscellaneous and Safety Plans were \$5,517,433 and \$4,483,300, respectively.

Employees Covered – The following employees were covered by the benefit terms for the Miscellaneous Plan as of the most recent actuarial valuation date of June 30, 2017 and measurement date of June 30, 2018:

	<u>Miscellaneous</u>
Active employees	268
Inactive employees entitled but not yet receiving benefits	300
Inactive employees or beneficiaries currently receiving benefits	613
Total	<u>1,181</u>

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

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. 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, 2019, the contributions recognized as part of pension expense for the Plan were as follows:

	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
Contributions - employer	\$ 7,668,583	\$ 7,027,678	\$ 14,696,261

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 13 – PENSIONS PLAN (Continued)

B. Information Common to the Miscellaneous and Safety Plans

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plan is measured as of June 30, 2018, using an annual actuarial valuation as of June 30, 2017 rolled forward to June 30, 2018 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions – The total pension liabilities in the June 30, 2017 actuarial valuations were determined using the following actuarial assumptions:

	All Plans	
Valuation Date		June 30, 2017
Measurement Date		June 30, 2018
Actuarial Cost Method		Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate		7.15%
Inflation		2.50%
Payroll Growth		3.0%
Projected Salary Increase		Varies by Entry Age and Service
Investment Rate of Return		7.15% (1)
Mortality		Derived using CalPERS Membership Data for all Funds (2)
		Contract COLA up to 2.00% until Purchasing Power Protection
Post Retirement Benefit Increase		Allowance Floor on Purchasing Power applies 2.50% thereafter.

- (1) Net of pension plan investment and administrative expenses, including inflation.
- (2) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Change of Assumptions – For the measurement date of June 30, 2018, the inflation rate was reduced from 2.75% to 2.50%.

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 13 – PENSION PLAN (Continued)

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

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

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

- (a) In the CalPERS CAFR, Fixed Income is included in Global Debt Securities;
Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.0% used for this period
- (c) An expected inflation of 2.92% used for this period

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 13 – PENSION PLAN (Continued)

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

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2017	\$ 291,055,707	\$ 198,914,923	\$ 92,140,784
Changes in the year:			
Service cost	4,095,987		4,095,987
Interest on the total pension liability	20,204,782		20,204,782
Changes of benefit terms			
Changes of assumptions	(1,768,314)		(1,768,314)
Differences between expected and actual experience	(596,425)		(596,425)
Plan to plan resource movement		(1,934)	1,934
Contributions - employer		6,873,684	(6,873,684)
Contributions - employees		1,762,858	(1,762,858)
Net investment income		16,783,894	(16,783,894)
Benefit payments, including refunds of employee contributions	(16,309,242)	(16,309,242)	
Administrative expense		(309,964)	309,964
Other Miscellaneous Income/(Expense)		(588,627)	588,627
Net changes	<u>5,626,788</u>	<u>8,210,669</u>	<u>(2,583,881)</u>
Balance at June 30, 2018	<u>\$ 296,682,495</u>	<u>\$ 207,125,592</u>	<u>\$ 89,556,903</u>

D. Safety Cost-Sharing Multiple-Employer Plan

As of June 30, 2019, the Safety cost-sharing plan reported net pension liabilities for its proportionate shares of the net pension liability at \$85,739,175.

The Safety Plan net pension liability is measured as the proportionate share of the net pension liability in the State-wide pool. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City’s proportionate share of the net pension liability for the Safety Plan as of June 30, 2017 and 2018 was as follows:

	Safety
Proportion - June 30, 2017	0.851676%
Proportion - June 30, 2018	0.889755%
Change - Increase (Decrease)	<u>0.038079%</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 13 – PENSION PLAN (Continued)

E. Other Information

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – The following presents the net pension liability of the City for the Plan, calculated using the discount rate for the Plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 126,494,453	\$ 126,257,117
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 89,556,903	\$ 85,739,175
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 58,872,797	\$ 52,541,977

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

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – For the year ended June 30, 2019, the City recognized total pension expense of \$27,849,873, \$14,317,732 and \$13,532,141 for Miscellaneous and Safety, respectively. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Agent-Multiple		
Miscellaneous		
Pension contributions subsequent to measurement date	\$ 7,668,583	\$ -
Differences between actual and expected experience		(450,567)
Changes in assumptions	1,406,978	(999,482)
Change in employer's proportion and differences between the employer’s contributions and the employer’s proportionate share of contributions		
Net differences between projected and actual earnings on plan investments	601,599	
Total	\$ 9,677,160	\$ (1,450,049)
Cost-Sharing		
Safety		
Pension contributions subsequent to measurement date	\$ 7,027,678	\$ -
Differences between actual and expected experience	1,842,246	(6,988)
Changes in assumptions	8,412,508	(1,134,998)
Change in employer's proportion and differences between the employer’s contributions and the employer’s proportionate share of contributions	2,872,186	(4,320,524)
Net differences between projected and actual earnings on plan investments	580,494	
Total	\$ 20,735,112	\$ (5,462,510)

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 13 – PENSION PLAN (Continued)

The \$7,668,583 and \$7,027,678 for Miscellaneous and Safety, respectively, will be reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30	Miscellaneous	Safety	Total
	Plan	Plan	
	Annual	Annual	Annual
	Amortization	Amortization	Amortization
2020	\$ 2,931,614	\$ 8,095,251	\$ 11,026,865
2021	292,533	3,308,951	3,601,484
2022	(2,088,216)	(2,565,405)	(4,653,621)
2023	(577,403)	(593,873)	(1,171,276)
	<u>\$ 558,528</u>	<u>\$ 8,244,924</u>	<u>\$ 8,803,452</u>

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS

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

A. Plan Description

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

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the measurement date of June 30, 2019:

Active employees	336
Inactives currently receiving benefit payments	300
Inactive entitled to but not yet receiving benefit payments	-
Total	636

B. Net OPEB Liability

Actuarial Methods and Assumptions – The City’s net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined on actuarial valuation date that was rolled forward using standard update procedures to determine the total OPEB liability as of the measurement date, based on the following actuarial methods and assumptions:

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

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (Continued)

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

C. Changes in Net OPEB Liability

The changes in the net OPEB liability follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at June 30, 2018 Measurement Date	\$ 19,467,751	\$ 14,876,397	\$ 4,591,354
Changes Recognized for the Measurement Period:			
Service Cost	692,916		692,916
Interest on the total OPEB liability	1,067,353		1,067,353
Changes in benefit terms			
Differences between expected and actual experience	1,270,076		1,270,076
Changes of assumptions	1,975,353		1,975,353
Employer contributions - City		2,508,460	(2,508,460)
Employer contributions - Implicit subsidy			
Net investment income		1,047,583	(1,047,583)
Benefit payments	(1,508,460)	(1,508,460)	
Implicit rate subsidy fulfilled			
Administrative expenses		(36,472)	36,472
Net changes	3,497,238	2,011,111	1,486,127
Balance at June 20, 2019 Measurement Date	<u>\$ 22,964,989</u>	<u>\$ 16,887,508</u>	<u>\$ 6,077,481</u>
Plan fiduciary net position as percentage of the total OPEB liability			73.54%

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Net OPEB Liability/(Asset)		
Discount Rate -1% (4.25%)	Current Discount Rate (5.25%)	Discount Rate +1% (6.25%)
\$ 9,045,791	\$ 6,077,481	\$ 3,626,639

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates (6.3% in 2021, trending down to 4.0% in 2076):

Net OPEB Liability/(Asset)		
1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
\$ 3,428,134	\$ 6,077,481	\$ 9,378,932

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

For the year ended June 30, 2019, the City recognized OPEB expense of \$1,547,922. At June 30, 2019, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 1,940,059	\$ -
Differences between expected and actual experience	1,061,867	-
Net differences between projected and actual earnings on plan investments	2,365	-
Total	\$ 3,004,291	\$ -

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

Year Ended June 30	Annual Amortization
2020	\$ 620,630
2021	620,630
2022	620,632
2023	557,155
2024	585,244
Total	\$ 3,004,291

NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 15 – JOINTLY GOVERNED ORGANIZATIONS (Continued)

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

NOTE 16 – SUCCESSOR AGENCY ACTIVITIES

A. Cash and Investments

Cash and Investments at June 30, 2019, consisted of the following:

Statement of net position:

Cash and Investments	\$	5,785,002
Cash and Investments held by fiscal agents		184
Total cash and investments	\$	<u>5,785,186</u>

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

B. Loan from the City

Receivable Fund	Payable Fund	Amount
General Fund	Successor Agency	\$ 1,575,205
		<u>\$ 1,575,205</u>

Plaza Project Area General Fund Loan:

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)

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

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

The current outstanding balance on the loan is \$1,575,205. Including interest, the City will receive approximately \$3,369,000 in payments towards the loan. Of this, approximately \$2,695,000 will be remitted to the General Fund and \$674,000 (20%) will be remitted to the Low and Moderate Income Housing Asset Fund. In keeping with State law, a defined repayment schedule was developed with annual payments of \$574,829. Payments will be made based upon availability of funds after payment of other enforceable obligations on the ROPS and the yearly cap. Based upon this requirement, sufficient funds are projected to be available to begin payments in fiscal year 2017-18 and complete loan payoff by fiscal year 2022-23.

C. Capital Assets

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)

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

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Non-depreciable Assets:				
Land	\$ 706,376	\$ -	\$ -	\$ 706,376
Depreciable Assets:				
Buildings and Improvements	711,792			711,792
Total Depreciable Assets	711,792			711,792
Accumulated Depreciation:				
Buildings and Improvements	(286,030)	(14,237)		(300,267)
Total Accumulated Depreciation	(286,030)	(14,237)		(300,267)
Depreciable Assets, Net	425,762	(14,237)		411,525
Total Private Purpose Trust Fund Activity Capital Assets, Net				
	\$ 1,132,138	\$ (14,237)	\$ -	\$ 1,117,901

D. Long-Term Debt Obligations

At June 30, 2019, future debt service requirements for the Successor Agency were as follows:

	Balance June 30, 2018	Additions	Retirements	Balance June 30, 2019	Current Portion	Long-Term Portion
2013 Refunding Lease Revenue Bonds Successor Agency Portion	\$ 2,180,000	\$ -	\$ (214,000)	\$ 1,966,000	\$ 219,000	\$ 1,747,000
2014 Tax Allocation Refunding Bonds Successor Agency Portion	11,235,000			11,235,000	405,000	10,830,000
2018 Tax Allocation Refunding Bonds, Series A Successor Agency Portion	16,845,000			16,845,000		16,845,000
2018 Tax Allocation Refunding Bonds, Series B Successor Agency Portion	2,215,000			2,215,000	635,000	1,580,000
Direct Borrowings:						
Owner Participation Agreements	853,149		(164,378)	688,771	225,000	463,771
HUD 108 Guarantee Notes Affordable Housing	118,000		(63,000)	55,000	55,000	
Total	33,446,149		(441,378)	33,004,771	1,539,000	31,465,771
Plus (Less) unamortized:						
Premium (2013 LRB)	74,922		(8,560)	66,362	8,562	57,800
Premium (2014 TARB)	1,347,453		(81,664)	1,265,789	81,664	1,184,125
Premium (2018 TARB)	1,809,519		(86,168)	1,723,351	86,168	1,637,183
Total Debt	\$ 36,678,043	\$ -	\$ (617,770)	\$ 36,060,273	\$ 1,715,394	\$ 34,344,879

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)

2013 Refunding Lease Revenue Bonds

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

At June 30, 2019, future debt service requirements for the Successor Agency’s portion of the 2013 Refunding Lease Revenue Bonds were as follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 219,000	\$ 68,875	\$ 287,875
2021	224,000	62,230	286,230
2022	234,000	54,190	288,190
2023	240,000	44,710	284,710
2024	249,000	35,864	284,864
2025 - 2027	800,000	52,819	852,819
	<u>\$ 1,966,000</u>	<u>\$ 318,688</u>	<u>\$ 2,284,688</u>

2014 Tax Allocation Refunding Bonds

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)

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

At June 30, 2019, future debt service requirements for the 2014 Tax Allocation Refunding Bonds are as follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 405,000	\$ 527,700	\$ 932,700
2021	485,000	505,450	990,450
2022	675,000	476,450	1,151,450
2023	720,000	441,575	1,161,575
2024	740,000	405,075	1,145,075
2025 - 2029	4,025,000	1,439,750	5,464,750
2030 - 2034	3,805,000	420,538	4,225,538
2035 - 2035	380,000	6,650	386,650
	<u>\$ 11,235,000</u>	<u>\$ 4,223,188</u>	<u>\$ 15,458,188</u>

2018 Tax Allocation Refunding Bonds Series A

On May 8, 2018, the Successor Agency issued Tax Allocation Refunding Bonds (2018A TABs) in the amount of \$16,845,000. The proceeds of the bonds will be used to refund the 2008 Tax Allocation Bonds, Series 2008. Principal payments of the 2018A TABs are due annually on September from 2023 to 2039 in amounts ranging from \$430,000 to \$1,370,000 and bear interest at rates ranging from 3.375% to 5.000%. Interest is payable semiannually March 1 and September 1. The Bonds are payable solely from tax increment revenue generated in the Alameda County – City of San Leandro Redevelopment Project Area. Total principal and interest remaining to be paid on the Bonds was \$25,998,412 as of June 30, 2019.

The refunding resulted in an overall debt service savings of \$5,396,926. The net present value of the debt service savings, called an economic gain, amounted to \$3,752,681.

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

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

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

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)

At June 30, 2019, future debt service requirements for the 2018 Tax Allocation Refunding Bonds Series A are as follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ -	\$ 718,888	\$ 718,888
2021	-	718,888	718,888
2022	-	718,888	718,888
2023	430,000	718,888	1,148,888
2024	710,000	701,688	1,411,688
2025 - 2029	4,085,000	2,977,940	7,062,940
2030 - 2034	5,225,000	1,879,540	7,104,540
2035 - 2039	6,395,000	718,692	7,113,692
	<u>\$ 16,845,000</u>	<u>\$ 9,153,412</u>	<u>\$ 25,998,412</u>

2018 Tax Allocation Refunding Bonds Series B

On May 8, 2018, the Successor Agency issued Tax Allocation Refunding Bonds (2018B TABs) in the amount of \$2,215,000. The proceeds of the bonds will be used to refund the 2008 Tax Allocation Bonds, Series 2008. The bonds mature annually each March and September from 2019 to 2022 in amounts ranging from \$260,000 to \$670,000 and bear interest at rates ranging from 2.700% to 3.210%. Interest is payable semiannually March 1 and September 1. The Bonds are payable solely from tax increment revenue generated in the Alameda County – City of San Leandro Redevelopment Project Area. Total principal and interest remaining to be paid on the Bonds was \$2,366,189 as of June 30, 2019.

The refunding resulted in an overall debt service savings of \$623,305. The net present value of the debt service savings, called an economic gain, amounted to \$430,761.

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

At June 30, 2019, future debt service requirements for the 2018 Tax Allocation Refunding Bonds Series B are as follows:

For The Year Ending June 30	Principal	Interest	Total
2020	\$ 635,000	\$ 65,436	\$ 700,436
2021	650,000	48,291	698,291
2022	670,000	29,116	699,116
2023	260,000	8,346	268,346
	<u>\$ 2,215,000</u>	<u>\$ 151,189</u>	<u>\$ 2,366,189</u>

CITY OF SAN LEANDRO
NOTES TO BASIC FINANCIAL STATEMENTS
For The Year Ended June 30, 2019

NOTE 16 – SUCCESSOR AGENCY ACTIVITIES (Continued)

Direct Borrowings

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

Ford Motor Company Owner Participation Agreement

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

HUD 108 Guarantee Notes

In 2000, the City received a \$1,000,000 20-year federal loan from Housing and Urban Development (HUD 108 Guarantor loan), at an interest rate of 5.6% to finance the acquisition and construction of affordable housing for seniors within the City of San Leandro. The loan is secured and payable from the Agency’s 20% Housing Set-Aside Fund. The debt was assumed by the Successor Agency. Future debt service payments for the HUD 108 Guarantee loan were as follows:

<u>For The Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 55,000	\$ 908	\$ 55,908
	<u>\$ 55,000</u>	<u>\$ 908</u>	<u>\$ 55,908</u>

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SAN LEANDRO
Notes to Required Supplementary Information
For the year ended June 30, 2019

City of San Leandro
Agent Multiple Employer Defined Benefit Retirement Plan - Miscellaneous Plan
As of fiscal year ending June 30, 2019
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
Last 10 Years*

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

Notes to Schedule:

Benefit changes - The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2016 actuarial valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in assumptions - In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016 and 2018, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

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

CITY OF SAN LEANDRO
Notes to Required Supplementary Information
For the year ended June 30, 2019

City of San Leandro
Agent Multiple Employer Defined Benefit Retirement Plan - Miscellaneous Plan
As of fiscal year ending June 30, 2019
SCHEDULE OF CONTRIBUTIONS
Last 10 Years*

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

Notes to Schedule

Valuation date:	6/30/2013	6/30/2014	6/30/2015	6/30/2016	6/30/2017
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Methods and assumptions used to determine contribution rates:

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

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

CITY OF SAN LEANDRO
Notes to Required Supplementary Information
For the year ended June 30, 2019

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

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

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

CITY OF SAN LEANDRO
Notes to Required Supplementary Information
For the year ended June 30, 2019

City of San Leandro
Cost-Sharing Multiple Employer Defined Pension Plan - Safety Plan
For the Fiscal Year Ended June 30, 2019
SCHEDULE OF CONTRIBUTIONS
Last 10 Years*

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

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

CITY OF SAN LEANDRO
Notes to Required Supplementary Information
For the year ended June 30, 2019

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

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

Notes:

- (1) Fiscal year 2017 was the first year of implementation for GASB 74
(2) Fiscal year 2018 was the first year of implementation for GASB 75

CITY OF SAN LEANDRO Notes to Required Supplementary Information For the year ended June 30, 2019

Other Postemployment Benefits - Single-Employer Plan
Schedule of Contributions
Last Ten Fiscal Years (1)(2)

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

Notes:

- (1) Fiscal year 2017 was the first year of implementation for GASB 74
- (2) Fiscal year 2018 was the first year of implementation for GASB 75

City of San Leandro
Required Supplementary Information
For the year ended June 30, 2019

BUDGETS AND BUDGETARY ACCOUNTING

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

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Adopted	Final		
REVENUES:				
Property taxes and other taxes	\$ 89,291,427	\$ 90,237,909	\$ 94,894,359	\$ 4,656,450
Licenses and permits	8,631,920	8,866,800	10,591,601	1,724,801
Fines and forfeitures	1,495,000	1,565,000	1,675,533	110,533
Services charges	3,346,674	3,257,568	3,280,323	22,755
Intergovernmental	1,080,000	1,137,552	1,031,813	(105,739)
Use of money and property	1,267,300	1,285,300	3,970,462	2,685,162
Interdepartmental charges	2,000,000	2,000,000	1,999,878	(122)
Other	1,914,300	1,942,800	1,410,255	(532,545)
Total revenues	109,026,621	110,292,929	118,854,224	8,561,295
EXPENDITURES:				
Current:				
General government	12,173,233	14,944,100	12,300,883	2,643,217
Public safety	61,955,325	64,179,453	61,799,437	2,380,016
Engineering and transportation	10,049,262	10,814,854	9,571,683	1,243,171
Recreation and culture	10,847,922	11,412,732	10,720,040	692,692
Community development	6,302,484	7,945,955	5,797,529	2,148,426
Debt service:				
Principal	2,358,350	2,358,350	1,853,537	504,813
Interest and fees	795,817	795,817	794,315	1,502
Total expenditures	104,482,393	112,451,261	102,837,424	9,613,837
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	4,544,228	(2,158,332)	16,016,800	18,175,132
OTHER FINANCING SOURCES (USES):				
Transfers (out)	(10,178,889)	(9,048,333)	(9,198,333)	(150,000)
Total other financing sources (uses)	(10,178,889)	(9,048,333)	(9,198,333)	(150,000)
NET CHANGE IN FUND BALANCE	\$ (5,634,661)	\$ (11,206,665)	6,818,467	\$ 18,025,132
FUND BALANCES:				
Beginning of year			53,172,297	
End of year			\$ 59,990,764	

CITY OF SAN LEANDRO
Notes to Required Supplementary Information
For the year ended June 30, 2019

Budgets and Budgetary Accounting

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

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

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

GAAP serves as the budgetary basis of accounting.



SUPPLEMENTARY INFORMATION

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Major Governmental Fund
Capital Improvement Capital Projects Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Service charges	\$ 10,000	\$ 58,702	\$ 48,702
Use of money and property	-	1,534	1,534
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>10,000</u>	<u>60,236</u>	<u>50,236</u>
EXPENDITURES:			
Current:			
Engineering and transportation	13,983,192	1,570,643	12,412,549
Recreation and culture	2,500,000	-	2,500,000
Community development	33,621,694	2,519,105	31,102,589
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>50,104,886</u>	<u>4,089,748</u>	<u>46,015,138</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(50,094,886)</u>	<u>(4,029,512)</u>	<u>46,065,374</u>
OTHER FINANCING SOURCES (USES):			
Transfer in	27,765,000	27,765,000	-
Transfer out	-	(476,000)	(476,000)
	<u> </u>	<u> </u>	<u> </u>
NET CHANGE IN FUND BALANCES	<u>\$ (22,329,886)</u>	<u>23,259,488</u>	<u>\$ 45,589,374</u>
FUND BALANCES:			
Beginning of year		<u>23,022,931</u>	
End of year		<u>\$ 46,282,419</u>	

NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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

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

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

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

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

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

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

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

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

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

DEBT SERVICE FUND

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

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

CAPITAL PROJECTS FUNDS

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



City of San Leandro
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019

	Special Revenue Funds				
	Affordable Housing Asset Fund	Street/ Traffic Improvements	Park Development Fee	Underground Utility Fee	Parking
ASSETS					
Cash and investments	\$ 2,040,689	\$ 1,714,958	\$ 461,405	\$ 2,761,624	\$ 80,899
Receivables:					
Accounts	4,783	2,876	32,810	142,282	13,085
Federal, State, and local grants	-	-	-	-	-
Interest	6,396	6,196	1,378	9,520	595
Special assessments	-	-	-	-	-
Loans	297,509	-	-	-	-
Total Assets	<u>\$ 2,349,377</u>	<u>\$ 1,724,030</u>	<u>\$ 495,593</u>	<u>\$ 2,913,426</u>	<u>\$ 94,579</u>
LIABILITIES					
Accounts payable	\$ -	\$ 21,579	\$ -	\$ -	\$ 12,045
Due to other funds	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>21,579</u>	<u>-</u>	<u>-</u>	<u>12,045</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue - grants receivable	-	-	-	-	-
Total Deferred Inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted	2,349,377	1,702,451	495,593	2,913,426	82,534
Unassigned	-	-	-	-	-
Total Fund Balances	<u>2,349,377</u>	<u>1,702,451</u>	<u>495,593</u>	<u>2,913,426</u>	<u>82,534</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 2,349,377</u>	<u>\$ 1,724,030</u>	<u>\$ 495,593</u>	<u>\$ 2,913,426</u>	<u>\$ 94,579</u>

(Continued)

Special Revenue Funds

Special Gas Tax	Cherrywood Maintenance District	Measure B Paratransit	Asset Seizure	Heron Bay	Proposition IB Local Streets & Roads	Special Grants	Measure B
\$ 1,441,692	\$ 421,064	\$ 494,355	\$ 1,079,214	\$ 752,847	\$ 13,590	\$ 143,664	\$ 1,063,588
286,693	-	-	-	-	-	190,915	33,295
-	-	55,283	-	-	-	2,355,288	336,649
4,193	1,418	-	4,383	2,844	47	-	5,614
-	-	-	-	708	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 1,732,578</u>	<u>\$ 422,482</u>	<u>\$ 549,638</u>	<u>\$ 1,083,597</u>	<u>\$ 756,399</u>	<u>\$ 13,637</u>	<u>\$ 2,689,867</u>	<u>\$ 1,439,146</u>
\$ 151,198	\$ -	\$ 17,925	\$ -	\$ 22,029	\$ -	\$ 20,182	\$ 95,277
-	-	-	-	-	-	-	-
<u>151,198</u>	<u>-</u>	<u>17,925</u>	<u>-</u>	<u>22,029</u>	<u>-</u>	<u>20,182</u>	<u>95,277</u>
-	-	-	-	-	-	2,410,571	-
-	-	-	-	-	-	2,410,571	-
1,581,380	422,482	531,713	1,083,597	734,370	13,637	259,114	1,343,869
-	-	-	-	-	-	-	-
<u>1,581,380</u>	<u>422,482</u>	<u>531,713</u>	<u>1,083,597</u>	<u>734,370</u>	<u>13,637</u>	<u>259,114</u>	<u>1,343,869</u>
<u>\$ 1,732,578</u>	<u>\$ 422,482</u>	<u>\$ 549,638</u>	<u>\$ 1,083,597</u>	<u>\$ 756,399</u>	<u>\$ 13,637</u>	<u>\$ 2,689,867</u>	<u>\$ 1,439,146</u>

(Continued)

City of San Leandro
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2019

	Special Revenue Funds				
	Measure BB	Measure F	C.D.B.G.	HOME	Housing In-Lieu
ASSETS					
Cash and investments	\$ 1,044	\$ 1,049,022	\$ 336,870	\$ 514,705	\$ 253,411
Receivables:					
Accounts	291,839	84,543	-	-	-
Federal, State, and local grants	-	-	-	-	-
Interest	363	3,117	-	1,771	872
Special assessments	-	-	-	-	-
Loans	-	-	-	-	-
Total Assets	<u>\$ 293,246</u>	<u>\$ 1,136,682</u>	<u>\$ 336,870</u>	<u>\$ 516,476</u>	<u>\$ 254,283</u>
LIABILITIES					
Accounts payable	\$ -	\$ 26,320	\$ 29,452	\$ -	\$ -
Due to other funds	939,937	-	-	-	-
Total Liabilities	<u>939,937</u>	<u>26,320</u>	<u>29,452</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue - grants receivable	-	-	-	-	-
Total Deferred Inflow of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
Restricted	-	1,110,362	307,418	516,476	254,283
Unassigned	(646,691)	-	-	-	-
Total Fund Balances	<u>(646,691)</u>	<u>1,110,362</u>	<u>307,418</u>	<u>516,476</u>	<u>254,283</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 293,246</u>	<u>\$ 1,136,682</u>	<u>\$ 336,870</u>	<u>\$ 516,476</u>	<u>\$ 254,283</u>

(Continued)

Special Revenue Funds		Debt Service Funds		Capital Projects Fund	Total Non-Major Governmental Funds
Business Improvement District	Public Education and Government	Special Assessment District	San Leandro Public Financing Authority	GHAD	
\$ 240,346	\$ 1,001,859	\$ 121	\$ 438,623	\$ 13,622	\$16,319,212
-	43,823	-	-	-	1,126,944
-	-	-	-	-	2,747,220
619	2,706	-	-	-	52,032
96	-	-	-	-	804
-	-	-	-	-	297,509
<u>\$ 241,061</u>	<u>\$ 1,048,388</u>	<u>\$ 121</u>	<u>\$ 438,623</u>	<u>\$ 13,622</u>	<u>\$ 20,543,721</u>
\$ -	\$ 172	\$ -	\$ -	\$ -	\$ 396,179
-	-	-	-	-	939,937
-	172	-	-	-	1,336,116
-	-	-	-	-	2,410,571
-	-	-	-	-	2,410,571
241,061	1,048,216	121	438,623	13,622	17,443,725
-	-	-	-	-	(646,691)
<u>241,061</u>	<u>1,048,216</u>	<u>121</u>	<u>438,623</u>	<u>13,622</u>	<u>16,797,034</u>
<u>\$ 241,061</u>	<u>\$ 1,048,388</u>	<u>\$ 121</u>	<u>\$ 438,623</u>	<u>\$ 13,622</u>	<u>\$ 20,543,721</u>

City of San Leandro
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2019

	Special Revenue Funds				
	Affordable Housing Asset Fund	Street/Traffic Improvements	Park Development Fee	Underground Utility Fee	Parking
REVENUES:					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	107,707	-	-	321,180
Service charges	-	-	-	253,788	-
Intergovernmental	-	-	-	-	-
Use of money and property	101,607	65,100	18,453	99,443	6,404
Other	272,797	-	194,496	-	-
Total Revenues	374,404	172,807	212,949	353,231	327,584
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Engineering and transportation	-	258,056	-	33,461	516,272
Recreation and culture	-	-	50,055	-	-
Community development	2,244	-	-	-	-
Debt service:					
Principal	-	-	-	-	-
Interest and fees	-	-	-	-	-
Total Expenditures	2,244	258,056	50,055	33,461	516,272
REVENUES OVER (UNDER) EXPENDITURES	372,160	(85,249)	162,894	319,770	(188,688)
OTHER FINANCING SOURCES:					
Transfer in	-	-	-	-	-
Transfer out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-
NET CHANGE IN FUND BALANCES	372,160	(85,249)	162,894	319,770	(188,688)
FUND BALANCES:					
Beginning of year	1,977,217	1,787,700	332,699	2,593,656	271,222
End of year	<u>\$ 2,349,377</u>	<u>\$ 1,702,451</u>	<u>\$ 495,593</u>	<u>\$ 2,913,426</u>	<u>\$ 82,534</u>

(Continued)

Special Revenue Funds

Special Gas Tax	Cherrywood Maintenance District	Measure B Paratransit	Asset Seizure	Heron Bay	Proposition IB Local Streets & Roads	Special Grants	Measure B
\$ -	\$ 14,203	\$ -	\$ -	\$ 365,646	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
3,289,695	-	339,295	191,352	-	-	1,245,678	2,009,867
43,709	14,809	-	45,845	30,730	498	-	61,338
1,280	-	-	-	-	-	3,911	148,573
<u>3,334,684</u>	<u>29,012</u>	<u>339,295</u>	<u>237,197</u>	<u>396,376</u>	<u>498</u>	<u>1,249,589</u>	<u>2,219,778</u>
-	-	-	-	-	-	4,873	-
-	-	-	224,101	-	-	368,898	-
3,230,401	427	170,495	-	619,899	-	475,273	3,306,574
-	-	-	-	-	-	331,787	-
-	-	-	-	-	-	15,858	-
-	-	-	-	-	-	-	-
-	-	-	-	3,400	-	-	-
<u>3,230,401</u>	<u>427</u>	<u>170,495</u>	<u>224,101</u>	<u>623,299</u>	<u>-</u>	<u>1,196,689</u>	<u>3,306,574</u>
<u>104,283</u>	<u>28,585</u>	<u>168,800</u>	<u>13,096</u>	<u>(226,923)</u>	<u>498</u>	<u>52,900</u>	<u>(1,086,796)</u>
433,333	-	-	-	-	-	-	-
(373,327)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>60,006</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
164,289	28,585	168,800	13,096	(226,923)	498	52,900	(1,086,796)
<u>1,417,091</u>	<u>393,897</u>	<u>362,913</u>	<u>1,070,501</u>	<u>961,293</u>	<u>13,139</u>	<u>206,214</u>	<u>2,430,665</u>
<u>\$ 1,581,380</u>	<u>\$ 422,482</u>	<u>\$ 531,713</u>	<u>\$ 1,083,597</u>	<u>\$ 734,370</u>	<u>\$ 13,637</u>	<u>\$ 259,114</u>	<u>\$ 1,343,869</u>

(Continued)

City of San Leandro
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the year ended June 30, 2019

	Special Revenue Funds				
	Measure BB	Measure F	C.D.B.G.	HOME	Housing In-Lieu
REVENUES:					
Property and other taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Service charges	-	-	-	-	-
Intergovernmental	2,826,497	486,195	524,457	19,160	-
Use of money and property	5,039	31,406	-	18,109	9,159
Other	-	-	-	9,725	4,576
Total Revenues	2,831,536	517,601	524,457	46,994	13,735
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Engineering and transportation	4,196,355	182,934	-	-	-
Recreation and culture	-	-	-	-	-
Community development	-	-	403,454	28,313	-
Debt service:					
Principal	-	-	131,000	-	-
Interest and fees	-	-	59,635	-	-
Total Expenditures	4,196,355	182,934	594,089	28,313	-
REVENUES OVER (UNDER) EXPENDITURES	(1,364,819)	334,667	(69,632)	18,681	13,735
OTHER FINANCING SOURCES:					
Transfer in	-	-	-	-	-
Transfer out	-	-	-	-	-
Issuance of debt	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Total Other Financing Sources	-	-	-	-	-
NET CHANGE IN FUND BALANCES	(1,364,819)	334,667	(69,632)	18,681	13,735
FUND BALANCES:					
Beginning of year	718,128	775,695	377,050	497,795	240,548
End of year	<u>\$ (646,691)</u>	<u>\$ 1,110,362</u>	<u>\$ 307,418</u>	<u>\$ 516,476</u>	<u>\$ 254,283</u>

(Continued)

Special Revenue Funds		Debt Service Funds		Capital Projects Fund	Total Nonmajor Governmental Funds
Business Improvement District	Public Education and Government	Special Assessment District	San Leandro Public Financing Authority	GHAD	
\$ -	\$ 322,699	\$ -	\$ -	\$ -	\$ 702,548
409,338	-	-	-	-	838,225
-	-	-	-	-	253,788
-	-	-	-	-	10,932,196
6,551	28,000	-	2,319,850	-	2,906,050
-	-	-	-	-	635,358
<u>415,889</u>	<u>350,699</u>	<u>-</u>	<u>2,319,850</u>	<u>-</u>	<u>16,268,165</u>
-	-	-	-	-	4,873
-	-	-	-	-	592,999
-	-	-	-	526	12,990,673
-	-	-	-	-	381,842
300,000	65,807	-	-	-	815,676
-	-	-	1,496,000	-	1,627,000
-	-	-	1,350,491	-	1,413,526
<u>300,000</u>	<u>65,807</u>	<u>-</u>	<u>2,846,491</u>	<u>526</u>	<u>17,826,589</u>
<u>115,889</u>	<u>284,892</u>	<u>-</u>	<u>(526,641)</u>	<u>(526)</u>	<u>(1,558,424)</u>
-	-	-	-	-	433,333
-	-	-	(20,000,000)	-	(20,373,327)
-	-	-	18,905,000	-	18,905,000
-	-	-	1,309,351	-	1,309,351
-	-	-	214,351	-	274,357
<u>115,889</u>	<u>284,892</u>	<u>-</u>	<u>(312,290)</u>	<u>(526)</u>	<u>(1,284,067)</u>
<u>125,172</u>	<u>763,324</u>	<u>121</u>	<u>750,913</u>	<u>14,148</u>	<u>18,081,101</u>
<u>\$ 241,061</u>	<u>\$ 1,048,216</u>	<u>\$ 121</u>	<u>\$ 438,623</u>	<u>\$ 13,622</u>	<u>\$ 16,797,034</u>

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Affordable Housing Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Use of money and property	\$ 20,000	\$ 101,607	\$ 81,607
Other	90,000	272,797	182,797
Total Revenues	<u>110,000</u>	<u>374,404</u>	<u>264,404</u>
EXPENDITURES:			
Current:			
Community development	-	2,244	(2,244)
Total Expenditures	<u>-</u>	<u>2,244</u>	<u>(2,244)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 110,000</u>	<u>372,160</u>	<u>\$ 262,160</u>
FUND BALANCES:			
Beginning of year		<u>1,977,217</u>	
End of year		<u>\$ 2,349,377</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Street/Traffic Improvements Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Licenses and permits	\$ 80,000	\$ 107,707	\$ 27,707
Use of money and property	7,000	65,100	58,100
Total Revenues	<u>87,000</u>	<u>172,807</u>	<u>85,807</u>
EXPENDITURES:			
Current:			
Engineering and transportation	<u>855,152</u>	<u>258,056</u>	<u>597,096</u>
Total Expenditures	<u>855,152</u>	<u>258,056</u>	<u>597,096</u>
NET CHANGE IN FUND BALANCES	<u>\$ (768,152)</u>	<u>(85,249)</u>	<u>\$ 682,903</u>
FUND BALANCES:			
Beginning of year		<u>1,787,700</u>	
End of year		<u>\$ 1,702,451</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Park Development Fee Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Use of money and property	\$ 3,000	\$ 18,453	\$ 15,453
Other	4,385,000	194,496	(4,190,504)
	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>4,388,000</u>	<u>212,949</u>	<u>(4,175,051)</u>
EXPENDITURES:			
Current:			
Recreation and culture	4,720,108	50,055	4,670,053
	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>4,720,108</u>	<u>50,055</u>	<u>4,670,053</u>
NET CHANGE IN FUND BALANCES	<u>\$ (332,108)</u>	<u>162,894</u>	<u>\$ 495,002</u>
FUND BALANCES:			
Beginning of year		<u>332,699</u>	
End of year		<u>\$ 495,593</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Underground Utility Fees Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Use of money and property	\$ 3,000	\$ 99,443	\$ 96,443
Service charges	70,000	253,788	183,788
	<u> </u>	<u> </u>	<u> </u>
Total Revenues	<u>73,000</u>	<u>353,231</u>	<u>280,231</u>
EXPENDITURES:			
Current:			
Engineering and transportation	1,907,036	33,461	1,873,575
	<u> </u>	<u> </u>	<u> </u>
Total Expenditures	<u>1,907,036</u>	<u>33,461</u>	<u>1,873,575</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,834,036)</u>	<u>319,770</u>	<u>\$ 2,153,806</u>
FUND BALANCES:			
Beginning of year		<u>2,593,656</u>	
End of year		<u>\$ 2,913,426</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Parking Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Licenses and permits	\$ 242,000	\$ 321,180	\$ 79,180
Use of money and property	-	6,404	6,404
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>242,000</u>	<u>327,584</u>	<u>85,584</u>
EXPENDITURES:			
Current:			
Engineering and transportation	<u>773,269</u>	<u>516,272</u>	<u>256,997</u>
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>773,269</u>	<u>516,272</u>	<u>256,997</u>
NET CHANGE IN FUND BALANCES	<u>\$ (531,269)</u>	<u>(188,688)</u>	<u>\$ 342,581</u>
FUND BALANCES:			
Beginning of year		<u>271,222</u>	
End of year		<u>\$ 82,534</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Special Gas Tax Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Intergovernmental	\$ 3,595,982	\$ 3,289,695	\$ (306,287)
Use of money and property	4,000	43,709	39,709
Other	100,352	1,280	(99,072)
	<u>3,700,334</u>	<u>3,334,684</u>	<u>(365,650)</u>
EXPENDITURES:			
Current:			
Engineering and transportation	5,384,676	3,230,401	2,154,275
	<u>5,384,676</u>	<u>3,230,401</u>	<u>2,154,275</u>
OTHER FINANCING SOURCES:			
Transfers in	433,333	433,333	-
Transfers out	-	(373,327)	(373,327)
	<u>433,333</u>	<u>60,006</u>	<u>(373,327)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,251,009)</u>	<u>164,289</u>	<u>\$ 1,415,298</u>
FUND BALANCES:			
Beginning of year		<u>1,417,091</u>	
End of year		<u>\$ 1,581,380</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Cherrywood Maintenance District Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Property and other taxes	\$ 23,300	\$ 14,203	\$ (9,097)
Use of money and property	500	14,811	14,311
	<u>23,800</u>	<u>29,014</u>	<u>5,214</u>
Total revenues	<u>23,800</u>	<u>29,014</u>	<u>5,214</u>
NET CHANGE IN FUND BALANCES	<u>\$ 23,800</u>	<u>28,585</u>	<u>\$ 4,785</u>
FUND BALANCES:			
Beginning of year		<u>393,897</u>	
End of year		<u>\$ 422,482</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Measure B - Paratransit Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Intergovernmental	\$ -	\$ 339,295	\$ 339,295
Total revenues	-	339,295	339,295
EXPENDITURES:			
Current:			
Engineering and transportation	-	170,495	(170,495)
Total expenditures	-	170,495	(170,495)
REVENUES OVER (UNDER) EXPENDITURES:	-	168,800	509,790
NET CHANGE IN FUND BALANCES	\$ -	168,800	\$ 168,800
FUND BALANCES:			
Beginning of year		362,913	
End of year		\$ 531,713	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Asset Seizure Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Intergovernmental	\$ 270,000	\$ 191,352	\$ (78,648)
Use of money and property	2,000	45,845	43,845
	<u>272,000</u>	<u>237,197</u>	<u>(34,803)</u>
Total revenues			
EXPENDITURES:			
Current:			
Public safety	435,146	224,101	211,045
	<u>435,146</u>	<u>224,101</u>	<u>211,045</u>
Total expenditures			
NET CHANGE IN FUND BALANCES	<u>\$ (163,146)</u>	<u>13,096</u>	<u>\$ 176,242</u>
FUND BALANCES:			
Beginning of year		<u>1,070,501</u>	
End of year		<u>\$ 1,083,597</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Heron Bay Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Property and other taxes	\$ 350,000	\$ 365,646	\$ 15,646
Use of money and property	2,000	30,730	28,730
Total revenues	<u>352,000</u>	<u>396,376</u>	<u>44,376</u>
EXPENDITURES:			
Current:			
Engineering and transportation	913,309	619,899	293,410
Debt service:			
Interest and fees	-	3,400	(3,400)
Total expenditures	<u>913,309</u>	<u>623,299</u>	<u>290,010</u>
NET CHANGE IN FUND BALANCES	<u>\$ (561,309)</u>	<u>(226,923)</u>	<u>\$ (334,386)</u>
FUND BALANCES:			
Beginning of year		<u>961,293</u>	
End of year		<u>\$ 734,370</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Proposition IB - Local Streets & Roads Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Use of money and property	\$ -	\$ 498	\$ 498
Total revenues	<u>-</u>	<u>498</u>	<u>498</u>
EXPENDITURES:			
Current:			
Engineering and transportation	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u><u>\$ -</u></u>	<u><u>498</u></u>	<u><u>\$ 498</u></u>
FUND BALANCES:			
Beginning of year		<u>13,139</u>	
End of year		<u><u>\$ 13,637</u></u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Special Grants Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Intergovernmental	\$ 2,445,662	\$ 1,245,678	\$ (1,199,984)
Other	5,500	3,911	(1,589)
	<u> </u>	<u> </u>	<u> </u>
Total revenues	<u>2,451,162</u>	<u>1,249,589</u>	<u>(1,201,573)</u>
EXPENDITURES:			
Current:			
General government	4,887	4,873	14
Public safety	385,388	368,898	16,490
Engineering and transportation	3,712,032	475,273	3,236,759
Community development	-	15,858	(15,858)
Recreation and culture	1,054,415	331,787	722,628
	<u> </u>	<u> </u>	<u> </u>
Total expenditures	<u>5,156,722</u>	<u>1,196,689</u>	<u>3,960,033</u>
REVENUES OVER (UNDER) EXPENDITURES:			
	<u>(2,705,560)</u>	<u>52,900</u>	<u>2,758,460</u>
NET CHANGE IN FUND BALANCES			
	<u>\$ (2,705,560)</u>	<u>52,900</u>	<u>\$ 2,758,460</u>
FUND BALANCES:			
Beginning of year		<u>206,214</u>	
End of year		<u>\$ 259,114</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Measure B Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Intergovernmental	\$ 1,688,528	\$ 2,009,867	\$ 321,339
Use of money and property	7,000	61,338	54,338
Other	30,000	148,573	118,573
	<u>1,725,528</u>	<u>2,219,778</u>	<u>494,250</u>
EXPENDITURES:			
Current:			
Recreation and culture	8,079,036	3,306,574	4,772,462
	<u>8,079,036</u>	<u>3,306,574</u>	<u>4,772,462</u>
NET CHANGE IN FUND BALANCES	<u>\$ (6,353,508)</u>	<u>(1,086,796)</u>	<u>\$ 5,266,712</u>
FUND BALANCES:			
Beginning of year		<u>2,430,665</u>	
End of year		<u>\$ 1,343,869</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Measure BB Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Intergovernmental	\$ 8,494,852	\$ 2,826,497	\$ (5,668,355)
Use of money and property	7,000	5,039	(1,961)
	<u>8,501,852</u>	<u>2,831,536</u>	<u>(5,670,316)</u>
Total revenues			
EXPENDITURES:			
Current:			
Engineering and transportation	18,859,403	4,196,355	14,663,048
	<u>18,859,403</u>	<u>4,196,355</u>	<u>14,663,048</u>
Total expenditures			
NET CHANGE IN FUND BALANCES	<u>\$ (10,357,551)</u>	<u>(1,364,819)</u>	<u>\$ 8,992,732</u>
FUND BALANCES:			
Beginning of year		<u>718,128</u>	
End of year		<u>\$ (646,691)</u>	

City of San Leandro

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

Non Major Governmental Fund

Measure F - (Vehicle Registration Fees) Special Revenue Fund

For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Intergovernmental	\$ 400,000	\$ 486,195	\$ 86,195
Use of money and property	1,000	31,406	30,406
Total revenues	<u>401,000</u>	<u>517,601</u>	<u>116,601</u>
EXPENDITURES:			
Current:			
Engineering and transportation	<u>1,506,615</u>	<u>182,934</u>	<u>1,323,681</u>
Total expenditures	<u>1,506,615</u>	<u>182,934</u>	<u>1,323,681</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,105,615)</u>	<u>334,667</u>	<u>\$ 1,440,282</u>
FUND BALANCES:			
Beginning of year		<u>775,695</u>	
End of year		<u>\$ 1,110,362</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
C.D.B.G Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Intergovernmental	\$ 650,000	\$ 524,457	\$ (125,543)
Total revenues	<u>650,000</u>	<u>524,457</u>	<u>(125,543)</u>
EXPENDITURES:			
Current:			
Community development	1,103,290	403,454	699,836
Debt service:			
Principal	131,000	131,000	-
Interest and fees	59,635	59,635	-
Total expenditures	<u>1,293,925</u>	<u>594,089</u>	<u>699,836</u>
NET CHANGE IN FUND BALANCES	<u>\$ (643,925)</u>	<u>(69,632)</u>	<u>\$ 574,293</u>
FUND BALANCES:			
Beginning of year		<u>377,050</u>	
End of year		<u>\$ 307,418</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
HOME Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Intergovernmental	\$ 156,000	\$ 19,160	\$ (136,840)
Use of money and property	1,000	18,109	17,109
Other	<u>30,000</u>	<u>9,725</u>	<u>(20,275)</u>
Total revenues	<u>187,000</u>	<u>46,994</u>	<u>(140,006)</u>
EXPENDITURES:			
Current:			
Community development	<u>156,669</u>	<u>28,313</u>	<u>128,356</u>
Total expenditures	<u>156,669</u>	<u>28,313</u>	<u>128,356</u>
NET CHANGE IN FUND BALANCES	<u>\$ 30,331</u>	<u>18,681</u>	<u>\$ (11,650)</u>
FUND BALANCES:			
Beginning of year		<u>497,795</u>	
End of year		<u>\$ 516,476</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Housing In-Lieu Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Use of money and property	\$ -	\$ 9,159	\$ 9,159
Other	-	4,576	-
Total revenues	-	13,735	9,159
NET CHANGE IN FUND BALANCES	\$ -	13,735	\$ 13,735
FUND BALANCES:			
Beginning of year		240,548	
End of year		\$ 254,283	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Business Improvement District Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
REVENUES:			
Licenses and permits	\$ 349,000	\$ 409,338	\$ 60,338
Intergovernmental	285,000	-	(285,000)
Use of money and property	-	6,551	6,551
Total revenues	634,000	415,889	(218,111)
EXPENDITURES:			
Current:			
Community development	634,000	300,000	334,000
Total expenditures	634,000	300,000	334,000
NET CHANGE IN FUND BALANCES	\$ -	115,889	\$ 115,889
FUND BALANCES:			
Beginning of year		125,172	
End of year		\$ 241,061	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Public Education and Government Special Revenue Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Property and other taxes	\$ 200,000	\$ 322,699	\$ 122,699
Use of money and property	450	28,000	27,550
	<u>200,450</u>	<u>350,699</u>	<u>150,249</u>
EXPENDITURES:			
Current:			
Community development	67,871	65,807	2,064
	<u>67,871</u>	<u>65,807</u>	<u>2,064</u>
NET CHANGE IN FUND BALANCES	<u>\$ 132,579</u>	<u>284,892</u>	<u>\$ 152,313</u>
FUND BALANCES:			
Beginning of year		<u>763,324</u>	
End of year		<u>\$ 1,048,216</u>	

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
Special Assessment District Debt Service Fund
For the year ended June 30, 2019

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

City of San Leandro
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual -
Non Major Governmental Fund
San Leandro Public Financing Authority Debt Service Fund
For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
REVENUES:			
Use of money and property	\$ 2,332,911	\$ 2,319,850	\$ (13,061)
Total revenues	<u>2,332,911</u>	<u>2,319,850</u>	<u>(13,061)</u>
EXPENDITURES:			
Debt service:			
Principal	1,496,000	1,496,000	-
Interest and fees	<u>828,386</u>	<u>1,350,491</u>	<u>(522,105)</u>
Total expenditures	<u>2,324,386</u>	<u>2,846,491</u>	<u>(522,105)</u>
OTHER FINANCING SOURCES:			
Transfers out	-	(20,000,000)	(20,000,000)
Proceeds from issuance of debt	-	18,905,000	18,905,000
Premium on issuance of debt	<u>-</u>	<u>1,309,351</u>	<u>1,309,351</u>
NET CHANGE IN FUND BALANCES	<u>\$ 8,525</u>	<u>(312,290)</u>	<u>\$ (320,815)</u>
FUND BALANCES:			
Beginning of year		<u>750,913</u>	
End of year		<u>\$ 438,623</u>	

City of San Leandro

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

Non Major Governmental Fund

San Leandro Hillside Geological Abatement Fund (GHAD) Capital Projects Fund

For the year ended June 30, 2019

	Final Budget	Actual	Variance Positive (Negative)
EXPENDITURES:			
Current:			
Engineering and transportation	\$ 14,691	\$ 526	\$ 14,165
Total expenditures	<u>14,691</u>	<u>526</u>	<u>14,165</u>
NET CHANGE IN FUND BALANCES	<u>\$ (14,691)</u>	<u>(526)</u>	<u>\$ 14,165</u>
FUND BALANCES:			
Beginning of year		<u>14,148</u>	
End of year		<u>\$ 13,622</u>	

NON-MAJOR ENTERPRISE FUNDS

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

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

City of San Leandro
Combining Statement of Net Position
Non-Major Enterprise Funds
June 30, 2019

	Storm Water Utility	Environmental Services	Total Non-Major Enterprise Funds
ASSETS			
Current Assets:			
Cash and investments	\$ 1,711	\$ 1,608,078	\$ 1,609,789
Receivables:			
Accounts	6,583	161,240	167,823
Interest	-	5,121	5,121
Total current assets	<u>8,294</u>	<u>1,774,439</u>	<u>1,782,733</u>
Noncurrent assets:			
Capital assets:			
Depreciable	15,590	4,873	20,463
Less accumulated depreciation	<u>(274)</u>	<u>(942)</u>	<u>(1,216)</u>
Total noncurrent assets	<u>15,316</u>	<u>3,931</u>	<u>19,247</u>
Total Assets	<u>23,610</u>	<u>1,778,370</u>	<u>1,801,980</u>
LIABILITIES			
Current Liabilities:			
Accounts payable	13,676	8,165	21,841
Due to other funds	590,449	-	590,449
Compensated absences - due in one year	<u>4,337</u>	<u>11,137</u>	<u>15,474</u>
Total current liabilities	<u>608,462</u>	<u>19,302</u>	<u>627,764</u>
Non-current Liabilities:			
Compensated absences - due in more than one year	<u>43,851</u>	<u>112,609</u>	<u>156,460</u>
Total Liabilities	<u>652,313</u>	<u>131,911</u>	<u>784,224</u>
NET POSITION			
Net investment in capital asset	15,316	3,931	19,247
Unrestricted	<u>(644,019)</u>	<u>1,642,528</u>	<u>998,509</u>
Total Net Position	<u>\$ (628,703)</u>	<u>\$ 1,646,459</u>	<u>\$ 1,017,756</u>

City of San Leandro
Combining Statement of Revenues, Expenses, and Changes in Net Position
Non-Major Enterprise Funds
For the year ended June 30, 2019

	Storm Water Utility	Environmental Services	Total Non-Major Enterprise Funds
OPERATING REVENUES			
Charges for services	\$ 1,065,514	\$ 362,195	\$ 1,427,709
Licenses and permits	-	360,073	360,073
Other operating revenue	3,300	22,863	26,163
Total operating revenues	1,068,814	745,131	1,813,945
OPERATING EXPENSES			
Salaries and benefits	697,663	613,623	1,311,286
Contractual and other services	261,830	152,387	414,217
Material and supplies	33,261	23,248	56,509
Other operating costs	414,201	271,670	685,871
Depreciation	123	442	565
Total operating expenses	1,407,078	1,061,370	2,468,448
OPERATING INCOME (LOSS)	(338,264)	(316,239)	(654,503)
NONOPERATING REVENUES (EXPENSES):			
Investment income	-	53,673	53,673
Intergovernmental	-	268,599	268,599
Total Nonoperating Revenues (Expenses)	-	322,272	322,272
INCOME (LOSS) BEFORE TRANSFERS:	(338,264)	6,033	(332,231)
Transfers in	-	132,782	132,782
Change in net position	(338,264)	138,815	(199,449)
NET POSITION:			
Beginning of year	(290,439)	1,507,644	1,217,205
End of year	<u>\$ (628,703)</u>	<u>\$ 1,646,459</u>	<u>\$ 1,017,756</u>

City of San Leandro
Combining Statement of Cash Flows
Non-Major Enterprise Funds
For the year ended June 30, 2019

	Storm Water Utility	Environmental Services	Total Non-Major Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	\$ 1,070,417	\$ 739,184	\$ 1,809,601
Cash received from other funds	350,733	-	350,733
Cash payments to suppliers and service providers	(704,564)	(456,378)	(1,160,942)
Cash payments to employees for services	(714,875)	(601,225)	(1,316,100)
Net cash provided (used) by operating activities	1,711	(318,419)	(316,708)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Intergovernmental revenue received	-	268,599	268,599
Transfers in from other funds	-	132,782	132,782
Net cash provided (used) by noncapital financing activities	-	401,381	401,381
CASH FLOWS FROM INVESTING ACTIVITIES:			
Change in market values of investments	-	26,127	26,127
Interest income	-	25,590	25,590
Net cash provided (used) by investing activities	-	51,717	51,717
Net increase (decrease) in cash and cash equivalents	1,711	134,679	136,390
CASH AND CASH EQUIVALENTS:			
Beginning of year	-	1,473,399	1,473,399
End of year	<u>\$ 1,711</u>	<u>\$ 1,608,078</u>	<u>\$ 1,609,789</u>
RECONCILIATION OR OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (338,264)	\$ (316,239)	\$ (654,503)
Depreciation	123	442	565
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities:			
(Increase) decrease in accounts receivable	1,603	(5,947)	(4,344)
(Decrease) increase in accounts payable	4,728	(9,073)	(4,345)
(Decrease) increase due to other funds	350,733	-	350,733
(Decrease) increase in compensated absences	(17,212)	12,398	(4,814)
Total adjustments	1,711	(318,419)	(316,708)
Net cash provided (used) by operating activities	<u>\$ 1,711</u>	<u>\$ (318,419)</u>	<u>\$ (316,708)</u>

INTERNAL SERVICE FUNDS

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

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

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

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

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

City of San Leandro
Combining Statement of Net Position
Internal Service Funds
June 30, 2019

	Building Maintenance	Information Management Services	Self - Insurance	Equipment Maintenance	Total
ASSETS					
Cash and investments	\$ 2,452,744	\$ 1,879,083	\$ 10,042,211	\$ 3,185,861	\$ 17,559,899
Receivables:					
Interest	9,305	6,591	28,752	7,746	52,394
Inventory	12,470	26,262	-	167,165	205,897
Total current assets	2,474,519	1,911,936	10,070,963	3,360,772	17,818,190
Capital assets:					
Depreciable	80,353	5,856,840	-	10,992,158	16,929,351
Less accumulated depreciation	(18,454)	(5,845,812)	-	(5,855,258)	(11,719,524)
Total Net capital assets	61,899	11,028	-	5,136,900	5,209,827
Total noncurrent assets	61,899	11,028	-	5,136,900	5,209,827
Total Assets	2,536,418	1,922,964	10,070,963	8,497,672	23,028,017
LIABILITIES					
Current Liabilities:					
Accounts payable	330,448	88,832	788,761	210,176	1,418,217
Other liabilities	-	-	530,892	-	530,892
Claims and judgments - due in one year	-	-	1,170,645	-	1,170,645
Compensated absences payable - due in one year	3,885	11,216	769	1,212	17,082
Total current liabilities	334,333	100,048	2,491,067	211,388	3,136,836
Noncurrent Liabilities:					
Claims and judgments - due in more than one year	-	-	5,655,051	-	5,655,051
Compensated absences - due in more than one year	39,280	113,402	7,773	12,259	172,714
Total noncurrent liabilities	39,280	113,402	5,662,824	12,259	5,827,765
Total Liabilities	373,613	213,450	8,153,891	223,647	8,964,601
NET POSITION					
Net investment in capital assets	61,899	11,028	-	5,136,900	5,209,827
Unrestricted	2,100,906	1,698,486	1,917,072	3,137,125	8,853,589
Total Net Position	\$ 2,162,805	\$ 1,709,514	\$ 1,917,072	\$ 8,274,025	\$ 14,063,416

City of San Leandro
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the year ended June 30, 2019

	Building Maintenance	Information Management Services	Self - Insurance	Equipment Maintenance	Total
OPERATING REVENUES:					
Service charges	\$ 3,590,449	\$ 4,406,482	\$ 4,059,121	\$ 4,709,689	\$ 16,765,741
Other operating revenues	200	958	298,423	259,792	559,373
Total Operating Revenues	<u>3,590,649</u>	<u>4,407,440</u>	<u>4,357,544</u>	<u>4,969,481</u>	<u>17,325,114</u>
OPERATING EXPENSES:					
Salaries and benefits	1,040,927	1,761,762	242,805	554,229	3,599,723
Contractual and other services	2,177,566	1,407,969	5,514,186	427,621	9,527,342
Materials and supplies	254,981	48,921	58	563,706	867,666
Depreciation	4,506	67,977	-	875,234	947,717
Other operating costs	418,195	1,036,925	100,860	469,629	2,025,609
Total Operating Expenses	<u>3,896,175</u>	<u>4,323,554</u>	<u>5,857,909</u>	<u>2,890,419</u>	<u>16,968,057</u>
OPERATING INCOME (LOSS)	<u>(305,526)</u>	<u>83,886</u>	<u>(1,500,365)</u>	<u>2,079,062</u>	<u>357,057</u>
NONOPERATING REVENUES (EXPENSES)					
Interest income	96,861	66,809	305,095	73,711	542,476
Total nonoperating revenues (expenses)	<u>96,861</u>	<u>66,809</u>	<u>305,095</u>	<u>73,711</u>	<u>542,476</u>
INCOME BEFORE TRANSFERS	<u>(208,665)</u>	<u>150,695</u>	<u>(1,195,270)</u>	<u>2,152,773</u>	<u>899,533</u>
TRANSFERS:					
Transfers in	-	-	1,000,000	373,327	1,373,327
Change in net position	<u>(208,665)</u>	<u>150,695</u>	<u>(195,270)</u>	<u>2,526,100</u>	<u>2,272,860</u>
NET POSITION:					
Beginning of the year	<u>2,371,470</u>	<u>1,558,819</u>	<u>2,112,342</u>	<u>5,747,925</u>	<u>11,790,556</u>
End of the year	<u>\$ 2,162,805</u>	<u>\$ 1,709,514</u>	<u>\$ 1,917,072</u>	<u>\$ 8,274,025</u>	<u>\$ 14,063,416</u>

City of San Leandro
Combining Statement of Cash Flows
Internal Service Funds
For the year ended June 30, 2019

	Building Maintenance	Information Management Services	Self - Insurance	Equipment Maintenance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:					
Receipts from customers	\$ 285	\$ 1,258	\$ 298,423	\$ 259,792	\$ 559,758
Receipts from interfund charges	3,590,449	4,395,412	4,059,121	4,709,689	16,754,671
Cash payments to suppliers and service providers	(2,736,939)	(2,485,728)	(4,636,420)	(1,778,401)	(11,637,488)
Cash payments to employees for services	(1,049,733)	(1,732,606)	223,028	(553,401)	(3,112,712)
Net cash provided (used) by operating activities	(195,938)	178,336	(55,848)	2,637,679	2,564,229
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers in from other funds	-	-	1,000,000	373,327	1,373,327
Net cash provided (used) by noncapital financing activities	-	-	1,000,000	373,327	1,373,327
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(17,790)	(2,423)	-	(1,129,219)	(1,149,432)
Net cash provided (used) by capital and related financing activities	(17,790)	(2,423)	-	(1,129,219)	(1,149,432)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Change in market values of investments	47,397	31,785	151,600	33,674	264,456
Interest income	45,872	31,577	144,992	34,129	256,570
Cash Flows from Investing Activities	93,269	63,362	296,592	67,803	521,026
Net Cash Flows	(120,459)	239,275	1,240,744	1,949,590	3,309,150
CASH AND CASH EQUIVALENTS:					
Cash and investments at beginning of year	\$2,573,203	\$1,639,808	\$8,801,467	\$1,236,271	14,250,749
Cash and investments at end of year	\$ 2,452,744	\$ 1,879,083	\$ 10,042,211	\$ 3,185,861	\$ 17,559,899
RECONCILIATION OF OPERATING INCOME (LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ (305,526)	\$ 83,886	\$ (1,500,365)	\$ 2,079,062	\$ 357,057
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	4,506	67,977	-	875,234	947,717
Change in assets and liabilities:					
(Increase) decrease in accounts receivable	85	300	-	-	385
(Increase) decrease in inventory	26,106	(11,070)	-	(20,130)	(5,094)
(Decrease) increase in accounts payable	87,697	8,087	751,332	(297,315)	549,801
(Decrease) increase in other liabilities	-	-	464,523	-	464,523
(Decrease) increase in claims and judgments payable	-	-	227,352	-	227,352
(Decreased) increase in compensated absences	(8,806)	29,156	1,310	828	22,488
Total cash provided (used) by operating activities	\$ (195,938)	\$ 178,336	\$ (55,848)	\$ 2,637,679	\$ 2,564,229

FIDUCIARY FUND FINANCIAL STATEMENTS

AGENCY FUNDS

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

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

City of San Leandro
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2019

	<u>Deposits</u>	<u>Cherrywood</u>	<u>Total</u>
ASSETS			
Cash and investments	\$ 4,214,985	\$ 1,074,001	\$ 5,288,986
Cash and investments with fiscal agents	-	457,681	457,681
Interest receivable	-	1,330	1,330
Total Assets	<u>\$ 4,214,985</u>	<u>\$ 1,533,012</u>	<u>\$ 5,747,997</u>
LIABILITIES			
Accounts payable	\$ 158,408	\$ -	\$ 158,408
Deposits payable	4,056,577	-	4,056,577
Due to bondholders	-	1,533,012	1,533,012
Total Liabilities	<u>\$ 4,214,985</u>	<u>\$ 1,533,012</u>	<u>\$ 5,747,997</u>

City of San Leandro
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the year ended June 30, 2019

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
<u>Deposits</u>				
Assets:				
Cash and investments	\$ 2,048,095	\$ 2,210,645	\$ 43,755	\$ 4,214,985
Total assets	\$ 2,048,095	\$ 2,210,645	\$ 43,755	\$ 4,214,985
Liabilities:				
Accounts payable	\$ 43,755	\$ 158,408	\$ 43,755	\$ 158,408
Deposits payable	2,004,340	2,052,237	-	4,056,577
Total liabilities	\$ 2,048,095	\$ 2,210,645	\$ 43,755	\$ 4,214,985
<u>Cherrywood</u>				
Assets:				
Cash and investments	\$ 1,036,809	\$ 37,192	\$ -	\$ 1,074,001
Cash and investments with fiscal agent	452,237	1,496,839	1,491,395	457,681
Accounts receivable	1,489	-	1,489	-
Interest receivable	860	1,330	860	1,330
Total assets	\$ 1,491,395	\$ 1,535,361	\$ 1,493,744	\$ 1,533,012
Liabilities:				
Due to bondholders	\$ 1,491,395	\$ 1,535,361	\$ 1,493,744	\$ 1,533,012
Total liabilities	\$ 1,491,395	\$ 1,535,361	\$ 1,493,744	\$ 1,533,012
<u>All Agency Funds</u>				
Assets:				
Cash and investments	\$ 3,084,904	\$ 2,247,837	\$ 43,755	\$ 5,288,986
Cash and investments with fiscal agent	452,237	1,496,839	1,491,395	457,681
Accounts receivable	1,489	-	1,489	-
Interest receivable	860	1,330	860	1,330
Total assets	\$ 3,539,490	\$ 3,746,006	\$ 1,537,499	\$ 5,747,997
Liabilities:				
Accounts payable	\$ 43,755	\$ 158,408	\$ 43,755	\$ 158,408
Deposits payable	2,004,340	2,052,237	-	4,056,577
Due to bondholders	1,491,395	1,535,361	1,493,744	1,533,012
Total liabilities	\$ 3,539,490	\$ 3,746,006	\$ 1,537,499	\$ 5,747,997



STATISTICAL SECTION

This section of the City of San Leandro's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	153
These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	
Revenue Capacity	161
These schedules contain information to help the reader assess the city's most significant local revenue sources, sales tax and property tax.	
Debt Capacity	173
These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	
Demographic and Economic Information	181
These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.	
Operating Information	185
These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.	



FINANCIAL TRENDS

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

Net Position by Component Unit - Last Ten Fiscal Years

Changes in Net Position - Last Ten Fiscal Years

Program Revenues by Function / Program - Last Ten Fiscal Years

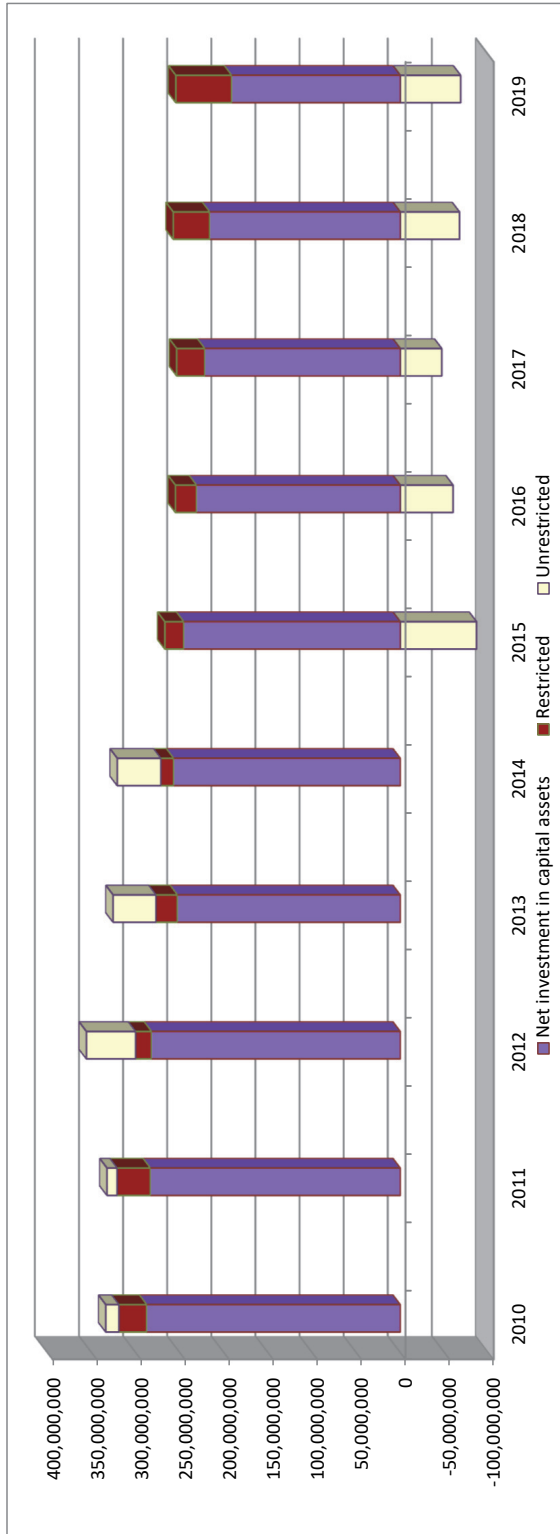
Fund Balances of Governmental Funds - Last Ten Fiscal Years

General Fund Revenue by Source - Last Ten Fiscal Years

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



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



	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net investment in capital assets	\$ 267,302,013	\$ 256,542,629	\$ 251,252,877	\$ 219,701,797	\$ 225,401,873	\$ 212,967,616	\$ 200,560,064	\$ 190,556,178	\$ 181,178,754	\$ 152,522,070
Restricted	31,353,698	37,489,289	17,947,666	24,162,116	14,371,041	21,206,626	23,680,435	31,647,662	41,104,032	63,079,453
Unrestricted	(2,174,696)	(3,737,046)	42,585,608	33,524,445	28,282,857	(98,955,552)	(77,776,029)	(67,544,332)	(84,962,486)	(88,393,775)
Total Governmental Activities Net Position	\$ 296,481,015	\$ 290,294,872	\$ 311,786,151	\$ 277,388,358	\$ 268,055,771	\$ 135,218,690	\$ 146,464,470	\$ 154,659,508	\$ 137,320,300	\$ 127,207,748
Business-Type Activities										
Net investment in capital assets	\$ 20,162,046	\$ 26,832,033	\$ 30,737,068	\$ 32,979,235	\$ 31,512,875	\$ 32,505,629	\$ 30,434,444	\$ 31,056,113	\$ 34,872,307	\$ 38,661,914
Restricted	17,044,724	15,133,537	13,097,006	15,002,725	21,031,537	12,609,167	18,050,170	20,616,425	17,962,702	20,090,760
Unrestricted	(37,206,770)	(41,965,570)	(43,834,074)	(47,981,960)	(52,544,412)	(45,114,796)	(48,484,614)	(51,672,538)	(52,835,009)	(58,752,674)
Total Business-Type Activities Net Position	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Primary government										
Net investment in capital assets	\$ 287,464,059	\$ 283,374,662	\$ 281,989,945	\$ 252,681,032	\$ 256,914,748	\$ 245,473,245	\$ 230,994,508	\$ 221,612,291	\$ 216,051,061	\$ 191,183,984
Restricted	31,353,698	37,489,289	17,947,666	24,162,116	14,371,041	21,206,626	23,680,435	31,647,662	41,104,032	63,079,453
Unrestricted	(14,870,028)	(11,396,491)	(55,682,614)	(48,527,170)	(49,314,394)	(86,346,385)	(59,725,859)	(46,927,907)	(66,999,784)	(68,303,015)
Total Governmental Activities Net Position	\$ 333,687,785	\$ 332,260,442	\$ 355,620,225	\$ 325,370,318	\$ 320,600,183	\$ 180,333,486	\$ 194,949,084	\$ 206,332,046	\$ 190,155,309	\$ 185,960,422

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

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses:										
Governmental activities:										
General government	\$ 11,989,774	\$ 10,759,754	\$ 10,238,787	\$ 13,166,855	\$ 11,609,391	\$ 10,896,679	\$ 7,923,300	\$ 8,524,377	\$ 13,658,584	\$ 14,053,667
Public safety	45,063,334	45,936,832	43,574,011	45,465,294	47,180,237	47,989,126	52,944,433	54,510,194	64,971,782	68,742,284
Engineering & Transportation	18,209,182	22,720,292	23,903,746	25,662,305	31,712,176	30,566,925	31,476,280	28,124,152	32,933,260	35,750,270
Recreation & Culture	9,906,448	11,042,582	9,894,015	11,586,223	11,786,787	11,667,158	13,824,385	13,228,291	14,756,277	14,087,453
Community Development	24,202,918	17,541,521	4,904,402	4,904,402	5,389,381	5,704,907	6,840,393	6,840,895	10,216,834	10,390,977
Interest on long-term debt	4,525,710	4,182,409	2,317,577	2,548,119	2,097,257	2,156,400	1,764,322	2,218,025	1,677,316	1,794,526
Total governmental activities expenses	113,897,366	112,183,390	98,106,689	103,333,198	109,775,229	108,981,195	114,773,113	114,739,934	138,214,053	144,819,177
Business-type activities:										
Water Pollution Control	6,231,639	5,856,452	8,395,692	7,499,555	7,978,058	8,802,564	13,534,488	10,795,950	12,184,473	11,814,460
Shoreline	2,180,794	1,997,753	1,848,428	1,861,532	1,922,489	1,691,932	1,839,667	1,754,842	1,786,193	1,677,896
Storm Water Utility	886,379	844,604	919,998	978,816	1,078,252	1,105,054	1,212,469	1,106,011	1,412,257	1,407,078
Environmental Services	1,348,181	1,333,145	1,222,543	1,175,257	1,027,054	1,020,388	1,189,985	1,065,885	1,095,232	1,061,370
Total business-type activities expenses	10,646,993	10,031,954	12,386,663	11,515,160	12,005,853	12,619,938	17,776,609	14,722,688	16,478,155	15,960,804
Total primary government expenses	124,544,359	122,215,344	110,493,350	114,848,358	121,781,082	121,601,133	132,549,722	129,462,622	154,692,208	160,779,981
Program revenues:										
Governmental activities:										
General government	27,087,224	26,720,790	22,357,186	17,631,582	18,514,127	18,898,038	20,044,219	20,858,027	22,994,212	24,123,875
Property taxes	17,594,934	21,811,494	24,126,105	26,304,583	29,097,614	32,948,155	42,336,643	41,727,835	42,990,223	45,865,704
Sales taxes	4,005,464	4,124,846	4,231,420	4,444,251	4,581,920	4,845,086	4,968,614	5,102,904	5,269,391	5,192,138
Franchise Fees	9,783,055	9,932,893	9,968,546	9,888,123	10,157,762	10,359,050	10,807,581	10,975,234	10,719,315	10,182,141
Utility Users Tax	2,297,145	2,528,604	2,981,685	2,956,419	3,282,026	4,112,030	4,460,568	5,459,316	5,176,403	5,372,712
Property Transfer Tax	2,711,671	2,694,149	2,684,591	2,723,255	2,804,181	2,974,313	2,917,993	2,890,302	3,035,256	3,110,165
911 Communication Access Tax	333,079	381,122	555,988	591,016	652,866	733,867	811,619	907,651	1,008,115	1,430,740
Other taxes	242,416	506,280	44,112	44,112	36,768	35,936	811,619	907,651	1,008,115	1,430,740
Motors Vehicle License Fees	1,419,378	1,300,123	1,098,406	919,213	1,255,043	1,191,893	1,882,764	1,560,277	1,691,972	4,286,379
Investment	3,100,000	-	-	-	-	-	-	-	-	-
Community Impact Reimbursement	599,189	1,158,044	988,126	962,356	514,851	825,082	4,225,123	1,702,501	5,426,862	853,797
Miscellaneous	(67,942)	20,914	3,353	393,741	16,196	6,902	7,060	3,004	1,020,970	553,670
Gain on sale of assets	-	-	-	(72,135)	-	-	25,000	-	187,921	(476,000)
Transfers	12,568,443	17,062,792	12,200,726	13,735,756	14,989,867	16,063,276	16,552,308	16,956,990	18,674,955	19,315,193
Charges for Service	10,830,576	6,581,532	11,416,356	7,216,114	10,009,842	10,516,591	11,421,781	9,456,976	9,394,883	7,998,205
Capital grants and contributions	4,224,429	3,783,171	5,585,461	5,672,929	4,529,539	8,038,949	5,537,620	5,333,955	6,579,225	6,897,906
Operating grants and contributions	96,729,061	98,847,238	98,474,592	93,411,315	100,442,602	111,549,168	126,018,893	122,934,972	134,169,703	134,706,625
Total Governmental activities program revenues	13,716,608	14,267,658	14,895,604	14,813,211	15,635,395	16,878,752	15,991,142	16,858,465	16,368,849	18,052,981
Business-type activities:										
Charges for services	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	233,880	257,977	323,430	360,246	417,231	477,190	520,321	629,411	806,392	836,332
Other taxes	454,893	167,407	141,980	209,659	264,904	259,724	425,834	179,432	284,219	1,262,342
Investment Earnings	265,091	338,196	418,969	207,795	250,775	268,689	4,234,130	-	-	-
Miscellaneous	-	-	(1,290,470)	-	-	-	-	-	-	-
Gain or loss on sale of assets	67,942	(240,484)	(234,349)	72,135	-	-	(25,000)	-	(187,921)	476,000
Transfers	-	-	-	-	-	-	-	-	-	-
Total Business activities program revenues	14,738,414	14,790,754	14,255,164	15,663,046	16,568,305	17,884,355	21,146,427	17,910,612	17,640,626	21,878,469
Total primary government program revenues	111,467,475	113,637,992	112,729,756	109,074,361	117,010,907	129,433,523	147,165,320	140,845,584	151,810,329	156,585,094
Extraordinary items	-	-	21,123,375	-	-	-	-	-	-	-
Net revenues (expenses):	(17,168,305)	(13,336,152)	367,903	(9,921,883)	(9,332,627)	2,567,973	11,245,780	8,195,038	(4,044,350)	(10,112,552)
Governmental Activities	4,091,421	4,758,800	1,868,503	4,147,886	4,562,452	5,264,417	3,369,818	3,187,924	1,162,471	5,917,665
Business-type activities	(13,076,884)	(8,577,352)	2,236,406	(5,773,997)	(4,770,175)	7,833,390	14,615,598	11,382,962	(2,881,879)	(4,194,887)
Total net revenues (expenses)	\$ (13,076,884)	\$ (8,577,352)	\$ 2,236,406	\$ (5,773,997)	\$ (4,770,175)	\$ 7,833,390	\$ 14,615,598	\$ 11,382,962	\$ (2,881,879)	\$ (4,194,887)

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

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

Program / Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities:										
General Government	\$ 5,342,619	\$ 5,242,934	\$ 7,367,750	\$ 7,436,918	\$ 7,310,491	\$ 7,887,476	\$ 10,326,562	\$ 8,550,928	\$ 9,381,699	\$ 9,786,425
Public Safety	3,475,388	3,423,176	4,585,001	4,482,346	3,749,814	3,623,194	3,897,568	3,801,944	4,429,180	3,877,786
Engineering and transportation	13,195,059	7,469,186	10,661,253	6,723,903	9,607,387	8,668,597	10,897,823	10,772,477	11,825,335	11,626,649
Recreation and culture	3,614,696	4,368,731	4,551,617	4,022,452	5,114,524	4,493,916	4,385,376	4,062,763	3,605,783	3,559,591
Community development	1,995,686	6,923,466	2,036,922	3,959,180	3,747,032	9,945,633	4,024,380	4,559,809	5,407,066	5,360,853
Interest on long-term debt	4,525,710	4,182,409	2,317,753	-	-	-	-	-	-	-
Subtotal governmental activities	\$ 32,149,158	\$ 31,609,902	\$ 31,520,296	\$ 26,624,799	\$ 29,529,248	\$ 34,618,816	\$ 33,531,709	\$ 31,747,921	\$ 34,649,063	\$ 34,211,304
Business-Type Activities										
Water Pollution Control Plant	\$ 10,081,964	\$ 10,478,066	\$ 11,189,362	\$ 11,266,178	\$ 11,961,374	\$ 12,996,465	\$ 12,467,570	\$ 13,068,979	\$ 12,574,723	\$ 15,250,875
Shoreline	1,941,119	1,944,513	1,968,839	1,846,750	1,928,280	2,038,388	1,702,955	1,994,642	2,085,975	1,970,376
Storm Water Utility	1,079,178	1,098,114	1,078,455	1,086,070	1,072,146	1,070,154	1,093,460	1,084,122	1,056,708	1,068,814
Environmental Services	614,347	746,965	658,948	614,213	673,595	773,745	727,157	954,026	1,020,530	1,013,730
Subtotal business-type activities	\$ 13,716,608	\$ 14,267,658	\$ 14,895,604	\$ 14,813,211	\$ 15,635,395	\$ 16,878,752	\$ 15,991,142	\$ 17,101,769	\$ 16,737,936	\$ 19,303,795
Total primary government	\$ 45,865,766	\$ 45,877,560	\$ 46,415,900	\$ 41,438,010	\$ 45,164,643	\$ 51,497,568	\$ 49,522,851	\$ 48,849,690	\$ 51,386,999	\$ 53,515,099

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

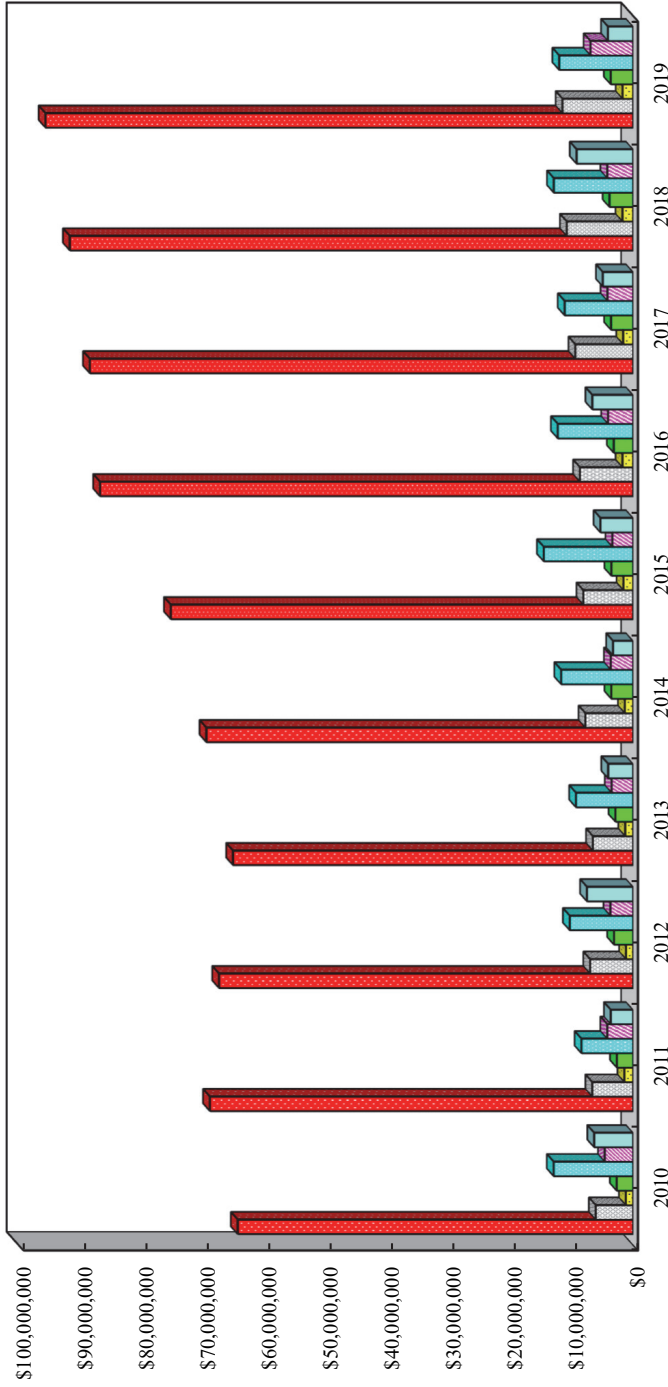
City of San Leandro
Fund Balance of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Fund:										
Reserved	\$ 13,730,510	\$ -	\$ 10,147,160	\$ 10,147,160	\$ 10,147,160	\$ 13,849,630	\$ 14,448,674	\$ 12,552,626	\$ 11,267,706	\$ 10,902,741
Unreserved	12,672,277	-	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Nonspendable	-	10,377,840	10,147,160	10,147,160	10,147,160	13,849,630	14,448,674	12,552,626	11,267,706	10,902,741
Restricted	-	-	3,555,009	264,275	662,973	1,766,700	3,128,977	4,577,831	5,301,907	6,296,907
Assigned	-	3,437,827	10,717,313	14,836,844	18,762,223	19,145,226	29,378,795	33,781,436	36,552,684	42,741,116
Unassigned	-	11,814,319	24,469,482	25,298,279	29,622,356	34,811,556	47,006,446	50,961,893	53,172,297	59,990,764
Total General Fund	\$ 26,402,787	\$ 25,679,986	\$ 24,469,482	\$ 25,298,279	\$ 29,622,356	\$ 34,811,556	\$ 47,006,446	\$ 50,961,893	\$ 53,172,297	\$ 59,990,764
All other governmental funds:										
Reserved	\$ 21,700,213	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, designated	-	-	-	-	-	-	-	-	-	-
Unreserved, undesignated, reported in:										
Special revenue funds	6,827,714	-	-	-	-	-	-	-	-	-
Capital projects funds	4,803,372	-	-	-	-	-	-	-	-	-
Nonspendable	-	2,475,000	-	-	-	-	-	-	-	-
Restricted	-	33,274,967	17,809,532	17,417,246	16,083,695	22,590,294	25,002,605	32,364,776	41,104,032	63,726,144
Assigned	-	(948,387)	-	-	-	-	-	-	-	-
Unassigned	-	-	(132,601)	(1,646,590)	(1,712,654)	(1,383,668)	(1,322,170)	(717,114)	-	(646,691)
Total all other governmental funds	\$ 33,331,299	\$ 34,801,580	\$ 17,676,931	\$ 15,770,656	\$ 14,371,041	\$ 21,206,626	\$ 23,680,435	\$ 31,647,662	\$ 41,104,032	\$ 63,079,453
Total All Governmental Funds	\$ 59,734,086	\$ 60,481,566	\$ 42,146,413	\$ 41,068,935	\$ 43,993,397	\$ 56,018,182	\$ 70,686,881	\$ 82,609,555	\$ 94,276,329	\$ 123,070,217

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

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

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



Fiscal Year	Property & Other Taxes		Licenses & Permits		Fines & Forfeitures		Service Charges		Intergovernmental		Use of Money & Property		Other Revenue		Total	
2010	\$	64,359,726	\$	6,027,904	\$	1,149,193	\$	2,627,851	\$	12,853,697	\$	4,558,887	\$	6,285,271	\$	97,862,529
2011		68,879,116		6,585,076		1,377,230		2,593,610		8,351,105		4,152,296		3,589,385		95,527,818
2012		67,388,968		6,940,678		1,110,669		3,051,084		10,246,859		3,645,827		7,456,519		99,840,604
2013		65,125,564		6,482,902		1,237,354		2,830,649		9,233,120		3,445,104		4,011,757		92,366,450
2014		69,453,813		7,700,470		1,302,814		3,492,225		11,640,820		3,582,413		3,215,110		100,387,665
2015		75,226,114		8,041,005		1,524,570		3,489,068		14,476,306		3,332,499		5,266,519		111,356,081
2016		86,735,605		8,594,731		1,685,098		3,099,475		12,191,846		4,023,537		6,587,487		122,917,779
2017		88,391,366		9,348,195		1,572,898		3,543,567		11,078,666		4,117,990		4,882,290		122,934,972
2018		91,648,512		10,726,515		1,688,351		3,790,985		12,843,102		4,145,901		9,138,416		133,981,782
2019		95,596,907		11,429,826		1,675,533		3,592,813		11,964,009		6,878,046		4,045,491		135,182,625

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

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues:										
Property and other taxes	\$ 64,359,726	\$ 68,879,116	\$ 67,388,968	\$ 65,125,564	\$ 69,453,813	\$ 75,226,114	\$ 86,735,605	\$ 88,391,366	\$ 91,648,512	\$ 95,596,907
Licenses and permits	6,027,904	6,585,076	6,940,678	6,482,902	7,700,470	8,041,005	8,594,731	9,348,195	10,726,515	11,429,826
Fines and forfeitures	1,149,193	1,377,230	1,110,669	1,237,354	1,302,814	1,524,570	1,685,098	1,572,898	1,688,351	1,675,533
Service charges	2,627,851	2,593,610	3,051,084	2,830,649	3,492,225	3,489,068	3,099,475	3,543,567	3,790,985	3,592,813
Intergovernmental	12,853,697	8,351,105	10,246,859	9,233,120	11,640,820	14,476,306	12,191,846	11,078,666	12,843,102	11,964,009
Use of money and property	4,558,887	4,152,296	3,645,827	3,445,104	3,582,413	3,340,946	4,023,537	4,117,990	4,145,901	6,878,046
Intergovernmental	2,272,568	2,295,293	2,401,869	2,001,928	2,002,139	2,250,266	1,999,878	1,999,878	1,999,878	1,999,878
Other	4,012,703	1,294,092	5,054,650	2,009,829	1,212,971	3,007,806	4,587,609	2,882,412	7,138,538	2,045,613
Total revenues	97,862,529	95,527,818	99,840,604	92,366,450	100,387,665	111,356,081	122,917,779	122,934,972	133,981,782	135,182,625
Expenditures:										
Current:										
General government	10,353,861	9,684,293	9,943,871	12,993,178	11,350,118	11,720,994	11,846,864	11,493,208	11,679,072	12,305,756
Public safety	45,420,060	43,727,641	68,789,652	46,437,960	46,983,838	49,441,422	52,258,892	54,732,167	60,034,363	62,392,436
Engineering and transportation	18,203,786	12,231,307	9,778,421	14,550,085	19,310,489	17,905,896	19,185,657	19,487,997	25,648,773	24,132,999
Recreation and culture	9,854,633	9,560,878	8,373,427	10,274,496	10,244,659	10,481,528	12,214,366	11,845,986	11,898,321	11,101,882
Community development	24,397,598	11,342,937	9,236,773	4,311,194	5,138,376	5,708,945	6,480,125	7,700,158	8,244,056	9,132,310
Capital Outlay	-	-	5,763,826	-	-	-	-	-	-	-
Debt service:										
Principal	3,305,968	3,175,797	3,511,866	1,577,051	2,271,828	2,524,833	2,549,397	18,960,762	3,206,330	3,480,537
Interest and fees	4,578,463	4,247,973	3,043,070	2,605,761	2,163,895	2,299,286	1,963,779	2,196,157	1,744,082	2,207,841
Total expenditures	116,114,369	93,970,826	118,440,906	92,749,725	97,463,203	100,082,904	106,499,080	126,416,435	122,454,997	124,753,761
Excess (deficiency) of revenues over (under) expenditures	(18,251,840)	1,556,992	(18,600,302)	(383,275)	2,924,462	11,273,177	16,418,699	(3,481,463)	11,526,785	10,428,864
Other financing Sources (uses):										
Issuance of capital lease	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding of bonds	-	-	-	(9,817,009)	-	-	-	-	-	-
Payment to refunded bonds escrows agents	-	-	-	-	-	-	-	-	-	-
Transfers in	8,598,106	8,290,220	6,029,970	577,000	776,000	2,604,156	3,877,017	4,193,000	10,345,878	28,198,333
Transfers out	(6,913,048)	(9,099,736)	(5,775,621)	(1,606,599)	(776,000)	(2,604,156)	(5,627,017)	(10,453,000)	(10,205,889)	(30,047,660)
Bonds Proceeds	-	-	-	-	-	-	-	-	-	-
Loan Proceeds	2,500,000	-	-	-	-	-	-	-	-	-
Lease Proceeds	461,717	-	-	-	-	-	-	-	-	-
Issuance of Debt	-	-	18,305,000	10,152,405	-	-	-	-	-	20,214,351
Total other financing sources (uses)	4,646,775	(809,516)	18,559,349	(694,203)	-	-	(1,750,000)	15,404,137	139,989	18,365,024
Prior period restatement	-	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ (13,605,065)	\$ 747,476	\$ (40,953)	\$ (1,077,478)	\$ 2,924,462	\$ 11,273,177	\$ 14,668,699	\$ 11,922,674	\$ 11,666,774	\$ 28,793,888
Debt Services as a percentage of noncapital expenditures	7.37%	9.29%	5.64%	4.81%	4.78%	4.83%	4.39%	17.40%	4.32%	4.68%

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

REVENUE CAPACITY

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

Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years

Assessed Value of Taxable Property - Last Ten Fiscal Years

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

Principal Property Tax Payers - Current Year and Nine Years Ago

Property Tax Levies and Collections - Last Ten Fiscal Years

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

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

Sewer Rates - Last Ten Fiscal Years

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



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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Basic City and County Levy										
City of San Leandro	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681	0.156681
County of Alameda	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319	0.843319
Total Basic Levy	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments										
County GO Bond	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.011200
San Leandro Unified School Bond	0.077100	0.089700	0.110800	0.108500	0.118800	0.131000	0.121500	0.117900	0.140600	0.133500
Chabot-Las Positas College Bond	0.019500	0.021100	0.021400	0.021900	0.021400	0.021700	0.019800	0.024600	0.044500	0.044300
Bay Area Rapid Transit	0.010800	0.008400	0.007100	0.005100	0.007500	0.004500	0.002600	0.008000	0.008400	0.007000
East Bay Regional Park	0.005700	0.003100	0.004100	0.004300	0.007800	0.008500	0.006700	0.003200	0.002100	0.005700
Total Override Rate	0.113100	0.122300	0.143400	0.139800	0.155500	0.165700	0.150600	0.153700	0.195600	0.201700
Total Tax Rate	1.113100	1.122300	1.143400	1.139800	1.155500	1.165700	1.150600	1.153700	1.195600	1.201700

Sources

- 1) County Auditor/Controller data, Avenu Insights & Analytics
- 2) 2011-12 and prior, previously published CAFR Report

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

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

Fiscal Year Ended June 30	City (Excl Successor Agency)				Taxable				Successor Agency				City Wide			
	Secured Property	Unsecured Property	Less: Exemptions	Assessed Value	Secured Property	Unsecured Property	Less: Exemptions	Taxable Assessed Value	Unsecured Property	Secured Property	Less: Exemptions	Taxable Assessed Value	Total Tax Rate (1)	Taxable Assessed Value	Actual Taxable Value (2)	Factor of Taxable Assessed Value (2)
2010	\$ 5,659,301	\$ 162,942	\$ 120,044	\$ 5,702,199	\$ 3,593,007	\$ 393,869	\$ 87,613	\$ 3,899,263	\$ 393,869	\$ 3,593,007	\$ 87,613	\$ 3,899,263	-	\$ 9,601,462	\$ -	-
2011	5,502,600	175,345	108,033	5,569,912	3,599,645	395,243	110,812	3,884,076	395,243	3,599,645	110,812	3,884,076	1.1223	9,453,988	-	-
2012	5,540,713	126,353	15,376	5,651,690	3,568,829	406,084	208,631	3,766,282	406,084	3,568,829	208,631	3,766,282	1.1434	9,417,972	-	-
2013	6,015,787	147,948	113,086	6,050,649	3,570,284	382,532	123,831	3,828,985	382,532	3,570,284	123,831	3,828,985	1.1398	9,879,634	-	-
2014	5,899,077	153,300	183,511	5,868,866	4,365,737	359,508	139,085	4,586,160	359,508	4,365,737	139,085	4,586,160	1.1555	10,455,026	-	-
2015	6,310,548	152,421	196,657	6,266,312	4,694,159	367,800	907,973	4,153,986	367,800	4,694,159	907,973	4,153,986	1.1657	10,420,298	13,808,666	1.3252
2016	7,795,139	197,971	178,848	7,814,262	3,899,194	371,143	892,306	3,378,031	371,143	3,899,194	892,306	3,378,031	1.1657	11,192,293	15,938,474	1.4241
2017	8,243,336	235,839	334,516	8,144,659	3,995,308	404,452	851,651	3,548,110	404,452	3,995,308	851,651	3,548,110	1.1537	11,692,768	20,767,772	1.7761
2018	8,775,315	229,625	319,941	8,684,999	4,195,622	413,077	880,570	3,728,128	413,077	4,195,622	880,570	3,728,128	1.1956	12,413,128	18,025,239	1.4521
2019	9,283,562	281,710	355,814	9,209,457	4,424,460	473,473	894,212	4,003,721	473,473	4,424,460	894,212	4,003,721	1.2017	13,213,179	21,102,345	1.5971

Source: County Assessor Data, Avenu Insights & Analytics
 Source: 2010-11 and prior, previously published CAFR Report
 Table has been restated from previous years to show city and successor agency values exclusively
 Table does not include state unitary value of \$2,702,056

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

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

Category	FY 2017	FY 2018	FY 2019
Residential	\$ 7,821,980,485	\$ 8,296,777,137	\$ 8,803,831,830
Industrial	1,986,123,545	2,074,436,546	2,177,987,684
Commercial	1,300,649,480	1,392,380,761	1,498,221,698
Vacant	1,046,767,041	1,113,483,702	1,130,716,850
Institution	79,864,033	88,285,180	91,595,191
Recreation	3,256,676	5,570,897	5,666,283
Unknown	2,529	2,504	2,479
Net Secured Value	12,238,643,789	12,970,936,727	13,708,022,015
Unsecured Exemptions	640,291,329	642,702,645	755,182,605
	1,186,166,647	1,200,511,766	1,250,026,103
Net Assessed Value	\$ 11,692,768,471	\$ 12,413,127,606	\$ 13,213,178,517

Source: County Assessor data, Avenu Insights & Analytics

Use code categories are based on County Assessor's data

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

City of San Leandro
Principal Property Tax Payers
June 30, 2019
Current Fiscal Year and Nine Years Ago

Taxpayer	2019			2010		
	Rank	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Rank	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Amb Us Logistics Fund Lp	1	\$ 194,790,905	1.47%	26	\$ -	1.10%
Chirardelli Chocolate Company	2	152,052,290	1.15%	2	104,230,410	0.32%
Waste Management Of Alameda County Inc	3	123,850,937	0.94%	13	29,897,274	1.06%
Kaiser Foundation Hospitals	4	121,429,285	0.92%	3	100,067,231	
Bpp Pacific Industrial Ca Reit Owner 2 Llc	5	82,053,796	0.62%			
Mnn Pg Bayfair Properties Llc	6	80,283,780	0.61%			
Safeway Stores Incorporated	7	73,367,699	0.56%	10	35,926,571	0.38%
Sltc Llc	8	68,006,878	0.51%			
Wl Westgate Venture Llc	9	58,886,495	0.45%			
Bigge Crane & Rigging Co A Corp	10	58,861,140	0.45%			
Prologis Usly Newca 7 Llc	11	53,153,643	0.40%			
Chill Build San Leandro Llc	12	53,129,144	0.40%			
Woodchase Owner Llc	13	52,985,061	0.40%			
Creekside Plaza Partners Llc	14	46,966,420	0.36%			
Reyes Coca-Cola Bottling Llc	15	45,124,057	0.34%			
Lone Oak San Leandro L L C	16	45,000,000	0.34%			
Gateway Buena Park Inc	17	40,225,991	0.30%	11	35,543,613	0.38%
D/C 1717 Doolittle Sub Llc	18	39,919,759	0.30%			
77 & 85 Estabrook Llc	19	37,336,307	0.28%			
Marea Alta Housing	20	36,972,765	0.28%			
37 SIE2020 Owner Llc	21	35,990,900	0.27%			
Georgia Pacific Corrugated Llc	22	35,260,494	0.27%	12	34,192,908	0.36%
100 Haleyon Owner Llc	23	33,149,996	0.25%			
World Savings & Loan Association	24	32,626,381	0.25%	14	29,530,378	0.31%
21St Amendment Brewery	25	30,214,369	0.23%			
Amb Property Lp				1	141,213,369	1.49%
Madison Bay Fair Llc				4	74,511,957	0.79%
General Foods Corp				5	74,145,105	0.78%
Bci Coca Cola Bottling Co Of L				6	62,347,578	0.66%
Bigge Development Company				7	56,317,857	0.60%
Sko Westgate Investments Llc &				8	47,043,352	0.50%
Batarse Anthony A Jr Tr				9	38,856,815	0.41%
Emerald Properties				15	29,125,537	0.31%
Fpa Woodchase Associates Lp				16	28,000,000	0.30%
Pk I Fashion Faire Place Lp				17	26,148,061	0.28%
Lakeside Village Associates				18	25,852,582	0.27%
Brcp San Leandro Industrial Ll				19	22,368,598	0.24%
Heritage Associates Llc				20	22,251,534	0.24%
Wri Greenhouse L P				21	21,466,676	0.23%
Target Corporation				22	21,379,601	0.23%
Price Company				23	21,218,384	0.22%
Wells Fargo Tr & Freschi P & K				24	19,726,942	0.21%
Bigge Street Investors				25	19,661,831	0.21%
Total Top 25 Taxpayers		1,631,638,492	12.35%		1,121,024,164	11.86%
Total Taxable Value		\$ 13,213,178,517	100.00%		\$ 9,451,359,253	100.00%

**City of San Leandro
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Residual Distribution	Total Collections to Date	
		Amount	Percent of Levy			Amount	Percent of Levy
2010	\$ 9,857,438	\$ 9,303,586	94.38%	\$ 378,646	\$ -	\$ 9,682,232	98.22%
2011	9,800,011	9,307,532	94.97%	230,948	-	9,538,480	97.33%
2012	9,676,693	9,190,945	94.98%	261,132	266,242	9,452,077	97.68%
2013	9,959,351	10,142,627	101.84%	287,147	222,507	10,652,282	106.96%
2014	10,732,261	10,338,768	96.33%	177,313	289,806	10,805,887	100.69%
2015	10,630,839	10,250,071	96.42%	158,636	337,278	10,745,985	101.08%
2016	11,326,738	10,897,360	96.21%	191,132	165,626	11,254,119	99.36%
2017	11,817,732	11,631,783	98.43%	133,429	1,604,861	13,370,073	113.14%
2018	12,566,402	12,399,772	98.67%	84,584	2,559,564	15,043,920	119.72%
2019	13,300,863	13,135,622	98.76%	168,341	2,457,712	15,761,675	118.50%

Source: Alameda County Auditor-Controller's Office

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

	2019 Q1	2018 Q1	2017 Q1	2016 Q1	2015 Q1	2014 Q1	2013 Q1	2012 Q1	2011 Q1
Accommodation and Food Services	\$ 2,262,565	\$ 2,113,895	\$ 1,897,914	\$ 1,733,159	\$ 1,484,710	\$ 1,389,170	\$ 1,220,616	\$ 1,137,667	\$ 1,069,030
Administrative and Support and Waste Management and Remediation Services	100,503	74,535	76,804	78,940	76,135	105,445	102,435	87,925	54,069
Arts, Entertainment, and Recreation	16,228	14,565	14,352	15,210	12,655	10,150	10,453	10,427	94,828
Construction	285,832	272,476	195,238	277,084	240,579	248,852	170,083	151,894	136,580
Educational Services	5,293	4,460	5,920	5,685	4,656	4,695	4,688	5,978	7,955
Health Care and Social Assistance	43,070	46,771	51,914	42,188	20,014	7,527	15,005	18,749	17,381
Information	150,781	139,386	142,304	158,038	211,873	193,901	164,090	180,370	150,893
Manufacturing	933,964	824,479	886,276	877,683	1,057,460	969,021	940,439	931,285	792,641
Other Services (except Public Administration)	390,917	434,665	399,034	380,590	314,789	284,810	235,978	217,814	207,703
Professional, Scientific, and Technical Services	41,717	63,478	83,602	65,753	74,043	78,478	81,060	52,183	68,478
Real Estate and Rental and Leasing	885,361	757,252	721,330	665,464	708,122	567,892	507,745	475,494	534,678
Retail Trade	14,742,015	14,502,158	14,230,972	12,776,457	11,895,825	12,013,106	11,404,907	10,969,306	9,628,398
Transportation and Warehousing	50,056	78,802	76,104	70,482	68,424	69,802	62,166	55,716	39,808
Wholesale Trade	6,433,834	6,937,728	6,956,612	7,035,611	6,177,898	4,094,324	3,629,371	3,431,687	3,100,034
All Other Sectors	1,262,607	981,607	958,222	838,083	919,943	774,578	637,918	562,954	624,454
TOTAL	\$ 27,604,745	\$ 27,246,258	\$ 26,696,597	\$ 25,020,425	\$ 23,267,126	\$ 20,811,752	\$ 19,186,955	\$ 18,289,449	\$ 16,526,929

Source: Avenu Insights & Analytics

Note:

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

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

FY 2019		FY 2010	
Taxpayer	Business Type	Taxpayer	Business Type
Autocom Nissan East Bay	Auto Sales - New	AB Calif Acquisition	Bldg.Matls-Retail
Bigge Crane & Rigging Corporation	Heavy Industry	Costco Wholesale	Department Stores
Chevron Service Stations	Service Stations	Cummins	Heavy Industry
Consolidated Electrical Distributors	Bldg.Matls-Whsle	Enterprise Rent-A-Car	Leasing
Costco Wholesale	Department Stores	ESD Company	Electronic Equipment
Edges Electrical Group	Electronic Equipment	F.H.Dailey Chevrolet	Auto Sales - New
Enterprise Rent-A-Car	Leasing	Flyers Service Stations	Service Stations
F.H.Dailey Chevrolet	Auto Sales - New	Home Depot	Bldg.Matls-Retail
Ferguson Enterprises	Bldg.Matls-Whsle	K Mart Stores	Department Stores
Home Depot	Bldg.Matls-Retail	KCI USA	Light Industry
Living Spaces Furniture	Furniture/Appliance	Kohl's Department Stores	Department Stores
Nike Factory Store	Apparel Stores	Macy's Department Store	Department Stores
Norcal Kenworth Bay Area	Misc. Vehicle Sales	Marina Square Auto Center	Auto Sales - New
Nordstrom Department Store	Department Stores	Nordstrom Department Store	Apparel Stores
Peterson Power Systems	Electronic Equipment	Peterson Power Systems	Electronic Equipment
Peterson Tractor Company	Heavy Industry	Peterson Tractor Company	Heavy Industry
Peterson Trucks	Misc. Vehicle Sales	Ross Stores	Apparel Stores
Ross Stores	Apparel Stores	Safeway Stores	Food Markets
Safeway Stores	Food Markets	San Leandro Honda	Auto Sales - New
San Leandro Chrysler Jeep Dodge Ram	Auto Sales - New	Shell Service Stations	Service Stations
San Leandro Honda	Auto Sales - New	SSMB Pacific Holding Company	Auto Parts/Repair
Target Stores	Department Stores	Target Stores	Department Stores
The Ford Store	Auto Sales - New	The Ford Store	Auto Sales - New
Wal Mart Stores	Department Stores	Wal Mart Stores	Department Stores
Western Truck Center	Misc. Vehicle Sales	Western States Oil	Energy Sales

Source: Avenu Insights & Analytics

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

Fiscal Year	Sewer			Non-Residential		
	Single Family	Multi-Family		Commercial		Institutional
2010	27.60	19.59		3.04 -	6.36	2.50
2011	26.29	18.65		2.45 -	6.40	2.45
2012	28.97	20.56		3.19 -	6.67	2.62
2013	29.98	21.28		3.30 -	6.90	2.71
2014	32.27	22.90		3.55 -	7.45	2.92
2015	33.07	23.54		3.65 -	7.66	3.00
2016	33.17	23.54		3.65 -	7.66	3.00
2017	34.03	24.15		3.74 -	7.86	3.08
2018	34.71	24.63		3.81 -	8.02	3.14
2019	35.75	25.37		3.92 -	8.26	3.23

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

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

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

Calendar Year	Retail Stores		Total All Outlets	
	Number of Permits	Taxable Transactions (in thousands)	Number of Permits	Taxable Transactions (in thousands)
2010	1,414	\$ 1,110,136	2,448	\$ 1,663,900
2011	1,312	1,203,146	2,309	1,775,210
2012	1,341	1,273,883	2,322	1,867,865
2013	1,304	1,348,729	2,273	2,026,119
2014	1,290	1,378,120	2,258	2,246,508
2015	1,309	1,478,697	2,425	2,483,400
2016	1,362	1,598,459	2,508	2,584,669
2017	1,374	1,662,454	2,513	2,650,938
2018	1,373	1,688,378	2,555	2,665,437
2019	1,379	1,702,666	2,618	2,718,393

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

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



DEBT CAPACITY

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

Direct and Overlapping Debt - As of June 30, 2019

Pledged-Revenue Coverage - Last Ten Fiscal Years

Computation of Legal Debt Margin - Last Ten Fiscal Years

Ratios of Outstanding Debt by Type - Last Ten Fiscal Years

Ratios of General Bonded Debt Outstanding - Last Ten Fiscal Years



**City of San Leandro
Direct and Overlapping Debt
As of June 30, 2019**

2018-19 Assessed Valuation \$ 13,315,574,856

	Total Debt 6/30/2018	% Applicable (1)	City's Share of Debt 6/30/18
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Alameda County	\$ 240,000,000	4.595%	\$ 11,028,000
Bay Area Rapid Transit District	809,660,000	1.772	14,347,175
Chabot-Las Positas Community College District	661,410,000	10.651	70,446,779
San Leandro Unified School District	263,460,081	89.117	234,787,720
San Lorenzo Unified School District	157,710,000	22.311	35,186,678
East Bay Regional Park District	178,710,000	2.806	5,014,603
City of San Leandro Cherrywood Community Facilities District	2,450,000	100.000	2,450,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 373,260,955
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Alameda County General Fund Obligations	\$ 868,272,500	4.595%	\$ 39,897,121
Alameda-Contra Costa Transit District Certificates of Participation	11,465,000	5.44	623,696
San Lorenzo Unified School District Certificates of Participation	9,905,000	22.311	2,209,905
City of San Leandro General Fund Obligations	42,845,178	100	42,845,178
City of San Leandro Pension Obligation Bonds	10,085,000	100	10,085,000
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 95,660,900
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>			
San Leandro Tax Allocation Bonds	\$ 13,201,000	100.000%	\$ 13,201,000
Alameda County – San Leandro Tax Allocation Bonds	19,060,000	56.718	10,810,451
TOTAL OVERLAPPING TAX INCREMENT DEBT			\$24,011,451
TOTAL DIRECT DEBT			\$ 52,930,178
TOTAL OVERLAPPING DEBT			\$ 440,003,128
COMBINED TOTAL DEBT			\$ 492,933,306 (2)

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

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

Ratios to 2018-19 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.80%
Total Direct Debt (\$52,930,178)	0.40%
Combined Total Debt	3.70%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$2,512,315,669):

Total Overlapping Tax Increment Debt	0.96%
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**City of San Leandro
Pledged-Revenue Coverage
Last Ten Fiscal Years**

Fiscal Year	Special Assessment Bonds			
	Special Assessment Collections	Principal	Debt Service Interest	Coverage
2010	\$ -	\$ 155,000	\$ 5,592	\$ -
2011	-	-	-	-
2012	-	-	-	-
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-

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

Source: City of San Leandro

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed Valuation:										
Secured property assessed value	\$ 9,044,651,000	\$ 8,883,400,000	\$ 8,885,535,000	\$ 9,349,154,000	\$ 9,942,218,000	\$ 9,900,077,000	\$ 10,623,178,219	\$ 11,098,868,606	\$ 11,810,249,391	\$ 12,457,995,912
Addback: Exemptions	207,657,000	218,845,000	224,007,000	236,917,000	322,596,000	1,104,630,000	1,071,154,402	1,139,775,183	1,160,687,336	1,250,026,103
Total Assessed Valuation	\$ 9,252,308,000	\$ 9,102,245,000	\$ 9,109,542,000	\$ 9,586,071,000	\$ 10,264,814,000	\$ 11,004,707,000	\$ 11,694,332,621	\$ 12,238,643,789	\$ 12,970,936,727	\$ 13,708,022,015
Bonded debt (15% of Assessed Value)	\$ 1,387,846,200	\$ 1,365,336,750	\$ 1,366,431,300	\$ 1,437,910,650	\$ 1,539,722,100	\$ 1,650,706,050	\$ 1,754,149,893	\$ 1,835,796,568	\$ 1,945,640,509	\$ 2,056,203,302
Total Bonded Debt	5,927,234	5,209,436	3,980,825	980,820	694,992	715,441	42,066,944	42,404,398	37,374,715	37,374,715
Less:										
Special assessment bonds	-	-	-	-	-	-	-	-	-	-
Lease Revenue Debt	(35,660,000)	(34,420,000)	(29,515,000)	(28,340,000)	(30,440,000)	(26,208,000)	(25,198,000)	(27,410,045)	(20,495,000)	(37,904,000)
Capital Leases	(1,238,241)	(772,883)	(287,790)	(980,820)	(694,992)	(715,441)	(678,944)	(240,353)	(5,254,715)	(4,941,178)
Amount of Debt subject to Limit	(30,971,007)	(29,983,447)	(25,821,965)	(28,340,000)	(30,440,000)	(26,208,000)	16,190,000	14,754,000	11,625,000	(5,470,463)
Legal Debt Margin	\$ 1,418,817,207	\$ 1,395,320,197	\$ 1,392,253,265	\$ 1,466,250,650	\$ 1,570,162,100	\$ 1,676,914,050	\$ 1,737,959,893	\$ 1,821,042,568	\$ 1,934,015,509	\$ 2,061,673,765

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

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

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

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

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

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

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

Sources:

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



DEMOGRAPHIC AND ECONOMIC INFORMATION

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

Demographic and Economic Statistics - Last Ten Fiscal Years

Principal Employers - Current Year and Eight Years Ago



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

Fiscal Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Median Age	Public School Enrollment (3)	Median Home Price	Consumer Price Index	City Unemployment Rate (4)
2010	83,183	\$ 4,932,752	\$ 59,300	38.9	8,801	\$ 334,194	227.697	10.8%
2011	85,490	5,248,659	61,395	39.5	9,000	309,800	232.082	10.0%
2012	85,941	5,159,812	60,039	37.6	8,776	320,000	228.110	9.3%
2013	86,666	5,310,979	61,281	39.1	8,769	400,000	245.935	7.4%
2014	89,189	5,545,683	62,179	39.2	8,668	440,000	253.317	6.3%
2015	88,441	5,524,821	62,469	39.2	8,617	510,000	238.654	4.8%
2016	87,700	5,587,279	63,709	40.5	8,560	529,000	239.810	5.1%
2017	88,274	5,894,517	66,775	40.5	8,638	585,400	244.786	4.6%
2018	87,598	6,221,503	71,023	43.9	8,880	671,200	251.846	3.1%
2019	89,825	6,729,183	74,914	40.8	8,926	647,500	256.161	2.8%

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

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

Notes:

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2) Income Data is provided by the U.S. Census Bureau, 2011-2015 American Community Survey. Income data has been restated from previous years.
- 3) Student Enrollment reflects the total number of students enrolled in the San Leandro Unified School District. Any other school districts within the City are not accounted for in this statistic.
- 4) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

**City of San Leandro
Principal Employers
Current Year and Eight Years Ago**

Employer	2018-19			2010-11		
	Number of Employees	Rank	Percent of Total Employment	Number of Employees	Rank	Percent of Total Employment
Kaiser Permanente	3,500	1	7.42%			
SLUSD**	1,877	2	3.98%			
Alameda Health System*	1,459	3	3.09%	1,262		4.30%
Walmart (2 locations)	727	4	1.54%			
Acco Engineered Systems***	600	5	1.27%	540		1.84%
City of San Leandro*	545	6	1.15%	453		1.54%
Ghirardelli Chocolate Co.	514	7	1.09%			
Peterson Cat	483	8	1.02%			
Safeway (4 locations)	476	9	1.01%			
Costco Wholesale	450	10	0.95%	333		1.13%
American Medical Response West				402		1.37%
Coca Cola Bottling Co.				317		1.08%
North Face, Inc				314		1.07%
Kindred Hospital - SF Bay Area				268		0.91%
OSI Soft, Inc				238		0.81%
Total Top Employers	10,631		22.52%	4,127		14.05%
Total City Employment (1)	47,200			29,364		

Source: Avenu Insights & Analytics

Notes:

*Includes full and part-time

**Includes part-time and substitutes

(1) Total City Labor Force provided by EDD Labor Force Data

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.

Full-Time and Part-Time City Employees by Function - Last Ten Fiscal Years

Operating Indicators by Function - Last Ten Fiscal Years

Capital Assets by Function - Last Ten Fiscal Years



**City of San Leandro
Full-Time and Part-Time City Employees by Function
Last Ten Fiscal Years**

Function	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	55	49	51	50	51	55	50	51	52	52
Police	142	133	136	136	139	139	143	143	140	140
Engineering & Transportation	30	25	25	27	27	27	31	30	29	29
Development Services	19	18	19	21	22	22	26	25	29	27
Public Works Services	113	104	103	102	101	102	102	104	110	109
Other Agencies	9	8	8.5	0	0	0	0	0	0	0
Library	40	33	33	33	33	33	34	34	36	36
Recreation & Human Services	45	35	33	37	39	39	39	39	41	41
Total	453	405	409	406	412	417	425	426	437	434

Notes:
Numbers represent Full-Time equivalents. Fire Services contracted with the Alameda County Fire Department.

Source: City of San Leandro

City of San Leandro
Operating Indicators by Function
Last Ten Fiscal years

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<u>Police Department:</u>										
Arrests	3,722	3,486	3,299	3,279	3,036	2,148	2,789	2,799	2,513	2,151
<u>Building Department:</u>										
Permits Issued	2,507	2,446	2,503	2,564	2,624	1,961	2,891	2,762	4,080	2,275
<u>Public Works Department:</u>										
Street reconstruction (miles)	2.34	0.55	1.39	-	1.35	0.26	0.74	2.24	1.42	1.77
Street resurfacing (miles)	2.72	4.00	8.68	-	17.94	5.39	4.12	5.21	4.69	7.33
<u>Parks and Recreation:</u>										
Number of registrants	16,584	17,099	20,236	21,324	18,914	17,737	17,114	16,742	14,703	14,261
Number of facility rentals	705	1,190	1,282	1,999	2,656	3,830	2,439	2,222	2,465	2,373
<u>Golf Course:</u>										
Golf rounds played	98,000	98,000	97,310	95,995	96,450	102,534	99,185	98,987	105,043	100,409

Notes:

Fire Services are contracted with the Alameda County Fire Department.

Building Department: Methodology changed in 2015 from issuing permits for each discipline to one consolidated permit per project.

Source: City of San Leandro Recreation Department, Police Department, Public Works, and Building Regulations.

**City of San Leandro
Capital Asset Statistics by Function
Last Ten Fiscal Years**

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<u>Police:</u> Stations	1	1	1	1	1	1	1	1	1	1
<u>Fire:</u> Fire Stations	5	5	5	5	5	5	5	5	5	5
<u>Park and Recreation:</u> Parks	16	16	16	16	16	16	16	16	16	16
Community Center	2	2	2	2	2	2	2	2	2	2
<u>Public works:</u> Streets (miles)	175	175	175	175	175	175	175	175	175	175
Streetlights	5,500	5,500	5,500	5,500	5,500	5,500	5,500	5,500	6,000	6,000
Traffic signals	755	755	755	755	755	755	755	755	1,254	1,254
<u>Wastewater:</u> Sanitary Sewer Lines (miles)	130	130	130	130	130	130	128	128	128	128
Storm Drainage Lines In the City (miles)	175	175	175	175	175	175	180	180	180	180
<u>Golf Course:</u> Courses	2	2	2	2	2	2	2	2	2	2

Sources: City of San Leandro: Public Works Department, Engineering & Transportation Department, Recreation Department

