

**ANNUAL
COMPREHENSIVE
FINANCIAL
REPORT**

**CITY OF LAFAYETTE
CALIFORNIA**

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

City of Lafayette, California

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

**Prepared by
The Administrative Services Department**

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City of Lafayette
Annual Comprehensive Financial Report
For the year ended June 30, 2021

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City Council

Teresa Gerring, Mayor
Carl Anduri, Vice Mayor
Susan Candell, Council Member
Gina Dawson, Council Member
Wei-Tai Kwok, Council Member

January 10, 2022

To: Lafayette City Council
From: Tracy Robinson, Administrative Services Director
RE: Fiscal Year 2020-21 Annual Comprehensive Financial Report

The Annual Comprehensive Financial Report (ACFR) of the City of Lafayette for the fiscal year ending June 30, 2021 is submitted in compliance with Section 25253 of the Government Code of the State of California and as prescribed by the Government Accounting Standards Board (GASB) Statement 34.

This report was prepared by the City of Lafayette Finance Department and the responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge, the data included in the report is accurate in all material respects, and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

While it is theoretically possible to design and implement controls that are virtually foolproof, it would be extremely costly to do so. It is difficult to justify paying more for controls than the value of the benefits that they provide. Therefore, entities must, as a practical matter, accept less-than-perfect controls. Thus, one inherent limitation of internal control is that a certain degree of risk will always be unavoidable because of cost/benefit considerations. Another challenge arises from the unique role that management plays in internal control. Managers are almost always in a position to circumvent any controls they put in place. A second inherent limitation of internal control is the risk of management override. Lastly, many control-related procedures depend on employees serving as checks and balances on one another. The effectiveness of such procedures can be frustrated if employees conspire to circumvent the control. A third inherent limitation of internal control is the risk of collusion. The City of Lafayette has implemented internal controls to the extent possible within budgetary constraints. The City is consistently looking for ways to augment such controls using current staffing, including but not limited to training, physical audits by management, separation of duties and standardized documentation to the extent possible.

Badawi & Associates have issued an unqualified (“clean”) opinion on the City of Lafayette’s financial statements for the year ended June 30, 2021. The independent auditor’s report is included with this report.

The ACFR represents the culmination of all budgeting and accounting activities of the City during FY 2020-21. The Management Discussion and Analysis (MD&A) which is also included in this report provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

GENERAL INFORMATION ABOUT THE CITY OF LAFAYETTE

Incorporated in 1968, Lafayette is located in Contra Costa County, one of the nine counties of the San Francisco Bay Area. Located on 15 square miles, Lafayette is noted for its high quality of life with top rated schools, low crime rate, small town downtown, clean air, mild climate and oak tree-studded hills. Located between Berkeley and Walnut Creek, Lafayette has its own Bay Area Rapid Transit station (BART) and is only a 25 minute BART ride from San Francisco.

The City’s population on 1/1/2020 as reported by the State of California Department of Finance was 25,358. The City is primarily a residential community with commercial (retail and office) and light industrial enterprises, as well as local governmental offices.

Lafayette’s commercial district lies in the center of the community and offers a wide variety of services for residents, in addition to boutique shopping and fine dining. The annual Art & Wine Festival attracts as many as 80,000 visitors to the City each year in September, although the festival this year was cancelled due to Covid.

The City operates under the Council-Manager form of government, and is governed by a five-member Council elected at large, serving staggered four-year terms. Council elections are held in November of even numbered years. The Mayor is elected by the Council members from within their ranks to serve rotating one-year terms. The City Manager and City Attorney are appointed by the City Council. The City Manager appoints all Department Directors and through them, all other employees of the City.

Lafayette is a limited service city and contracts with Contra Costa County for police, library, animal, and building services. Other examples of services delivered within the City that are provided by separate agencies are: fire service provided by the Contra Costa Consolidated Fire District, water service by East Bay Municipal Utility District, and sewer service by the Central Contra Costa Sanitary District. The Lafayette School District operates the 4 elementary schools and one middle school within the city boundary. The high school is in the Acalanes Unified School District, which also serves the communities of Canyon, Moraga, Orinda, and portions of Walnut Creek. As a result, the City has only one component unit and no other legal entities for which it is financially or legally responsible.

The City's fiscal year runs from July 1 through June 30. Each year, the Administrative Services Director prepares two budgets -- the Proposed Budget, which is approved in June, and the Final Budget, which is approved in December. The budget process is as follows:

- In January, the City Council meets to set the goals and priorities for the upcoming fiscal year.
- In February and March, the department heads prepare their preliminary budgets and incorporate requests from commissions and committees.
- In mid-March, each department head meets with the City Manager, Administrative Services Director and Assistant Administrative Services Director to review the budget requests.
- In mid-April, the Administrative Services Director presents the Proposed Budget to the Finance Committee.
- At the end of May, the Proposed Budget is introduced at a regular City Council meeting.
- The City Council holds a special budget workshop meeting, usually during the first week in June. At this meeting, the public is invited to comment on the budget and the Council makes a number of important policy decisions regarding the budget.
- The budget and any changes made to it during the budget workshop are adopted by resolution at the next regularly scheduled City Council meeting and before the state required adoption date of June 30.
- After final figures for the prior fiscal year have been audited, usually in late October, the Administrative Services Director begins work on the Final Budget. The Final Budget incorporates actual expenses and revenues from the prior fiscal year, as well as any changes made by the City Council to the Proposed Budget. If other programs or expenditures are anticipated, these items are incorporated into the Final Budget as well.
- The City Council reviews the Final Budget at a regularly scheduled meeting in December, and adopts the Final Budget by resolution.

This annual budget serves as the foundation for Lafayette's financial planning and control. The budget is prepared by fund, program, and function. Department heads may transfer resources within a program as they see fit. The City Council must approve changes to established levels of service, changes in the number of regular positions as defined by the City's adopted Personnel Rules, increases in the total amount allocated for each program, and purchases of capital items which exceed \$10,000 in value and which are not itemized in the Capital Outlay accounts. The City Manager can approve all other modifications not specifically reserved for the City Council.

The City continues to maintain reserves well above best practice recommendations and continues its philosophy of conservative retirement programs, which do not include defined benefit plans.

ORGANIZATIONAL STRUCTURE & COMPENSATION

The City employs 44.35 FTE regular employees as well as many temporary and seasonal employees. Most of the senior management team is experienced and long-tenured:

| | | |
|---------------------|--|----------|
| Niroop Srivatsa | City Manager | 3 years* |
| Tracy Robinson | Administrative Services Director | 21 years |
| Jonathan Katayanagi | Parks & Recreation Director | 5 years |
| Mike Moran | Public Works & Engineering Director | 7 years |
| Joanne Robbins | City Clerk | 27 years |
| Greg Wolff | Planning & Building Director | 3 years* |
| Jennifer Wakeman | Asst. Administrative Services Director | 7 years |
| Ben Alldritt | Chief of Police, County (contract) | 4 years |
| Mala Subramanian | City Attorney, BB&K (contract) | 14 years |

Unlike most public sector organizations, the City of Lafayette does not participate in a defined benefit retirement program. Rather, City employees have traditional defined contribution programs (401 and 457 plans) so these programs are fully funded every pay period. In addition, the City has fully funded the retiree medical program; therefore, there are no unfunded liabilities for retirement benefits.

**Note that while these individuals are new to these positions, they have both been employed by the City for more than 25 years.*

ECONOMIC CONDITION AND OUTLOOK

Local Economy

Lafayette is an affluent suburb of a major metropolitan area and its proximity to a public transit station (BART) makes it convenient for commuters. In addition, the semi-rural setting, low crime rate and excellent schools make the city attractive to families.

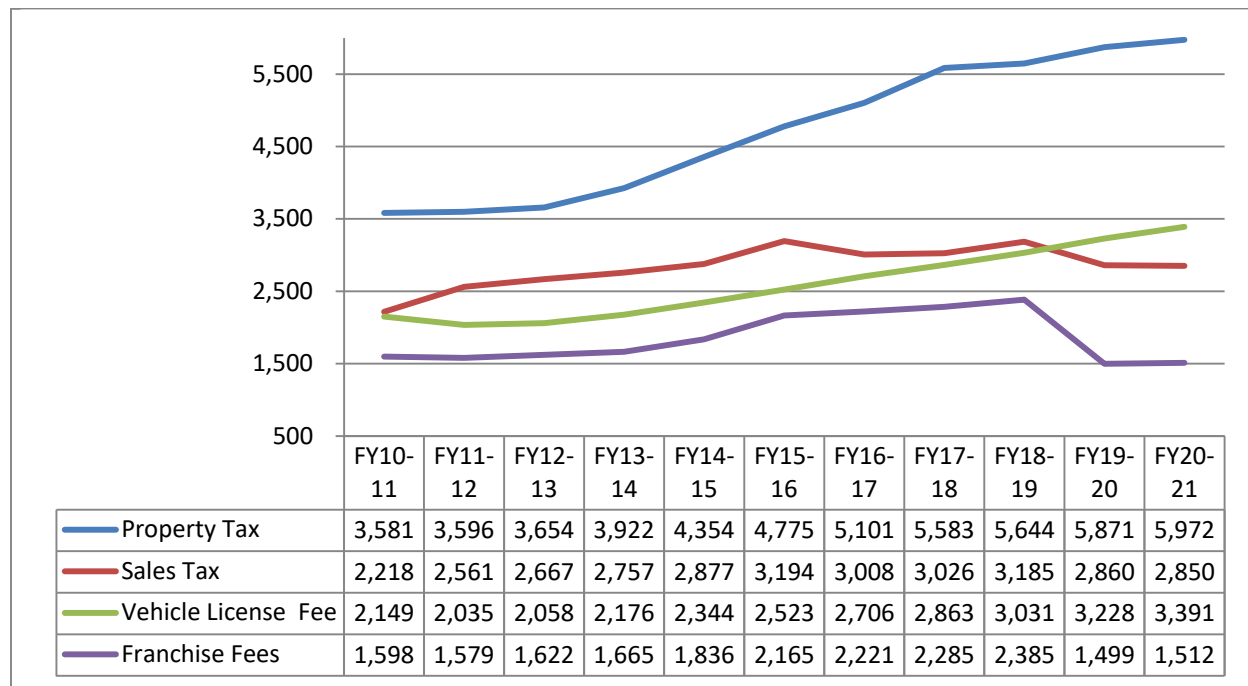
The residents are generally highly educated, with almost 72% having bachelor's degrees or higher and of this group, 45% having a masters, professional, or doctorate degree. The median household income is \$178,889, which compares to \$107,135 for the County and \$75,235 for the State. The median sales price of homes in Lafayette (based on single family residential full value sales) was \$1.8M. Homeownership rates are also very high, at 71%, as compared to a state rate of 54.8%.

These factors generally bode well for Lafayette's major sources of revenue. However, when the County declared a protective "shelter in place" order in mid-March of 2020 due to Covid-19, Lafayette's sales tax revenue, like those of many other cities, decreased significantly, as did the transient occupancy tax (TOT). Sales tax for FY20-21 was about 11% lower from its previous high in FY18-19 (the last "normal" full year pre-Covid) and did not fall as much as previously predicted.

We expect sales tax and TOT revenue to continue to recover slowly over the next several years, however there are signs that the recovery may be quicker than previously expected and could be fully back to pre-Covid levels by FY23-24. The City estimates that it will be able to maintain its 60% General Fund reserve target for at least the next three years. In any case, property tax remains the most significant and stable source of Lafayette’s revenue and there is no indication that the Covid-related economic downturn will significantly affect it. Likewise, franchise fees from PG&E, cable companies and waste management were not impacted by the pandemic. The downturn in franchise fees, beginning in FY19-20, is due to direct allocation of the solid waste contract’s street impact mitigation fee for road repair and rehabilitation to the Streets and Signals Fund. Prior to FY19-20 the fees were received into the General Fund and then transferred to the Streets and Signals Fund.

Finally, after several years of dormancy due to a recession, development has started again and since 2008 several housing projects have been developed with others currently in review. Additional housing includes a combination of single-family homes, multi-family condominiums, townhomes and apartments, second units and assisted living facilities. These projects also appear not to have been significantly impacted by Covid-related downturns.

Major Revenue Trends (in \$000s)



Note that the decrease in Franchise Fees is due to moving approximately \$900K of Solid Waste franchise fee revenue for road rehabilitation directly to the Capital Improvement Fund starting in FY19-20.

Long Term Financial Planning & Major Initiatives

As of June 30, 2021, the City of Lafayette's financial condition remains sound even after Covid-related revenue decreases. The City moved swiftly in the prior fiscal year to cut \$950K in expenses for FY20-21 primarily by instituting a hiring freeze, cutting back landscape maintenance and deferring contributions to sinking funds for one year. By the end of FY20-21, operations were back to normal for the most part. An indicator of financial condition is the level of fund balances, both reserved and unreserved, in the City's General Fund. In 2015, the City Council set a policy of retaining a minimum of 60% of the year's General Fund operating expenditures as an unrestricted reserve. As of June 30, 2021, \$14.6M or 99% of the FY20-21 general fund operating expenditures is designated for this purpose. Given the economic downturn, that amount was expected to decrease however, it actually increased, due primarily to open positions and the deferral and continuation of projects. In FY21-22, the reserve is expected to decrease to \$12.7M as projects are re-budgeted and staff is fully hired.

The City uses a multi-year financial planning process which includes estimates of future revenue and operating expenditure growth, as well as capital needs to be financed from the General Fund over the next five years. The five-year forecast is currently uncertain given that we still do not know when or if businesses will fully recover from Covid-related losses. In addition, there are areas of concern mentioned in previous audit documents that continue to persist. The Stormwater Pollution Fund continues to run deficits. Although several years ago the City started reserving additional money in anticipation of these expenses, the City now needs to start drawing on those funds to balance the budget. The combination of increased requirements by the State coupled with an inability to increase fees may potentially impact service in other areas unless additional sources of revenue are identified. Similarly, the City's Core Area Maintenance Fund continues to run a deficit that has heretofore been filled by General Funds. As costs in this area increase without a concomitant increase in revenue, the City's ability to continue providing high quality services in the downtown may be compromised. Combined with revenues that have not yet fully recovered, let alone increased over pre-pandemic levels, there are projected deficits each year for the foreseeable future. While the 5-year forecast shows that the City will be able to maintain its reserve requirement for the next four years, the reserve balance steadily decreases.

The City of Lafayette maintains a five-year Capital Improvement Program which serves as its planning document to ensure that its infrastructure is well maintained. Under the guidance of the Capital Projects Assessment Committee, the City prioritizes roads for maintenance and reconstruction. Over the course of the last 15 years, the City has been able to whittle what was once a \$23M failed road backlog down completely so that all public roads in Lafayette have been repaved, relieving one of the largest ongoing burdens on the General Fund. In order to maintain a Pavement Condition Index (PCI) rating of 76, the City estimates that the General Fund will need to contribute approximately \$1.8M per year. The City has identified \$1.65M of ongoing funding leaving an annual deficit of \$150K.

Finally, there are two sources of one-time additional income that the City will have to help bridge funding gaps for the next several years. The first is \$6.2M in funds from the American Rescue Plan Act (ARPA) that are dependent on the City proving losses based on a formula. The extent of the “proven” losses will not be fully calculated until December 31, 2023, and the Council has already allocated most of the first tranche of funds (\$3.1M) to various programs and community groups with \$880K being allocated to the City’s General Fund. The second tranche of ARPA funds will be received in July 2022 and the Council has not yet made any allocation decisions for that funding. The other source is \$2.25M from a developer settlement for a project in Moraga. These funds have been received and the Council is currently deliberating on how they should be utilized.

Relevant Financial Policies

The City has a conservative investment policy which emphasizes safety and preservation of capital over yields. The City had previously invested all free cash in the State of California’s pool, called the Local Agency Investment Fund (LAIF), and in the California Asset Management Program (CAMP), a pool established by a California Joint Powers Authority. However, due to the low interest rates returned by that fund, the City recently revised its portfolio allocations to take advantage of additional securities that boost earnings while still maintaining safety and liquidity. In addition to maintaining balances with LAIF and CAMP, the current portfolio is invested in laddered certificates of deposit, and select, highly-rated agency and corporate notes.

Additional reserves against the General Fund include various “sinking funds” for future operating costs such as vehicle replacements, vacation accruals, retiree healthcare, capital expenditures and other monies that have been earmarked for specific purposes by the Council. This allows the City to save money over time for significant capital acquisitions and, therefore, smooth the funding path. For example, the City started a sinking fund of \$100K per year to fund the General Plan update which began in 2020 and will cost approximately \$500K. As noted above, to maintain the City’s 60% General Fund reserves in the face of the Covid-related revenue losses, the City suspended for one year some of those sinking fund contributions.

It is the Council’s policy to adopt a balanced budget each year with conservative estimates of revenue and expenses. For FY21-22, the 5-year forecast uses revenue growth of 2.9% and expense growth of 3.3% which are neither overly optimistic nor pessimistic. It has been the City’s experience that at the end of the year, favorable variances, in both revenues and expenses, allow the City to continue to build the General Fund reserve as well as transfer resources to much needed capital projects.

FINANCIAL REPORTING AWARDS

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

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

ACKNOWLEDGEMENTS

The preparation and development of this report would not have been possible without the special efforts of the entire Finance Department, and most notably, the Assistant Administrative Services Director, Jennifer Wakeman. We would like to take this opportunity to compliment and express our gratitude to all those staff members of the City and our independent auditing firm who were associated with the preparation of this report.

In closing, without the continued leadership and support of the City Council, it would not be possible to conduct the financial operations of the City in the responsible and transparent manner in which they have been managed.

CITY OF LAFAYETTE
CITY OFFICIALS AS OF JUNE 30, 2021

MAYOR

Susan Candell

Term Expires November 2022

CITY COUNCIL

Teresa Gerringer, Vice Mayor
Term Expires November 2022

Carl Anduri, Council Member
Term Expires November 2024

Gina Dawson, Council Member
Term Expires November 2024

Wei-Tai Kwok, Council Member
Term Expires November 2022

CITY MANAGER

Niroop Srivatsa – 2.5 years of service*

**Note that while she is new to this position, she has both been employed by the City for more than 25 years.*

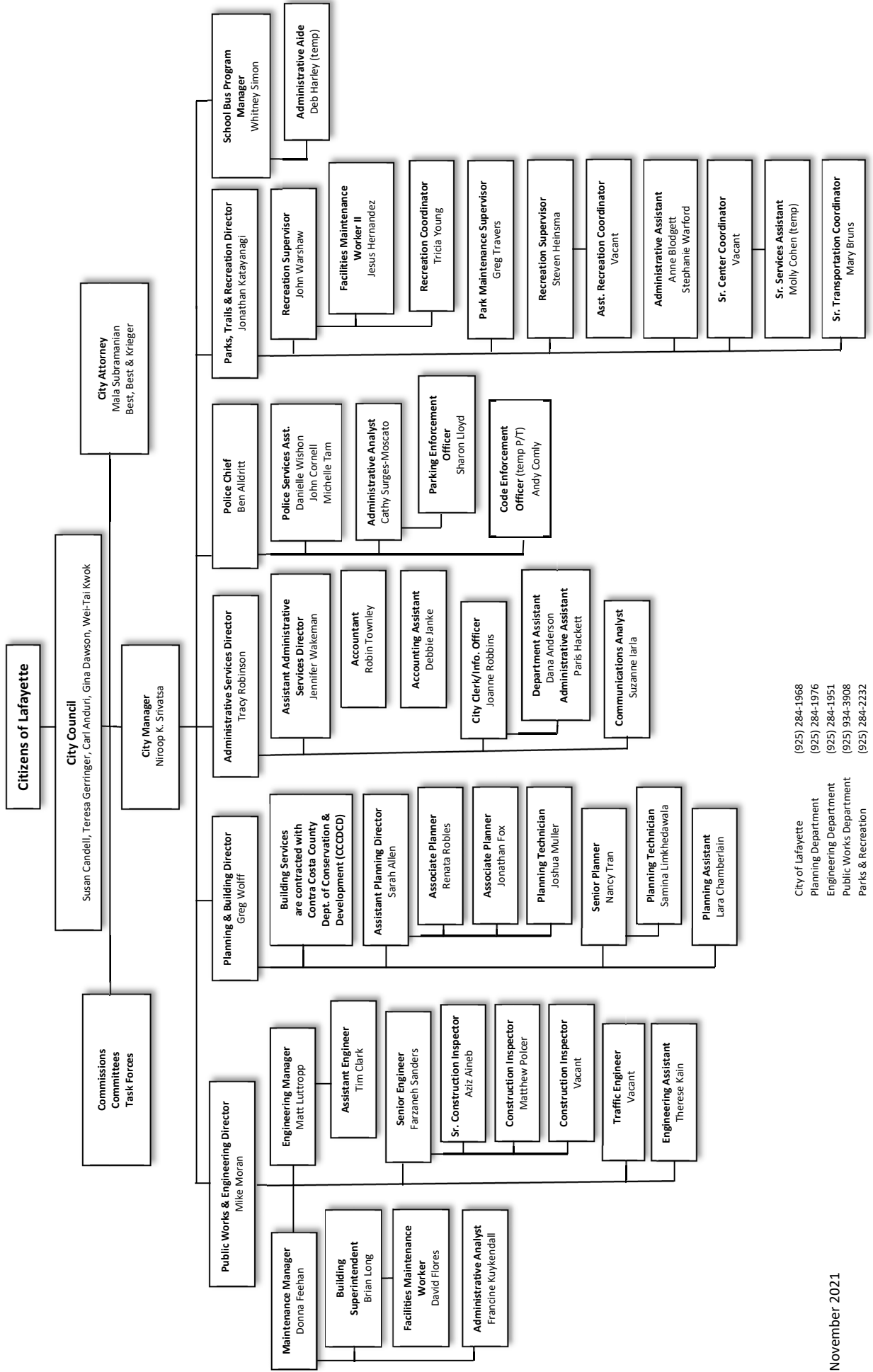
ADMINISTRATIVE SERVICES DIRECTOR

Tracy Robinson – 21 years of service

ASSISTANT ADMINISTRATIVE SERVICES DIRECTOR

Jennifer Wakeman – 7 years of service

City of Lafayette Organization Chart



City of Lafayette (925) 284-1968
 Planning Department (925) 284-1976
 Engineering Department (925) 284-1951
 Public Works Department (925) 934-3908
 Parks & Recreation (925) 284-2232
 Email: FirstInitialLastName@lovelafayette.org



City of Lafayette

Briones Regional Park

Walnut Creek

Orinda

Moraga





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Lafayette
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morrill

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, general fund budgetary comparison schedule, and required other post-employment benefit (OPEB) information on pages 5-16 and 81-84 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, other budgetary comparison schedules, combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

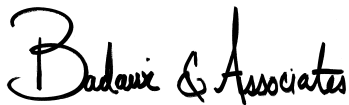
The other budgetary comparison schedules, combining and individual nonmajor fund financial statements, and budgetary comparison schedules of nonmajor governmental funds are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to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

To the Honorable Mayor and Members of the City Council
of the City of Lafayette
Lafayette, California
Page 3

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 4, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi and Associates, CPAs
Berkeley, California
January 4, 2022

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CITY OF LAFAYETTE
Management's Discussion and Analysis
Year Ended June 30, 2021

The management staff of the City of Lafayette (City) offers readers of the City's financial statements this narrative overview and analysis of City financial activities for the fiscal year ended June 30, 2021. To obtain a complete understanding of the City's financial condition, this document should be read in conjunction with the accompanying Transmittal Letter, Basic Financial Statements, and other information.

Financial Highlights

The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$135,164,991 (net position). Of this amount, \$31,058,701 represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.

At the close of the fiscal year, the City's total net position decreased \$5,005,937 compared to the net position at the end of last fiscal year. The unrestricted portion of the City's net position increased by \$189,976 compared to the unrestricted portion at the end of last fiscal year.

The City's governmental funds reported a combined ending fund balance of \$37,312,602, a decrease of \$4,285,954 in comparison with the prior fiscal year fund balance. Approximately \$13.7 million (35%) of the fund balance is available for spending at the City's discretion (unassigned fund balance).

At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund was \$17,338,506, or approximately 117% of total general fund expenditures.

The City's total outstanding long-term debt on the Statement of Net Position consists of General Obligation Bonds with outstanding balances of \$2,850,000.

Explanations of the key terms referenced here are provided further on in this report and within the context of the statements in which they are found.

Overview of the Financial Statements

The discussion and analysis presented here are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

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

The statement of net position presents financial information on all the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. This statement is similar to a private sector balance sheet.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets, parks, and planning and community development. The business-type activities include the City's recreation program.

One of the most important questions often asked about the City's finances is, "Is the City better or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the City as a whole in a way that helps answer this question.

The government-wide financial statements can be found on pages 21-23 of this report.

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

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances left at year-end that are available for spending. Consequently, the governmental fund financial statements provide a detailed short-term view that helps the readers determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the long-term focus of the government-wide statements, additional information is provided that reconciles the governmental fund financial statements to the government-wide statements explaining the relationship (or differences) between them.

The City maintains twenty-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the capital project funds, the debt service fund, the public facilities fund, and the streets and signals fund, which are considered to be major funds. Data from the other remaining governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The twenty-one funds (with corresponding fund numbers in parentheses) are grouped as follows:

- General Fund includes the General Fund (11), Library Operations (37), and Insurance (76).
- Streets & Signals Fund includes only Streets & Signals (14).
- Capital Projects Fund includes Parks Facilities (12), Public Facilities (16), Parkland Acquisition (17), City Offices (75), and Road and Drain Improvement (79).
- Debt Service Fund includes only General Obligation Bonds (78).

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- Other Governmental Funds include Parking Programs (32), Vehicle Abatement (34), Senior Transportation (36), Low and Moderate Income Housing (38), Road Maintenance and Rehabilitation (69), Gas Tax (71), Measure J Return to Source (72), Supplemental Law Enforcement (73), Street Lighting (51), Core Area Maintenance (52), and Storm Water Pollution (53).

The City adopts an annual budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28-34 of this report.

Proprietary Funds. The City maintains one type of proprietary fund, an enterprise fund, for its recreation programs. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 36-38 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The City maintains two types of fiduciary funds, a private-purpose trust fund and agency funds. The private-purpose trust fund is used to report resources held in trust for the Successor Agency to the (now dissolved) Redevelopment Agency that are used to make payments on outstanding obligations. The agency funds are used to account for assets held by the City as an agent for other government agencies; in this case, the Lamorinda Fee and Financing Authority and the Lamorinda School Bus Transportation Agency.

The fiduciary fund financial statements can be found on pages 40-41 of this report.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-77 of this report.

Supplemental Information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information*. Provided here is a budgetary comparison schedule for the general fund comparing the original budget to the final budget and the final budget to the actual. (Pages 87-111)

Statistical Section. This section 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. (Pages 114-157)

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Government-wide Financial Analysis

The largest portion of the City's net position (72%) is the net investment in capital assets of \$97,704,629. This portion reflects the investment in capital assets (e.g., land, buildings, equipment, vehicles, and infrastructure (public streets and storm drains)), less any related outstanding debt that was used to acquire those assets. The City uses these capital assets to provide services to its citizens. Accordingly, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The next largest portion of the City's net position (23%) is the unrestricted portion of \$31,058,701. This portion primarily represents resources that are available to meet the City's ongoing obligations at the discretion of the City Council.

The remaining portion of the City's net position totals \$6,401,661 (5%) and is subject to external restrictions on how it may be used.

At the end of the current fiscal year, the City can report positive balances in all reported categories of net position, for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

Net Position

| | Governmental activities | | Business-type activities | | Total | |
|--|-------------------------|-----------------------|--------------------------|-------------------|-----------------------|-----------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Assets | | | | | | |
| Cash and investments | \$ 37,478,518 | \$ 35,648,469 | \$ 1,244,920 | \$ 997,681 | \$ 38,723,438 | \$ 36,646,150 |
| Other assets | 4,484,854 | 8,973,989 | 249,508 | 161,754 | 4,734,362 | 9,135,743 |
| Capital Assets | 100,554,629 | 101,647,552 | - | - | 100,554,629 | 101,647,552 |
| Total assets | 142,518,001 | 146,270,010 | 1,494,428 | 1,159,435 | 144,012,429 | 147,429,445 |
| Deferred Outflows of Resources | 98,697 | 29,434 | 23,413 | - | 122,110 | 29,434 |
| Liabilities | | | | | | |
| Accounts payable & accrued liabilities | 1,900,322 | 1,161,385 | 45,636 | 26,225 | 1,945,958 | 1,187,610 |
| Refundable deposits | 1,526,898 | 1,314,694 | 29,216 | 21,637 | 1,556,114 | 1,336,331 |
| Long-term debt | 2,850,000 | 3,360,000 | - | - | 2,850,000 | 3,360,000 |
| Other liabilities | 1,815,437 | 992,866 | 706,701 | 303,637 | 2,522,138 | 1,296,503 |
| Total liabilities | 8,092,657 | 6,828,945 | 781,553 | 351,499 | 8,874,210 | 7,180,444 |
| Deferred Inflows of Resources | 77,058 | 104,507 | 18,280 | - | 95,338 | 104,507 |
| Net position | | | | | | |
| Net investment in capital assets | 97,704,629 | 98,287,552 | - | - | 97,704,629 | 98,287,552 |
| Restricted | 6,401,661 | 6,683,473 | - | - | 6,401,661 | 6,683,473 |
| Unrestricted | 30,340,693 | 34,394,967 | 718,008 | 804,936 | 31,058,701 | 35,199,903 |
| Total net position | \$ 134,446,983 | \$ 139,365,992 | \$ 718,008 | \$ 804,936 | \$ 135,164,991 | \$ 140,170,928 |

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The City's overall net position decreased \$5,005,937 from last fiscal year's net position. This represents the combined change between: an operational increase in governmental net position of \$418,392, a one-time adjustment to loans receivable of (\$5,337,401) and an operational decrease in business-type net position of (\$86,928). The reasons for these operational changes and the one-time adjustment are discussed in the following sections on governmental and business-type activities.

Changes in Net Position

| | Governmental activities | | Business-type activities | | Total | |
|---|-------------------------|-------------------|--------------------------|------------------|-------------------|-------------------|
| | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Revenues: | | | | | | |
| Program revenues | | | | | | |
| Charges for services | \$ 2,296,223 | \$ 4,522,650 | \$ 1,439,327 | \$ 1,446,399 | \$ 3,735,550 | \$ 5,969,049 |
| Operating grants and contributions | 1,435,533 | 1,128,962 | - | - | 1,435,533 | 1,128,962 |
| Capital grants and contributions | 782,418 | 1,538,501 | - | - | 782,418 | 1,538,501 |
| General revenues | | | | | | |
| Property taxes | 7,093,223 | 6,887,526 | - | - | 7,093,223 | 6,887,526 |
| Other taxes | 7,851,742 | 7,866,591 | - | - | 7,851,742 | 7,866,591 |
| Other | 4,132,410 | 4,763,934 | 337 | 15,942 | 4,132,747 | 4,779,876 |
| Total revenues | 23,591,549 | 26,708,164 | 1,439,664 | 1,462,341 | 25,031,213 | 28,170,505 |
| Expenses: | | | | | | |
| City council and commissions | 1,435,924 | 1,209,780 | - | - | 1,435,924 | 1,209,780 |
| Police services | 6,237,064 | 6,185,450 | - | - | 6,237,064 | 6,185,450 |
| Public works | 3,520,907 | 3,428,740 | - | - | 3,520,907 | 3,428,740 |
| Planning | 846,886 | 706,587 | - | - | 846,886 | 706,587 |
| Engineering | 5,962,865 | 5,938,527 | - | - | 5,962,865 | 5,938,527 |
| Administration | 3,832,812 | 3,501,765 | - | - | 3,832,812 | 3,501,765 |
| Interest on long-term debt | 74,412 | 99,780 | - | - | 74,412 | 99,780 |
| Recreation | - | - | 1,496,592 | 1,406,644 | 1,496,592 | 1,406,644 |
| Other | 1,292,287 | 1,410,749 | - | - | 1,292,287 | 1,410,749 |
| Total expenses | 23,203,157 | 22,481,378 | 1,496,592 | 1,406,644 | 24,699,749 | 23,888,022 |
| Change in net position before transfers | 388,392 | 4,226,786 | (56,928) | 55,697 | 331,464 | 4,282,483 |
| Transfers | 30,000 | 30,000 | (30,000) | (30,000) | - | - |
| Special item | (5,337,401) | | | | (5,337,401) | |
| Change in net position | (4,919,009) | 4,256,786 | (86,928) | 25,697 | (5,005,937) | 4,282,483 |
| Net position - beginning | 139,365,992 | 135,109,206 | 804,936 | 779,239 | 140,170,928 | 135,888,445 |
| Net position - ending | \$ 134,446,983 | \$ 139,365,992 | \$ 718,008 | \$ 804,936 | \$ 135,164,991 | \$ 140,170,928 |

Governmental Activities. During the current fiscal year, net position for governmental activities decreased \$4,919,009 from the prior fiscal year balance, for an ending balance of \$134,446,983.

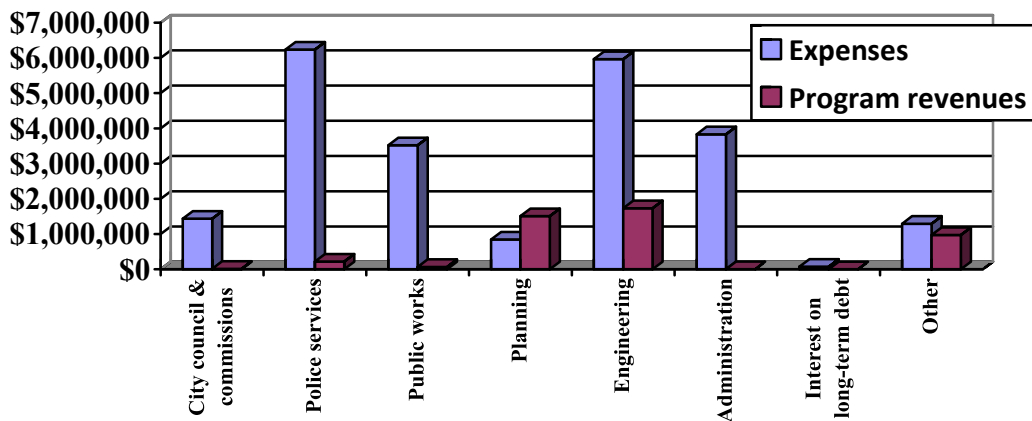
- Revenue from governmental activities decreased 12% from the prior year, the result of significantly lower charges for services (-49%), decreased capital grants and contributions (-49%), and a one-time adjustment to loans receivable.
 - Charges for services decreased \$2,226,427 compared to last fiscal year primarily in the departments of Planning (\$572,000) and Engineering (\$1,229,000). The primary source of

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these decreases was the pandemic, which created much uncertainty in the economy, in addition to the timing of project submittals. Further compounding the decrease is \$460,000 in one-time revenues received last fiscal year.

- Capital grants and contributions revenue decreased by \$756,083 compared to the prior year. Last year saw higher capital grants and contributions revenue due to the 2019 Surface Seal Program, which was a joint project with the Town of Moraga. Since Lafayette administered the billing aspects of the project, it was reimbursed \$1,362,000 from Moraga for this project. While the 2019 Surface Seal Program was closed in the year ended June 30, 2021, other capital grants and contributions received were federal funds for the Pleasant Hill Road Resurfacing project (\$597,000) and state funds (\$120,000).
- After several years of discussions with the State Department of Finance, the Council and staff concluded that collection of the start-up loan principal and interest would not be collectible under the existing legislations and legal recourse was minimal. As a result, the financials reflect a one-time adjustment to loans receivable in the amount of (\$5,337,401).
- Expenses for governmental activities increased 3% from the prior year, with the largest changes in city council and commissions, as well as administration.
 - Costs for city council, commissions, and community support were \$226,000 higher than the previous year due to progress made on the General Plan Update (\$109,000), contract costs for COVID-19/advocacy/grant writing consulting services (\$88,000), and costs associated with the November 3, 2021 presidential election (\$23,000).
 - Costs in Administration went up \$331,000 due to the net result of increased costs for litigation (\$386,000) and bad debt expense (\$73,000), combined with the cost savings of not having a holiday bonus program in 2020 (-\$200,000).

Expenses and Program Revenues - Governmental Activities



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- Police services recouped 4% of its program costs, or \$218,355 in program revenues
- Planning recouped more than its costs in this fiscal year, which is representative of timing differences between when plan work is done versus when fees are paid
- With program revenues of \$1,733,672, Engineering (which includes capital project costs) covered about 29% of its costs with the remaining funding coming from general revenues, including gas tax and Measure J monies
- The Other program category comprises costs for parking services, the senior transportation program and library operations

Business-Type Activities. Fiscal year end results for the City's business-type activity, recreation programs, were negative with net position decreasing by \$86,928, or 11%, to reach an ending net position of \$718,008. The decrease in net position this year is attributable to impacts of the pandemic. While staff continuously works to operate a self-sustaining recreation program the constant shifting of safety protocols and community comfort levels made program offerings very challenging. Net position balances are used to provide resources for times of hardship or transition.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or an individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

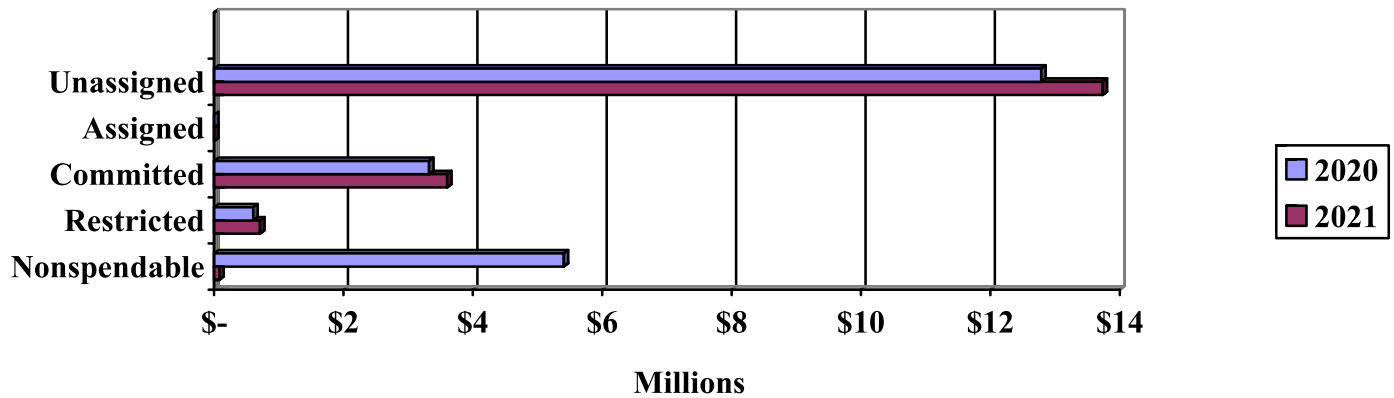
At June 30, 2021, the City's governmental funds reported combined fund balances of \$37,312,602 a decrease of \$4,285,954 in comparison with the prior year. Approximately 37% of the combined fund balance, or \$13,653,693, constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is: 1) not in spendable form (\$85,424), 2) available to be spent only for the specific purposes stipulated by external resource providers (\$5,465,189), 3) designated for use by a government itself (\$18,108,296), or 4) *intended* for a specific purpose by the City (\$0).

The general fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the general fund was \$13,734,982, while total fund balance decreased to \$18,131,592. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents about 93% of total general fund expenditures, which far exceeds the minimum industry recommendation from the

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Government Finance Officers Association of no less than two months (17%). Total fund balance represents about 123% of that same amount.

**General Fund
 Components of Fund Balance
 June 30, 2020 and 2021**



The fund balance of the City's general fund decreased by \$3,991,338 and is the net result of revenues over expenditures of \$2,778,781, transfers out in the amount of \$1,457,718, and a reduction to loans receivable of \$5,337,401.

- Compared to the prior year, revenues were down by \$850,000. The most significant variances were in use of money and property (-\$931,242), charges for service (-\$675,615), intergovernmental (+\$640,804), and property taxes (+\$185,737). The declines seen in use of money and property reflects the low interest rate environment and the loss of interest from the loan receivable that was written-off (~\$160,000). Charges for services were lower as a result of economic uncertainty due to the pandemic and the timing of project submittals. Intergovernmental revenues saw an increase due to grants received for capital projects and from the Coronavirus Aid, Relief, and Economic Security (CARES) Act (\$316,136). Property taxes increased, reflecting the continued demand for real estate in the City and the San Francisco Bay Area at large.
- Expenditures in the current year were \$603,000 more than in the prior year. This change is primarily attributable to increased expenditures in city council, commissions, and community support, (\$213,000), administration (\$197,000), capital outlay (\$106,000), and engineering (\$105,000).
- Transfers out in the current year decreased by 22%, or \$401,000. The General Fund transferred less to the Streets and Signals Fund and the Capital Projects Fund as funding sources were reorganized and based on the anticipated projects for the fiscal year.

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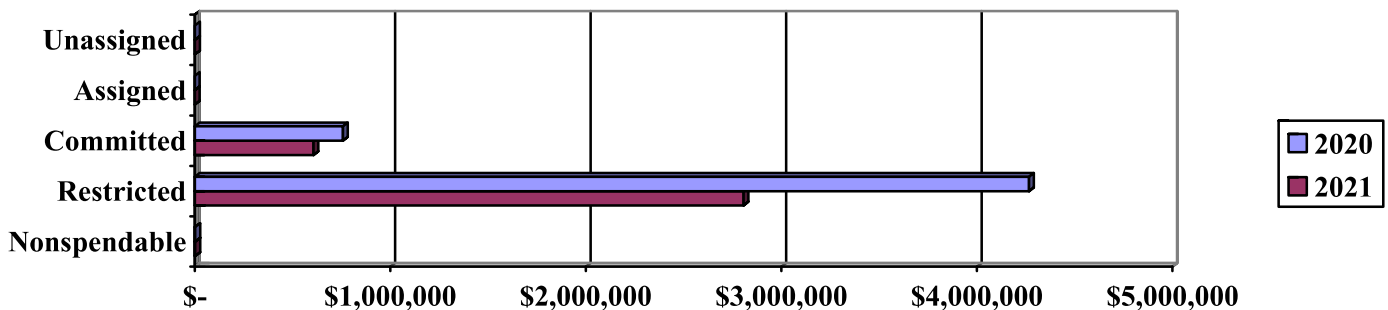
- Lastly, the City recorded a special item for the write-off of the loan from the General Fund to the former Redevelopment Agency of the City of Lafayette. After several years of communications with the State Department of Finance, it became clear that they would not recognize the operational loan as an enforceable obligation under the dissolution legislation. The City Council considered pursuing a legal action to collect these funds, however based on legal advice and precedent set by other agencies, this option was not favorable. As a result, the loan, which had a balance of \$5,337,401 at June 30, 2020, was written off of the City's financial records.

The streets and signals fund, a major governmental fund, had a \$484,580 increase in fund balance in the current fiscal year, resulting in an end of year balance of \$4,758,312. The net positive change was the result of accumulating fee revenues and monies from other funds toward completion of capital projects, in excess of the costs of capital projects occurring in the fiscal year.

The capital projects funds, a major fund, had a \$376,360 increase in fund balance during the current fiscal year which raised the overall fund balance to \$10,539,041. This was primarily due to the receipt of development impact fees on projects (\$445,000) being offset only minimally by project expenses.

The debt service fund, the remaining major fund, had a \$7,118 decrease in fund balance during the current fiscal year, which put the overall fund balance at \$548,798. The decrease results from debt service expenditures in excess of the receipt of tax assessments for the year. It is the City's intention when calculating the tax levy each year that the current fund balance is taken into account against the remaining debt service so that a lower rate is achieved, resulting in reduced property tax bills for landowners, and a fund balance that does not continue to grow. This tax assessment is scheduled to end in 2025.

Other Governmental Funds
Components of Fund Balance
June 30, 2019 and 2020



Governmental funds that do not meet the determination of a major fund are presented in the aggregate. The other governmental funds had a \$1,148,438 decrease in fund balance, resulting in an end of year balance of \$3,334,859. This decrease is attributable to the use of more money than was received in the year with regard primarily to Road Maintenance and Rehabilitation (\$276,727) and Gas Tax (\$458,699). Monies in these funds are collected monthly from the State, accumulated over time, and then expended when eligible projects require funds.

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Proprietary Funds. The City's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. The City's recreation program is tracked as an enterprise fund, a type of proprietary fund.

Unrestricted net position of the recreation programs at the end of the year was \$718,008. The total reduction in net position for the fund was \$86,928. As noted earlier in the discussion of business-type activities, the decrease in net position this year is attributable to impacts of the pandemic. While staff continuously works to operate a self-sustaining recreation program the constant shifting of safety protocols and community comfort levels made program offerings very challenging. Excess funds will provide resources for times of hardship or transition.

General Fund Budgetary Highlights

Original budget compared to final budget. In this fiscal year, the City continued to experience the pandemic with the rest of the world, an environment of significant uncertainty and not a lot of clarity. In April 2020, the Council prepared an original budget for 2020-21 that cut approximately \$950,000 of expenses. These reductions included:

- leaving unfilled positions vacant and deferring employee COLA increases (\$105,000)
- reducing resources in the Police Department for code enforcement, community events and deferring vehicle replacement (\$159,000)
- operational reductions for training, meetings and community communications, in addition to identifying an alternative funding source for the library's extra hours (\$243,000)
- reducing maintenance and landscaping in the core area, at the community center / parks, and on the road, drain, and trail systems (\$100,000)
- deferring funding to maintenance and capital project reserves (\$340,000)

During the first half of the year, there were no budget increases nor decreases that were enacted by the City Council prior to adoption of the final budget.

Final budget compared to actual results. Actual revenues came in over budget by \$732,457.

Property Tax and assessments are the largest revenue source for the City. Incorporated in 1968, the City did not levy a property tax prior to 1978 when Proposition 13 was adopted. Consequently, it receives a relatively low share of the property tax under the statutory formula. Under legislation adopted in 1988, some relief has been granted to cities in similar circumstances. Property tax collections, however, continue to be relatively less than most other California cities collect. Currently, the City receives approximately 6.6% of the property taxes paid by its residents, compared to an average of 10.5% for other cities in Contra Costa. This is not likely to change.

Although the City receives a comparatively low share, the property tax base remains stable. Assessed values in the City increased 5.17% from \$8,861,627,710 in fiscal year 2019/20 to \$9,319,579,032 in fiscal year 2020/21. Differences between the property tax budget and actual revenues received are due to the challenges around the timing of real estate transactions and when they hit the tax roll. For example, homes sales from calendar year 2019 are reflected in the tax roll for fiscal year 2020/21 and can account for half of the change in assessed value for the City.

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Despite the pandemic that continued throughout the fiscal year, the City did relatively well through June 30 due to a combination of conservative revenue estimates and strict adherence to expenditure reductions. The local economy continued to hold steady with minimal, or offsetting, revenue variances except in the category of use of money and property. Potential negative impacts from revenue losses in charges for services were significantly offset by the receipt of additional grants, including from the CARES Act. The low interest rate environment affected the City's earnings potential on pooled monies and reinvestment options as higher yielding investments hit maturity.

Actual expenditures came in \$1,822,858 under budget. The primary sources of these savings were city council, commissions & community support and police services. Due to project progress and timing, several items that were budgeted under the city council, commissions & community support, such as public art (\$121,000), parks and recreation fee studies (\$93,000) and the General Plan Update (\$223,000). Police services were under budget by \$558,000 due to the backfilling of vacant positions with overtime hours. In addition, additional funds are always budgeted here in the event that extra staff may be needed. Public works was under budget by \$220,000 due to lower than budgeted contractual services costs and unused prior years' savings budgets in Street Maintenance and Parks and Trails Maintenance.

Capital Assets and Debt Administration

Capital Assets. The City's investment in capital assets, net of accumulated depreciation, for its governmental activities as of June 30, 2021 is valued at \$100,554,629. The City did not have any capital assets for its business-type activities as of June 30, 2021.

| | Governmental activities | |
|--------------------------|-------------------------|----------------|
| | 2021 | 2020 |
| Land | \$ 15,264,770 | \$ 15,264,770 |
| Improvements | 1,936,669 | 2,209,071 |
| Buildings | 36,166,057 | 37,250,161 |
| Infrastructure | 43,999,973 | 44,682,465 |
| Equipment | 134,215 | 257,734 |
| Vehicles | 559,913 | 371,004 |
| Books and artwork | 1,052,253 | 1,183,715 |
| Construction in progress | 1,440,779 | 428,632 |
| Total capital assets | \$ 100,554,629 | \$ 101,647,552 |

Major capital asset events during the current fiscal year included the following:

- Completed the Pleasant Hill Road Resurfacing Project
- Completed the 200 Street Maintenance Project

Additional information on the City's capital assets can be found in Note 5 on page 62.

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Long-term Debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$2,850,000. This amount is comprised of two general obligation bonds that were issued for the purpose of reconstructing the City's major arterial roadways. This amount is ad valorem property tax debt for which the government is liable in the event of default by the property owners subject to the tax. As of June 30, 2021, the City did not have any long-term obligations for its business-type activities.

The City's total debt decreased by \$510,000 (15%) during the current fiscal year due to the regularly scheduled principal payments on the existing outstanding debt issues.

The City maintains a "AAA" rating from Standard & Poor's for general obligation debt.

State statutes limit the amount of general obligation debt a government entity may issue to annual revenue, unless approved by 2/3 of voters. The debt limitation for the City was \$18 million, which is significantly in excess of the City's outstanding general obligation debt of \$3,360,000.

Additional information on the City's long-term debt can be found in Note 6 on page 63 of this report.

Economic Factors

Lafayette is an affluent suburb of a major metropolitan area and its proximity to a public transit station (BART) makes it convenient for commuters. In addition, the semi-rural setting, low crime rate and excellent schools make the city attractive to families.

The residents are generally highly educated, with almost 72% having a bachelor's degrees or higher and of this group, 45% having a masters, professional, associate, or doctorate degree. The median household income is \$178,889, which compares to \$107,135 for the County and \$75,235 for the State. The median price of homes in Lafayette (based on single family residential full value sales for 1/1/2019-8/31/2021) was \$1,892,000. Homeownership rates are also very high, at 71%, as compared to a state rate of 56%.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of Lafayette
Finance Department
3675 Mt. Diablo Blvd., Suite 210
Lafayette, CA 94549

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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City of Lafayette
Statement of Net Position
June 30, 2021

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|-----------------------|
| ASSETS | | | |
| Current assets: | | | |
| Cash and investments | \$ 37,478,518 | \$ 1,244,920 | \$ 38,723,438 |
| Accounts receivable | 3,612,937 | 235,728 | 3,848,665 |
| Interest receivable | 12,818 | 878 | 13,696 |
| Prepaid items | 85,424 | 12,902 | 98,326 |
| Total current assets | 41,189,697 | 1,494,428 | 42,684,125 |
| Noncurrent assets: | | | |
| Loans receivable from Successor Agency | 773,675 | - | 773,675 |
| Capital assets: | | | |
| Nondepreciable | 17,288,698 | - | 17,288,698 |
| Depreciable, net of accumulated depreciation | 83,265,931 | - | 83,265,931 |
| Total capital assets | 100,554,629 | - | 100,554,629 |
| Total Assets | 142,518,001 | 1,494,428 | 144,012,429 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred outflows of resources - OPEB | 98,697 | 23,413 | 122,110 |
| Total deferred outflows of resources | 98,697 | 23,413 | 122,110 |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable and accrued liabilities | 1,900,322 | 45,636 | 1,945,958 |
| Interest payable | 33,877 | - | 33,877 |
| Refundable deposits | 1,526,898 | 29,216 | 1,556,114 |
| Unearned revenue | 211,043 | 490,956 | 701,999 |
| Accrued compensated absences - current portion | 190,358 | 13,795 | 204,153 |
| Long-term debt - due within one year | 525,000 | - | 525,000 |
| Total current liabilities | 4,387,498 | 579,603 | 4,967,101 |
| Noncurrent liabilities: | | | |
| Accrued compensated absences | 761,432 | 55,178 | 816,610 |
| Long-term debt | 2,325,000 | - | 2,325,000 |
| Net OPEB liability | 618,727 | 146,772 | 765,499 |
| Total noncurrent liabilities | 3,705,159 | 201,950 | 3,907,109 |
| Total liabilities | 8,092,657 | 781,553 | 8,874,210 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred inflows of resources - OPEB | 77,058 | 18,280 | 95,338 |
| Total deferred inflows of resources | 77,058 | 18,280 | 95,338 |
| NET POSITION | | | |
| Net investments in capital assets | 97,704,629 | - | 97,704,629 |
| Restricted for: | | | |
| Debt service | 548,798 | - | 548,798 |
| Special revenue projects | 1,622,223 | - | 1,622,223 |
| Capital projects | 1,397,992 | - | 1,397,992 |
| Housing projects | 1,777,745 | - | 1,777,745 |
| Lighting and landscaping | 280,455 | - | 280,455 |
| Community Services | 774,448 | - | 774,448 |
| Total restricted net position | 6,401,661 | - | 6,401,661 |
| Unrestricted | 30,340,693 | 718,008 | 31,058,701 |
| Total net position | \$ 134,446,983 | \$ 718,008 | \$ 135,164,991 |

City of Lafayette
Statement of Activities
For the year ended June 30, 2021

| Functions/Programs | Expenses | Program Revenues | | |
|--|----------------------|----------------------|------------------------------------|----------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Governmental activities: | | | | |
| City council, commissions, and community support | \$ 1,435,924 | \$ - | \$ 12,804 | \$ - |
| Police services | 6,237,064 | 43,628 | 174,727 | - |
| Parking services | 410,864 | 193,532 | - | - |
| Public works | 3,520,907 | 62,122 | - | 3,988 |
| Senior transportation | 104,871 | 2,591 | 72,020 | - |
| Library operations | 776,552 | - | 704,011 | - |
| Planning | 846,886 | 1,035,788 | 471,971 | - |
| Engineering | 5,962,865 | 955,242 | - | 778,430 |
| Administration | 3,832,812 | 3,320 | - | - |
| Interest on long-term debt | 74,412 | - | - | - |
| Total governmental activities | 23,203,157 | 2,296,223 | 1,435,533 | 782,418 |
| Business-type Activities: | | | | |
| Recreation Programs | 1,496,592 | 1,439,327 | - | - |
| Total Business-Type activities | 1,496,592 | 1,439,327 | - | - |
| Total primary government | \$ 24,699,749 | \$ 3,735,550 | \$ 1,435,533 | \$ 782,418 |

General Revenues:

Taxes:

- Property taxes
- Sales taxes
- Franchise taxes
- Transient occupancy tax
- Highway users tax
- Transfer tax

Total taxes

- Motor vehicle in lieu, unrestricted
- Investment earnings
- Other
- Transfers

Total general revenues and transfers

Special item

- adjustment to loans receivable (Note 4)

Change in net position

Net position - beginning of year

Net position - end of year

Net (Expense) Revenue
and Changes in Net Position

| Total | Governmental Activities | Business-Type Activities | Total |
|---------------------|----------------------------|-----------------------------|-----------------------|
| \$ 12,804 | \$ (1,423,120) | \$ - | \$ (1,423,120) |
| 218,355 | (6,018,709) | - | (6,018,709) |
| 193,532 | (217,332) | - | (217,332) |
| 66,110 | (3,454,797) | - | (3,454,797) |
| 74,611 | (30,260) | - | (30,260) |
| 704,011 | (72,541) | - | (72,541) |
| 1,507,759 | 660,873 | - | 660,873 |
| 1,733,672 | (4,229,193) | - | (4,229,193) |
| 3,320 | (3,829,492) | - | (3,829,492) |
| - | (74,412) | - | (74,412) |
| <u>4,514,174</u> | <u>(18,688,983)</u> | <u>-</u> | <u>(18,688,983)</u> |
| | | | |
| <u>1,439,327</u> | <u>-</u> | <u>(57,265)</u> | <u>(57,265)</u> |
| <u>1,439,327</u> | <u>-</u> | <u>(57,265)</u> | <u>(57,265)</u> |
| <u>\$ 5,953,501</u> | <u>(18,688,983)</u> | <u>(57,265)</u> | <u>(18,746,248)</u> |
| | | | |
| | 7,093,223 | - | 7,093,223 |
| | 3,418,036 | - | 3,418,036 |
| | 2,534,504 | - | 2,534,504 |
| | 263,680 | - | 263,680 |
| | 1,079,784 | - | 1,079,784 |
| | 555,738 | - | 555,738 |
| | <u>14,944,965</u> | <u>-</u> | <u>14,944,965</u> |
| | 3,391,221 | - | 3,391,221 |
| | 92,686 | 337 | 93,023 |
| | 648,503 | - | 648,503 |
| | 30,000 | (30,000) | - |
| | <u>19,107,375</u> | <u>(29,663)</u> | <u>19,077,712</u> |
| | | | |
| | (5,337,401) | - | (5,337,401) |
| | (4,919,009) | (86,928) | (5,005,937) |
| | <u>139,365,992</u> | <u>804,936</u> | <u>140,170,928</u> |
| | <u>\$ 134,446,983</u> | <u>\$ 718,008</u> | <u>\$ 135,164,991</u> |

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FUND FINANCIAL STATEMENTS

Governmental Fund Financial Statements

Proprietary Fund Financial Statements

Fiduciary Fund Financial Statements

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year. The funds described below were determined to be Major Funds by the City for the current fiscal year. Individual other governmental funds may be found in the Supplemental Section.

General Fund

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

Streets and Signals Fund

Tracks grants / funding contributions and costs associated with capital improvement projects: roads, drains, walkways, etc.

Capital Projects Fund

This fund accounts for the collection of resources and related expenditures on the acquisition and construction of major capital improvements in the City.

Debt Service Fund

This fund accounts for the accumulation of financial resources for the payment of interest and principal on the long-term debt of the City. Ad valorem taxes are used for the payment of principal and interest.

City of Lafayette
Balance Sheet
Governmental Funds
June 30, 2021

| | General Fund | Streets and Signals Fund | Capital Projects Fund |
|---|----------------------|--------------------------------|-----------------------------|
| ASSETS | | | |
| Cash and investments | \$ 18,317,624 | \$ 5,256,969 | \$ 10,550,518 |
| Accounts receivable | 2,063,182 | 95,337 | - |
| Interest receivable | 1,414 | 3,859 | 6,009 |
| Due from other funds | 605,600 | - | - |
| Prepaid items | 81,698 | 1,691 | - |
| Loans receivable from Successor Agency | - | - | - |
| Total assets | <u>21,069,518</u> | <u>5,357,856</u> | <u>10,556,527</u> |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable and accrued liabilities | 1,200,313 | 599,232 | 17,486 |
| Due to other funds | - | - | - |
| Refundable deposits | 1,526,586 | 312 | - |
| Unearned revenue | 211,027 | - | - |
| Total liabilities | <u>2,937,926</u> | <u>599,544</u> | <u>17,486</u> |
| Deferred inflows of resources: | | | |
| Unavailable revenue | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> |
| Fund Balances: | | | |
| Nonspendable | 81,698 | 1,691 | - |
| Restricted | 711,388 | 1,397,992 | - |
| Committed | 3,603,524 | 3,358,629 | 10,539,041 |
| Unassigned | 13,734,982 | - | - |
| Total fund balances | <u>18,131,592</u> | <u>4,758,312</u> | <u>10,539,041</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 21,069,518</u> | <u>\$ 5,357,856</u> | <u>\$ 10,556,527</u> |

| Debt Service Fund | Other Governmental Funds | Total Governmental Funds |
|-------------------------|--------------------------------|--------------------------------|
| \$ 548,798 | \$ 2,804,609 | \$ 37,478,518 |
| - | 1,454,418 | 3,612,937 |
| - | 1,536 | 12,818 |
| - | - | 605,600 |
| - | 2,035 | 85,424 |
| - | 773,675 | 773,675 |
| <u>548,798</u> | <u>5,036,273</u> | <u>42,568,972</u> |
| - | 83,291 | 1,900,322 |
| - | 605,600 | 605,600 |
| - | - | 1,526,898 |
| - | 16 | 211,043 |
| - | 688,907 | 4,243,863 |
| - | 1,012,507 | 1,012,507 |
| - | 1,012,507 | 1,012,507 |
| - | 2,035 | 85,424 |
| 548,798 | 2,807,011 | 5,465,189 |
| - | 607,102 | 18,108,296 |
| - | (81,289) | 13,653,693 |
| <u>548,798</u> | <u>3,334,859</u> | <u>37,312,602</u> |
| <u>\$ 548,798</u> | <u>\$ 5,036,273</u> | <u>\$ 42,568,972</u> |

City of Lafayette

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position June 30, 2021

| | |
|---|-----------------------|
| Total Fund Balances - Total Governmental Funds | \$ 37,312,602 |
| Amounts reported for governmental activities in the statement of net position are different from the Governmental Funds Balance Sheet because: | |
| Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows: | |
| Nondepreciable | 17,288,698 |
| Depreciable, net | 83,265,931 |
| Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the Governmental Funds Balance Sheet. | (33,877) |
| Unavailable revenues recorded in the fund financial statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements. | 1,012,507 |
| In the Government-Wide Financial Statements, deferred employer contributions for OPEB, certain differences between actuarial estimates and actual results, and other adjustments resulting from changes in assumptions and benefits are deferred in the current year. | |
| Deferred outflows of resources related to OPEB | 98,697 |
| Deferred inflows of resources related to OPEB | (77,058) |
| Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. | |
| Accrued compensated absences - current | (190,358) |
| Accrued compensated absences - noncurrent | (761,432) |
| Long-term debt - due within one year | (525,000) |
| Long-term debt - due in more than one year | (2,325,000) |
| Net OPEB liability | (618,727) |
| Net Position of Governmental Activities | \$ 134,446,983 |

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City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balances

Governmental Funds

For the year ended June 30, 2021

| | General Fund | Streets and Signals Fund | Capital Projects Fund |
|--|----------------------|--------------------------------|-----------------------------|
| REVENUES: | | | |
| Property taxes | \$ 5,770,602 | \$ - | \$ - |
| Sales taxes | 2,849,976 | - | - |
| Other taxes | 2,331,640 | 1,022,282 | - |
| Charges for services | 1,840,394 | 138,659 | 445,318 |
| Intergovernmental | 3,893,996 | 699,000 | - |
| Licenses and permits | 454,463 | - | - |
| Fines, forfeitures and penalties | 31,102 | - | - |
| Use of money and property | 64,998 | (1,309) | 2,600 |
| Miscellaneous | 337,302 | 81,220 | - |
| Total revenues | 17,574,473 | 1,939,852 | 447,918 |
| EXPENDITURES: | | | |
| Current: | | | |
| City council, commissions, and community support | 1,394,972 | - | - |
| Police services | 5,247,642 | - | - |
| Parking services | - | - | - |
| Public works | 1,800,914 | - | 70,018 |
| Senior transportation | - | - | - |
| Library operations | 692,011 | - | - |
| Planning | 721,506 | - | - |
| Engineering | 851,295 | 394,590 | - |
| Administration | 3,421,942 | 89,315 | 10,083 |
| Capital outlay | 665,410 | 3,949,811 | 77,784 |
| Debt service: | | | |
| Principal | - | - | - |
| Interest and fiscal charges | - | - | - |
| Total expenditures | 14,795,692 | 4,433,716 | 157,885 |
| REVENUES OVER (UNDER) EXPENDITURES | 2,778,781 | (2,493,864) | 290,033 |
| OTHER FINANCING SOURCES (USES): | | | |
| Transfers in | 25,000 | 2,978,444 | 86,327 |
| Transfers out | (1,457,718) | - | - |
| Total other financing sources (uses) | (1,432,718) | 2,978,444 | 86,327 |
| Special Item | | | |
| Adjustment to loans receivable (Note 4) | (5,337,401) | - | - |
| Net change in fund balances | (3,991,338) | 484,580 | 376,360 |
| FUND BALANCES: | | | |
| Beginning of year, as restated | 22,122,930 | 4,273,732 | 10,162,681 |
| End of year | \$ 18,131,592 | \$ 4,758,312 | \$ 10,539,041 |

| Debt Service Fund | Other Governmental Funds | Total Governmental Funds |
|-------------------------|--------------------------------|--------------------------------|
| \$ 584,258 | \$ 738,362 | \$ 7,093,222 |
| - | 93,432 | 2,943,408 |
| - | 1,079,785 | 4,433,707 |
| - | 113,502 | 2,537,873 |
| - | 230,206 | 4,823,202 |
| - | 25,245 | 479,708 |
| - | 66,203 | 97,305 |
| - | 26,397 | 92,686 |
| - | 200,578 | 619,100 |
| <u>584,258</u> | <u>2,573,710</u> | <u>23,120,211</u> |
| - | - | 1,394,972 |
| - | 649,705 | 5,897,347 |
| - | 332,588 | 332,588 |
| - | 987,767 | 2,858,699 |
| - | 104,871 | 104,871 |
| - | - | 692,011 |
| - | 1,578 | 723,084 |
| - | - | 1,245,885 |
| 1,490 | - | 3,522,830 |
| - | 43,586 | 4,736,591 |
| 510,000 | - | 510,000 |
| 79,886 | - | 79,886 |
| <u>591,376</u> | <u>2,120,095</u> | <u>22,098,764</u> |
| <u>(7,118)</u> | <u>453,615</u> | <u>1,021,447</u> |
| - | 726,391 | 3,816,162 |
| - | (2,328,444) | (3,786,162) |
| - | (1,602,053) | 30,000 |
| - | - | (5,337,401) |
| (7,118) | (1,148,438) | (4,285,954) |
| 555,916 | 4,483,297 | 41,598,556 |
| <u>\$ 548,798</u> | <u>\$ 3,334,859</u> | <u>\$ 37,312,602</u> |

City of Lafayette

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Government-Wide Statement of Activities For the year ended June 30, 2021

| | |
|---|-----------------------|
| Net Change in Fund Balances - Total Governmental Funds | \$ (4,285,954) |
|---|-----------------------|

Amounts reported for governmental activities in the Government-Wide Statement of Activities were different because:

Governmental funds reported capital outlay as expenditures. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over their estimated lives as depreciation expense.

| | |
|--|-----------|
| Capital outlay and other capitalized expenditures are added back to fund balance | 4,304,059 |
|--|-----------|

| | |
|---|-------------|
| Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but did not require the use of current financial resources. Therefore, depreciation expense was not reported as expenditures in the governmental funds. | (5,396,982) |
|---|-------------|

| | |
|--|-----------|
| Accrued compensated leave payments were reported as expenditures in the governmental funds, however expense is recognized in the Government-Wide Statement of Activities based on earned leave accruals. | (195,611) |
|--|-----------|

Debt proceeds provide current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Repayment of debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.

| | |
|---------------------------|---------|
| Long-term debt repayments | 510,000 |
|---------------------------|---------|

| | |
|--|-------|
| Interest payments are recorded as expenditures in the governmental funds, however interest expense is recognized as expenses are incurred on the Government-Wide Statement of Activities | 5,474 |
|--|-------|

| | |
|---|---------|
| Unavailable revenues recorded in the fund financial statements resulting from activities in which revenues were earned but were not available are reclassified as revenues in the Government-Wide Financial Statements. | 474,628 |
|---|---------|

| | |
|---|--------|
| Current year employer OPEB contributions are recorded as expenditures in the governmental funds, however, these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position. | 36,894 |
|---|--------|

| | |
|---|-----------|
| OPEB expense is reported in the Government-Wide Statement of Activities does not require the use of current financial resources, and therefore is not reported as expenditures in governmental funds. | (371,517) |
|---|-----------|

| | |
|--|-----------------------|
| Change in Net Position of Governmental Activities | \$ (4,919,009) |
|--|-----------------------|

PROPRIETARY FUND FINANCIAL STATEMENTS

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The City's only proprietary fund (business-type) is that of the "Recreation Programs."

Recreation Programs Enterprise Fund

The Recreation Department provides a variety of recreation activities that enhance the quality of life for all Lafayette citizens. The Department also administers rentals at the Lafayette Community Center, the Buckeye Fields building and Lafayette Community Park. The Lafayette Community Center is the primary facility used by the recreation activities, but schools and other public and private facilities also are used. A Community Center Foundation assists the Department with fundraising activities which go toward building and landscaping improvements. The City Council expects the programs to be self-supporting. The Parks and Recreation Director has full profit and loss responsibility for this budget program.

City of Lafayette
Statement of Net Position
Proprietary Funds
June 30, 2021

| | Recreation Programs |
|--|------------------------|
| ASSETS | |
| Current Assets: | |
| Cash and investments | \$ 1,244,920 |
| Accounts receivable | 235,728 |
| Interest receivable | 878 |
| Prepaid items | 12,902 |
| Total assets | 1,494,428 |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Deferred outflows of resources - OPEB | 23,413 |
| Total deferred outflows of resources | 23,413 |
| LIABILITIES | |
| Current liabilities: | |
| Accounts payable and accrued liabilities | 45,636 |
| Refundable deposits | 29,216 |
| Accrued compensated absences - current portion | 13,795 |
| Unearned revenue | 490,956 |
| Total current liabilities | 579,603 |
| Noncurrent liabilities: | |
| Accrued compensated absences | 55,178 |
| Net OPEB liability | 146,772 |
| Total noncurrent liabilities | 201,950 |
| Total liabilities | 781,553 |
| DEFERRED INFLOWS OF RESOURCES | |
| Deferred inflows of resources - OPEB | 18,280 |
| Total deferred inflows of resources | 18,280 |
| NET POSITION | |
| Unrestricted | 718,008 |
| Total net position | \$ 718,008 |

City of Lafayette
Statement of Revenues, Expenditures and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2021

| | Recreation Programs |
|--|------------------------|
| OPERATING REVENUES: | |
| Recreation fees | \$ 1,400,159 |
| Building rentals | 39,168 |
| Total operating revenues | 1,439,327 |
| OPERATING EXPENSES: | |
| Personnel services | 916,619 |
| Contractual services | 552,476 |
| Printing and supplies | 27,497 |
| Total operating expenses | 1,496,592 |
| Operating income (loss) | (57,265) |
| NONOPERATING REVENUES (EXPENSES): | |
| Interest income | 337 |
| Total nonoperating revenues (expenses) | 337 |
| Income before contributions and transfers | (56,928) |
| CONTRIBUTIONS AND TRANSFERS: | |
| Transfers out | (30,000) |
| Total contributions and transfers | (30,000) |
| Change in net position | (86,928) |
| NET POSITION: | |
| Beginning of year | 804,936 |
| End of year | \$ 718,008 |

City of Lafayette
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2021

| | <u>Recreation Programs</u> |
|--|--------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Receipts from customers | \$ 1,606,243 |
| Payments to suppliers | (565,019) |
| Payments to employees | (761,322) |
| | <u>279,902</u> |
| Net cash provided by (used in) operating activities | <u>279,902</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | |
| Transfers in (out) | (30,000) |
| | <u>(30,000)</u> |
| Net cash provided by (used in) noncapital financing activities | <u>(30,000)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Interest received | 337 |
| | <u>337</u> |
| Net cash provided by (used in) investing activities | <u>337</u> |
| NET INCREASE (DECREASE) IN CASH AND INVESTMENTS | 250,239 |
| CASH AND INVESTMENTS - Beginning of year | <u>994,681</u> |
| CASH AND INVESTMENTS - End of year | <u>\$ 1,244,920</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES: | |
| Operating income (loss) | \$ (57,265) |
| Change in assets and liabilities: | |
| Receivables, net | (83,297) |
| Prepaid items | (4,457) |
| Deferred outflows - OPEB | (23,413) |
| Accounts payable and other accrued expenses | 19,411 |
| Accrued compensated absences | 13,658 |
| Refundable deposits | 7,579 |
| Unearned revenue | 242,634 |
| Net OPEB liability | 146,772 |
| Deferred outflows - OPEB | 18,280 |
| | <u>18,280</u> |
| Net cash provided by (used in) operating activities | <u>\$ 279,902</u> |

FIDUCIARY FUND FINANCIAL STATEMENTS

Private Purpose Trust Funds

Private Purpose Trust Funds account for resources held by the City as trustee for third party beneficiaries. The City's only trust fund relates to its role as the Successor Agency for the former Redevelopment Agency.

Custodial Funds

An Custodial Fund is a clearing type fund for the collection of taxes or deposits held, on behalf of individuals, private organizations and other governments. The fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

City of Lafayette
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2021

| | Private Purpose Trust Fund | Custodial Funds |
|---|-------------------------------|---------------------|
| ASSETS | | |
| Cash and investments | \$ 1,172,518 | \$ 3,265,653 |
| Restricted cash and investments held by fiscal agents | 1,853,189 | - |
| Receivables: | | |
| Accounts | - | 293,630 |
| Interest | - | 1,864 |
| Other assets | - | 500 |
| Prepaid items | - | 11,402 |
| Total assets | 3,025,707 | 3,573,049 |
| LIABILITIES | | |
| Accounts payable | \$ - | \$ 45,460 |
| Unearned revenue | - | 386,771 |
| Compensated absences | - | 7,027 |
| Interest payable | 608,158 | - |
| Loan payable to the City's General Fund | 773,675 | - |
| Long-term debt - due in less than one year | 1,100,000 | - |
| Long-term debt - due in more than one year | 31,421,805 | - |
| Total liabilities | 33,903,638 | 439,258 |
| NET POSITION | | |
| Restricted for | | |
| Individuals, organizations, and other governments | (30,877,931) | 3,133,791 |
| Total Net Position | \$ (30,877,931) | \$ 3,133,791 |

City of Lafayette
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2021

| | Private Purpose Trust Fund | Custodial Funds |
|-------------------------------------|-------------------------------|---------------------|
| ADDITIONS: | | |
| Property taxes | \$ 3,659,930 | \$ - |
| Regional Fees passed through | - | 230,387 |
| Participant fees | - | 18,084 |
| Grants and subsidies | - | 1,416,083 |
| Donation and gift | - | 32 |
| Use of money and property | 51,182 | 1,518 |
| Total additions | 3,711,112 | 1,666,104 |
| DEDUCTIONS: | | |
| Administration expenses | 250,000 | 202,871 |
| Contractual services | 77,607 | 443,920 |
| Interest expense and fiscal charges | 1,371,717 | - |
| Total deductions | 1,699,324 | 646,791 |
| SPECIAL ITEMS: | | |
| Adjustments to note payable | 5,337,401 | - |
| Total special items | 5,337,401 | - |
| Change in net position | 7,349,189 | 1,019,313 |
| NET POSITION: | | |
| Beginning of year, as restated | (38,227,120) | 2,114,478 |
| End of year | <u>\$ (30,877,931)</u> | <u>\$ 3,133,791</u> |

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NOTES TO BASIC FINANCIAL STATEMENTS

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City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. *Financial Reporting Entity*

Incorporated in 1968, the City is located in Contra Costa County, one of the nine counties of the San Francisco Bay Area. Located on 15 square miles, the City is noted for its high quality life with top rated schools, low crime rate, small town downtown, clean air, mild climate, and oak tree-studded hills. Located between the Berkeley and Walnut Creek, the City has its own Bay Area Rapid Transit Station (BART) and is only a 25 minute BART ride from San Francisco.

The City's current population is estimated to be 26,961. The City is primarily a residential community with commercial and light industrial enterprises as well as local government offices.

The basic financial statements of the City include only the financial activities of the City, including a blended component unit:

City of Lafayette Public Facilities Financing Authority (Authority) - The Authority is a joint exercise powers authority duly organized and existing under and pursuant to that certain Joint Exercise of Powers Agreement by and between the City and the former Redevelopment Agency of the City. The Authority was created by the Lafayette City Council (City Council) on February 1, 2002 for the purpose of acting as a vehicle for various financing activities of the City. The City Council serves as the Board of Directors for the Authority. The Authority did not have any operations for the year ended June 30, 2021.

B. *Basis of Accounting and Measurement Focus*

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity with its own self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance or net position, revenues, and expenditures or expenses. These funds are established for the purpose of carrying out specific activities or certain objectives in accordance with specific regulations, restrictions, or limitations. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Government-Wide Financial Statements

The City's government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the City accompanied by a total column.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Government-Wide Financial Statements, Continued

These financial statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets, deferred inflows/outflows of resources, and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liabilities are incurred.

Certain types of transactions reported as program revenues for the City are reported in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transaction balances have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

The City applies all applicable GASB pronouncements including all NCGA Statements and Interpretations currently in effect.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in fund balance as presented in these statements to the net position in the government-wide financial statements. The City has presented all major funds that meet specific qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures in the current period.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

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

General Fund – the City’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Streets and Signals Fund – tracks grants/funding contributions and costs associated with capital improvement projects: roads, drains, walkways, etc.

Capital Projects Fund – accounts for the collection of resources and related expenditures on the acquisition and construction of major capital improvements in the City.

Debt Service Fund – This fund accounts for the accumulation of the financial resources for the payment of interest and principal on the long-term debt of the City. Ad valorem taxes are used for the payment of principal and interest.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows.

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 present increase (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 a 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 nonoperating revenues. Operating expenses are those expenses that are essential to the operations of the fund. All other expenses are reported as nonoperating expenses.

The City reports one proprietary fund in the accompanying financial statements:

Recreation Programs Enterprise Fund – used by the City to account for the operations of the City’s recreation programs.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City has two types of fiduciary funds, a private-purpose trust fund and custodial funds. Private purpose trust funds accounts for all other trust arrangements in which principal and income benefit individuals, private organizations, and other governments (i.e. unclaimed property/escheat property). Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Fiduciary funds are accounted for using the accrual basis of accounting.

The City’s only private-purpose trust fund, the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund, accounts for the accumulation of resources to be used for payments at appropriate amounts and times in the future.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

B. Basis of Accounting and Measurement Focus, Continued

Fiduciary Fund Financial Statements, Continued

The City's custodial funds account for assets held by the City as an agent for the Lamorinda Fee and Financing Authority and the Lamorinda School Bus Transportation Agency.

The financial activities of these funds are excluded from the City-wide financial statements but are presented in separate fiduciary fund financial statements.

C. Cash and Investments

The City maintains a cash and investments pool that is available for use by all funds. Each fund's portion of this pool is displayed as cash and investments on the balance sheets for the governmental funds and the statements of net position for the proprietary fund and agency funds as cash and investments. Investments are stated at fair value.

In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures (Amendment of GASB Statement No. 3)*, certain disclosure requirements for deposits and investment risks were made in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentrations of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end, and other disclosures.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid money market investments with maturities of one-year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. The City categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. The City did not have any investments measured using Level 3 inputs as of June 30, 2021.

The City participates in an investment pool managed by the State of California entitled Local Agency Investment Fund (LAIF) which has invested a portion of the pooled funds in Structured Notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to the change in interest rates.

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "cash and investments" in the accompanying basic financial statements.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Cash and Investments, Continued

For the purpose of the Statement of Cash Flows, the City considers all pooled cash and investments (consisting of cash and investments and restricted cash and investments) held by the City as cash and cash equivalents because the pool is used essentially as a demand deposit account from the standpoint of the funds. The City also considers all non-pooled cash and investments (consisting of cash with fiscal agent and restricted cash and investments held by fiscal agent) as cash and cash equivalents because investments meet the criteria for cash equivalents defined above.

D. Prepaid Items

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

E. Capital Assets

In the government-wide financial statements, capital assets are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual cost is unavailable, except for donated capital assets which are recorded at acquisition value at the date of donation. Estimated historical cost was used to value the majority of the assets for which cost was not available.

The City's policy has set the capitalization thresholds for reporting capital assets at the following:

| | |
|--------------------------|--------------|
| All buildings | No threshold |
| All other capital assets | \$5,000 |

Prior to July 1, 2001, the governmental funds' infrastructure assets were not capitalized. These assets (back to July 1, 1968) have been valued at estimated historical cost.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation.

The estimated useful lives by type of asset are as follow:

| Type | Useful Life (years) |
|-----------------------------------|---------------------|
| Land, easements, and right of way | N/A |
| Land improvements | 20 |
| Building and improvements | 50 |
| Infrastructure | 15 - 65 |
| Equipment and vehicles | 3 - 15 |
| Book collection | 20 |

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

F. *Deferred Outflows/Inflows of Resources*

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

G. *Compensated Absences*

Compensated absences are comprised of unused vacation leave and compensatory time off, which are accrued as earned. City employees who have 10 or more years of tenure also receive 30% compensation for sick leave. The liability for these compensated absences in the government-wide statements has been estimated by management to be 20% current and 80% noncurrent liabilities (see Note 7). The portion expected to be permanently liquidated is recorded in the Statement of Net Position and is liquidated primarily by the General Fund.

H. *Other Postemployment Benefits (OPEB)*

For purposes of measuring the net OPEB liability, deferred outflows 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 the California Employers' Retiree Benefit Trust (CERBT). For this purpose, benefit payments are recognized when currently due and payable in accordance with benefit terms. Investments are reported at fair value. The net pension liability is liquidated primarily by the General Fund. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

| | |
|--------------------|-------------------------------|
| Valuation Date | June 30, 2020 |
| Measurement Date | June 30, 2020 |
| Measurement Period | July 1, 2019 to June 30, 2020 |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Net Position and Fund Balances

Net position is measured on the full accrual basis, while fund balance is measured on the modified accrual basis.

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 categories. These categories apply only to net position, which is determined only at the government-wide level, and are described below:

Net Investment in Capital Assets represents 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 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 transportation grants and revenues, stormwater, and COPs grants.

Unrestricted net position represents all net position that does not meet the definition of "net investment in capital assets" or "restricted net position" as defined above.

Fund Balance

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 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 fund balance represents balances set aside to indicate items that are not available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as permanent funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for redevelopment are included. However, if proceeds 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.

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. Nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances are established, modified, and rescinded by resolution of the City Council.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

I. Net Position and Fund Balances, Continued

Fund Balance, Continued

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designed and maybe changed at the discretion of the City Council or its designee. The City Manager is authorized to assign amounts to a specific purpose in accordance with the Municipal Code, Chapter 3.04 - Purchasing System approved by City Council under Ordinance 231. This category includes encumbrances.

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.

J. Property Taxes

State of California (State) Constitution Article XIII provides for a maximum general property tax rate statewide of \$1 per \$100 of assessed value. Assessed value is calculated at 100% of market value at the sale date, plus a maximum increase of 2%, unless the value is written down by the county assessor after which it can go back to the value at sale date plus 2% compounded to current. The State Legislature has determined the method of distribution of receipts from a \$1 levy among the counties, cities, school districts, and other districts. Counties, cities, and school districts may levy such additional tax rate as is necessary to provide for voter approved debt service.

However, since the City was incorporated in 1968 as a no-property-tax city, through the fiscal year ended June 30, 1988, Lafayette received property tax distributions only for those geographical areas incorporated into the city limits after 1978, when Proposition XIII became law with its restrictions on funding. Thus, though the City's property owners paid property taxes at the same rate as property owners in other cities, the City of Lafayette received no share, except from those areas of the City annexed after 1978.

Pursuant to the 1988 Trial Court Funding Bill and subsequent reallocations, the City has received a measure of relief from this funding deficiency. Beginning in 1989, the City began receiving funds in lieu of property taxes and/or additional property tax allocations. The receipt of these funds was phased in gradually and by 1997/1998 the City was receiving the equivalent of approximately 7% of the total property taxes that its owners paid. This can be compared to the average 10.5% allocation received by Cities in Contra Costa County. The amount received was further reduced by a partial shift to fund schools, and amounts sent to the Successor Agency of the former Redevelopment Agency (RDA). While the City of Lafayette is a no/low property tax city, it has not qualified for additional property tax allocation since fiscal year 2000-2001.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. Property Taxes, Continued

The County of Contra Costa uses the following calendar to assess properties, bill for, collect, and distribute property taxes.

| | Secured | Unsecured |
|------------------|--|-----------|
| Valuation dates | March 1 | March 1 |
| Lien/levy dates | March 1 | March 1 |
| Due dates | 50% on November 1 50% on February 1 | July 1 |
| Delinquent as of | December 10 April 10 | August 31 |

K. Use of Estimates

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

2. CASH AND INVESTMENTS

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

The following is a summary of the cash and investments at June 30, 2021:

| | Government-Wide Statement of Net Position | | | |
|---------------------------------|--|-----------------------------|--------------------|---------------|
| | Governmental Activities | Business-Type Activities | Fiduciary Funds | Total |
| Cash and investments | \$ 37,478,518 | \$ 1,244,920 | \$ 4,438,171 | \$ 43,161,609 |
| Restricted cash and investments | - | - | 1,853,189 | 1,853,189 |
| Total cash and investments | \$ 37,478,518 | \$ 1,244,920 | \$ 6,291,360 | \$ 45,014,798 |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

A. Summary of Cash and Investments

Cash and investments at June 30, 2021 consist of the following:

| | |
|---|----------------------|
| Cash on hand | \$ - |
| Deposits with financial institutions | 1,833,133 |
| Total cash on hand and deposits | <u>1,833,133</u> |
| Local Agency Investment Funds (LAIF) | 21,179,124 |
| California Assets Management Program (CAMP) | 2,005,159 |
| Federal agencies | 5,310,592 |
| Corporate notes | 891,582 |
| General obligation bonds | 1,638,973 |
| Money market funds | 2,685,072 |
| Certificates of deposit | 7,617,974 |
| Total investments | <u>41,328,476</u> |
| Total City Treasury | <u>43,161,609</u> |
| Cash and investments held by fiscal agents | 1,853,189 |
| Total cash and investments | <u>\$ 45,014,798</u> |

B. Deposits

The carrying amount of the City's cash deposit was \$1,833,133 as of June 30, 2021. Bank balances before reconciling items were a positive amount of \$2,365,827 at June 30, 2021. The City's cash deposit was fully insured up to \$250,000 by the Federal Deposit Insurance Commission. The remaining amount was collateralized with securities held by the pledging financial institutions in the City's name.

The California Government Code (Code) Section 53652 requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. The 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.

Fair value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits.

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 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 Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

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

Under the City's investment policy, and in accordance with the Code, the following investments are authorized at June 30, 2021:

| Authorized Investment Type | Maximum Maturity | Minimum Credit Quality* | Maximum % of Portfolio | Maximum Investment in One Issuer |
|---|------------------|------------------------------|------------------------|----------------------------------|
| U.S. Treasury Obligations | 5 years | N/A | 100% | 100% |
| California Local Agency Obligations | 5 years | Aa2 | 100% | 100% |
| U.S. Agency Securities | 5 years | N/A | 100% | 100% |
| Bankers Acceptances | 180 days | P1 | 20% | 30% |
| Commercial Paper | 270 days | P1 | 25% | 10% |
| Negotiable Certificates of Deposit | 5 years | Aa2 | 30% | 100% |
| Medium-Term Corporate Notes | 5 years | Aa2 | 10% | 100% |
| Money Market Mutual Funds | N/A | Top rating category category | 15% | 10% |
| Collateralized Bank Deposits | 5 years | N/A | 100% | 100% |
| Time Certificates of Deposits | 5 years | N/A | 100% | 100% |
| Joint Powers Authority | N/A | N/A | 100% | 100% |
| California Local Agency Investment Fund | N/A | N/A | \$40 million | 100% |
| Savings Accounts or Money Market Accounts | 5 years | N/A | N/A | N/A |

*As of date of purchase

Investments are stated at fair value using the aggregate method in all funds, resulting in the following investment income in all funds for the year ended June 30, 2021:

| | |
|--|------------------|
| Interest income | \$ 349,248 |
| Unrealized gain (loss) on changes in fair value of investments | (276,080) |
| Total investment income | <u>\$ 73,168</u> |

The City's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates rise, the portfolio value will decline. If interest rates fall, the portfolio value will rise. The portfolio for year-end reporting purposes is treated as if it were all sold. Therefore, fund balance must reflect the portfolio's change in value. These portfolio value changes are unrealized unless sold.

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF at June 30, 2021 include 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 upon one or more indices and/or have embedded forwards or options.

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 collateralized mortgage obligations) or credit card receivables.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

C. *Investments Authorized by the Code and the City's Investment Policy, Continued*

At June 30, 2021, the City had \$21,179,124 invested in LAIF, which had invested 2.31% of the pool investment funds in Structured Notes and Asset-Backed Securities as compared to 3.37% in the previous year. The LAIF fair value factor of 1.00008297 was used to calculate the fair value of the investments in LAIF.

The City is a participant in the California Asset Management Program (CAMP). CAMP is an investment pool offered by the California Asset Management Trust (the Trust). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act (California Government Code Sections 6500 et seq., or the "Act") for the purpose of exercising the common power of CAMP participants to invest certain proceeds of debt issues and surplus funds. CAMP investments are limited to investments permitted by subdivisions (a) to (n), inclusive, of Section 53601 of the California Government Code. The City reports its investments in CAMP at the amortized costs provided by CAMP, which is the same as the value of the pool share in accordance with GASB 79 requirements. At June 30, 2021, the fair value was approximate to the City's cost. At June 30, these investments had an average maturity of 53 days.

The City, as a CAMP shareholder, may withdraw all or any portion of the funds in its CAMP account at any time by redeeming shares. The CAMP Declaration of Trust permits the CAMP trustee to suspend the right of withdrawal from CAMP or to postpone the date of payment of redemption proceeds if the New York Stock Exchange is closed other than for customary weekend and holiday closings, if trading on the New York Stock Exchange is restricted, or if, in the opinion of the CAMP trustees, an emergency exists such that disposal of the CAMP pool securities or determination of its net asset value is not reasonably practicable. If the right of withdrawal is suspended, the City may either withdraw its request for that withdrawal or receive payment based on the net asset value of the CAMP pool next determined after termination of the suspension of the right of withdrawal.

D. *Investments Authorized by Debt Agreements*

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures, or state statutes. These bond indentures did not disclose limitations for maximum percentage of portfolio and investment in one issuer. The following table identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

D. Investments Authorized by Debt Agreements, Continued

| Authorized Investment Type | Maximum Maturity | Minimum Credit Quality |
|---|------------------|------------------------|
| U.S. Treasury Obligations | N/A | N/A |
| U.S. Agency Securities ^(A) | N/A | N/A |
| Bankers Acceptances | 1-year | P1 |
| Commercial Paper | 270 days | P1 |
| Short-term Certificates of Deposit | 1-year | P1 |
| Repurchase Agreements | N/A | A2 |
| Money Market Mutual Funds | N/A | AAAm |
| Unsecured CDs, Deposit Accounts, Time Deposits, Bankers | 1-year | A1 |
| Prefunded Municipal Obligations | N/A | Aaa |
| FDIC Insured Deposit | N/A | N/A |
| Investment Agreements | N/A | Aa2 |

(A) Securities issued by agencies of the federal government such as the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), Export-Import Bank, Farm Credit System Financial Assistance Corporation, Farmers Home Administration, General Services Administration, United States Maritime Administration, Small Business Administration, Government National Mortgage Association (GNMA), United States Department of Housing & Urban Development (PHA's), the Federal Home Loan Mortgage Corporation (FHLMC), and Federal Housing Administration debentures.

E. Risk Disclosures

Interest Risk: Interest rate risk is the market value fluctuation due to overall changes in the interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

E. Risk Disclosures, Continued

Investments held in the City Treasury grouped by maturity date at June 30, 2021 are as follow:

| Investment Type | Total | Investment Maturities (in Months) | | |
|--------------------------------------|---------------|-----------------------------------|-----------------|---------------------|
| | | 12 Months or less | 13 to 24 Months | More than 24 Months |
| Federal Agencies | \$ 5,310,592 | \$ - | \$ - | \$ 5,310,592 |
| Corporate Notes | 891,582 | 510,686 | | 380,896 |
| General Obligation Bonds | 1,638,973 | - | 817,815 | 821,158 |
| Money Market Mutual Funds | 2,685,072 | 2,685,072 | - | - |
| Certificates of Deposit | 7,617,974 | 3,027,837 | 2,567,647 | 2,022,490 |
| Subtotal | 18,144,193 | 6,223,595 | 3,385,462 | 8,535,136 |
| Joint investment pools: | | | | |
| Local Agency Investment Fund | 21,179,124 | 21,179,124 | - | - |
| California Assets Management Program | 2,005,159 | 2,005,159 | - | - |
| Total | \$ 41,328,476 | \$ 29,407,878 | \$ 3,385,462 | \$ 8,535,136 |

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. The following is the minimum rating required by (where applicable) the California Code, the City's investment policy, or debt agreements, and the actual Moody's rating(s) as of June 30, 2021 for each investment type.

| Investment | Total | Credit Quality Rating as of Year-End | | | |
|--|---------------|--------------------------------------|--------------|------|---------------|
| | | Aa1 | Aa2 | Aa3 | Aaa |
| Federal Agencies | \$ 5,310,592 | \$ - | \$ - | \$ - | \$ 5,310,592 |
| Corporate Notes | 891,582 | 380,896 | | | 510,686 |
| General Obligation Bonds | 1,638,973 | - | 1,638,973 | - | - |
| Money Market Mutual Funds | 2,685,072 | - | - | - | 2,685,072 |
| Money Market Funds | 1,853,189 | - | - | - | 1,853,189 |
| Subtotal | 12,379,408 | \$ 380,896 | \$ 1,638,973 | \$ - | \$ 10,359,539 |
| Not Rated: | | | | | |
| Joint Investment Pool: | | | | | |
| Local Agency Investment Fund | 21,179,124 | | | | |
| California Assets Management Program | 2,005,159 | | | | |
| Certificates of Deposit | 7,617,974 | | | | |
| Total Investments | 43,181,665 | | | | |
| Exempt From Rating Requirement: | | | | | |
| Cash on hand and deposits | 1,833,133 | | | | |
| Total Cash and Investments | \$ 45,014,798 | | | | |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

2. CASH AND INVESTMENTS, Continued

E. Risk Disclosures, Continued

Custodial Credit Risk: For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the City's investments were subject to custodial credit risk for the current year.

F. Investment Valuation

Investments (except for money and market accounts, time deposits, and commercial paper) are measured at fair value on a recurring basis. *Recurring* fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs. Investment fair value measurements at June 30, 2021 are described on the following page.

| Investment Type | Fair Value | Fair Value Measurement Using | | |
|---|---------------|------------------------------|--------------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Federal Agencies | \$ 5,310,592 | \$ - | \$ 5,310,592 | \$ - |
| Corporate Notes | 891,582 | - | 891,582 | - |
| General Obligation Bonds | 1,638,973 | - | 1,638,973 | - |
| Total investments subject to fair value | 7,841,147 | \$ - | \$ 7,841,147 | \$ - |
| Investments measured at Net Asset Value Per Share | | | | |
| California Assets Management Program | 2,005,159 | | | |
| Money Market Mutual Fund | 2,685,072 | | | |
| Investments measured at Amortized Cost | | | | |
| Money Market Funds | 1,853,189 | | | |
| Investments not subject to levelling: | | | | |
| Certificates of Deposit | 7,617,974 | | | |
| California Local Agency Investment Fund | 21,179,124 | | | |
| Total Investments | \$ 43,181,665 | | | |

Federal Agencies, Corporate Notes, General Obligations, and Certificates of Deposit classified in Level 2 of the fair value hierarchy are valued using market closing pricing techniques maintained by various pricing vendors. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

3. INTERFUND ACTIVITIES

A. Due To/From Other Funds

Current year due to/from other fund balances arose in the normal course of operations and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2021, the City's due to/from other fund balances comprised of the following:

| Due to Other Funds | Due from Other Funds | |
|-----------------------------|----------------------|-------------------|
| | General Fund | Total |
| Nonmajor Governmental Funds | \$ 605,600 | \$ 605,600 |
| Total | \$ 605,600 | \$ 605,600 |

B. Transfers In/Out

During the year ended June 30, 2021, the City had the following transfers in/out:

| Transfers Out | Transfers In | | | | Total |
|-----------------------------|------------------|--------------------------|-----------------------|-----------------------------|---------------------|
| | General Fund | Streets and Signals Fund | Capital Projects Fund | Nonmajor Governmental Funds | |
| General Fund | \$ - | \$ 650,000 | \$ 81,327 | \$ 726,391 | \$ 1,457,718 |
| Nonmajor Governmental Funds | - | 2,328,444 | - | - | 2,328,444 |
| Total Governmental Funds | - | 2,978,444 | 81,327 | 726,391 | 3,786,162 |
| Recreation Programs Fund | 25,000 | - | 5,000 | - | 30,000 |
| Total | \$ 25,000 | \$ 2,978,444 | \$ 86,327 | \$ 726,391 | \$ 3,816,162 |

The City's current year transfers were to cover operating expenditures that meet statutory and/or budgetary requirements of each respective funds.

4. LOANS RECEIVABLE FROM SUCCESSOR AGENCY

The City's loans receivable were comprised of the following at June 30, 2021:

| Description | Balance at June 30, 2021 | Current Portion |
|------------------------------------|--------------------------|-----------------|
| Loans to Successor Agency: | | |
| Advance from Parking Programs Fund | 773,675 | - |
| Total | \$ 773,675 | \$ - |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

4. LOANS RECEIVABLE FROM SUCCESSOR AGENCY, Continued

A. General Fund and Parking Programs Fund

The Redevelopment Agency of the City of Lafayette was formed in 1974 and the Redevelopment Plan was adopted in 1994. In 1999 a cooperation agreement was entered into between the City and the Lafayette Redevelopment Agency that established the City's advancement of funds for the implementation of the Redevelopment Plan. Funds could be used "for the preparation and implementation of the redevelopment plan including, but not limited to, the costs of acquisition of property within the project area, demolition and clearance of properties acquired, building and site preparation, constructing public improvements, and providing relocation assistance to displaced residential and occupants as required by law".

Upon the Redevelopment Agency's dissolution in fiscal year 2012, this loan amount stood at \$6,022,847 in principal and interest. Interest for this period was calculated at 8% per annum based on the loan agreement. Effective fiscal year 2014, the methodology for interest on this loan was changed to accrue at the average annual Local Agency Investment Fund rate and was applied retroactively to fiscal year 2013. In the dissolution process, this loan was determined to be an enforceable obligation.

In 2003, the City of Lafayette and the former Redevelopment Agency of the City of Lafayette entered into a loan agreement, which would make available monies from the City's Parking Programs Fund for the acquisition and development of property for library parking and the benefit of the project area. The amount of the loan was \$685,000. Payments were made according to schedule for fiscal years 2003 through 2010 after which time the outstanding principal amount was \$540,500. Since then, interest has continued to accrue based on the missed payments and in a manner consistent with the interest rate calculation guidance provided in SB107.

B. Collectability

During fiscal year 2021, after many years of carrying the Redevelopment Agency (RDA) debt in what has proven to be an unrealistic hope that it would eventually be repaid, the City wrote off these debts and cleared them from the financials. The State has denied the City's requests for repayment through the Recognized Obligations Payment Schedule (ROPS) process many times. City staff has met repeatedly with the Department of Finance and has been told that these debts are not eligible for repayment under the Dissolution agreement. The City's legal counsel has also opined that any lawsuit the City might bring to recover these funds is extremely unlikely to be successful based on the experience of myriad other cities who have brought similar action. However, the City was able to negotiate a repayment of the Parking Fund RDA loan. At June 30, 2021, the total principal and accrued interest on this loan was \$773,675.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

5. CAPITAL ASSETS

For the year ended June 30, 2021 the City's capital asset activity was as follows:

| | Balance July 1, 2020 | Additions | Retirements | Transfers | Balance June 30, 2021 |
|-------------------------------------|-------------------------|----------------|-------------|-------------|--------------------------|
| Governmental Activities: | | | | | |
| Nondepreciable capital assets: | | | | | |
| Land | \$ 15,264,770 | \$ - | \$ - | \$ - | \$ 15,264,770 |
| Artwork (Library) | 583,149 | - | - | - | 583,149 |
| Construction in progress | 428,632 | 4,031,563 | (3,290) | (3,016,126) | 1,440,779 |
| Total nondepreciable capital assets | 16,276,551 | 4,031,563 | (3,290) | (3,016,126) | 17,288,698 |
| Depreciable capital assets: | | | | | |
| Improvements | 6,096,478 | | - | | 6,096,478 |
| Buildings | 46,401,682 | - | - | - | 46,401,682 |
| Infrastructure | 134,972,069 | - | - | 3,016,126 | 137,988,195 |
| Equipment | 1,593,834 | 32,280 | - | - | 1,626,114 |
| Vehicles | 1,872,414 | 243,506 | - | - | 2,115,920 |
| Book collection (Library) | 1,091,940 | - | - | - | 1,091,940 |
| Total depreciable capital assets | 192,028,417 | 275,786 | - | 3,016,126 | 195,320,329 |
| Accumulated depreciation: | | | | | |
| Improvements | (3,887,407) | (272,402) | - | - | (4,159,809) |
| Buildings | (9,151,521) | (1,084,103) | - | - | (10,235,624) |
| Infrastructure | (90,289,604) | (3,698,618) | - | - | (93,988,222) |
| Equipment | (1,336,100) | (155,799) | - | - | (1,491,899) |
| Vehicles | (1,501,410) | (54,597) | - | - | (1,556,007) |
| Book collection (Library) | (491,373) | (131,463) | - | - | (622,836) |
| Total accumulated depreciation | (106,657,416) | (5,396,982) | - | - | (112,054,398) |
| Depreciable capital assets, net | 85,371,001 | (5,121,196) | - | 3,016,126 | 83,265,931 |
| Total capital assets | \$ 101,647,552 | \$ (1,089,633) | \$ (3,290) | \$ - | \$ 100,554,629 |

Depreciation expense by program or function for the year ended June 30, 2021 was as follows:

| | |
|---------------------------------|--------------|
| Governmental Activities: | |
| Police services | \$ 135,009 |
| Parking services | 34,690 |
| Public works | 504,798 |
| Library operation | 6,084 |
| Planning | 4,200 |
| Engineering | 4,699,500 |
| Administration | 12,701 |
| Total depreciation expense | \$ 5,396,982 |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

6. LONG-TERM LIABILITIES

The City generally incurs long-term debt to finance projects, which will have useful lives equal to or greater than the related debt. The City's long-term debt activity for the year ended June 30, 2021 was as follows:

| | Original Issue Amount | Balance July 1, 2020 | Additions | Retirements | Balance June 30, 2021 | Amount due within one year |
|---|-----------------------------|-------------------------|-------------|---------------------|--------------------------|----------------------------------|
| Governmental Activities - Direct Borrowings: | | | | | | |
| 2011 General Obligation Refunding Bonds 2.85%, due July 15, 2025 | \$ 2,960,000 | \$ 2,195,000 | \$ - | \$ (205,000) | \$ 1,990,000 | \$ 210,000 |
| 2016 General Obligation Refunding Bonds 2.00%, due July 15, 2023 | 2,055,000 | 1,165,000 | - | (305,000) | 860,000 | 315,000 |
| | | <u>\$ 3,360,000</u> | <u>\$ -</u> | <u>\$ (510,000)</u> | <u>\$ 2,850,000</u> | <u>\$ 525,000</u> |

A. 2011 General Obligation Refunding Bonds

On December 9, 2011, the City issued the 2011 General Obligation Refunding Bonds (2011 GOs) in the amount of \$2,960,000 to refund a portion of the General Obligation Bonds, Election 1995, Series 2002 and cost of issuance. The 2002 Bonds were originally issued to finance the costs of repair and reconstruction of the City's roads and drains. Due to the refunding, total debt service payments were reduced by about \$256,000 and had an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$214,000. Interest payments on the 2011 GOs are due semi-annually on January 15 and July 15, and annual principal payments are due on July 15. Interest and principal amounts are payable from ad valorem property taxes levied by the City and collected by the County. At June 30, 2021, the total principal and interest remaining to be paid on the bonds were \$1,990,000 and \$176,843, respectively.

Annual debt service requirements for the bonds are as follow:

| Year Ending June 30, | Principal | Interest |
|-------------------------|---------------------|-------------------|
| 2022 | \$ 210,000 | \$ 53,723 |
| 2023 | 220,000 | 47,595 |
| 2024 | 320,000 | 39,900 |
| 2025 | 610,000 | 26,648 |
| 2026 | 630,000 | 8,978 |
| Total | <u>\$ 1,990,000</u> | <u>\$ 176,843</u> |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

6. LONG-TERM LIABILITIES, Continued

B. 2016 General Obligation Refunding Bonds

In December 2016, the City issued the 2016 General Obligation Refunding Bonds (2016 GOs) in the amount of \$2,055,000. The bond proceeds, together with the City's own resources of \$911,220, were used to refund the 2004 General Obligation Bonds, and cover the cost of issuance. The 2004 Bonds were originally issued to finance the costs of repair and reconstruction of the City's roads and drains, and to refund a portion of the General Obligation Election of 1995, Series 1995 Bonds and pay cost of issuance. As a result, total debt service payments were reduced by \$765,940 and had an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$223,458. Interest payments on the 2016 GOs are due semi-annually on January 15 and July 15, an annual principal payments are due each July 15 through 2023. At June 30, 2021, the total principal and interest remaining to be paid on the bonds were \$860,000 and \$24,100, respectively.

Annual debt service requirements for the bonds are as follow:

| Year Ending June 30, | Principal | Interest |
|-------------------------|-------------------|------------------|
| 2022 | \$ 315,000 | \$ 14,050 |
| 2023 | 315,000 | 7,750 |
| 2024 | 230,000 | 2,300 |
| Total | <u>\$ 860,000</u> | <u>\$ 24,100</u> |

7. COMPENSATED ABSENCES PAYABLE

The City's compensated absences payable activity for the year ended June 30, 2021 was as follows:

| | Balance July 1, 2020 | Additions | Deletions | Balance June 30, 2021 | Due Within One Year |
|----------------------------------|-------------------------|-------------------|---------------------|--------------------------|------------------------|
| Governmental Activities: | | | | | |
| Compensated absences payable | \$ 756,179 | \$ 416,893 | \$ (221,282) | \$ 951,790 | \$ 190,358 |
| Business-Type Activities: | | | | | |
| Compensated absences payable | 55,315 | 33,757 | (20,099) | 68,973 | 13,795 |
| | <u>\$ 811,494</u> | <u>\$ 450,650</u> | <u>\$ (241,381)</u> | <u>\$ 1,020,763</u> | <u>\$ 204,153</u> |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

8. RETIREMENT PLAN

Employee Retirement Defined Contribution Plan

As of July 1, 2004, employees of the City must participate in the retirement plan as follows:

Salary-Based Contribution System

The City makes monthly contributions to a 401a retirement plan (Plan) for each regular employee and part time regular employees working a minimum of 20 hours per week. The contribution on behalf of each participant equal 10% of base earnings up to the maximum allowable by law. In addition, each participant may contribute up to 5% of earnings to the Plan and the City has elected to match such contributions by the same percentage.

Employees are fully vested in the City's contributions (and interest allocated to the employee's account) after five years of continuous service by the employee, with the exception of those employees over 50 years old who are fully vested from the first month of employment.

The Employer will have the right at any time to terminate the Plan by resolution of its governing board.

The City's total payroll in fiscal year 2021 was approximately \$4,470,262. Contributions to the Plan totaled \$652,145 by the City and \$213,968 by individuals during the year.

The following summarizes transactions in the Plan for the year ended June 30, 2021:

| | |
|-----------------------------|----------------------|
| Balance as of July 1, 2020 | \$ 15,188,586 |
| Contributions: | |
| Employer | 652,145 |
| Employee | 213,968 |
| Other additions, net | 52,269 |
| Disbursements, net | (1,012,934) |
| Earnings and dividends | 89,655 |
| Appreciation, net | 4,132,303 |
| Balance as of June 30, 2021 | <u>\$ 19,315,992</u> |

In the year 2021, The City has evaluated the requirements of GASB Statement No. 84, Fiduciary Activities and GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 401 Deferred Compensation Plans and determined that plan didn't meet the criteria to be reported as a fiduciary activity, as required by the above mentioned GASB Statements.

Deferred Compensation Plan

All employees of the City are eligible to participate in a City sponsored deferred compensation plan (457 Plan). The 457 Plan provides for the deferral of a portion of the employees' compensation until retirement, termination, or certain other covered events. The assets of the 457 Plan are held in trust for the exclusive benefit of plan participants.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

8. RETIREMENT PLAN, Continued

Deferred contribution(s) by a participant in any taxable year will not exceed the lesser of (1) the applicable dollar amount provided under Section 457(b)(2) of the Internal Revenue Code (adjusted for cost of living under Section 457(e)(15) of the Internal Revenue Code), or (2) 100% of the participant’s includible compensation. A participant who has attained age 50 before the close of the calendar year may elect Age 50 Plus Catch-up Contributions and commence making such contributions to his/her Participant Deferral Account.

The Employer will have the right at any time to terminate the 457 Plan by resolution of its governing board.

The following summarizes transactions in the 457 Plan for the year ended June 30, 2021:

| | | |
|-----------------------------|----|-------------------|
| Balance as of July 1, 2020 | \$ | 10,402,052 |
| Contributions | | 463,827 |
| Disbursements | | (419,458) |
| Earnings | | 201,715 |
| Appreciation | | 2,244,043 |
| Balance as of June 30, 2021 | \$ | <u>12,892,179</u> |

In the year 2021, The City has evaluated the requirements of GASB Statement No. 84, Fiduciary Activities and GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans and determined that plan didn’t meet the criteria to be reported as a fiduciary activity, as required by the above mentioned GASB Statements.

9. OTHER POST EMPLOYMENT BENEFITS (OPEB)

A. General Information about the City’s Other Post Employment Benefit (OPEB) Plan

Plan Description – The City’s defined benefit post-employment healthcare plan (OPEB Plan) is an agent multiple-employer plan that provides medical benefits to eligible retired City employees.

Benefits Provided – The following is a summary of the OPEB Plan benefits by employee group as of June 30, 2021:

| | <u>All Participants</u> |
|-----------------------|---|
| Benefit Types | Medical Only |
| Duration of Benefits | Lifetime |
| Required Service | 10 Years |
| Minimum Age | 62* |
| Dependent Coverage | None |
| District Contribution | 50% of lowest cost single rate other than HSA |

*Prior to age 62, the retiree must pay the full cost of coverage.

For the measurement period ended June 30, 2020, the City’s contribution to the OPEB Plan was \$29,253.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

9. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

A. General Information about the City's Other Post Employment Benefit (OPEB) Plan, Continued

Employees Covered by Benefit Terms - Membership in the OPEB Plan consisted of the following at June 30, 2020, the measurement date:

| | |
|--|----|
| Active employees | 40 |
| Inactive employees or beneficiaries currently receiving benefit payments | 6 |
| Inactive employees entitled to but not yet receiving benefit payments | - |
| Total | 46 |

B. Net OPEB Liability

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

| | Actuarial Assumptions |
|----------------------------|-----------------------------------|
| Valuation Date | June 30, 2020 |
| Measurement Date | June 30, 2020 |
| Actuarial Cost Method | "Entry Age Actuarial Cost Method" |
| Actuarial Assumptions: | |
| Discount Rate | 7.00% |
| Inflation | 2.75% |
| Payroll Growth | 2.75% |
| Investment Rate of Return | 7.00% |
| Mortality Rate | Varies by age and sex |
| Healthcare Cost Trend Rate | 4.00% |

The underlying mortality assumptions were based on the Mortality Table of the 2017 CalPERS Active Mortality for Miscellaneous Employees and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of the 2017 actuarial experience study of CalPERS.

The long-term expected rate of return on OPEB Plan investments was determined using a building block method in which expected future real rates of return (expected returns, net of OPEB Plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

9. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

B. Net OPEB Liability, Continued

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

| Asset Class | Percentage of Portfolio | Assumed Gross Return |
|--|----------------------------|-------------------------|
| All Equities | 59% | 7.7950 |
| All Fixed Income | 25% | 4.5000 |
| Real Estate Investment Trusts | 8% | 7.5000 |
| All Commodities | 3% | 7.7950 |
| Treasury Inflation Protected Securities (TIPS) | 5% | 3.2500 |
| Total | <u>100%</u> | |

Discount Rate - The discount rate used to measure the total OPEB liability was 7%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB Plan's fiduciary net position was projected to be available to make all projected OPEB payments for current and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

9. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

C. Changes in the Net OPEB Liability

The changes in the net OPEB liability during the measurement period were as follow:

| | Increase (Decrease) | | |
|--|--------------------------------|---------------------------------------|--|
| | Total OPEB Liability (a) | Plan Fiduciary Net Position (b) | Net OPEB Liability/(Asset) (a) - (b) |
| Balance at June 30, 2019 | \$ 533,183 | \$ 345,791 | \$ 187,392 |
| Changes Recognized for the Measurement Period: | | | |
| Service cost | 27,216 | - | 27,216 |
| Interest on the total OPEB liability | 37,947 | - | 37,947 |
| Expected investment income | - | 24,957 | (24,957) |
| Employee contributions | - | - | - |
| Employer contributions to Trust | - | 29,253 | (29,253) |
| Employer contributions as benefit payments | - | - | - |
| Administrative expenses | - | (169) | 169 |
| Actual benefit payments from Trust | (7,619) | (7,619) | - |
| Actual benefit payments from employer | - | - | - |
| Actual minus expected benefit payments | (1,757) | - | (1,757) |
| Experience (gains)/losses | 8,258 | - | 8,258 |
| Changes in assumptions | 64,345 | - | 64,345 |
| Changes in benefit terms | 482,778 | - | 482,778 |
| Investment gains/(losses) | - | (13,361) | 13,361 |
| Net changes during July 1, 2019 to June 30, 2020 | 611,168 | 33,061 | 578,107 |
| Balance at June 30, 2020 (Measurement Date) | \$ 1,144,351 | \$ 378,852 | \$ 765,499 |

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 1-percentage point (1%) lower or higher than the current discount rate:

| Net OPEB Liability | | |
|--------------------|---------------|-------------|
| Valuation | | |
| 1% Decrease | Discount Rate | 1% Increase |
| \$ 931,807 | \$ 765,499 | \$ 628,216 |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

9. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates, 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 1-percentage point (1%) lower or higher than the current healthcare cost trend rates:

| Net OPEB Liability | | |
|----------------------|-----------------|-------------|
| Valuation Healthcare | | |
| 1% Decrease | Cost Trend Rate | 1% Increase |
| \$ 603,044 | \$ 765,499 | \$ 967,324 |

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$521,908.

At June 30, 2021, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Employer contributions made subsequent to the measurement date | \$ 45,646 | \$ - |
| Differences between actual and expected experience | 5,945 | 94,582 |
| Changes of assumptions | 58,845 | - |
| Net differences between projected and actual earnings on plan investments | 11,674 | 756 |
| | - | - |
| Total | \$ 122,110 | \$ 95,338 |

\$45,646 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2021. Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

| Year Ended June 30 | Annual Amortization |
|-----------------------|------------------------|
| 2022 | (1,245) |
| 2023 | (1,245) |
| 2024 | (868) |
| 2025 | (1,200) |
| 2026 | (3,869) |
| Thereafter | (10,447) |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

10. FUND BALANCE AND NET POSITION

A. Fund Balance Classification

Detailed classifications of the City's fund balances as of June 30, 2021 include the following:

| Classifications | General Fund | Streets and Signals | Capital Projects | Debt Service | Nonmajor Governmental | Total Governmental |
|--|----------------------|---------------------|----------------------|-------------------|-----------------------|----------------------|
| Nonspendable: | | | | | | |
| Prepaid Items | \$ 81,698 | \$ 1,691 | \$ - | \$ - | \$ 2,035 | \$ 85,424 |
| Loans Receivable from Successor Agency | - | - | - | - | - | - |
| Total Nonspendable | 81,698 | 1,691 | - | - | 2,035 | 85,424 |
| Restricted: | | | | | | |
| Public Art In Lieu Fees | 147,723 | - | - | - | - | 147,723 |
| CalRecycle Grant | 24,813 | - | - | - | - | 24,813 |
| PEG Access | 392,055 | - | - | - | - | 392,055 |
| In Lieu Tree Program | 146,797 | - | - | - | - | 146,797 |
| Drainage Impact Fees | - | 238,512 | - | - | - | 238,512 |
| Walkways Impact Fees | - | 227,235 | - | - | - | 227,235 |
| Traffic Impact Fees | - | 932,245 | - | - | - | 932,245 |
| Public Safety | - | - | - | - | 63,060 | 63,060 |
| Low and Moderate Housing | - | - | - | - | 1,777,745 | 1,777,745 |
| Streets and Roads | - | - | - | - | 685,751 | 685,751 |
| Assessment Districts | - | - | - | - | 280,455 | 280,455 |
| Debt Service | - | - | - | 548,798 | - | 548,798 |
| Total Restricted | 711,388 | 1,397,992 | - | 548,798 | 2,807,011 | 5,465,189 |
| Committed: | | | | | | |
| Reserve Emergency Contingency | 500,000 | - | - | - | - | 500,000 |
| Youth Committee | 21,149 | - | - | - | - | 21,149 |
| Environmental Task Force | 3,200 | - | - | - | - | 3,200 |
| Bikeways Plan Update | 14,000 | - | - | - | - | 14,000 |
| Stormwater Pollution | 239,000 | - | - | - | - | 239,000 |
| Public Art | 13,044 | - | - | - | - | 13,044 |
| Facility Maintenance | 1,200,000 | - | 620,362 | - | - | 1,820,362 |
| Vacation/Sick Liability | 951,790 | - | - | - | - | 951,790 |
| Senior Services Program | 6,959 | - | - | - | - | 6,959 |
| Parking | - | - | - | - | 401,768 | 401,768 |
| Senior Transportation | - | - | - | - | 205,334 | 205,334 |
| Traffic Calming | 101,100 | - | - | - | - | 101,100 |
| EMBUD Pathway | 25,000 | 40,000 | - | - | - | 65,000 |
| General Plan Revision 2020 | 150,000 | - | - | - | - | 150,000 |
| Public Works Vehicle Replacement | 41,634 | - | - | - | - | 41,634 |
| Planning/Engineering Vehicle Replacement | 28,001 | - | - | - | - | 28,001 |
| Police Vehicle Replacement/Transition | 58,395 | - | - | - | - | 58,395 |
| Computer Replacements | 65,952 | - | - | - | - | 65,952 |
| OPEB Reserve | 9,300 | - | - | - | - | 9,300 |
| Other Capital Projects | 175,000 | 3,318,629 | 9,918,679 | - | - | 13,412,308 |
| Total Committed | 3,603,524 | 3,358,629 | 10,539,041 | - | 607,102 | 18,108,296 |
| Unassigned: | | | | | | |
| Unassigned | 13,734,982 | - | - | - | (81,289) | 13,653,693 |
| Total Unassigned | 13,734,982 | - | - | - | (81,289) | 13,653,693 |
| Total Fund Balances | \$ 18,131,592 | \$ 4,758,312 | \$ 10,539,041 | \$ 548,798 | \$ 3,334,859 | \$ 37,312,602 |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

10. FUND BALANCE AND NET POSITION, Continued

B. Net Position and Net Investment in Capital Assets

As described in Note 1, 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. At June 30, 2021 the breakout of this calculation is as follows:

| | |
|--|----------------------|
| Total Capital Assets at June 30, 2021: | \$ 100,554,629 |
| Less: Related Debts at June 30, 2021 | |
| Long-term debt | (2,850,000) |
| Net Related Debt | <u>(2,850,000)</u> |
| Net Investment in Capital Assets | <u>\$ 97,704,629</u> |

At June 30, 2021, the breakout of restricted and unrestricted net position is calculated as follows:

| | Governmental Activities | Business-Type Activities | Total |
|---|----------------------------|-----------------------------|-----------------------|
| Assets and Deferred Outflows of Resources: | | | |
| Cash and investments | \$ 37,478,518 | \$ 1,244,920 | \$ 38,723,438 |
| Accounts and interest receivable | 3,625,755 | 236,606 | 3,862,361 |
| Loans receivable from Successor Agency | 773,675 | - | 773,675 |
| Other assets and deferred outflows of resources | 100,738,750 | 36,315 | 100,775,065 |
| Total assets and deferred outflows of resources | <u>142,616,698</u> | <u>1,517,841</u> | <u>144,134,539</u> |
| Liabilities and Deferred Inflows of Resources: | | | |
| Accounts payable and accrued liabilities | 1,934,199 | 45,636 | 1,979,835 |
| Refundable deposits | 1,526,898 | 29,216 | 1,556,114 |
| Other liabilities and deferred inflows of resources | 4,708,618 | 724,981 | 5,433,599 |
| Total liabilities and deferred inflows of resources | <u>8,169,715</u> | <u>799,833</u> | <u>8,969,548</u> |
| Net Position: | | | |
| Net investment in assets | 97,704,629 | - | 97,704,629 |
| Restricted | 6,401,661 | - | 6,401,661 |
| Unrestricted | 30,340,693 | 718,008 | 31,058,701 |
| Total restricted and unrestricted net position | <u>\$ 134,446,983</u> | <u>\$ 718,008</u> | <u>\$ 135,164,991</u> |

11. EXPENDITURES IN EXCESS OF APPROPRIATIONS

The below fund had expenditures in excess of appropriations for the year ended June 30, 2021. The fund had sufficient fund balances or revenues to finance these expenditures.

| Fund | Excess of Expenditures Over Appropriations |
|-----------------------------|--|
| Special Revenue Fund | |
| Low and moderate housing | \$ 1,578 |

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

12. RISK MANAGEMENT

The City is a member of the Municipal Pooling Authority (MPA) based in Walnut Creek, California. The MPA provides coverage against the following types of loss risks under the terms of a joint powers agreement with the City and several other cities and governmental agencies as follows:

| | Participating Cities | |
|----------------------------|----------------------|---|
| | Total Coverage | Deductible |
| All risk fire and property | \$ 1,000,000,000 | \$ 25,000 |
| Boiler and machinery | 100,000,000 | 5,000 |
| Liability | 29,000,000 | 5,000 |
| Auto-physical damage | 250,000 | 3,000 (Police), 2,000 (other vehicles) |
| Workers' compensation | Statutory Limit | - |
| Cyber liability | 2,000,000 | 50,000 |
| Pollution liability | 1,000,000 | 100,000 |
| Crime | 1,000,000 | 2,500 |

The MPA is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of the MPA, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

The City's deposits with the MPA are in accordance with formulas established by the MPA. 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.

Audited financial statements for the Authority are available from MPA, 1911 San Miguel Drive, Suite 200, Walnut Creek, CA 94596.

The total coverage includes the City's deductible, the portion underwritten by MPA, and the portion underwritten by other insurance companies. Management believes such coverage is sufficient to preclude any significant uninsured losses to the City. Settled claims have not exceeded this insurance coverage in any of the past three fiscal years by a significant amount.

The City did not record a liability for outstanding claims at June 30, 2021, as management believes that the claims were minimal.

**13. LAMORINDA FEE AND FINANCING AUTHORITY AND LAMORINDA SCHOOL BUS
TRANSPORTATION JOINT POWERS AUTHORITY'S**

The Lamorinda Fee and Financing Authority (LFFA) was created when the City of Lafayette entered into a Joint Powers Agreement (JPA) with the cities of Moraga and Orinda to administer an adopted sub-regional transportation and traffic impact fee for the Lamorinda region under the authority of a Contra Costa County half-cent sales tax measure adopted in 1988. Fees collected by the LFFA from new development are used to mitigate effects from increased traffic in the region.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

13. LAMORINDA FEE AND FINANCING AUTHORITY AND LAMORINDA SCHOOL BUS TRANSPORTATION JOINT POWERS AUTHORITY'S, Continued

In 1994 the municipalities and school districts in the Lamorinda regions collaborated together to establish a school bus program for the purpose of traffic mitigation. The majority of our funds come from Measure J, a half-cent sales tax measure in Contra Costa County distributed by the Contra Costa Transportation Authority. The school bus program is governed by a Joint Powers Authority called the Lamorinda School Bus Transportation Agency (LSBTA).

Complete financial statements of the LFFA and LSBTA are available at the City of Lafayette, 3675 Mt. Diablo Blvd., #210, Lafayette, CA 94549.

14. COMMITMENT AND CONTINGENT LIABILITIES

The City participates in several federal and state grant programs. These programs have been subjected to audits 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 which 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 subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation which is likely to have a material adverse effect on the financial position of the City.

15. RDA OBLIGATION RETIREMENT TRUST FUND (SUCCESSOR AGENCY) ACTIVITIES

A. Redevelopment Dissolution

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities except for limited specified activities as of that date and dissolved redevelopment agencies as of January 31, 2012.

The suspension provisions prohibited all redevelopment agencies from a wide range of activities, including incurring new indebtedness or obligations, entering into or modifying agreements or contracts, acquiring or disposing of real property, taking actions to adopt or amend redevelopment plans and other similar actions, except actions required by law or to carry out existing enforceable obligations, as defined in ABx1 26.

ABx1 26 and AB1484 allowed three regulatory oversight authorities, the Successor Authority's Oversight Board, State Controller and Department of Finance (DOF), to review the former Authority's asset transfer, obligation payments and wind down activities. ABx1 26 specifically directs the State Controller to review the activities of all redevelopment agencies to determine whether an asset transfer between an agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the redevelopment agency. The State Controller completed its review in April 2016. The City subsequently brought the asset transfer review to the Oversight Board. The transfer identified as required to be returned in the asset transfer review was made during FY 2016.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

15. RDA Obligation retirement trust fund (successor agency) activities, Continued

A. Redevelopment Dissolution, Continued

Effective January 31, 2012, all California redevelopment agencies were dissolved. Certain assets of the Authority's Low and Moderate Income Housing Fund were distributed to a Housing Successor; and all remaining Authority assets and liabilities were distributed to a Successor Agency.

Under the provisions of AB 1484, the City could elect to become the Housing Successor and retain the housing assets. The City elected to become the Housing Successor and on January 24, 2012, and on February 1, 2012 certain housing assets were transferred to the City's Housing Successor Special Revenue Fund.

Cash and investments of the Successor Agency are discussed in Note 2.

B. Long-Term Debt

Tax Allocations Bonds and Loans

All of the long-term debt of the Successor Agency is comprised of Tax Allocation Bonds issued by the Redevelopment Agency. The Bonds are special obligations of the Agency and are secured only by the Agency's tax increment revenues. Tax Allocation Bond and loan transactions were as follows:

| | Original Issue Amount | Balance July 1, 2020 | Additions | Retirements | Balance June 30, 2021 | Amount due within one year |
|---|-----------------------------|-------------------------|-------------|-----------------------|--------------------------|----------------------------------|
| Governmental Activities - Direct Borrowings: | | | | | | |
| 2014 Tax Allocation Refunding Bond | \$ 13,880,000 | \$ 13,620,000 | \$ - | \$ (420,000) | \$ 13,200,000 | \$ 445,000 |
| 2015 Tax Allocation Refunding Bond | 21,080,000 | 17,885,000 | - | (635,000) | 17,250,000 | 665,000 |
| 2015 TARB Series-premium | 2,647,306 | 2,186,905 | - | (115,100) | 2,071,805 | - |
| | | <u>\$ 33,691,905</u> | <u>\$ -</u> | <u>\$ (1,170,100)</u> | <u>\$ 32,521,805</u> | <u>\$ 1,110,000</u> |

2014 Tax Allocation Refunding Bonds

On August 1, 2014, the Successor Agency issued \$13,880,000 Series 2014 Tax Allocation Refunding Bonds. The bonds were issued to refund the 2002 Tax Allocation Bonds and 2008 Tax Allocation Bonds. The economic gain on refunding of these bonds was \$1,967,001.

The 2014 Tax Allocation Refunding Bonds mature annually starting August 1, 2014 through 2038, with installments ranging from \$25,000 to \$1,750,000. The interest on the bonds is payable semi-annually on each February 1 and August 1, with coupon rates ranging from 3.00% to 5.00%.

Pledged Revenues

The 2014 Tax Allocation Refunding Bonds of the Successor Agency are payable solely from and secured by tax revenues deposited into Redevelopment Property Tax Trust Fund.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

15. RDA Obligation retirement trust fund (successor agency) activities, Continued

B. Long-Term Debt, Continued

Debt Service Requirements

Debt service requirements are as follows:

| Year Ending June 30, | Principal | Interest |
|-------------------------|----------------------|---------------------|
| 2022 | \$ 445,000 | \$ 636,775 |
| 2023 | 465,000 | 614,025 |
| 2024 | 490,000 | 590,150 |
| 2025 | 515,000 | 565,025 |
| 2026 | 535,000 | 538,775 |
| 2027/2031 | 3,085,000 | 2,290,325 |
| 2032/2036 | 2,655,000 | 1,539,125 |
| 2037/2039 | 5,010,000 | 383,750 |
| Total | <u>\$ 13,200,000</u> | <u>\$ 7,157,950</u> |

2015 Tax Allocation Refunding Bonds

On August 1, 2015, the Successor Agency issued \$21,080,000 Series 2015 Tax Allocation Refunding Bonds. The bonds were issued to refund the 2005 Tax Allocation Bonds. The economic gain on refunding of these bonds was \$6,755,043.

The 2015 Tax Allocation Refunding Bonds mature annually starting August 1, 2016 through 2030, with installments ranging from \$455,000 to \$1,000,000. The interest on the bonds is payable semi-annually on each February 1 and August 1, with coupon rates ranging from 3.00% to 3.375%.

Pledged Revenues

The 2015 Tax Allocation Refunding Bonds of the Successor Agency are payable solely from and secured by tax revenues deposited into Redevelopment Property Tax Trust Fund.

City of Lafayette
Notes to Basic Financial Statements
For the Year Ended June 30, 2021

15. RDA Obligation retirement trust fund (successor agency) activities, Continued

B. Long-Term Debt, Continued

Debt Service Requirements

Debt service requirements are as follows:

| Year Ending June 30, | Principal | Interest |
|-------------------------|----------------------|---------------------|
| 2022 | \$ 665,000 | \$ 795,113 |
| 2023 | 700,000 | 760,988 |
| 2024 | 730,000 | 725,238 |
| 2025 | 770,000 | 687,738 |
| 2026 | 810,000 | 648,238 |
| 2027/2031 | 4,645,000 | 2,655,582 |
| 2032/2036 | 6,945,000 | 1,455,875 |
| 2037/2039 | 1,985,000 | 152,125 |
| Total | <u>\$ 17,250,000</u> | <u>\$ 7,880,897</u> |

C. Commitments and Contingencies

State Approval of Enforceable Obligations

The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) annually that contains all proposed expenditures for the subsequent one year period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. The obligations incurred by the Successor Agency were approved by the State in advance.

Although the State Department of Finance may not question items included on the ROPS in one period, they may question the same items in a future period and disallow associated activities. The amount, if any, of current obligations that may be denied by the State Department of Finance cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

16. PRIOR PERIOD ADJUSTMENTS

During 2021, prior period adjustments were made to correct prior year Measure J revenue recognition and to implement GASB 84.

| | Fund Financial Statements | |
|---|---------------------------|---------------------|
| | Non-Major | |
| | Governmental Fund | Custodial Funds |
| Fund Balance/Net Position as previously reported at June 30, 2020 | \$ 5,021,176 | \$ - |
| Prior Period Adjustments: | | |
| Measure J revenue | (537,879) | - |
| Implementation of GASB 84 | - | 2,114,478 |
| Fund Balance/Net Position as restated at June 30, 2020 | <u>\$ 4,483,297</u> | <u>\$ 2,114,478</u> |

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**REQUIRED
SUPPLEMENTARY INFORMATION**

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City of Lafayette
Required Supplementary Information
For the Year Ended June 30, 2021

1. BUDGET AND BUDGETARY ACCOUNTING

Budgeting Procedures

The City's fiscal year runs from July 1 through June 30. Each year, the Administrative Services Director prepares two budgets: the Proposed Budget, which is adopted in June, and the Final Budget, which is adopted in December. The budget process is as follows:

- In January, the City Council meets to set the goals and priorities for the upcoming fiscal year.
- In February and March, the department head meets with the City Manager, Administrative Services Director and Finance Manager to review the budget requests.
- In mid-March, each department head meets with the City Manager, Administrative Services Director and Finance Manager to review the budget requests.
- In mid-April, the Administrative Services Director presents the Proposed Budget to the Finance Committee.
- At the end of May, the Proposed Budget is introduced at a regular City Council meeting.
- The City Council holds a special budget workshop meeting, usually the first week in June. At this meeting, the public is invited to comment on the budget and the Council makes a number of important policy decisions regarding the budget.
- The budget, and any changes made to it during the budget workshop, are adopted by resolution at the next regularly scheduled City Council meeting.
- After the audit for the prior fiscal year has been completed, usually in late September, the Administrative Services Director begins work on the Final Budget. The Final Budget incorporates actual expenses and revenues from the prior fiscal year, as well as any changes made by the City Council to the Proposed Budget. If other programs or expenditures are anticipated, these items are incorporated into the Final Budget as well.
- The City Council reviews the Final Budget at a regularly scheduled meeting in December and adopts the Final Budget by resolution.
- Budgeted amounts are as originally adopted and as further amended by the City Council. The level of control (level at which expenditures may not exceed budget) is at the departmental level for the General Fund, department level for the Special Revenue Funds and project level for the Capital Projects Fund.

City of Lafayette
Required Supplementary Information
For the year ended June 30, 2021

2. OTHER POST EMPLOYMENT BENEFITS (OPEB)

*A. Schedule of Changes in the Net OPEB Liability and Related Ratios - Last 10 Years**

Agent Multiple Employer Plan

| Measurement Date: | 6/30/2020 | 6/30/2019 | 6/30/2018 | 6/30/2017 |
|--|-------------------|-------------------|-------------------|-------------------|
| Net OPEB Liability | | | | |
| Service cost | \$ 27,216 | \$ 24,253 | \$ 23,604 | \$ 22,972 |
| Interest | 26,351 | 41,003 | 38,107 | 35,230 |
| Changes in benefit terms | 482,778 | - | - | - |
| Differences between actual and expected exp | 6,501 | (97,645) | - | - |
| Changes in assumptions | 64,345 | - | - | - |
| Employer contributions | (29,253) | (28,604) | (42,181) | (24,583) |
| Actual investment income | - | - | - | (25,981) |
| Expected investment income | - | (22,123) | (19,408) | - |
| Investment gains/losses | - | 1,644 | (1,890) | - |
| Administrative expense | 169 | 68 | 500 | 133 |
| Expected minus actual benefit payment | - | (6,110) | - | - |
| Net change in the net OPEB liability | 578,107 | (87,514) | (1,268) | 7,771 |
| Net OPEB liability - beginning | 187,392 | 274,906 | 276,174 | 268,403 |
| Net OPEB liability - ending (a) | \$ 765,499 | \$ 187,392 | \$ 274,906 | \$ 276,174 |
| | | | | |
| Covered-employee payroll | \$ 4,461,464 | \$ 4,348,658 | \$ 4,169,379 | \$ 4,112,756 |
| | | | | |
| Net OPEB liability as a percentage of covered-employee payroll | 17.16% | 4.31% | 6.59% | 6.72% |

Notes to Schedule:

* Fiscal year 2018 was the 1st year of implementation.

City of Lafayette
Required Supplementary Information
For the year ended June 30, 2021

2. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

*B. Schedule of Contributions - Last 10 Years**

Agent Multiple Employer Plan

| Fiscal Year Ended: | 6/30/2021 | 6/30/2020 | 6/30/2019 | 6/30/2018 |
|---|--------------------|--------------------|------------------|-------------------|
| Actuarially determined contribution | \$ - | \$ - | \$ 42,181 | \$ 24,583 |
| Contributions in relation to actuarially determined contributions | (45,646) | (29,253) | (28,604) | (28,604) |
| Contribution deficiency (excess) | <u>\$ (45,646)</u> | <u>\$ (29,253)</u> | <u>\$ 13,577</u> | <u>\$ (4,021)</u> |
| Covered-employee payroll | \$ 4,470,262 | \$ 4,461,464 | \$ 4,348,658 | \$ 4,169,379 |
| Contributions as a percentage of covered-employee payroll | 1.02% | 0.66% | 0.66% | 0.69% |

Notes to the schedule:

Methods and assumptions used to determine contribution rates:

| | | | | |
|---------------------------|---|---|---|---|
| Valuation date: | 6/30/2020 | 6/30/2019 | 6/30/2017 | 6/30/2017 |
| Actuarial assumptions: | | | | |
| Discount rate | 7.00% | 2.75% | 2.75% | 7.00% |
| Inflation | 2.75% | 2.75% | 2.75% | 2.75% |
| Payroll growth | 2.75% | 2.75% | 3.00% | 2.75% |
| Investment rate of return | 7.00% | 5.00% | 7.00% | 7.00% |
| Mortality rate | Varies by age and sex | Varies by age and sex | Varies by age and sex | Varies by age and sex |
| Pre-retirement turnover | Varies based on length of service and may vary by other factors | Varies based on length of service and may vary by other factors | Varies based on length of service and may vary by other factors | Varies based on length of service and may vary by other factors |

* Fiscal year 2018 was the 1st year of implementation.

City of Lafayette
Required Supplementary Information
For the year ended June 30, 2021

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual: General Fund

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|----------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 5,694,500 | \$ 5,752,411 | \$ 5,770,602 | \$ 18,191 |
| Sales taxes | 2,534,900 | 2,534,900 | 2,849,976 | 315,076 |
| Other taxes | 2,012,596 | 2,012,596 | 2,331,640 | 319,044 |
| Charges for services | 1,200,355 | 1,166,231 | 1,840,394 | 674,163 |
| Intergovernmental | 3,303,622 | 3,325,263 | 3,893,996 | 568,733 |
| Licenses and permits | - | - | 454,463 | 454,463 |
| Fines, forfeitures and penalties | 50,000 | 50,000 | 31,102 | (18,898) |
| Use of money and property | 360,000 | 375,000 | 64,998 | (310,002) |
| Miscellaneous | 1,072,768 | 1,625,615 | 337,302 | (1,288,313) |
| Total revenues | 16,228,741 | 16,842,016 | 17,574,473 | 732,457 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| City council, commissions, & community support | 1,675,814 | 1,836,807 | 1,394,972 | 441,835 |
| Police services | 6,101,644 | 6,062,394 | 5,247,642 | 814,752 |
| Public works | 1,933,589 | 2,039,524 | 1,800,914 | 238,610 |
| Library operations | 977,023 | 979,870 | 692,011 | 287,859 |
| Planning | 818,490 | 837,615 | 721,506 | 116,109 |
| Engineering | 799,045 | 851,296 | 851,295 | 1 |
| Administration | 3,083,374 | 3,482,425 | 3,421,942 | 60,483 |
| Capital outlay | 621,002 | 528,619 | 665,410 | (136,791) |
| Total expenditures | 16,009,981 | 16,618,550 | 14,795,692 | 1,822,858 |
| REVENUES OVER (UNDER) EXPENDITURES | 218,760 | 223,466 | 2,778,781 | 2,555,315 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 25,000 | 25,000 | 25,000 | - |
| Transfers out | (1,381,384) | (1,609,286) | (1,457,718) | 151,568 |
| Total other financing sources (uses) | (1,356,384) | (1,584,286) | (1,432,718) | 151,568 |
| Special Item | | | | |
| Adjustment to loans receivable | - | - | (5,337,401) | (5,337,401) |
| Net change in fund balances | \$ (1,137,624) | \$ (1,360,820) | (3,991,338) | \$ 2,706,883 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 22,122,930 | |
| End of year | | | <u>\$ 18,131,592</u> | |

SUPPLEMENTARY INFORMATION

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City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Streets and Signals Fund

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget |
|---|--------------------|-----------------------|---------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| REVENUES: | | | | |
| Other taxes | 1,004,340 | 1,004,340 | 1,022,282 | 17,942 |
| Charges for services | 100,000 | 100,000 | 138,659 | 38,659 |
| Intergovernmental | - | 2,885,100 | 699,000 | (2,186,100) |
| Use of money and property | - | - | (1,309) | (1,309) |
| Miscellaneous | - | 440,000 | 81,220 | (358,780) |
| Total revenues | 1,104,340 | 4,429,440 | 1,939,852 | (2,489,588) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Engineering | 387,917 | 392,552 | 394,590 | (2,038) |
| Administration | 2,800,924 | 63,924 | 89,315 | (25,391) |
| Capital outlay | - | 10,209,373 | 3,949,811 | 6,259,562 |
| Total expenditures | 3,188,841 | 10,665,849 | 4,433,716 | 6,232,133 |
| REVENUES OVER (UNDER) EXPENDITURES | (2,084,501) | (6,236,409) | (2,493,864) | 3,742,545 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 2,285,000 | 4,011,004 | 2,978,444 | (1,032,560) |
| Total other financing sources (uses) | 2,285,000 | 4,011,004 | 2,978,444 | (1,032,560) |
| Net change in fund balances | \$ 200,499 | \$ (2,225,405) | 484,580 | \$ 2,709,985 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 4,273,732 | |
| End of year | | | <u>\$ 4,758,312</u> | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Capital Projects Fund

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|----------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Charges for services | \$ 899,737 | \$ 899,737 | \$ 445,318 | \$ (454,419) |
| Intergovernmental | 291,000 | 291,000 | - | (291,000) |
| Use of money and property | 8,750 | 31,750 | 2,600 | (29,150) |
| Total revenues | 1,199,487 | 1,222,487 | 447,918 | (774,569) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Public works | 65,645 | 66,327 | 70,018 | (3,691) |
| Administration | - | 10,083 | 10,083 | - |
| Capital outlay | 1,581,650 | 1,526,650 | 77,784 | 1,448,866 |
| Total expenditures | 1,647,295 | 1,603,060 | 157,885 | 1,445,175 |
| REVENUES OVER (UNDER) EXPENDITURES | (447,808) | (380,573) | 290,033 | 670,606 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 85,645 | 86,327 | 86,327 | - |
| Total other financing sources (uses) | 85,645 | 86,327 | 86,327 | - |
| Net change in fund balances | \$ (362,163) | \$ (294,246) | 376,360 | \$ 670,606 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 10,162,681 | |
| End of year | | | <u>\$ 10,539,041</u> | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Debt Service Fund

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 600,000 | \$ 559,357 | \$ 584,258 | \$ 24,901 |
| Total revenues | 600,000 | 559,357 | 584,258 | 24,901 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Administration | 2,000 | 5,000 | 1,490 | 3,510 |
| Debt service: | | | | |
| Principal | 510,000 | 510,000 | 510,000 | - |
| Interest and fiscal charges | 216,667 | 213,667 | 79,886 | 133,781 |
| Total expenditures | 728,667 | 728,667 | 591,376 | 137,291 |
| REVENUES OVER (UNDER) EXPENDITURES | (128,667) | (169,310) | (7,118) | 162,192 |
| Net change in fund balances | \$ (128,667) | \$ (169,310) | (7,118) | \$ 162,192 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 555,916 | |
| End of year | | | \$ 548,798 | |

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NONMAJOR GOVERNMENTAL FUNDS

The City maintains the following Other Governmental Funds:

Special Revenue Funds

Parking Programs - These programs are responsible for all aspects of City parking, including installation, enforcement and collection. This includes enforcement of city codes and ordinances in the downtown and neighborhoods, as well as ensuring that conditions imposed on new construction are maintained.

Vehicle Abatement - This fund tracks the receipt of abandoned vehicle fees and the expenditures necessary for the removal and disposal of abandoned vehicles.

Senior Transportation - This program provides transportation options for senior and the disabled in Lafayette, Moraga and Orinda. Funding is provided through grants, contributions and rider fees.

Low and Moderate Income Housing - Tracks resources allocated to low and moderate income housing in Lafayette. This fund was formed in February 2012 when the City elected to be the housing successor agency on the tails of the dissolution of redevelopment agencies.

Road Maintenance and Rehabilitation - In 2017, Senate Bill 1 (SB1) created the Road Maintenance and Rehabilitation Program to address deferred maintenance on the State Highway System and the local street and road system. Monies tracked in this fund result from this legislation and are to be used for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system

Gas Tax - Records and tracks gas tax monies received from the State of California under Street and Highways Code Sections 2105, 2106, 2107, 2107.5, and 7360. Revenue allocations are based on population. Eligible expenditure include the construction and maintenance of streets.

Measure J Return to Source - This fund accounts for the City's share of the proceeds of a one-half cent sales tax increase approved by Contra Costa County voters in 2004. Funds can be used for transportation purposes, including transportation planning and street construction and maintenance.

Supplemental Law Enforcement - This program provides supplemental law enforcement services to the City through funding provided by AB 3229. The City is required to use the revenue to provide front line municipal police services. Funding must be considered separate and apart from the general fund budget process.

Special Assessment Districts:

Street Lighting - This program provides funds through a maintenance district assessment process to maintain 82 street lights in eleven zones. The budget expense for street lights is not distributed by zone, since the assessments are not based on this budget, but rather on the rates charged by PG&E. Property assessments are collected and distributed to the City by the County.

Core Area Maintenance - The Core Area Maintenance District was formed to provide landscaping, street lighting, and general maintenance improvements in the downtown. An assessment based on a benefit formula is levied against each parcel within the District for the maintenance provided.

Stormwater Pollution - This fund accounts for revenues and expenditures associated with the annual assessment for the National Pollutant Discharge Elimination System created countywide in response to the 1972 Clean Water Act.

City of Lafayette
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2021

| | Special Revenue Funds | | | |
|---|-----------------------|----------------------|--------------------------|--|
| | Parking Programs | Vehicle Abatement | Senior Transportation | Low and Moderate Income Housing |
| ASSETS | | | | |
| Cash and investments | \$ - | \$ 56,757 | \$ 137,663 | \$ 1,680,921 |
| Accounts receivable | 90,536 | 5,827 | 67,797 | 95,932 |
| Interest receivable | - | 33 | 93 | 956 |
| Prepaid items | 614 | - | - | - |
| Loans receivable from Successor Agency | 773,675 | - | - | - |
| Total assets | 864,825 | 62,617 | 205,553 | 1,777,809 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCE AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued liabilities | 8,536 | - | 203 | 64 |
| Due to other funds | 453,907 | - | - | - |
| Unearned revenue | - | - | 16 | - |
| Total liabilities | 462,443 | - | 219 | 64 |
| Deferred inflows of resources: | | | | |
| Unavailable revenue | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - |
| Fund Balances: | | | | |
| Nonspendable | 614 | - | - | - |
| Restricted | - | 62,617 | - | 1,777,745 |
| Committed | 401,768 | - | 205,334 | - |
| Unassigned | - | - | - | - |
| Total fund balances | 402,382 | 62,617 | 205,334 | 1,777,745 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 864,825 | \$ 62,617 | \$ 205,553 | \$ 1,777,809 |

| Special Revenue Funds | | | | | | | |
|---|------------|----------------------------------|------------------------------------|----------------------|--------------------------|-------------------------|--|
| Road Maintenance & Rehabilitation | Gas Tax | Measure J Return to Source | Supplemental Law Enforcement | Assessment Districts | | | Total Nonmajor Governmental Funds |
| | | | | Street Lighting | Core Area Maintenance | Stormwater Pollution | |
| \$ 70,823 | \$ 528,405 | \$ 18,024 | \$ 381 | \$ 205,589 | \$ 103,332 | \$ 2,714 | \$ 2,804,609 |
| 86,497 | - | 1,103,841 | - | - | - | 3,988 | 1,454,418 |
| 20 | 6 | - | 62 | 118 | 121 | 127 | 1,536 |
| - | - | 423 | - | - | 268 | 730 | 2,035 |
| - | - | - | - | - | - | - | 773,675 |
| 157,340 | 528,411 | 1,122,288 | 443 | 205,707 | 103,721 | 7,559 | 5,036,273 |
| - | - | 33,700 | - | 1,004 | 27,701 | 12,083 | 83,291 |
| - | - | 151,693 | - | - | - | - | 605,600 |
| - | - | - | - | - | - | - | 16 |
| - | - | 185,393 | - | 1,004 | 27,701 | 12,083 | 688,907 |
| - | - | 1,012,507 | - | - | - | - | 1,012,507 |
| - | - | 1,012,507 | - | - | - | - | 1,012,507 |
| - | - | 423 | - | - | 268 | 730 | 2,035 |
| 157,340 | 528,411 | - | 443 | 204,703 | 75,752 | - | 2,807,011 |
| - | - | - | - | - | - | - | 607,102 |
| - | - | (76,035) | - | - | - | (5,254) | (81,289) |
| 157,340 | 528,411 | (75,612) | 443 | 204,703 | 76,020 | (4,524) | 3,334,859 |
| \$ 157,340 | \$ 528,411 | \$ 1,122,288 | \$ 443 | \$ 205,707 | \$ 103,721 | \$ 7,559 | \$ 5,036,273 |

City of Lafayette

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

June 30, 2021

| | Special Revenue Funds | | | |
|---|-----------------------|-------------------|-----------------------|---------------------------------|
| | Parking Programs | Vehicle Abatement | Senior Transportation | Low and Moderate Income Housing |
| REVENUES: | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ - |
| Sales taxes | - | - | - | - |
| Other taxes | - | - | - | - |
| Charges for services | 110,911 | - | 2,591 | - |
| Intergovernmental | - | - | 69,491 | - |
| Licenses and permits | 25,245 | - | - | - |
| Fines, forfeitures and penalties | 54,690 | 11,513 | - | - |
| Use of money and property | 22,789 | 16 | (70) | 451 |
| Miscellaneous | 2,650 | - | 2,529 | 195,399 |
| Total revenues | 216,285 | 11,529 | 74,541 | 195,850 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Police services | - | 7,241 | - | - |
| Parking services | 332,588 | - | - | - |
| Public works | - | - | - | - |
| Senior transportation | - | - | 104,871 | - |
| Planning | - | - | - | 1,578 |
| Capital outlay | 43,586 | - | - | - |
| Total expenditures | 376,174 | 7,241 | 104,871 | 1,578 |
| REVENUES OVER (UNDER) EXPENDITURES | (159,889) | 4,288 | (30,330) | 194,272 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | - | 40,000 | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | - | 40,000 | - |
| Net change in fund balances | (159,889) | 4,288 | 9,670 | 194,272 |
| FUND BALANCES: | | | | |
| Beginning of year, as restated | 562,271 | 58,329 | 195,664 | 1,583,473 |
| End of year | \$ 402,382 | \$ 62,617 | \$ 205,334 | \$ 1,777,745 |

Special Revenue Funds

| Road Maintenance & Rehabilitation | Gas Tax | Measure J Return to Source | Supplemental Law Enforcement | Assessment Districts | | | Total Nonmajor Governmental Funds |
|---|--------------------|----------------------------------|------------------------------------|----------------------|--------------------------|-------------------------|--|
| | | | | Street Lighting | Core Area Maintenance | Stormwater Pollution | |
| \$ - | \$ - | \$ - | \$ - | \$ 23,393 | \$ 346,577 | \$ 368,392 | \$ 738,362 |
| - | - | 93,432 | - | - | - | - | 93,432 |
| 511,461 | 568,324 | - | - | - | - | - | 1,079,785 |
| - | - | - | - | - | - | - | 113,502 |
| - | - | - | 156,727 | - | - | 3,988 | 230,206 |
| - | - | - | - | - | - | - | 25,245 |
| - | - | - | - | - | - | - | 66,203 |
| 1,106 | 2,127 | 860 | (212) | 30 | (683) | (17) | 26,397 |
| - | - | - | - | - | - | - | 200,578 |
| <u>512,567</u> | <u>570,451</u> | <u>94,292</u> | <u>156,515</u> | <u>23,423</u> | <u>345,894</u> | <u>372,363</u> | <u>2,573,710</u> |
| - | - | - | 642,464 | - | - | - | 649,705 |
| - | - | - | - | - | - | - | 332,588 |
| - | - | 56,557 | - | 12,513 | 429,571 | 489,126 | 987,767 |
| - | - | - | - | - | - | - | 104,871 |
| - | - | - | - | - | - | - | 1,578 |
| - | - | - | - | - | - | - | 43,586 |
| - | - | 56,557 | 642,464 | 12,513 | 429,571 | 489,126 | 2,120,095 |
| <u>512,567</u> | <u>570,451</u> | <u>37,735</u> | <u>(485,949)</u> | <u>10,910</u> | <u>(83,677)</u> | <u>(116,763)</u> | <u>453,615</u> |
| - | - | - | 485,949 | - | 83,677 | 116,765 | 726,391 |
| (789,294) | (1,029,150) | (510,000) | - | - | - | - | (2,328,444) |
| <u>(789,294)</u> | <u>(1,029,150)</u> | <u>(510,000)</u> | <u>485,949</u> | <u>-</u> | <u>83,677</u> | <u>116,765</u> | <u>(1,602,053)</u> |
| (276,727) | (458,699) | (472,265) | - | 10,910 | - | 2 | (1,148,438) |
| <u>434,067</u> | <u>987,110</u> | <u>396,653</u> | <u>443</u> | <u>193,793</u> | <u>76,020</u> | <u>(4,526)</u> | <u>4,483,297</u> |
| <u>\$ 157,340</u> | <u>\$ 528,411</u> | <u>\$ (75,612)</u> | <u>\$ 443</u> | <u>\$ 204,703</u> | <u>\$ 76,020</u> | <u>\$ (4,524)</u> | <u>\$ 3,334,859</u> |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Parking Programs

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|------------------------------------|--------------------|--------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Charges for services | \$ 252,000 | \$ 252,000 | \$ 110,911 | \$ (141,089) |
| Licenses and permits | 30,000 | 30,000 | 25,245 | (4,755) |
| Fines, forfeitures and penalties | 150,000 | 150,000 | 54,690 | (95,310) |
| Use of money and property | 75 | 75 | 22,789 | 22,714 |
| Miscellaneous | - | - | 2,650 | 2,650 |
| Total revenues | 432,075 | 432,075 | 216,285 | (215,790) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Parking services | 402,895 | 405,024 | 332,588 | 72,436 |
| Capital outlay | 45,000 | 45,000 | 43,586 | 1,414 |
| Total expenditures | 447,895 | 450,024 | 376,174 | 73,850 |
| Net change in fund balances | \$ (15,820) | \$ (17,949) | (159,889) | \$ (141,940) |
| FUND BALANCES: | | | | |
| Beginning of year | | | 562,271 | |
| End of year | | | \$ 402,382 | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Vehicle Abatement

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|------------------------------------|-----------------|-----------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Charges for services | \$ 12,000 | \$ 14,991 | \$ - | \$ (14,991) |
| Fines, forfeitures and penalties | - | - | 11,513 | 11,513 |
| Use of money and property | 60 | 60 | 16 | (44) |
| Total revenues | 12,060 | 15,051 | 11,529 | (3,522) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Police services | 8,229 | 8,305 | 7,241 | 1,064 |
| Total expenditures | 8,229 | 8,305 | 7,241 | 1,064 |
| Net change in fund balances | \$ 3,831 | \$ 6,746 | 4,288 | \$ (2,458) |
| FUND BALANCES: | | | | |
| Beginning of year | | | 58,329 | |
| End of year | | | \$ 62,617 | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Senior Transportation

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget |
|---|--------------------|--------------------|-------------------|-------------------------------|
| | Original | Final | | Positive (Negative) |
| REVENUES: | | | | |
| Charges for services | \$ - | \$ 10,000 | \$ 2,591 | \$ (7,409) |
| Intergovernmental | - | 92,500 | 69,491 | (23,009) |
| Use of money and property | - | 1,000 | (70) | (1,070) |
| Miscellaneous | 113,000 | 13,000 | 2,529 | (10,471) |
| Total revenues | 113,000 | 116,500 | 74,541 | (41,959) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Senior transportation | 202,402 | 187,191 | 104,871 | 82,320 |
| Capital outlay | 2,000 | 2,000 | - | 2,000 |
| Total expenditures | 204,402 | 189,191 | 104,871 | 84,320 |
| REVENUES OVER (UNDER) EXPENDITURES | (91,402) | (72,691) | (30,330) | 42,361 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 40,000 | 40,000 | 40,000 | - |
| Total other financing sources (uses) | 40,000 | 40,000 | 40,000 | - |
| Net change in fund balances | \$ (51,402) | \$ (32,691) | 9,670 | \$ 42,361 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 195,664 | |
| End of year | | | \$ 205,334 | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Low and Moderate Housing

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|------------------------------------|----------------|-------------|---------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Use of money and property | \$ - | \$ - | \$ 451 | \$ 451 |
| Miscellaneous | - | - | 195,399 | 195,399 |
| Total revenues | - | - | 195,850 | 195,850 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Planning | - | - | 1,578 | (1,578) |
| Total expenditures | - | - | 1,578 | (1,578) |
| Net change in fund balances | \$ - | \$ - | 194,272 | \$ 194,272 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 1,583,473 | |
| End of year | | | <u>\$ 1,777,745</u> | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Road Maintenance and Rehabilitation

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|---------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Other taxes | \$ 457,473 | \$ 457,473 | \$ 511,461 | \$ 53,988 |
| Use of money and property | - | - | 1,106 | 1,106 |
| Total revenues | 457,473 | 457,473 | 512,567 | 55,094 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (420,000) | (789,294) | (789,294) | - |
| Total other financing sources (uses) | (420,000) | (789,294) | (789,294) | - |
| Net change in fund balances | \$ 37,473 | \$ (331,821) | (276,727) | \$ 55,094 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 434,067 | |
| End of year | | | \$ 157,340 | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Gas Tax

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|--------------------|---------------------|--------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Other taxes | \$ 630,735 | \$ 630,735 | \$ 568,324 | \$ (62,411) |
| Use of money and property | 500 | 500 | 2,127 | 1,627 |
| Total revenues | 631,235 | 631,235 | 570,451 | (60,784) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (680,000) | (1,526,710) | (1,029,150) | 497,560 |
| Total other financing sources (uses) | (680,000) | (1,526,710) | (1,029,150) | 497,560 |
| Net change in fund balances | \$ (48,765) | \$ (895,475) | (458,699) | \$ 436,776 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 987,110 | |
| End of year | | | \$ 528,411 | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Measure J Return to Source

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|---------------------|---------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Sales taxes | \$ 471,532 | \$ 471,532 | \$ 93,432 | \$ (378,100) |
| Use of money and property | - | - | 860 | 860 |
| Total revenues | 471,532 | 471,532 | 94,292 | (377,240) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Public works | 57,039 | 65,800 | 56,557 | 9,243 |
| Total expenditures | 57,039 | 65,800 | 56,557 | 9,243 |
| REVENUES OVER (UNDER) EXPENDITURES | 414,493 | 405,732 | 37,735 | (367,997) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (535,000) | (1,045,000) | (510,000) | 535,000 |
| Total other financing sources (uses) | (535,000) | (1,045,000) | (510,000) | 535,000 |
| Net change in fund balances | \$ (120,507) | \$ (639,268) | (472,265) | \$ 167,003 |
| FUND BALANCES: | | | | |
| Beginning of year, as restated | | | 396,653 | |
| End of year | | | \$ (75,612) | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Supplemental Law Enforcement

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Intergovernmental | \$ 155,947 | \$ 155,947 | \$ 156,727 | \$ 780 |
| Use of money and property | - | - | (212) | (212) |
| Total revenues | 155,947 | 155,947 | 156,515 | 568 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Police services | 642,464 | 642,464 | 642,464 | - |
| Total expenditures | 642,464 | 642,464 | 642,464 | - |
| REVENUES OVER (UNDER) EXPENDITURES | (486,517) | (486,517) | (485,949) | 568 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 504,754 | 486,517 | 485,949 | (568) |
| Total other financing sources (uses) | 504,754 | 486,517 | 485,949 | (568) |
| Net change in fund balances | \$ 18,237 | \$ - | - | \$ - |
| FUND BALANCES: | | | | |
| Beginning of year | | | 443 | |
| End of year | | | \$ 443 | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Street Lighting

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|------------------------------------|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 21,500 | \$ 21,500 | \$ 23,393 | \$ 1,893 |
| Use of money and property | 200 | 200 | 30 | (170) |
| Total revenues | 21,700 | 21,700 | 23,423 | 1,723 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Public works | 26,920 | 26,920 | 12,513 | 14,407 |
| Total expenditures | 26,920 | 26,920 | 12,513 | 14,407 |
| Net change in fund balances | \$ (5,220) | \$ (5,220) | 10,910 | \$ 16,130 |
| FUND BALANCES: | | | | |
| Beginning of year | | | 193,793 | |
| End of year | | | <u>\$ 204,703</u> | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Core Area Maintenance

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|------------------|------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 297,734 | \$ 354,276 | \$ 346,577 | \$ (7,699) |
| Use of money and property | 500 | 500 | (683) | (1,183) |
| Total revenues | 298,234 | 354,776 | 345,894 | (8,882) |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Public works | 462,938 | 464,010 | 429,571 | 34,439 |
| Capital outlay | 8,000 | 8,000 | - | 8,000 |
| Total expenditures | 470,938 | 472,010 | 429,571 | 42,439 |
| REVENUES OVER (UNDER) EXPENDITURES | | | | |
| | (172,704) | (117,234) | (83,677) | 33,557 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 179,702 | 146,214 | 83,677 | (62,537) |
| Total other financing sources (uses) | 179,702 | 146,214 | 83,677 | (62,537) |
| Net change in fund balances | \$ 6,998 | \$ 28,980 | - | \$ (28,980) |
| FUND BALANCES: | | | | |
| Beginning of year | | | 76,020 | |
| End of year | | | <u>\$ 76,020</u> | |

City of Lafayette

Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

Stormwater Pollution

For the year ended June 30, 2021

| | Budget Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|--------------------|------------------|-------------------|---|
| | Original | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 370,000 | \$ 365,899 | \$ 368,392 | \$ 2,493 |
| Intergovernmental | - | - | 3,988 | 3,988 |
| Use of money and property | 122 | 656 | (17) | (673) |
| Total revenues | 370,122 | 366,555 | 372,363 | 5,808 |
| EXPENDITURES: | | | | |
| Current: | | | | |
| Public works | 564,782 | 567,257 | 489,126 | 78,131 |
| Total expenditures | 564,782 | 567,257 | 489,126 | 78,131 |
| REVENUES OVER (UNDER) EXPENDITURES | (194,660) | (200,702) | (116,763) | 83,939 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 176,283 | 205,228 | 116,765 | (88,463) |
| Total other financing sources (uses) | 176,283 | 205,228 | 116,765 | (88,463) |
| Net change in fund balances | \$ (18,377) | \$ 4,526 | 2 | \$ (4,524) |
| FUND BALANCES: | | | | |
| Beginning of year | | | (4,526) | |
| End of year | | | \$ (4,524) | |

FIDUCIARY FUNDS

GASB Statement 34 requires that Pension Funds and Agency Funds be presented separately from the Government-Wide and Fund financial statements.

PRIVATE PURPOSE TRUST FUNDS

Successor Agency to the Redevelopment Agency Private Purpose Trust Fund

Redevelopment Agency - Tracks costs and revenues associated with the Successor Agency to the former Lafayette Redevelopment Agency.

Redevelopment Debt Service - Tracks all outstanding debt obligations for the Successor Agency to the former Lafayette Redevelopment Agency tax increment bonds.

CUSTODIAL FUNDS

Lamorinda Fee and Financing Authority - In 1986, the Cities of Lafayette and Orinda and the Town of Moraga entered into a joint powers agreement for the purpose of assessing transportation fees in accordance with the impact of new developments in Lamorinda. As the Treasurer for this agency, this fund is maintained to track fees from Lafayette, Moraga, and Orinda, as well as their expenditure on joint jurisdictional projects that address various bicycle, pedestrian, road, and signal projects as described in the LFFA Expenditure Plan.

Lamorinda School Bus Transportation - In 1994 the cities and school district in Lafayette, Moraga and Orinda entered into a joint powers agreement (JPA) for the purpose of overseeing and operating a joint school bus program to serve K-8 students in order to relieve traffic congestion. The JPA was revised in 2007 to include high school students. It was revised again in 2009 to include three years of bus service for the Piedmont Unified School District while it retrofitted three elementary schools; this agreement ended in June 2012. The City of Lafayette is the Treasurer for this agency and in this capacity, maintains a fund to track the sources and uses of program monies.

City of Lafayette
Combining Statement of Fiduciary Net Position
Successor Agency to the Redevelopment Agency Private Purpose Trust Fund
For the year ended June 30, 2021

| | Redevelopment Agency | Redevelopment Debt Service | Total |
|---|-------------------------|-------------------------------|------------------------|
| ASSETS | | | |
| Cash and investments | \$ 1,165,088 | \$ 7,430 | \$ 1,172,518 |
| Restricted cash and investments held by fiscal agents | - | 1,853,189 | 1,853,189 |
| Total assets | 1,165,088 | 1,860,619 | 3,025,707 |
| LIABILITIES | | | |
| Interest payable | - | 608,158 | 608,158 |
| Loan payable to the City's General Fund | 773,675 | - | 773,675 |
| Long-term debt - due in less than one year | - | 1,100,000 | 1,100,000 |
| Long-term debt - due in more than one year | - | 31,421,805 | 31,421,805 |
| Total liabilities | 773,675 | 33,129,963 | 33,903,638 |
| NET POSITION | | | |
| Held in trust for private purposes | 391,413 | (31,269,344) | (30,877,931) |
| Total Net Position | \$ 391,413 | \$ (31,269,344) | \$ (30,877,931) |

City of Lafayette

Combining Statement of Changes in Fiduciary Net Position

Successor Agency to the Redevelopment Agency Private Purpose Trust Fund

For the year ended June 30, 2021

| | Redevelopment Agency | Redevelopment Debt Service | Total |
|-------------------------------------|-------------------------|-------------------------------|------------------|
| ADDITIONS: | | | |
| Property taxes | \$ 3,659,930 | \$ - | \$ 3,659,930 |
| Use of money and property | 51,077 | 105 | 51,182 |
| Total additions | 3,711,007 | 105 | 3,711,112 |
| DEDUCTIONS: | | | |
| Administration expenses | 250,000 | - | 250,000 |
| Contractual services | 77,607 | - | 77,607 |
| Interest expense and fiscal charges | 22,782 | 1,348,935 | 1,371,717 |
| Total deductions | 350,389 | 1,348,935 | 1,699,324 |
| SPECIAL ITEMS: | | | |
| Adjustments to note payable | 5,337,401 | - | 5,337,401 |
| Total special items | 5,337,401 | - | 5,337,401 |
| Change in net position | 6,128,381 | 1,220,808 | 7,349,189 |
| NET POSITION: | | | |
| Beginning of year | (5,736,968) | (32,490,152) | (38,227,120) |
| End of year | \$ 391,413 | \$ (31,269,344) | \$ (30,877,931) |

City of Lafayette
Combining Statement of Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2021

| | Lamorinda Fee and Financing Authority | Lamorinda School Bus Transportation Agency | Total Custodial Funds |
|---|---|---|--------------------------|
| ASSETS | | | |
| Cash and investments | \$ 1,282,980 | \$ 1,982,673 | \$ 3,265,653 |
| Receivables: | | | |
| Accounts | 168,227 | 125,403 | 293,630 |
| Interest | 729 | 1,135 | 1,864 |
| Prepaid items | - | 11,402 | 11,402 |
| Other assets | - | 500 | 500 |
| Total assets | 1,451,936 | 2,121,113 | 3,573,049 |
| LIABILITIES | | | |
| Accounts payable | - | 45,460 | 45,460 |
| Unearned revenue | - | 386,771 | 386,771 |
| Compensated absences | - | 7,027 | 7,027 |
| Total liabilities | - | 439,258 | 439,258 |
| NET POSITION | | | |
| Restricted for | | | |
| Individuals, organizations, and other governments | 1,451,936 | 1,681,855 | 3,133,791 |
| Total net position | \$ 1,451,936 | \$ 1,681,855 | \$ 3,133,791 |

City of Lafayette
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2021

| | Lamorinda Fee and Financing Authority | Lamorinda School Bus Transportation Agency | Total Custodial Funds |
|--|---|---|--------------------------|
| ADDITIONS: | | | |
| Regional Fees passed through | \$ 230,387 | \$ - | \$ 230,387 |
| Participant fees | - | 18,084 | 18,084 |
| Grants and subsidies | | 1,416,083 | 1,416,083 |
| Donation and gift | | 32 | 32 |
| Use of money and property | 362 | 1,156 | 1,518 |
| Total additions | 230,749 | 1,435,355 | 1,666,104 |
| DEDUCTIONS: | | | |
| Administration expenses | 2,541 | 200,330 | 202,871 |
| Contractual services | 2,843 | 441,077 | 443,920 |
| Total deductions | 5,384 | 641,407 | 646,791 |
| Net increase (decrease) in fiduciary net position | 225,365 | 793,948 | 1,019,313 |
| NET POSITION: | | | |
| Beginning of year, as restated | 1,226,571 | 887,907 | 2,114,478 |
| End of year | <u>\$ 1,451,936</u> | <u>\$ 1,681,855</u> | <u>\$ 3,133,791</u> |

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STATISTICAL SECTION (UNAUDITED)

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

Contents

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.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenues source, the property 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 issues additional debt in the future.

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.

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.

**CITY OF LAFAYETTE
GOVERNMENT-WIDE REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Program Revenues

| Fiscal Year | Charges for Service | Operating Grants and Contribution | Capital Grants and Contributions |
|--------------------|----------------------------|--|---|
| 2012 | \$ 2,724,526 | \$ 149,609 | \$ 2,231,839 |
| 2013 | 4,500,112 | 100,000 | 848,918 |
| 2014 | 3,609,626 | 179,938 | 533,050 |
| 2015 | 4,643,362 | 751,836 | 893,741 |
| 2016 | 4,415,302 | 907,697 | 619,102 |
| 2017 | 4,294,281 | 992,416 | 2,217,522 |
| 2018 | 4,340,132 | 771,828 | 466,273 |
| 2019 | 4,933,365 | 1,015,748 | 432,079 |
| 2020 | 5,969,049 | 1,128,962 | 1,538,501 |
| 2021 | 3,735,550 | 1,435,533 | 782,418 |

Source: City of Lafayette Finance Department.

General Revenues

| Taxes | Motor Vehicle In Lieu | Unrestricted Investment Earnings | Other | Total |
|--------------|----------------------------------|---|--------------|---------------|
| \$13,489,083 | \$ 2,035,206 | \$ 590,727 | \$ 958,823 | \$ 22,179,813 |
| 10,944,451 | 2,058,283 | 157,127 | 1,547,216 | 20,156,107 |
| 11,590,265 | 2,176,084 | 149,827 | 1,963,638 | 20,202,428 |
| 12,411,033 | 2,343,990 | 212,167 | 493,248 | 21,749,377 |
| 13,948,404 | 2,523,771 | 269,718 | 255,721 | 22,939,715 |
| 13,582,314 | 2,706,631 | 352,494 | 952,764 | 25,098,422 |
| 13,803,131 | 2,863,491 | 407,827 | 758,202 | 23,410,884 |
| 13,812,186 | 3,031,410 | 599,664 | 640,151 | 24,464,603 |
| 14,754,117 | 3,228,411 | 1,294,025 | 257,440 | 28,170,505 |
| 14,944,965 | 3,391,221 | 93,023 | 648,503 | 25,031,213 |

**CITY OF LAFAYETTE
GOVERNMENT-WIDE EXPENSES BY FUNCTION
LAST TEN FISCAL YEARS**

| Fiscal Year | City Council, Commissions & Community Support | Police Services | Public Works | Infrastructure |
|--------------------|--|------------------------|---------------------|-----------------------|
| 2012 | \$ 1,156,123 | \$ 3,917,326 | \$ 2,250,034 | \$ 3,412,239 |
| 2013 | 1,187,756 | 4,020,045 | 3,332,889 | 3,790,761 |
| 2014 | 1,262,843 | 3,987,257 | 2,475,665 | 4,649,195 |
| 2015 *** | 1,207,205 | 5,272,182 | 2,053,516 | - |
| 2016 | 1,358,648 | 5,321,731 | 2,238,759 | - |
| 2017 | 1,336,345 | 5,455,796 | 3,148,160 | - |
| 2018 | 1,287,941 | 5,693,891 | 3,330,799 | - |
| 2019 | 1,324,124 | 5,986,121 | 2,795,505 | - |
| 2020 | 1,209,780 | 6,185,450 | 3,428,740 | - |
| 2021 | 1,435,924 | 6,237,064 | 3,520,907 | - |

Source: City of Lafayette Finance Department.

* The Redevelopment Agency was dissolved as of January 31, 2012.

** Comprises parking services, senior transportation, and library operations

*** Infrastructure as its own program was found to be incorrect per the Governmental

**** Comprises City Manager, City Attorney, City Clerk, Finance, Shared Costs, IT, Shared Equity, and Insurance.

| Planning & Engineering | Administration **** | Debt Service | Other ** | Recreation Programs | Total |
|-----------------------------------|--------------------------------|---------------------|-----------------|----------------------------|---------------|
| \$ 1,969,349 | \$ 2,660,629 | \$ 2,101,477 | \$ 771,003 | \$ 963,224 | \$ 19,201,404 |
| 1,103,616 | 3,411,836 | 284,950 | 932,134 | 988,395 | 19,052,382 |
| 841,799 | 3,815,040 | 271,508 | 1,093,381 | 1,064,898 | 19,461,586 |
| 6,691,105 | 2,064,648 | 252,475 | 1,297,309 | 1,224,490 | 20,062,930 |
| 6,907,346 | 2,352,606 | 230,625 | 1,389,465 | 1,288,899 | 21,088,079 |
| 6,982,011 | 2,842,683 | 169,164 | 1,314,639 | 1,200,758 | 22,449,556 |
| 7,180,549 | 3,116,141 | 115,911 | 1,241,240 | 1,212,550 | 23,179,022 |
| 7,185,138 | 3,254,763 | 102,556 | 1,412,231 | 1,427,524 | 23,487,962 |
| 6,645,114 | 3,501,765 | 99,780 | 1,410,749 | 1,406,644 | 23,888,022 |
| 6,809,751 | 3,832,812 | 74,412 | 1,292,287 | 1,496,592 | 24,699,749 |

**CITY OF LAFAYETTE
GOVERNMENTAL FUNDS - REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

| Fiscal Year | Taxes | Parking | Intergovernmental | Charges for Services | Licenses and Permits |
|--------------------|---------------|----------------|--------------------------|-----------------------------|-----------------------------|
| 2012 | \$ 14,756,473 | \$ 327,353 | \$ 2,381,448 | \$ 1,268,191 | \$ - |
| 2013 | 13,473,632 | 226,092 | 948,918 | 1,247,703 | - |
| 2014 | 13,766,347 | 242,324 | 712,989 | 1,478,690 | - |
| 2015* | 14,755,023 | - | 977,321 | 2,731,507 | 295,426 |
| 2016 | 15,847,961 | - | 761,625 | 2,594,541 | 351,820 |
| 2017 | 13,284,919 | - | 5,294,517 | 2,697,602 | 334,014 |
| 2018 | 13,979,431 | - | 3,519,372 | 2,088,499 | 648,442 |
| 2019 | 14,827,842 | - | 3,333,879 | 3,675,391 | 425,878 |
| 2020 | 14,754,116 | - | 3,656,898 | 4,617,165 | 413,897 |
| 2021 | 14,470,337 | - | 4,823,202 | 2,537,873 | 479,708 |

Source: City of Lafayette Finance Department

* In 2015, parking and developer fees were consolidated into the charges for service category, while license and permit revenue was broken out from charges for services.

| <u>Fines, Forfeitures & Penalties</u> | <u>Use of Money and Property</u> | <u>Developer Fees</u> | <u>Miscellaneous</u> | <u>Total Revenues</u> |
|---|--------------------------------------|-----------------------|----------------------|-----------------------|
| \$ 451,506 | \$ 590,727 | \$ 377,462 | \$ 958,823 | \$ 21,111,983 |
| 382,008 | 157,127 | 1,558,694 | 1,547,216 | 19,541,390 |
| 371,372 | 182,394 | 416,968 | 1,931,070 | 19,102,154 |
| 316,406 | 212,167 | - | 1,161,504 | 20,449,354 |
| 251,721 | 301,157 | - | 1,689,390 | 21,798,215 |
| 270,038 | 380,977 | - | 1,579,554 | 23,841,621 |
| 265,379 | 435,509 | - | 1,123,947 | 22,060,579 |
| 281,186 | 594,171 | - | 388,445 | 23,526,792 |
| 187,178 | 1,244,299 | - | 1,834,611 | 26,708,164 |
| 97,305 | 92,686 | - | 619,100 | 23,120,211 |

**CITY OF LAFAYETTE
TAX REVENUE BY SOURCE
LAST TEN FISCAL YEARS**

| Fiscal Year | Property | Sales & Use | Transient Occupancy | Franchise |
|-----------------------------|-----------------|------------------------|--------------------------------|------------------|
| 2012 | \$ 6,763,452 * | \$ 2,561,057 | \$ 522,777 | \$ 1,609,145 |
| 2013 | 5,259,337 | 2,667,194 | 562,018 | 1,622,330 |
| 2014 | 5,102,514 | 2,756,952 | 630,576 | 1,664,512 |
| 2015 | 5,427,316 | 2,876,935 | 701,718 | 1,836,029 |
| 2016 | 5,722,675 | 3,193,914 | 745,707 | 2,165,762 |
| 2017 | 5,929,562 | 3,008,076 | 733,429 | 2,222,040 |
| 2018 | 6,280,832 | 3,026,925 | 732,816 | 2,382,933 |
| 2019 | 6,542,501 | 3,184,917 | 777,788 | 2,385,251 |
| 2020 | 6,887,526 | 2,860,285 | 551,187 | 2,497,546 |
| 2021 | 7,093,222 | 2,849,976 | 263,680 | 2,534,504 |
| Change 2012-2021 | 4.9% | 11.3% | -49.6% | 57.5% |

Source: City of Lafayette Finance Department

* These figures include property tax revenue received by the Redevelopment Agency of the City of Lafayette, which was eliminated in February 2012. For comparison purposes, an additional table is shown below that reflects property tax revenues without the portion related to the Redevelopment Agency of the City of Lafayette.

| Fiscal Year | Property |
|--------------------|-----------------|
| 2012 | \$ 4,746,448 |
| 2013 | 5,259,337 |
| 2014 | 5,102,514 |
| 2015 | 5,427,316 |
| 2016 | 5,722,675 |
| 2017 | 5,929,562 |
| 2018 | 6,280,832 |
| 2019 | 6,542,501 |
| 2020 | 6,887,526 |
| 2021 | 7,093,222 |

| <u>Property Transfer</u> | <u>Road Maintenance & Rehabilitation</u> | <u>Highway Users</u> | <u>Measure J</u> | <u>Total Revenues</u> |
|--------------------------|--|----------------------|------------------|-----------------------|
| \$ 207,002 | \$ - | \$ 690,985 | \$ 366,849 | \$ 12,721,267 |
| 237,799 | - | 580,172 | 486,499 | 11,415,349 |
| 292,045 | - | 744,128 | 399,536 | 11,590,263 |
| 349,633 | - | 703,594 | 515,808 | 12,411,033 |
| 333,647 | - | 553,383 | 609,103 | 13,324,191 |
| 379,208 | - | 484,029 | 528,575 | 13,284,919 |
| 333,597 | 147,655 | 541,701 | 532,972 | 13,979,431 |
| 386,626 | 430,608 | 535,103 | 585,048 | 14,827,842 |
| 287,411 | 459,039 | 609,625 | 601,498 | 14,754,117 |
| 555,738 | 511,461 | 568,324 | 568,060 | 14,944,965 |
| 168.5% | 100.0% | -17.8% | 54.8% | 17.5% |

**CITY OF LAFAYETTE
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN FISCAL YEARS**

| Fiscal Year | Council, Commissions, & Community Support | Police Services | Public Works | Planning & Engineering | Administration |
|---------------------|--|------------------------|---------------------|---------------------------------------|-----------------------|
| 2012 | \$ 1,156,123 | \$ 3,865,518 | \$ 2,221,207 | \$ 1,969,349 | \$ 2,587,138 |
| 2013 | 1,187,756 | 3,973,124 | 3,312,392 | 1,103,616 | 3,398,415 |
| 2014 | 1,262,843 | 3,945,555 | 2,462,591 | 831,314 | 3,815,664 |
| 2015 * | 1,198,457 | 5,056,410 | 2,210,055 | 1,871,739 | 2,070,041 |
| 2016 | 1,339,477 | 5,110,272 | 2,876,882 | 1,889,844 | 2,327,342 |
| 2017 | 1,346,360 | 5,232,949 | 2,982,644 | 1,918,701 | 2,789,757 |
| 2018 | 1,286,808 | 5,469,173 | 3,082,750 | 1,990,448 | 3,010,084 |
| 2019 | 1,392,241 | 5,791,710 | 2,653,190 | 1,906,902 | 3,254,763 |
| 2020 | 1,182,348 | 5,902,772 | 2,750,999 | 1,813,450 | 3,260,953 |
| 2021 | 1,394,972 | 5,897,347 | 2,858,699 | 1,968,969 | 3,522,830 |
| Change 2012-2021 | 20.7% | 52.6% | 28.7% | 0.0% | 36.2% |

Source: City of Lafayette Finance Department.

* Insurance & Claims is combined with Administration. Other Expenses represents the costs for parking, senior transportation, and library operations.

| <u>Capital Projects</u> | <u>Debt Service</u> | <u>Rent & Other Expenses</u> | <u>Insurance & Claims</u> | <u>Total</u> |
|-------------------------|---------------------|----------------------------------|-------------------------------|---------------|
| \$ 3,847,573 | \$ 3,320,059 | \$ 735,352 | \$ 35,651 | \$ 19,737,970 |
| 2,999,602 | 798,914 | 748,289 | 183,845 | 17,705,953 |
| 5,838,737 | 731,525 | 798,936 | 181,460 | 19,868,625 |
| 4,898,679 | 732,338 | 1,297,314 | - | 19,335,033 |
| 3,737,470 | 730,168 | 1,384,181 | - | 19,395,636 |
| 9,016,524 | 3,632,235 | 1,309,925 | - | 28,229,095 |
| 4,255,567 | 598,393 | 1,232,695 | - | 20,925,918 |
| 3,965,049 | 595,038 | 1,412,231 | - | 20,971,124 |
| 3,574,148 | 596,779 | 1,348,246 | - | 20,429,695 |
| 4,736,591 | 589,886 | 1,129,470 | - | 22,098,764 |
| 23.1% | -82.2% | 53.6% | -100.0% | 12.0% |

CITY OF LAFAYETTE

NET POSITION BY COMPONENT

**LAST TEN FISCAL YEARS
(accrual basis of accounting)**

| | Fiscal Year Ended June 30, | | | |
|--|----------------------------|-----------------------|-----------------------|-----------------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
| Governmental activities: | | | | |
| Net Invested in capital assets | \$ 98,939,504 | \$ 98,560,464 | \$ 99,272,004 | \$ 99,751,041 |
| Restricted | 16,571,443 | 19,381,805 | 21,379,235 | 7,255,961 |
| Unrestricted | 10,809,260 | 9,414,443 | 6,680,700 | 23,081,608 |
| Total governmental activities net position | <u>126,320,207</u> | <u>127,356,712</u> | <u>127,331,939</u> | <u>130,088,610</u> |
| Business-type activities: | | | | |
| Unrestricted | 242,128 | 309,576 | 315,532 | 361,531 |
| Total business-type activities net position | <u>242,128</u> | <u>309,576</u> | <u>315,532</u> | <u>361,531</u> |
| Primary government: | | | | |
| Net Invested in capital assets | 98,939,504 | 98,560,464 | 99,272,004 | 99,751,041 |
| Restricted | 16,571,443 | 19,381,805 | 21,379,235 | 7,255,961 |
| Unrestricted | 11,051,388 | 9,724,019 | 6,996,232 | 23,443,139 |
| Total primary government net position | <u>\$ 126,562,335</u> | <u>\$ 127,666,288</u> | <u>\$ 127,647,471</u> | <u>\$ 130,450,141</u> |

Fiscal Year Ended June 30,

| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 99,141,344 | \$ 103,942,613 | \$ 100,979,947 | \$ 100,129,245 | \$ 98,287,552 | \$ 97,704,629 |
| 7,932,301 | 4,149,103 | 4,337,875 | 6,211,285 | 6,682,424 | 6,401,661 |
| <u>24,796,206</u> | <u>26,382,458</u> | <u>29,007,157</u> | <u>28,768,676</u> | <u>34,396,016</u> | <u>30,340,693</u> |
| <u>131,869,851</u> | <u>134,474,174</u> | <u>134,324,979</u> | <u>135,109,206</u> | <u>139,365,992</u> | <u>134,446,983</u> |
| 432,688 | 477,652 | 586,825 | 779,239 | 804,936 | 718,008 |
| <u>432,688</u> | <u>477,652</u> | <u>586,825</u> | <u>779,239</u> | <u>804,936</u> | <u>718,008</u> |
| 99,141,344 | 103,942,613 | 100,979,947 | 100,129,245 | 98,287,552 | 97,704,629 |
| 7,932,301 | 4,149,103 | 4,337,875 | 6,211,285 | 6,682,424 | 6,401,661 |
| <u>25,228,894</u> | <u>26,860,110</u> | <u>29,593,982</u> | <u>29,547,915</u> | <u>35,200,952</u> | <u>31,058,701</u> |
| <u>\$ 132,302,539</u> | <u>\$ 134,951,826</u> | <u>\$ 134,911,804</u> | <u>\$ 135,888,445</u> | <u>\$ 140,170,928</u> | <u>\$ 135,164,991</u> |

CITY OF LAFAYETTE

CHANGES IN NET POSITION

LAST TEN FISCAL YEARS

(accrual basis of accounting)

| | Fiscal year ended June 30, | | | |
|--|----------------------------|----------------------|----------------------|----------------------|
| | 2012 | 2013 | 2014 | 2015 |
| Expenses: | | | | |
| Governmental activities: | | | | |
| Council, commissions & community support | \$ 1,156,123 | \$ 1,187,756 | \$ 1,262,843 | \$ 1,207,205 |
| Administration | 2,660,629 | 3,411,836 | 3,815,040 | 2,064,648 |
| Police services | 3,917,326 | 4,020,045 | 3,987,257 | 5,272,182 |
| Public works | 2,250,034 | 3,332,889 | 2,475,665 | 2,053,516 |
| Infrastructure - depreciation | 3,412,239 | 3,790,761 | 4,649,195 | - |
| Planning & engineering | 1,969,349 | 1,103,616 | 841,799 | 6,691,105 |
| Interest & debt charges | 2,101,477 | 284,950 | 271,508 | 252,475 |
| Other | 771,003 | 932,134 | 1,093,381 | 1,297,309 |
| Total governmental activities expenses | 18,238,180 | 18,063,987 | 18,396,688 | 18,838,440 |
| Business-type activities: | | | | |
| Recreation Programs | 963,224 | 988,395 | 1,064,898 | 1,224,490 |
| Total business-type activities expenses | 963,224 | 988,395 | 1,064,898 | 1,224,490 |
| Total primary government expenses | \$ 19,201,404 | \$ 19,052,382 | \$ 19,461,586 | \$ 20,062,930 |
| Program revenues: | | | | |
| Governmental activities: | | | | |
| Charges for services: | | | | |
| Police services | \$ 34,857 | \$ 630,325 | \$ 637,454 | \$ 154,260 |
| Public works | - | - | - | 84,729 |
| Planning & engineering | 1,621,839 | 2,784,172 | 1,871,901 | 2,593,636 |
| Administration | - | - | - | 14,648 |
| Other | - | - | - | 496,066 |
| Operating grants and contributions | 149,609 | 100,000 | 179,938 | 751,836 |
| Capital grants and contributions | 2,231,839 | 848,918 | 533,050 | 893,741 |
| Total governmental activities program revenues | 4,038,144 | 4,363,415 | 3,222,343 | 4,988,916 |
| Business-type activities: | | | | |
| Charges for services: | | | | |
| Recreation programs | 1,067,830 | 1,085,615 | 1,100,271 | 1,300,023 |
| Total business-type activities program revenues | 1,067,830 | 1,085,615 | 1,100,271 | 1,300,023 |

Fiscal year ended June 30,

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------|---------------|---------------|---------------|---------------|---------------|
| \$ 1,358,648 | \$ 1,336,345 | \$ 1,287,941 | \$ 1,324,124 | \$ 1,209,780 | \$ 1,435,924 |
| 2,352,606 | 2,842,683 | 3,116,141 | 3,254,763 | 3,501,765 | 3,832,812 |
| 5,321,731 | 5,455,796 | 5,693,891 | 5,986,121 | 6,185,450 | 6,237,064 |
| 2,238,759 | 3,148,160 | 3,330,799 | 2,795,505 | 3,428,740 | 3,520,907 |
| - | - | - | - | - | - |
| 6,907,346 | 6,982,011 | 7,180,549 | 7,185,138 | 6,645,114 | 6,809,751 |
| 230,625 | 169,164 | 115,911 | 102,556 | 99,780 | 74,412 |
| 1,389,465 | 1,314,639 | 1,241,240 | 1,412,231 | 1,410,749 | 1,292,287 |
| 19,799,180 | 21,248,798 | 21,966,472 | 22,060,438 | 22,481,378 | 23,203,157 |
| 1,288,899 | 1,200,758 | 1,212,550 | 1,427,524 | 1,406,644 | 1,496,592 |
| 1,288,899 | 1,200,758 | 1,212,550 | 1,427,524 | 1,406,644 | 1,496,592 |
| \$ 21,088,079 | \$ 22,449,556 | \$ 23,179,022 | \$ 23,487,962 | \$ 23,888,022 | \$ 24,699,749 |
| | | | | | |
| \$ 129,316 | \$ 101,073 | \$ 106,127 | \$ 86,141 | \$ 76,958 | \$ 43,628 |
| 84,173 | 92,998 | 87,899 | 76,528 | 77,836 | 62,122 |
| 2,329,312 | 2,210,929 | 2,208,041 | 2,483,142 | 3,792,025 | 1,991,030 |
| 18,118 | 18,722 | 20,704 | 20,012 | 10,005 | 3,320 |
| 465,089 | 570,258 | 567,056 | 623,097 | 565,826 | 196,123 |
| 907,697 | 992,416 | 771,828 | 1,015,748 | 1,128,962 | 1,435,533 |
| 619,102 | 2,217,522 | 466,273 | 432,079 | 1,538,501 | 782,418 |
| 4,552,807 | 6,203,918 | 4,227,928 | 4,736,747 | 7,190,113 | 4,514,174 |
| 1,389,294 | 1,300,301 | 1,350,305 | 1,644,445 | 1,446,399 | 1,439,327 |
| 1,389,294 | 1,300,301 | 1,350,305 | 1,644,445 | 1,446,399 | 1,439,327 |

CITY OF LAFAYETTE

CHANGES IN NET POSITION, Continued

**LAST TEN FISCAL YEARS
(accrual basis of accounting)**

| | Fiscal year ended June 30, | | | |
|---|----------------------------|------------------------|------------------------|------------------------|
| | 2012 | 2013 | 2014 | 2015 |
| Net revenues (expenses) | | | | |
| Governmental activities: | \$ (14,200,036) | \$ (13,700,572) | \$ (15,174,345) | \$ (13,849,524) |
| Business-type activities: | 104,606 | 97,220 | 35,373 | 75,533 |
| Total primary government net expense | <u>\$ (14,095,430)</u> | <u>\$ (13,603,352)</u> | <u>\$ (15,138,972)</u> | <u>\$ (13,773,991)</u> |
| General revenues and other changes in net assets: | | | | |
| Governmental activities: | | | | |
| Taxes: | | | | |
| Property tax and assessments | \$ 6,763,452 | \$ 4,788,439 | \$ 5,102,515 | \$ 5,427,316 |
| Sales tax | 2,927,906 | 3,153,693 | 3,156,488 | 3,392,743 |
| Franchise tax | 1,609,145 | 1,622,330 | 1,664,512 | 1,836,029 |
| Transient occupancy tax | 522,777 | 562,018 | 630,576 | 701,718 |
| Vehicle code fines | 440,463 | N/A | N/A | - |
| Motor vehicle in lieu tax | 2,035,206 | 2,058,283 | 2,176,084 | 2,343,990 |
| Highway users tax | 690,985 | 580,172 | 744,129 | 703,594 |
| Transfer tax | 207,002 | 237,799 | 292,045 | 349,633 |
| Parking revenues | 327,353 | N/A | N/A | - |
| Investment income | 590,727 | 157,127 | 149,827 | 212,167 |
| Other | 958,823 | 1,547,216 | 1,963,638 | 493,248 |
| Transfers in | 30,000 | 30,000 | 30,000 | 30,000 |
| Total governmental activities | <u>17,103,839</u> | <u>14,737,077</u> | <u>15,909,814</u> | <u>15,490,438</u> |
| Extraordinary Gain - Successor Agency Trust for Assets | 42,082,740 | - | - | - |
| Special Item - Adjustment to Loans Receivable | - | - | - | - |
| Business-type activities: | | | | |
| Investment income | - | 228 | 583 | 466 |
| Transfers out | (30,000) | (30,000) | (30,000) | (30,000) |
| Total business-type activities | <u>(30,000)</u> | <u>(29,772)</u> | <u>(29,417)</u> | <u>(29,534)</u> |
| Total primary government changes in net position | | | | |
| Governmental activities: | 44,986,543 | 1,036,505 | 735,469 | 1,640,914 |
| Business-type activities: | 74,606 | 67,448 | 5,956 | 45,999 |
| Total primary government | <u>\$ 45,061,149</u> | <u>\$ 1,103,953</u> | <u>\$ 741,425</u> | <u>\$ 1,686,913</u> |

* The Redevelopment Agency was dissolved as of January 31, 2012.

Fiscal year ended June 30,

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| \$ (15,246,373) | \$ (15,044,880) | \$ (17,738,544) | \$ (17,323,691) | \$ (15,291,265) | \$ (18,688,983) |
| 100,395 | 99,543 | 137,755 | 216,921 | 39,755 | (57,265) |
| <u>\$ (15,145,978)</u> | <u>\$ (14,945,337)</u> | <u>\$ (17,600,789)</u> | <u>\$ (17,106,770)</u> | <u>\$ (15,251,510)</u> | <u>\$ (18,746,248)</u> |
| \$ 6,346,889 | \$ 6,226,957 | \$ 6,280,834 | \$ 6,542,501 | \$ 6,887,526 | \$ 7,093,222 |
| 3,803,017 | 3,536,651 | 3,559,897 | 3,184,917 | 3,461,783 | 3,418,036 |
| 2,165,761 | 2,222,040 | 2,382,933 | 2,385,251 | 2,497,546 | 2,534,504 |
| 745,707 | 733,429 | 732,816 | 777,788 | 551,187 | 263,680 |
| - | - | - | - | - | - |
| 2,523,771 | 2,706,631 | 2,863,491 | 3,031,410 | 3,228,411 | 3,391,221 |
| 553,383 | 484,029 | 513,054 | 535,103 | 1,068,664 | 1,079,785 |
| 333,647 | 379,208 | 333,597 | 386,626 | 287,411 | 555,738 |
| - | - | - | - | - | - |
| 269,718 | 352,494 | 407,827 | 594,171 | 1,278,083 | 92,686 |
| 255,721 | 952,764 | 758,202 | 640,151 | 257,440 | 648,503 |
| 30,000 | 55,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| <u>17,027,614</u> | <u>17,649,203</u> | <u>17,862,651</u> | <u>18,107,918</u> | <u>19,548,051</u> | <u>19,107,375</u> |
| - | - | - | - | - | - |
| - | - | - | - | - | (5,337,401) |
| 762 | 421 | 1,418 | 5,493 | 15,942 | 337 |
| <u>(30,000)</u> | <u>(55,000)</u> | <u>(30,000)</u> | <u>(30,000)</u> | <u>(30,000)</u> | <u>(30,000)</u> |
| <u>(29,238)</u> | <u>(54,579)</u> | <u>(28,582)</u> | <u>(24,507)</u> | <u>(14,058)</u> | <u>(29,663)</u> |
| 1,781,241 | 2,604,323 | 124,107 | 784,227 | 4,256,786 | (4,919,009) |
| 71,157 | 44,964 | 109,173 | 192,414 | 25,697 | (86,928) |
| <u>\$ 1,852,398</u> | <u>\$ 2,649,287</u> | <u>\$ 233,280</u> | <u>\$ 976,641</u> | <u>\$ 4,282,483</u> | <u>\$ (5,005,937)</u> |

CITY OF LAFAYETTE

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(modified accrual basis of accounting)

| | Fiscal Year Ended June 30, | | | |
|------------------------------------|----------------------------|----------------------|----------------------|----------------------|
| | 2012 | 2013 | 2014 | 2015 |
| General fund: | | | | |
| Nonspendable | \$ 6,022,847 | \$ 6,509,859 | \$ 6,073,032 | \$ 6,086,362 |
| Restricted | - | 42,880 | 6,280 | 23,110 |
| Committed | 1,509,476 | 690,944 | 3,191,939 | 3,117,955 |
| Assigned | 250,000 | 2,724,004 | - | - |
| Unassigned | 10,391,624 | 7,388,013 | 6,804,724 | 8,267,328 |
| Total general fund | <u>\$ 18,173,947</u> | <u>\$ 17,355,700</u> | <u>\$ 16,075,975</u> | <u>\$ 17,494,755</u> |
| All other governmental funds: | | | | |
| Nonspendable | \$ 624,969 | \$ 144,141 | \$ 2,211,773 | \$ 1,209 |
| Restricted | 4,308,582 | 4,602,990 | 2,973,306 | 7,254,752 |
| Committed | 4,105,569 | 7,440,055 | 7,545,361 | 6,315,777 |
| Assigned | - | - | - | - |
| Unassigned | 464,382 | - | - | - |
| Total all other governmental funds | <u>\$ 9,503,502</u> | <u>\$ 12,187,186</u> | <u>\$ 12,730,440</u> | <u>\$ 13,571,738</u> |

Fiscal Year Ended June 30,

| 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 6,154,010 | \$ 6,163,882 | \$ 6,244,576 | \$ 5,220,713 | \$ 5,405,664 | \$ 81,698 |
| 143,431 | 299,472 | 227,160 | 353,276 | 605,690 | 711,388 |
| 2,797,600 | 3,497,362 | 3,809,563 | 3,253,187 | 3,323,161 | 3,603,524 |
| - | - | - | - | - | - |
| 9,766,041 | 9,522,320 | 9,560,743 | 10,896,915 | 12,788,415 | 13,734,982 |
| <u>\$ 18,861,082</u> | <u>\$ 19,483,036</u> | <u>\$ 19,842,042</u> | <u>\$ 19,724,091</u> | <u>\$ 22,122,930</u> | <u>\$ 18,131,592</u> |
| | | | | | |
| \$ 1,000 | \$ - | \$ 529 | \$ 3,592 | \$ 3,661 | \$ 3,726 |
| 9,083,166 | 5,221,774 | 4,944,625 | 10,126,001 | 6,077,783 | 4,753,801 |
| 5,553,824 | 6,919,098 | 9,596,308 | 5,974,282 | 13,937,303 | 14,504,772 |
| - | - | - | - | - | - |
| - | (402,310) | - | - | (5,242) | (81,289) |
| <u>\$ 14,637,990</u> | <u>\$ 11,738,562</u> | <u>\$ 14,541,462</u> | <u>\$ 16,103,875</u> | <u>\$ 20,013,505</u> | <u>\$ 19,181,010</u> |

CITY OF LAFAYETTE

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

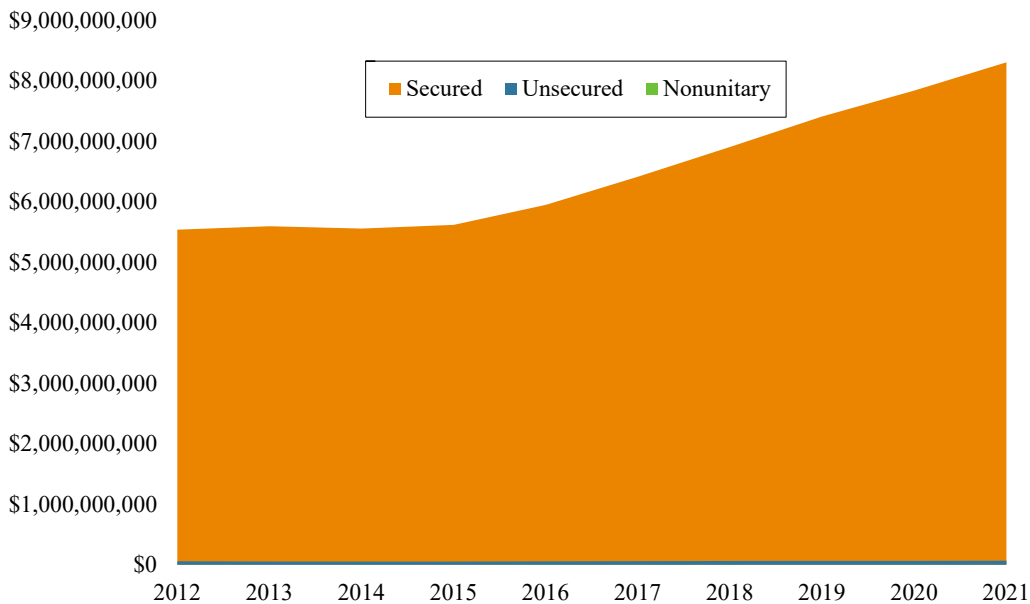
(modified accrual basis of accounting)

| | Fiscal Year Ended June 30, | | | |
|---|----------------------------|---------------------|---------------------|---------------------|
| | 2012 | 2013 | 2014 | 2015 |
| Revenues: | | | | |
| Taxes | \$ 14,756,473 | \$ 13,473,632 | \$ 13,766,347 | \$ 14,755,023 |
| Licenses and permits | - | - | - | 295,426 |
| Intergovernmental | 2,381,448 | 948,918 | 712,989 | 977,321 |
| Developer fees | 377,462 | 1,558,694 | 416,968 | - |
| Charges for services | 1,268,191 | 1,247,703 | 1,478,690 | 2,731,507 |
| Fines and forfeitures | 451,506 | 382,008 | 371,372 | 316,406 |
| Investment income | 590,727 | 157,127 | 182,394 | 212,167 |
| Parking | 327,353 | 226,092 | 242,324 | - |
| Miscellaneous | 958,823 | 1,547,216 | 1,931,070 | 1,161,504 |
| Total revenues | <u>21,111,983</u> | <u>19,541,390</u> | <u>19,102,154</u> | <u>20,449,354</u> |
| Expenditures | | | | |
| Current: | | | | |
| Council, commissions & community support | 1,156,123 | 1,187,756 | 1,262,843 | 1,198,457 |
| Police services | 3,865,518 | 3,973,124 | 3,945,555 | 5,056,410 |
| Public works | 2,221,207 | 3,312,392 | 2,462,591 | 2,210,055 |
| Planning & Engineering | 1,969,349 | 1,103,616 | 831,314 | 1,871,739 |
| Administration | 2,587,138 | 3,398,415 | 3,815,664 | 2,070,041 |
| Capital projects | 3,847,573 | 2,999,602 | 5,838,737 | 4,898,679 |
| Debt service | | | | |
| Principal | 780,000 | 495,000 | 450,000 | 470,000 |
| Interest | 2,540,059 | 303,914 | 281,525 | 262,338 |
| Rent & other expenses | 735,352 | 748,289 | 798,936 | 1,297,314 |
| Insurance & claims | 35,651 | 183,845 | 181,460 | - |
| Total expenditures | <u>19,737,970</u> | <u>17,705,953</u> | <u>19,868,625</u> | <u>19,335,033</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>1,374,013</u> | <u>1,835,437</u> | <u>(766,471)</u> | <u>1,114,321</u> |
| Other financing sources (uses): | | | | |
| Transfers in | 4,291,955 | 4,378,465 | 5,384,641 | 3,628,519 |
| Transfers out | (4,261,955) | (4,348,465) | (5,354,641) | (3,598,519) |
| Proceeds from sales of capital assets | - | - | - | - |
| Proceeds from bonds | - | - | - | - |
| Total other financing sources (uses) | <u>30,000</u> | <u>30,000</u> | <u>30,000</u> | <u>30,000</u> |
| Special Item | | | | |
| Adjustment to loans receivable | - | - | - | - |
| Net change in fund balances | <u>\$ 1,404,013</u> | <u>\$ 1,865,437</u> | <u>\$ (736,471)</u> | <u>\$ 1,144,321</u> |
| Debt service as a percentage of noncapital expenditures | 21% | 5% | 5% | 5% |

Fiscal Year Ended June 30,

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----|-------------------|--------------------|-------------------|-------------------|-------------------|--------------------|
| \$ | 15,847,961 | \$ 13,284,919 | \$ 13,979,431 | \$ 14,827,842 | \$ 14,754,116 | \$ 14,470,337 |
| | 351,820 | 334,014 | 648,442 | 425,878 | 413,897 | 479,708 |
| | 761,625 | 5,294,517 | 3,519,372 | 3,333,879 | 3,656,898 | 4,823,202 |
| | - | - | - | - | - | - |
| | 2,594,541 | 2,697,602 | 2,088,499 | 3,675,391 | 4,617,165 | 2,537,873 |
| | 251,721 | 270,038 | 265,379 | 281,186 | 187,178 | 97,305 |
| | 301,157 | 380,977 | 435,509 | 594,171 | 1,244,299 | 92,686 |
| | - | - | - | - | - | - |
| | 1,689,390 | 1,579,554 | 1,123,947 | 388,445 | 1,834,611 | 619,100 |
| | <u>21,798,215</u> | <u>23,841,621</u> | <u>22,060,579</u> | <u>23,526,792</u> | <u>26,708,164</u> | <u>23,120,211</u> |
| | 1,339,477 | 1,346,360 | 1,286,808 | 1,392,241 | 1,182,348 | 1,394,972 |
| | 5,110,272 | 5,232,949 | 5,469,173 | 5,791,710 | 5,902,772 | 5,897,347 |
| | 2,876,882 | 2,982,644 | 3,082,750 | 2,653,190 | 2,750,999 | 2,858,699 |
| | 1,889,844 | 1,918,701 | 1,990,448 | 1,906,902 | 1,813,450 | 1,968,969 |
| | 2,327,342 | 2,789,757 | 3,010,084 | 3,254,763 | 3,260,953 | 3,522,830 |
| | 3,737,470 | 9,016,524 | 4,255,567 | 3,965,049 | 3,574,148 | 4,736,591 |
| | 490,000 | 3,394,767 | 480,000 | 490,000 | 505,000 | 510,000 |
| | 240,168 | 237,468 | 118,393 | 105,038 | 91,779 | 79,886 |
| | 1,384,181 | 1,309,925 | 1,232,695 | 1,412,231 | 1,348,246 | 1,129,470 |
| | - | - | - | - | - | - |
| | <u>19,395,636</u> | <u>28,229,095</u> | <u>20,925,918</u> | <u>20,971,124</u> | <u>20,429,695</u> | <u>22,098,764</u> |
| | 2,402,579 | (4,387,474) | 1,134,661 | 2,555,668 | 6,278,469 | 1,021,447 |
| | 3,827,512 | 5,739,444 | 4,142,660 | 3,994,528 | 2,955,340 | 3,816,162 |
| | (3,797,512) | (5,684,444) | (4,112,660) | (3,964,528) | (2,925,340) | (3,786,162) |
| | - | - | 1,997,245 | - | - | - |
| | - | 2,055,000 | - | - | - | - |
| | <u>30,000</u> | <u>2,110,000</u> | <u>2,027,245</u> | <u>30,000</u> | <u>30,000</u> | <u>30,000</u> |
| | - | - | - | - | - | (5,337,401) |
| \$ | <u>2,432,579</u> | <u>(2,277,474)</u> | <u>3,161,906</u> | <u>2,585,668</u> | <u>6,308,469</u> | <u>(4,285,954)</u> |
| | 5% | 19% | 4% | 3% | 4% | 3% |

**CITY OF LAFAYETTE
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**



| Fiscal Year ended June 30 | Secured | Unsecured | Nonunitary | Taxable Assessed Value* | Total Direct Rate |
|--------------------------------------|----------------|------------------|-------------------|------------------------------------|----------------------------------|
| 2012 | 5,558,785,347 | 52,407,020 | 650,940 | \$5,611,843,307 | 0.14103 |
| 2013 | 5,619,888,737 | 54,963,402 | 650,940 | \$5,675,503,079 | 0.14290 |
| 2014 | 5,949,707,469 | 57,918,585 | 650,940 | \$6,008,276,994 | 0.08075 |
| 2015 | 6,416,076,847 | 57,781,280 | 991,026 | \$6,474,849,153 | 0.07928 |
| 2016 | 6,907,551,196 | 64,879,026 | 991,026 | \$6,973,421,248 | 0.07614 |
| 2017 | 7,411,943,234 | 65,184,095 | 991,026 | \$7,478,118,355 | 0.07513 |
| 2018 | 7,840,571,147 | 65,892,315 | 991,026 | \$7,907,454,488 | 0.07412 |
| 2019 | 8,307,745,104 | 66,885,813 | 1,101,140 | \$8,375,732,057 | 0.07412 |
| 2020 | 8,826,825,036 | 70,693,734 | 1,101,140 | \$8,898,619,910 | 0.07307 |
| 2021 | 9,288,812,067 | 66,092,425 | 1,101,140 | \$9,356,005,632 | 0.07310 |

Source: Contra Costa County Assessor 2011/12 - 2020/21 Combined Tax Rolls

* The Taxable Assessed Valuation is the Total Gross Assessed Valuation less Homeowner's exemptions.

Note:

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

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**CITY OF LAFAYETTE
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

| Fiscal Year | City's Share of 1% Levy Per Prop 13* | Overlapping Rates** | | | |
|--------------------|---|--|-----------------------------------|---|--|
| | | Acalanes Union High School District | Bay Area Rapid Transit | Contra Costa Community College | East Bay Regional Park District |
| 2012 | 0.06662 | 0.03330 | 0.00410 | 0.01440 | 0.00710 |
| 2013 | 0.06662 | 0.03330 | 0.00430 | 0.00870 | 0.00510 |
| 2014 | 0.06662 | 0.03610 | 0.00750 | 0.01330 | 0.00780 |
| 2015 | 0.06662 | 0.03500 | 0.00450 | 0.02520 | 0.00850 |
| 2016 | 0.06662 | 0.03320 | 0.00260 | 0.02200 | 0.00670 |
| 2017 | 0.06662 | 0.03230 | 0.00800 | 0.01200 | 0.00320 |
| 2018 | 0.06662 | 0.03250 | 0.00840 | 0.01140 | 0.00210 |
| 2019 | 0.06662 | 0.03230 | 0.00700 | 0.01100 | 0.00210 |
| 2020 | 0.06662 | 0.03260 | 0.01200 | 0.01880 | 0.00940 |
| 2021 | 0.06662 | 0.03270 | 0.01390 | 0.01610 | 0.00140 |

Source: Contra Costa County Assessor 2011/12 - 2020/21 Tax Rate Table

* City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.

** Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

*** Total Direct Rate is the weighted average of all individual direct rates applied by the City preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Overlapping Rates**

| Lafayette Elementary School District | Lafayette General Fund | Orinda Elementary Bond | Pleasant Hill Recreation & Park | Subtotal Overlapping Rate | Total Direct Rate*** |
|---|-----------------------------------|---------------------------------------|--|--------------------------------------|---------------------------------|
| 0.02790 | 0.01300 | 0.02740 | 0.02550 | 0.15270 | 0.14103 |
| 0.02840 | 0.01300 | 0.02730 | 0.02690 | 0.14700 | 0.14290 |
| 0.02670 | 0.01250 | 0.02550 | 0.02810 | 0.15750 | 0.08075 |
| 0.02410 | 0.01200 | 0.02320 | 0.02580 | 0.15830 | 0.07928 |
| 0.02090 | 0.00900 | 0.01900 | 0.02380 | 0.13720 | 0.07614 |
| 0.04370 | 0.00800 | 0.01650 | 0.02300 | 0.14670 | 0.07513 |
| 0.04190 | 0.00700 | 0.01440 | 0.02180 | 0.13950 | 0.07412 |
| 0.04120 | 0.00700 | 0.01460 | 0.01950 | 0.13470 | 0.07412 |
| 0.04010 | 0.00600 | 0.07240 | 0.01830 | 0.20960 | 0.07307 |
| 0.03810 | 0.00600 | 0.06030 | 0.01710 | 0.18560 | 0.07310 |

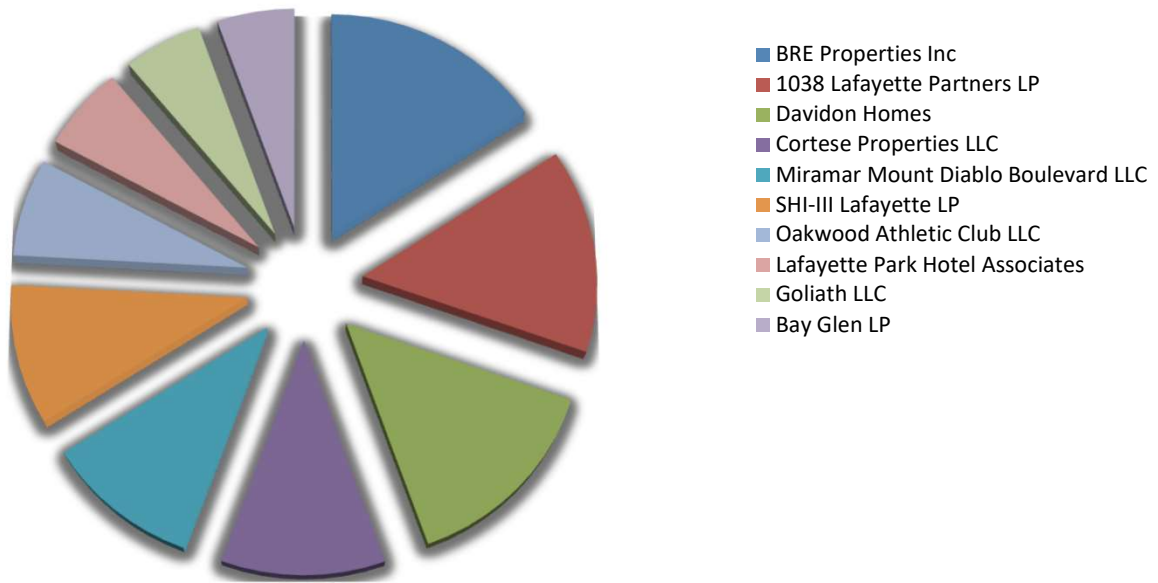
**CITY OF LAFAYETTE
 PRINCIPAL SALES TAX PRODUCERS
 FOR THE YEAR ENDED JUNE 30, 2021**

| FIRM | BUSINESS DESCRIPTION |
|-------------------------------|-----------------------------|
| Ace Hardware | Building Materials- Retail |
| Alwand Service Station | Service Stations |
| Beverages & More | Liquor Stores |
| Big O Tire Stores | Auto Parts/Repair |
| Chevron Service Stations | Service Stations |
| Chipotle Mexican Grill | Restaurants |
| Cooperage Partners | Restaurants |
| CVS Pharmacy | Drug Stores |
| Diablo Foods | Food Markets |
| Diamond K Supply | Building Materials- Retail |
| Jacksons Wines & Spirits | Liquor Stores |
| Lafayette Restaurant Group | Restaurants |
| Lafayette Smog & Auto Service | Service Stations |
| McCaulou's Department Store | Department Stores |
| McDonald's Restaurant | Restaurants |
| Orchard Nursery & Florist | Florist/Nursery |
| Pet Food Express | Miscellaneous Retail |
| Pizza Antica | Restaurants |
| Postino Restaurant | Restaurants |
| Premier Kitchens | Miscellaneous Retail |
| Safeway Stores | Food Markets |
| Shell Service Stations | Service Stations |
| Social Bird Restaurant | Restaurants |
| Trader Joe's | Food Markets |
| Whole Foods Market | Food Markets |

Source: MBIA Muni Services Company

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**CITY OF LAFAYETTE
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND NINE YEARS AGO**



2021

| <u>Taxpayer</u> | <u>Primary Use</u> | <u>Assessed Valuation</u> | <u>Rank</u> | <u>Percentage of Total Taxable Assessed Value</u> |
|------------------------------------|--------------------|---------------------------|-------------|---|
| BRE Properties Inc | Residential | \$54,956,870 | 1 | 0.59% |
| 1038 Lafayette Partners LP | Residential | 50,627,700 | 2 | 0.54% |
| Davidon Homes | Vacant | 49,433,957 | 3 | 0.53% |
| Cortese Properties LLC | Commercial | 38,066,264 | 4 | 0.41% |
| Miramar Mount Diablo Boulevard LLC | Commercial | 36,414,000 | 5 | 0.39% |
| SHI-III Lafayette LP | Commercial | 34,304,763 | 6 | 0.37% |
| Oakwood Athletic Club LLC | Recreational | 24,304,415 | 7 | 0.26% |
| Lafayette Park Hotel Associates | Commercial | 21,157,338 | 8 | 0.23% |
| Goliath LLC | Residential | 19,370,690 | 9 | 0.21% |
| Bay Glen LP | Residential | 19,062,977 | 10 | 0.20% |
| Total | | \$347,698,974 | | 3.72% |

2020-2021 Assessed Valuation: \$9,356,005,632 **

2011-2012 Assessed Valuation: \$5,611,843,307 **

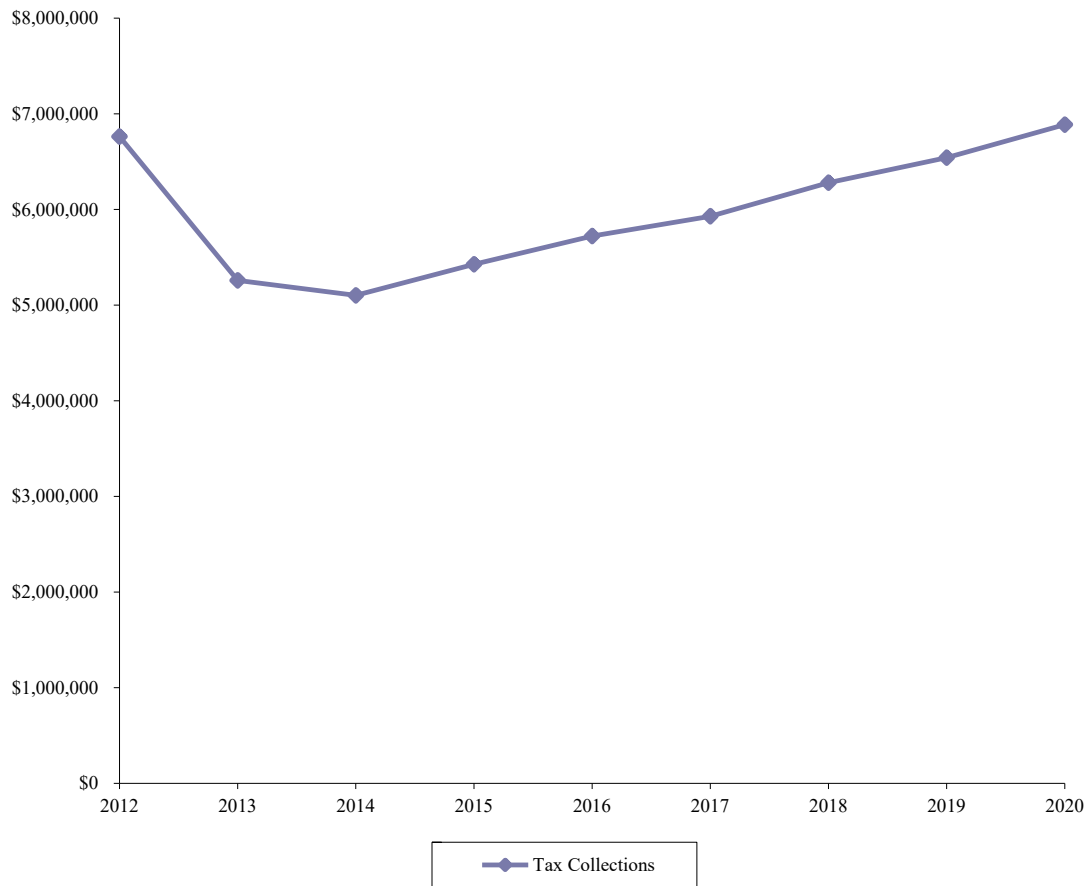
** Local Secured Assessed Valuation

Source: HdL, Coren & Cone

2012

| <u>Taxpayer</u> | <u>Primary Use</u> | <u>Assessed Valuation</u> | <u>Rank</u> | <u>Percentage of Total Taxable Assessed Value</u> |
|---------------------------------|--------------------|-------------------------------|-------------|---|
| BRE Props Inc. | Residential | \$31,382,237 | 1 | 0.56% |
| Cortese Properties LLC | Commercial | 21,703,625 | 2 | 0.39% |
| Oakwood Athletic Club LLC | Miscellaneous | 21,585,506 | 3 | 0.38% |
| HPF GLB Corporate Terrace LLC | Commercial | 18,755,000 | 4 | 0.33% |
| Lafayette Park Hotel Associates | Commercial | 17,576,776 | 5 | 0.31% |
| Bay Glen LP | Residential | 16,272,641 | 6 | 0.29% |
| Gray Horse Investors | Commercial | 11,869,056 | 7 | 0.21% |
| Lafayette Terrace LLC | Commercial | 11,347,271 | 8 | 0.20% |
| Joan E. Bruzzone Trust | Commercial | 11,000,159 | 9 | 0.20% |
| Coretese Real Property LP | Commercial | 10,521,729 | 10 | 0.19% |
| | | <u>\$172,014,000</u> | | 3.07% |

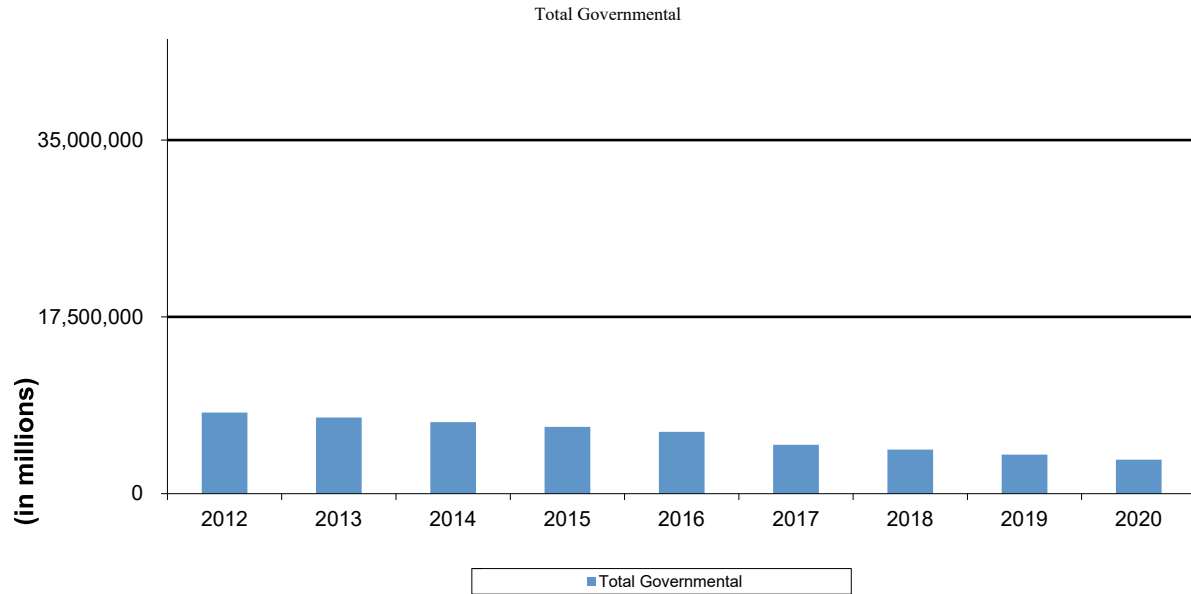
**CITY OF LAFAYETTE
PROPERTY TAX LEVIES & COLLECTIONS
LAST TEN FISCAL YEARS**



| Fiscal Year ended June 30 | Total Tax Levy for Fiscal Year | Collected within the Fiscal Year of the Levy | | Total Collections to Date | |
|------------------------------|--------------------------------------|---|-----------------------|---------------------------|-----------------------|
| | | Amount | Percentage of Levy | Amount | Percentage of Levy |
| 2012 | 6,763,452 | 6,763,452 | 100.00% | 6,763,452 | 100.00% |
| 2013 | 5,259,337 | 5,259,337 | 100.00% | 5,259,337 | 100.00% |
| 2014 | 5,102,514 | 5,102,514 | 100.00% | 5,102,514 | 100.00% |
| 2015 | 5,427,316 | 5,427,316 | 100.00% | 5,427,316 | 100.00% |
| 2016 | 5,722,675 | 5,722,675 | 100.00% | 5,722,675 | 100.00% |
| 2017 | 5,929,562 | 5,929,562 | 100.00% | 5,929,562 | 100.00% |
| 2018 | 6,280,832 | 6,280,832 | 100.00% | 6,280,832 | 100.00% |
| 2019 | 6,542,501 | 6,542,501 | 100.00% | 6,542,501 | 100.00% |
| 2020 | 6,887,526 | 6,887,526 | 100.00% | 6,887,526 | 100.00% |
| 2021 | 7,093,222 | 7,093,222 | 100.00% | 7,093,222 | 100.00% |

Source: Contra Costa County Assessor

CITY OF LAFAYETTE
RATIOS OF DEBT OUTSTANDING
LAST TEN FISCAL YEARS



| Fiscal Year Ended <u>June 30</u> | <u>Outstanding Debt</u> | | | Percent of Assessed <u>Value</u> | Percent of Personal <u>Income</u> | Per <u>Capita</u> |
|--|---------------------------------------|-------------------------------------|--------------|--|---|----------------------|
| | General Obligation <u>Bonds</u> | Tax Allocation <u>Bonds *</u> | <u>Total</u> | | | |
| | 2012 | 8,025,000 | - | | | |
| 2013 | 7,530,000 | - | 7,530,000 | 0.1327% | 0.4746% | 310 |
| 2014 | 7,080,000 | - | 7,080,000 | 0.1178% | 0.4375% | 287 |
| 2015 | 6,610,000 | - | 6,610,000 | 0.1021% | 0.3998% | 268 |
| 2016 | 6,120,000 | - | 6,120,000 | 0.0878% | 0.3652% | 246 |
| 2017 | 4,835,000 | - | 4,835,000 | 0.0647% | 0.2659% | 192 |
| 2018 | 4,355,000 | - | 4,355,000 | 0.0551% | 0.2236% | 170 |
| 2019 | 3,865,000 | - | 3,865,000 | 0.0461% | 0.1828% | 147 |
| 2020 | 3,360,000 | - | 3,360,000 | 0.0378% | 0.1525% | 131 |
| 2021 | 2,850,000 | - | 2,850,000 | 0.0305% | 0.1187% | 112 |

Source: City of Lafayette Finance Department

* The balance of Tax Allocation Bonds was transferred to the Successor Agency as of February 1, 2012

CITY OF LAFAYETTE

DIRECT AND OVERLAPPING DEBT

CURRENT FISCAL YEAR

2020-21 Assessed Valuation (less incremental value): \$8,399,601,934

| <u>DIRECT DEBT:</u> | <u>Total Debt</u> | <u>% Applicable (1)</u> | <u>City's Portion of</u> |
|---|-------------------|-------------------------|--------------------------|
| GO BONDS SERIES 2011 & 2016 | <u>6/30/2021</u> | | <u>Debt 6/30/21</u> |
| | \$2,850,000 | 100.000% | \$2,850,000 |
| <u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u> | | | |
| Contra Costa County Pension Debt and Lease Revenue Bonds | \$334,729,873 | 4.132% | \$13,832,514 |
| Contra Costa Fire District | 26,670,000 | 8.956% | 2,388,433 |
| Acalanes Union High School District 1997, 2002, & 2008 Bonds | 240,767,772 | 23.443% | 56,443,540 |
| Bay Area Rapid Transit District | 328,172,932 | 4.132% | 13,561,552 |
| Contra Costa Community College District Bonds 2002, 2006 & 2014 | 939,870,000 | 4.146% | 38,969,973 |
| Pleasant Hill Recreation & Park Bond 2009 | 46,275,000 | 1.416% | 655,355 |
| East Bay Regional Park District | 125,395,149 | 4.132% | 5,181,880 |
| Lafayette Elementary Bond 1995 & 2016 | 72,150,000 | 89.707% | 64,723,846 |
| Orinda Elementary Bond | 18,190,265 | 0.139% | 25,205 |
| TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT | | | <u>\$195,782,298</u> |

TOTAL DIRECT DEBT \$2,850,000
 TOTAL OVERLAPPING DEBT \$195,782,298

COMBINED TOTAL DEBT \$198,632,298 (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 2020-21 Assessed Valuation:

| | |
|--|--------------|
| Total Direct Debt (\$2,850,000)..... | 0.03% |
| Total Overlapping Tax and Assessment Debt..... | 2.33% |
| Combined Total Debt..... | 2.36% |

Source: HdL, Coren & Cone

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CITY OF LAFAYETTE

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

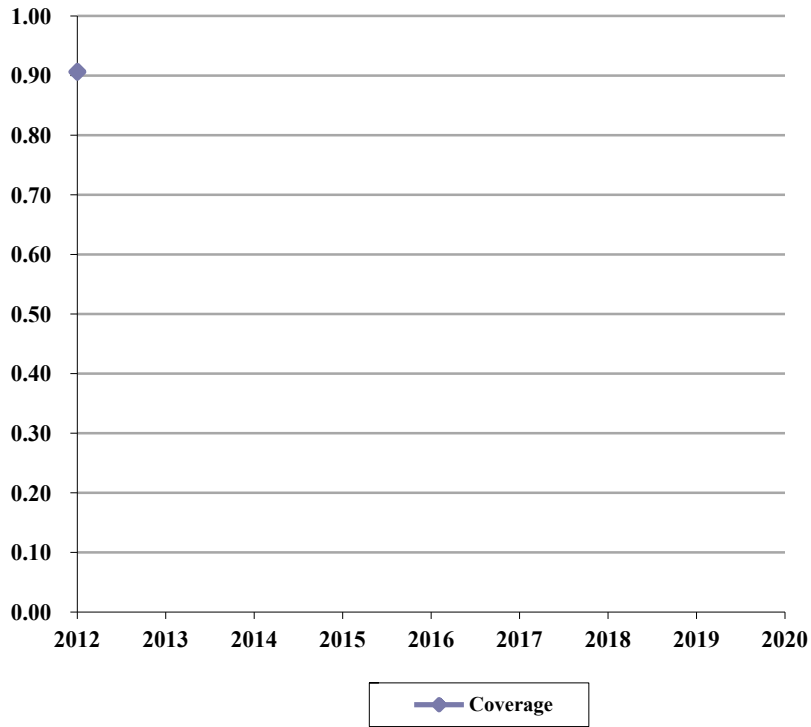
| | Fiscal Year Ended June 30, | | | |
|---|----------------------------|----------------------|----------------------|----------------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
| Debt limit | \$210,444,124 | \$212,831,365 | \$225,310,387 | \$242,806,843 |
| Total net debt applicable to limit | <u>8,025,000</u> | <u>7,530,000</u> | <u>7,080,000</u> | <u>6,610,000</u> |
| Legal debt margin | <u>\$202,419,124</u> | <u>\$205,301,365</u> | <u>\$218,230,387</u> | <u>\$236,196,843</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 3.8% | 3.5% | 3.1% | 2.7% |

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). Although the statutory debt limit has not been amended by the State since this change, the percentages presented in the above computations have been proportionately modified to 3.75% (25% of 15%) for the purpose of this calculation in order to be consistent with the computational effect of the debt limit at the time of the state's establishment of the limit.

Source: City Finance Department

| Fiscal Year Ended June 30, | | | | | |
|----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| \$261,503,297 | \$280,429,438 | \$296,529,543 | \$314,089,952 | \$333,698,247 | \$350,850,211 |
| <u>6,120,000</u> | <u>4,835,000</u> | <u>4,355,000</u> | <u>3,865,000</u> | <u>3,360,000</u> | <u>2,850,000</u> |
| <u>\$255,383,297</u> | <u>\$275,594,438</u> | <u>\$292,174,543</u> | <u>\$310,224,952</u> | <u>\$330,338,247</u> | <u>\$348,000,211</u> |
| 2.3% | 1.7% | 1.5% | 1.2% | 1.0% | 0.8% |

**CITY OF LAFAYETTE
 PLEDGED-REVENUE COVERAGE
 LAST TEN FISCAL YEARS**



| Fiscal Year Ended June 30 | Tax Allocation Bonds | | | Coverage |
|---------------------------------|----------------------|-----------------------------|----------------------------|----------|
| | Tax Increment | Debt Service Principal * | Debt Service Interest * | |
| 2012 | 1,613,604 | 390,000 | 1,390,236 | 0.91 |
| 2013 | - | - | - | |
| 2014 | - | - | - | |
| 2015 | - | - | - | |
| 2016 | - | - | - | |
| 2017 | - | - | - | |
| 2018 | - | - | - | |
| 2019 | - | - | - | |
| 2020 | - | - | - | |
| 2021 | - | - | - | |

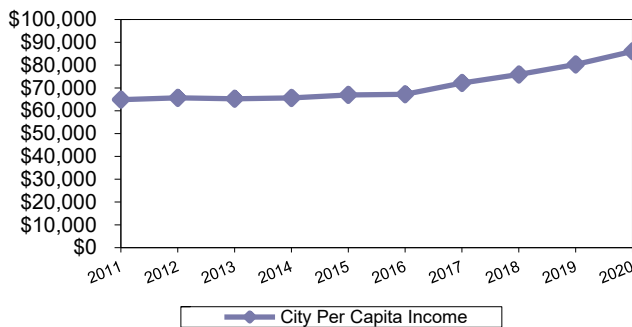
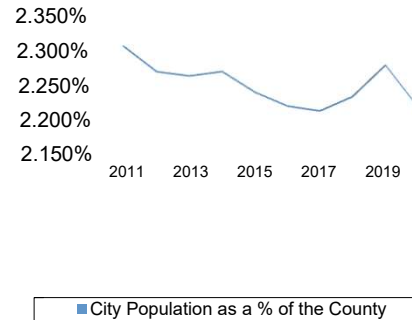
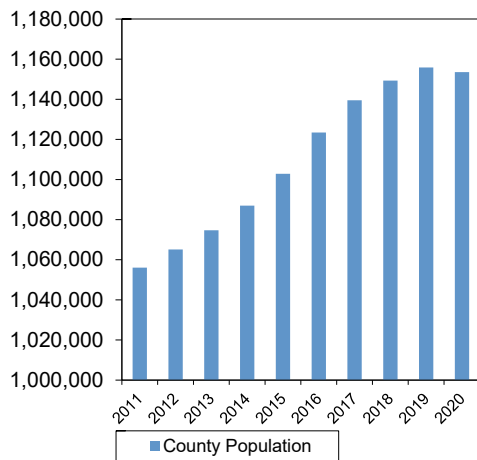
Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

* The balance of the Tax Allocation Bonds was transferred to the Successor Agency as of February 1, 2012. Principal and interest payments are recorded through January 31, 2012.

Source: City Finance Department

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**CITY OF LAFAYETTE
DEMOGRAPHICS STATISTICS
LAST TEN FISCAL YEARS**



| Calendar Year | City of Lafayette Population (1) | Percent Change In Population | City of Lafayette Personal Income (2) ** | City of Lafayette Per Capita Income(3) |
|---------------|----------------------------------|------------------------------|--|--|
| 2011 | 24,159 | -0.8% | 1,586,352 | 65,663 |
| 2012 | 24,312 | 0.6% | 1,586,674 | 65,263 |
| 2013 | 24,659 | 1.4% | 1,618,173 | 65,622 |
| 2014 | 24,690 | 0.1% | 1,653,193 | 66,958 |
| 2015 | 24,924 | 0.9% | 1,676,007 | 67,244 |
| 2016 | 25,199 | 1.1% | 1,818,417 | 72,162 |
| 2017 | 25,655 | 1.8% | 1,947,374 | 75,906 |
| 2018 | 26,327 | 2.6% | 2,114,226 | 80,306 |
| 2019 | 25,604 | -2.7% | 2,203,123 | 86,046 |
| 2020 | 25,358 | -1.0% | 2,400,954 | 94,682 |

Source: (1) State of California Department of Finance
 (2) Bureau of Economic Analysis/ State of California Franchise Tax Board
 (3) State of California Employment Development Department
 * Information was not available
 ** In Thousands

| City of Lafayette Unemployment Rates (3) | Contra Costa County Population (1) | Contra Costa County Per Capita Income (2) |
|---|---|--|
| 3.8% | 1,065,117 | * |
| 2.5% | 1,074,702 | * |
| 2.2% | 1,087,008 | * |
| 3.4% | 1,102,871 | * |
| 2.7% | 1,123,429 | * |
| 2.4% | 1,139,513 | * |
| 2.4% | 1,149,363 | * |
| 2.4% | 1,155,879 | * |
| 5.3% | 1,153,561 | * |
| 3.6% | 1,153,854 | * |

**CITY OF LAFAYETTE
ANNUAL AVERAGE LABOR FORCE
AND UNEMPLOYMENT RATES
LAST TEN FISCAL YEARS**

| Calendar Year | City of Lafayette Labor Force | Annual Average Unemployment Rates | | |
|----------------------|--|---|---|---|
| | | City of Lafayette Unemployment Rates | Contra Costa County Unemployment Rates | State of California Unemployment Rates |
| 2011 | 11,300 | 3.8% | 10.3% | 11.7% |
| 2012 | 11,500 | 2.5% | 9.0% | 10.4% |
| 2013 | 11,700 | 2.2% | 7.5% | 8.9% |
| 2014 | 11,900 | 3.4% | 6.2% | 7.5% |
| 2015 | 12,100 | 2.7% | 5.0% | 6.2% |
| 2016 | 12,300 | 2.4% | 4.4% | 5.4% |
| 2017 | 12,100 | 2.4% | 2.4% | 4.8% |
| 2018 | 12,900 | 2.4% | 2.6% | 4.2% |
| 2019 | 11,400 | 5.3% | 9.3% | 10.8% |
| 2020 | 11,900 | 3.6% | 5.5% | 6.4% |

* Information was not available for 2009

Source: State of California Employment Development Department

**CITY OF LAFAYETTE
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND SIX YEARS AGO**

| Employer | 2020-21 | | 2014-15 | |
|----------------------------------|----------------------------|------------------------------------|----------------------------|------------------------------------|
| | Number of Employees | Percent of Total Employment | Number of Employees | Percent of Total Employment |
| Lafayette School District * | 389 | 3.27% | 472 | 3.97% |
| Diablo Foods Inc. | 180 | 1.51% | 130 | 1.09% |
| Whole Foods Market | 150 | 1.26% | 250 | 2.10% |
| Acalanes High School * | 120 | 1.01% | 121 | 1.02% |
| Safeway | 111 | 0.93% | 175 | 1.47% |
| Oakwood Athletic Club ** | 99 | 0.83% | 171 | 1.44% |
| Trader Joe's | 97 | 0.82% | 86 | 0.72% |
| Lafayette Park Hotel & Spa | 92 | 0.77% | 175 | 1.47% |
| TuTu's Food and Drink | 68 | 0.57% | | |
| Bentley Upper School (9-12th) | 65 | 0.55% | | |
| Yankee Pier Restaurant | | | 45 | 0.38% |
| McCaulou's Department Store | | | 300 | 2.52% |
| Total Top Employers | 1,371 | 11.52% | 1,925 | 16.18% |
| Total City Employment (1) | 11,900 | | 11,900 | |

Results based on direct correspondence with city's local businesses.

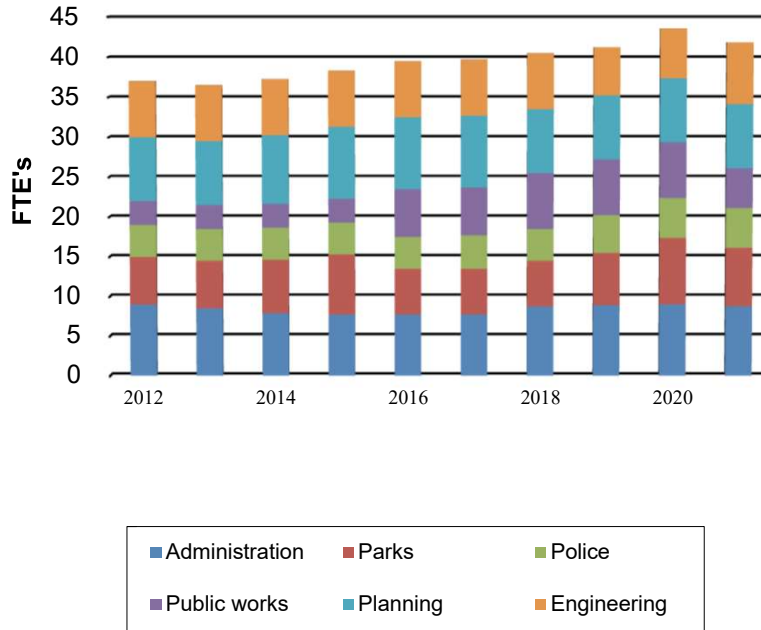
* Includes classified, certificated and admin.

** Includes full and part time employees

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

Source: Avenu Insights & Analytics Company

**CITY OF LAFAYETTE
 FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS**



| <u>Function/Program</u> | Full-Time Equivalent Employees as of June 30, | | | | | | | | | |
|-------------------------|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| Administration | 8.97 | 8.47 | 7.87 | 7.72 | 7.72 | 7.72 | 8.72 | 8.87 | 9.00 | 8.75 |
| Parks | 6.00 | 6.00 | 6.75 | 7.55 | 5.75 | 5.75 | 5.75 | 6.60 | 8.35 | 7.35 |
| Police | 4.00 | 4.00 | 4.00 | 4.00 | 4.00 | 4.20 | 4.00 | 4.73 | 5.00 | 5.00 |
| Public works | 3.00 | 3.00 | 3.00 | 3.00 | 6.00 | 6.00 | 7.00 | 7.00 | 7.00 | 5.00 |
| Planning | 8.00 | 8.00 | 8.60 | 9.00 | 9.00 | 9.00 | 8.00 | 8.00 | 8.00 | 8.00 |
| Engineering | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 7.00 | 6.00 | 6.20 | 7.70 |
| Total | 36.97 | 36.47 | 37.22 | 38.27 | 39.47 | 39.67 | 40.47 | 41.20 | 43.55 | 41.80 |

Source: Human Resources

Note: Contract employees, such as all of the sworn officers in the police department, are not included in this table.

**CITY OF LAFAYETTE
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS**

(Departments track indicator data either by fiscal year or calendar year based on what is optimal for their operations. Data here represents indicator counts for a 365 day period, which is either January 1 through December 31 or July 1 through June 30.)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| <u>Function/Program</u> | | | | | | | | | | |
| <u>Police</u> | | | | | | | | | | |
| Total reports | * | * | * | 1,526 | 1,798 | 1,652 | 1,561 | 1,445 | 1,466 | 1,305 |
| Calls for service | * | 15,760 | 16,519 | 16,049 | 18,580 | 18,506 | 19,312 | 16,610 | 16,789 | 14,019 |
| % Officer-initiated activity | * | * | * | 37% | 41% | 42% | 43% | 43% | 45% | 45% |
| Overall Part 1 crimes | 427 | 479 | 456 | 476 | 570 | 433 | 342 | 261 | 378 | 292 |
| # of Residential burglaries | 85 | 70 | 61 | 48 | 22 | 33 | 19 | 8 | 22 | 9 |
| % of Residential burglaries solved | * | * | * | 33% | 60% | 53% | 84% | 88% | 50% | 44% |
| Code Enforcement Incidents ** | * | * | 190 | 228 | 305 | 436 | 561 | 368 | 355 | 305 |
| <u>Public Works</u> | | | | | | | | | | |
| Work requests (outside normal service) | * | * | 285 | 210 | 365 | 337 | 295 | 532 | 578 | 430 |
| Abatement issues | * | * | 53 | 32 | 54 | 3 | 11 | 82 | 134 | 115 |
| Curb painting | * | * | 18 | 8 | 21 | 4 | 6 | - | 5 | 6 |
| Ditch cleaning | * | * | 3 | 1 | 6 | 21 | 12 | 7 | 10 | 2 |
| Litter removal | * | * | 4 | 9 | 5 | 22 | 15 | 36 | 17 | 13 |
| Sign installation, repair, replacement | * | * | 61 | 53 | 98 | 75 | 69 | 46 | 59 | 44 |
| Street repair | * | * | 31 | 20 | 32 | 38 | 22 | 34 | 53 | 26 |
| Tree/brush maintenance | * | * | 6 | 9 | 20 | 23 | 11 | 5 | 1 | 3 |
| Trimming vegetation | * | * | 10 | 9 | 6 | 25 | 22 | 18 | 9 | 16 |
| <u>Engineering</u> | | | | | | | | | | |
| Encroachment permits | 380 | 385 | 465 | 466 | 564 | 447 | 433 | 399 | 515 | 792 |
| <u>Recreation</u> | | | | | | | | | | |
| Class enrollments | 8,643 | 9,953 | 11,714 | 9,794 | 12,423 | 15,081 | 18,803 | 21,600 | 19,063 | 0*** |
| Standard enrollments | | | | | | - | - | - | 5,752 | 4,472 |
| Senior transportation- rides provided | 3,104 | 3,878 | 3,979 | 4,316 | 4,237 | 3,813 | 3,201 | 3,247 | 2,966 | 3,159 |
| Senior transportation- riders served | 3,104 | 3,878 | 3,979 | 4,316 | 4,237 | na | na | na | 216 | 131 |
| <u>Planning</u> | | | | | | | | | | |
| Total applications processed | 232 | 265 | 287 | 279 | 288 | 347 | 295 | 320 | 317 | 363 |
| Design Review Permits | 22 | 26 | 22 | 30 | 23 | 35 | 18 | 23 | 29 | 17 |
| General Plan Amendment | 1 | 1 | - | 1 | - | 3 | - | - | - | 1 |
| HDP/DR/GR (OTC) | 73 | 95 | 117 | 83 | 91 | 93 | 114 | 129 | 108 | 186 |
| Hillside Development Permits | 39 | 35 | 38 | 41 | 52 | 57 | 34 | 44 | 30 | 22 |
| Second Unit | 4 | 5 | 3 | 2 | 6 | 13 | 14 | 9 | 14 | 34 |
| Sign Permits | 2 | 12 | 6 | 10 | 6 | 16 | 5 | 8 | 10 | 8 |
| Tree Permits | 32 | 32 | 35 | 45 | 43 | 55 | 49 | 45 | 56 | 36 |
| Variance Permits | 21 | 15 | 12 | 14 | 15 | 16 | 11 | 15 | 17 | 6 |

* No indicator data available because program did not exist or indicator was not tracked.

** Program was moved from the Planning Department to the Police Department effective 7/1/2017.

*** The operating indicator for enrollments was changed in FY21. "Class enrollments" comprised flex registration enrollments, which can be calculated daily based on frequency of program. "Standard enrollments" refers to each individual who enrolled in a program regardless of the frequency with which the program met.

Source: Various City Departments

**CITY OF LAFAYETTE
CAPITAL ASSETS STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

| <u>Function</u> | June 30, | | | | | | | | | |
|--|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> |
| <u>Police</u> | | | | | | | | | | |
| Patrol vehicles | * | * | * | 17 | 20 | 19 | 18 | 18 | 18 | 22 |
| ALPR Vehicles | * | * | * | * | * | 2 | 2 | 3 | 3 | 3 |
| Traffic motorcycles | * | * | * | 3 | 3 | 3 | 2 | 2 | 2 | 2 |
| Dual sport motorcycles | * | * | * | 2 | 2 | 2 | 5 | 5 | 5 | 5 |
| All terrain vehicles | * | * | * | * | 1 | 1 | 1 | 1 | 1 | 1 |
| Equipment trailers | * | * | * | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Speed trailers | * | * | * | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Generator trailers | * | * | * | * | * | * | * | * | 2 | 2 |
| Parking vehicles | * | * | * | 4 | 3 | 3 | 3 | 3 | 3 | 3 |
| Drones | * | * | * | * | * | 1 | 1 | 2 | 2 | 2 |
| <u>Public works</u> | | | | | | | | | | |
| Vehicles | * | * | * | 10 | 11 | 9 | 10 | 10 | 8 | 9 |
| Water trailers | * | * | * | * | * | 1 | 1 | 1 | 1 | 1 |
| Message signboards | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Streetlights | * | * | * | 458 | 458 | 476 | 476 | 476 | 476 | 476 |
| Traffic signals | * | * | * | 24 | 24 | 26 | 26 | 26 | 26 | 26 |
| Trellis lights | * | * | * | 60 | 60 | 60 | 60 | 60 | 60 | 60 |
| Landscape acreage | * | * | * | 7 | 7 | 7 | 7 | 7 | 7 | 7 |
| Trail miles | * | * | * | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Pedestrian and advance warning signs | * | * | * | * | 16 | 18 | 18 | 19 | 19 | 21 |
| <u>Engineering</u> | | | | | | | | | | |
| Vehicles | * | * | * | 7 | 6 | 5 | 5 | 6 | 6 | 5 |
| Streets (centerline miles) | * | * | * | 93 | 93 | 93 | 93 | 93 | 93 | 93 |
| <u>Recreation (incl. Sr. Transportation)</u> | | | | | | | | | | |
| Vehicles | * | * | * | 3 | 3 | 2 | 1 | 1 | 1 | 1 |
| Parks acreage | * | * | * | 80 | 80 | 80 | 80 | 80 | 100 | 120 |
| <u>Planning</u> | | | | | | | | | | |
| Vehicles | * | * | * | 3 | 3 | 3 | 2 | 2 | 1 | 3 |

* No information available.

Source: Various City Departments

**CITY OF LAFAYETTE
 MISCELLANEOUS STATISTICAL DATA
 CURRENT FISCAL YEAR**

| | |
|--|-------------|
| Year of Incorporation | 1968 |
| Form of Government | General Law |
| Population | 25,358 |
| Median Age | 45.3 |
| Median Household Income | \$192,199 |
| Registered Voters | 19,093 |
| Area in Square Miles | 15.39 |
| Number of Authorized Full-Time Equivalent City Employees | 41.80 |

Miles of Streets:

| | |
|---------------|----|
| Public Miles | 93 |
| Private miles | 43 |

Fire Protection:

| | |
|----------------------------|---|
| Contra Costa Fire District | |
| Number of Stations | 3 |

Police Protection:

| | |
|--------------------------------------|----|
| Number of Stations | 1 |
| Number of Contracted Sworn Personnel | 17 |

Public Education:

| | |
|--------------------|---|
| Elementary Schools | 4 |
| Middle Schools | 1 |
| High Schools | 1 |

Libraries: (Contracted with Contra Costa County)

| | |
|---------------------|---|
| Number of Libraries | 1 |
|---------------------|---|

Recreation and Culture:

| | |
|--------------|-----|
| Park Sites | 5 |
| Park Acreage | 120 |

Community Facilities:

| | |
|----------------------------|---|
| Lafayette Community Center | 1 |
|----------------------------|---|

Source: Various City of Lafayette Department Records