

Annual Comprehensive Financial Report

FOR THE YEAR ENDED
JUNE 30, 2022

A photograph of the City of Berkeley, California, featuring the City Hall building with a prominent green spire, surrounded by trees and a grassy area. The image is framed by large blue geometric shapes on the left and right sides.

**City
of Berkeley
California**

City of Berkeley California

ANNUAL COMPREHENSIVE FINANCIAL REPORT / FISCAL YEAR ENDED JUNE 30, 2022

PREPARED BY THE FINANCE DEPARTMENT

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INTRODUCTORY SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA



Department of Finance
Office of the Director

December 15, 2022

To: Honorable Mayor and Members of the City Council, City Managers, and
Community Members of the City of Berkeley

From: Henry Oyekanmi, Director of Finance

Re: **Presentation of the FY 2022 Annual Comprehensive Financial Report**

First and foremost, I sincerely hope that you and your families remain safe and healthy as our City continues to persevere through this long COVID-19 pandemic. In addition, as we work through the economic hardships that result from experiencing very high inflation and higher interest rates for the last six months. There is a possibility that this may result in a recession and higher unemployment as the Federal Reserve tries to combat the inflationary environment.

Despite this unprecedented pandemic environment and other severe financial challenges, it is my privilege to submit the Annual Comprehensive Financial Report (ACFR) for the City of Berkeley (the City) for the fiscal year ended June 30, 2022.

The ACFR has been prepared by the Finance Department in conformance with the principles and standards for financial reporting set forth by the Governmental Accounting Standards Board (GASB). This ACFR consists of management's representations concerning the finances of the City of Berkeley and City management assumes full responsibility for the completeness, accuracy and reliability of all the information presented in this report, including all disclosures. The report has been compiled in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds. All disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

The City's management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft, or misuse and, to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not exceed anticipated benefits, the City's comprehensive

framework of internal controls has been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert to the best of our knowledge and belief, that this financial report is complete and reliable in all material respects.

An annual financial audit, performed by independent certified public accountants, is required by the City Charter. For FY 2022, the independent audit was conducted by Badawi & Associates, Certified Public Accountants. The goal of the audit was to provide reasonable assurance that the financial statements of the City of Berkeley for the fiscal year ended June 30, 2022 are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The auditors expressed an opinion that the City's financial statements for the fiscal year ended June 30, 2022 are fairly stated in conformity with generally accepted accounting principles in the United States.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the Independent Auditor's report.

THE REPORTING ENTITY

This report combines the financial statements of the City and the Rent Stabilization Board (RSB) in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board (GASB). The Rent Stabilization Board is a discretely presented component unit because its governing body is not substantively the same as that of the City. It has a different governing body (nine-member Board of Commissioners), elected by the citizens of Berkeley, and City management does not have operational responsibility for the Rent Stabilization Board. In addition, it does not provide services entirely or almost entirely to the City. It is financially accountable in that it receives significant support services from the City, and it provides regulation of residential rents throughout the City.

PROFILE OF THE CITY

The City of Berkeley is located in Alameda County on the east side of the San Francisco Bay approximately ten (10) miles east of San Francisco. The City encompasses a total area of approximately 19 square miles and has an estimated population of 124,563, giving it the highest population density of any City in the East Bay. The City is defined to a large degree, both culturally and economically, by the presence of the University of California campus located on the eastern side of the City.

The City of Berkeley is among the oldest cities in California. It was founded in 1864, incorporated as a town in 1878, and incorporated as a City in 1909. The original City Charter was adopted in 1895. At the geographic midpoint of the Greater Bay Area, Berkeley is 20 minutes from San Francisco and close to population centers in Contra Costa County and the Silicon Valley. The City is governed by a City Council composed of members elected from eight districts to serve four-year terms, and a Mayor who serves as the president of the City Council, elected citywide to a four-year term. The City's FY 2022 adopted budget included \$552,265,708 of expenditures and reserves, of which \$234,754,491 was allocated to the General Fund of the City and \$317,511,217 to all other funds. There were subsequent budget modifications to appropriate \$123,810,971 in encumbrance rollovers/reappropriations and \$83,817,713 in other Council approved adjustments. The City employs approximately 1,660 full-time equivalent employees.

The City provides a full range of services exceeding that of most similarly-sized cities in California. Services include public safety (police and fire); sanitation and sewer; waste management; leisure (parks, recreation and marina); health, housing and community services, including City funded health clinics and mental health services; animal control; public improvements; planning and zoning; general and administrative services; and library services. In addition, the City's reporting entity includes the financial activities of the Rent Stabilization Board.

The budget process is the vehicle through which the City establishes goals and objectives, and prioritizes the desired programs or services that the City should provide, and which can be financed by the City's projected revenue for the budget year. It is the vehicle through which policy decisions are made, effected, controlled and monitored. Under the City Charter, the City Manager is responsible for preparing and recommending an operating budget and a capital improvements budget for City Council consideration and adoption.

The City of Berkeley employs a two-year budget process. In year one of the biennial budget cycle, the City Council formally adopts authorized appropriations for the first year of the two-year budget and approves "planned" appropriations for the second fiscal year. In year two of the budget cycle, the City Council considers revisions and formally adopts authorized appropriations for the second fiscal year. Although the budget cycle covers a two-year period, the City Charter requires that the City Council adopt an annual appropriations ordinance for each budget year.

The City's Capital Budget is considered a part of the City's Five-Year Capital Improvement Plan. Upon adoption each year by Council, the projects included in the annual budget represent legal appropriations. Capital expenditures are not fully "consumed" in the year of expenditure but instead produce long-term, tangible, future benefits.

In addition to this budget planning process, the City maintains budgetary controls. The City's objective in maintaining budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. The City Manager is authorized to transfer budgeted amounts within funds as deemed necessary in order to meet the City's needs. However, revisions that alter the total budget or move amounts from one fund to another must be approved by the City Council. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds, and Proprietary Funds are included in the annual appropriated budget.

The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Purchase orders, contracts, and other commitments for the expenditure of money are secured in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are reported as assignments of fund balance. Unencumbered amounts lapse at year-end and may be appropriated as part of the following year's budget.

LOCAL ECONOMY

The City is home to the main campus of the University of California. With 42,327 students (fall 2021) and approximately 12,944 employees, the University provides a high degree of economic stability for the City and has spurred growth in the high technology and biotechnology sectors. The Lawrence Berkeley Laboratory also has 3,469 employees, and the Sutter Bay Hospitals has 1,898 employees. Despite the large student population, the City has a mean household income of \$136,100, according to Point2homes.com.

During the fiscal year, the local economy grew consistent with regional trends. Berkeley's current economic base consists of approximately 12,653 active licensed businesses operating in the City, including 904 new applications. These businesses include private manufacturing, technology research, retail and service businesses, educational services, healthcare and social assistance, cannabis clubs, consulting, arts and entertainment, hospitality services, along with several state, federal, and non-profit institutions. The City's revenue base generated approximately \$1.89 billion in taxable sales taxes during FY 2022, more than the \$1.58 billion in FY 2021, which dropped as a result of COVID-19. In addition, the City's unemployment rate (as reported by the State of California Employment Development Department) decreased from 5.5 percent in June 2021 to 3.1 percent in June 2022 compared to 2.9 percent for the County, 4.2 percent for the state and 3.6 percent for the U.S.

Growth in assessed valuation on secured property increased to \$22.3 billion (after exemptions and other deductions) in FY 2022 or 4.48 percent from \$21.3 billion in FY 2021, for a strong level of \$179,026 per capita. The tax base is diverse, with the top ten property taxpayers accounting for 5.024 percent of total assessed valuation.

COMMUNITY PLANNING-CITY WORK

One of the major components of the City’s efforts to develop an integrated budget process is the establishment of policy priorities by the City Council. One element of this process is an attempt through the biennial Budget and a strategic plan which tries to align City Council approved objectives with resources to make sure the highest priorities are met with the resources available to deliver desired results.

ADDRESSING LONG-TERM UNCERTAINTIES/ FINANCIAL POLICIES

The City Council adopted the FY 2022 Budget on June 29, 2021. The FY 2022 budget process began in December 2020, almost 9 months after the COVID-19 pandemic began and the shelter-in-place orders were implemented. At that time, staff decided to shift from a regular 2 Year budget process to a 1 Year budget process for FY 2022. This decision was made to provide time to evaluate the impacts of COVID-19 on the local economy and finances and to develop an understanding of the impacts of vaccines.

As a result of the continuation of the pandemic and having to address critical funding needs, the FY 2022 General Fund budget faced a \$25 million deficit. In March 2021, the American Rescue Plan (“ARPA”) was approved by Congress and signed by the President.

The City received \$66.6 million in ARPA Funds. Through the use of ARPA Funds to cover General Fund revenue losses suffered in FY 2020 and FY 2021, the City was able to balance the FY 2022 General Fund budget as shown in the chart below:

FY 2022 City Manager Adopted Budget Recommendations	
FY 2022 General Fund Deficit	(\$22,720,387)
Tier 1 Funding Requests	(2,153,580)
Revised Surplus/Deficit	(24,873,967)
Transfer in of American Rescue Plan Act Funds	24,873,967
Revised Surplus/Deficit	0

The FY 2022 Budget also used ARPA Funds to address significant revenue losses to the Marina Fund, both the On-Street and Off-Street Parking Funds, Camps Fund, and the Gilman Sports Field Fund. The chart below demonstrates the ARPA Fund allocations for the provision of government services:

FUND	FY 2022	FY 2023
General Fund	\$24,873,967	TBD
Marina Fund	1,400,000	\$1,150,000
Parking Meter Fund	4,340,000	2,700,000
Off-Street Parking Fund	3,940,000	200,000
Camps Fund	1,000,000	0
Sports Field Fund	196,000	0
Total	\$35,784,967	\$4,050,000

It is important to note that the FY 2022 budget was balanced with no layoffs.

The FY 2022 Adopted Budget recommendations by the City Manager was developed around a collaborative process as illustrated in the diagram below:



As the chart above show, the process to develop the City Manager's Adopted Budget

Recommendations involved discussions with the Council and Budget & Finance Policy Committee and listening to the community. The process involved looking at the City's fiscal needs, discussing with departments about their needs are and what deferrals from FY 2021 could be continued to FY 2022 that would have little or no operational impact to the department and the City as a whole.

The FY 2022 Budget achieved certain themes by funding a wide range of programs in the following areas:

- Economic recovery
- Equity
- Continuity in government operations
- Critical, immediate infrastructure needs and planning for the future
- Addressing Climate Emergency and Sustainability Initiatives
- Focus on FY 2023 & FY 2024

Controlling expenditures has been and will continue to be a necessity in managing the City's budget, and labor costs are a critical factor in that approach. Achieving a sustainable balance of both personnel and non-personnel expenditures against reasonable revenue projections will continue to require close attention, especially as we move into new labor negotiations. Over the next fiscal year, staff will continue to work with Council, labor, and the community to address the ongoing structural deficits and bring projected expenditures in line with projected revenues. This may involve a combination of expenditure reductions, identification of new revenues, or realignment of current services or programs.

A variety of assumptions and factors drive the forecast, such as labor costs, inflation, federal and state initiatives, and unforeseen events and emergencies. These assumptions impact revenue and expenditure projections and variations can cause unanticipated swings in budget balancing strategies.

The fiscal policies adopted by the Council include:

1. Focusing on the long-term fiscal health of the City by adopting a two-year budget and conducting multi-year planning;
2. Building a prudent reserve;
3. Developing long-term strategies to reduce unfunded liabilities;
4. Controlling labor costs while minimizing layoffs;

5. Allocating one-time revenue for one-time expenses;
6. Requiring enterprise and grant funds to be in balance and new programs to pay for themselves; and
7. Any new expenditure requires revenue or expenditure reductions.
8. Property Transfer Tax in excess of \$12.5 million dollars will be treated as one-time revenue to be allocated to the City's capital infrastructure needs (suspended in FY 2021).
9. As the General Fund subsidy to the Safety Members Pension Fund declines over the next several years, the amount of the annual decrease will be used to help fund the new Police Employee Retiree Health Plan.

IMPLEMENTATION OF POLICIES TO BUILD PRUDENT RESERVES AND STRATEGY TO REDUCE UNFUNDED LIABILITIES

On December 13, 2016, the City Council of the City of Berkeley established a General Fund Reserve ("Reserve") policy to prepare for the impact of economic cycles and catastrophic events. The policy was to ensure that fluctuations in revenues do not impede the City's ability to meet expenditure obligations. When revenues fail to meet the City's normal operating requirements, or the need for disbursements temporarily exceeds receipts, General Fund reserves, upon a majority vote of the City Council, may be used in accordance with the standards set forth herein. The Reserve shall be comprised of two elements: a Stability Reserve and a Catastrophic Reserve:

- **A Stability Reserve** will be maintained to mitigate loss of service delivery and financial risks associated with unexpected revenue shortfalls during a single fiscal year or during a prolonged recessionary period. The purpose of the Stability Reserve is to provide fiscal stability in response to unexpected downturns or revenue shortfalls, and not to serve as a funding source for new programs or projects. The balance in this reserve fund at June 30, 2022 was \$19.2 million.
- **A Catastrophic Reserve** will be maintained for the purpose of sustaining General Fund operations in the case of a public emergency such as a natural disaster or other catastrophic event. The Catastrophic Reserve will be used to respond to extreme, onetime events, such as earthquakes, fires, floods, civil unrest, and terrorist attacks. The Catastrophic Reserve will not be accessed to meet operational shortfalls or to fund new programs or projects. The balance in this reserve fund at June 30, 2022, was \$14.4 million.

SECTION 115 TRUST FUND

On June 26, 2018, the City Council adopted a Resolution appointing the City Manager as the Plan Administrator and authorizing the City Manager to take the necessary steps to negotiate and execute the documents to establish a Section 115 Trust Fund to use as a pension rate stabilizing fund.

Recent changes in rate smoothing strategies by CalPERS have increased volatility in employer contribution rates in pensions. Monies set aside in a Section 115 Trust can be used to ease budgetary pressures resulting from unanticipated spikes in employer contribution rates. For example, a CalPERS employer who has extra money after making their current CalPERS contribution might set aside some or all of the surplus to use in future years when the required contribution is less affordable. The City wants to take steps to better manage and reduce its pension and other post-employment benefit liabilities. These actions will represent best practices for financial management, slowing the increases in the City's annual pension costs, and positioning the City to achieve retiree medical cost savings into the future.

The City Council authorized the establishment of an IRS Section 115 Trust Fund to help prefund pension obligations. During FY 2022, the Fund's balance increased by approximately \$2.3 million, from \$12.5 million in FY 2021 to \$14.8 million at June 30, 2022.

THE BUDGET REFLECTS THE CITY'S STRATEGIC GOALS AND PRIORITIES

The City's budget is a reflection of the City of Berkeley Strategic Plan, which identifies the long-term goals that the City government will achieve on behalf of the community, and the specific, short-term, two-year priority projects designed to advance those goals. The Plan serves as a guide for City staff to ensure that the priorities of the Mayor and City Council are met, all regulatory and financial obligations are fulfilled, and that the City continuously improves the services it provides for the community. The Plan helps employees throughout the organization to prioritize limited time and resources and to connect short-term, week-to-week work with longer-term goals for the city.

The City of Berkeley Strategic Plan reflects Berkeley's values and provides a strategic framework for the work that city employees accomplish. The specific priorities associated with each goal are updated every two years along with the City's biennial budget.

For a project or program to be included as a two-year priority in the Strategic Plan, it must:

- Help to advance one or more City Council priorities
- Be completed within the Plan's two-year cycle (or at least a clear phase of the work must be completed)
- Have adequate resources in the City's budget to get the work done
- Engage multiple City departments collaborating to advance a shared priority

SPENDING LIMITATION

Article XIII B of the California Constitution, also known as the GANN spending limit, restricts the amount of “proceeds of taxes” California governments may spend. As of June 30, 2022, the Gann Appropriations Limit was \$311,493,168, and the City proposed spending amount subject to that limit was \$239,070,328 or \$72.4 million or 23.3 percent under the total Article XIII B (Gann) spending limitation. The City was not impacted by the spending limitation in FY 2022.

LONG-TERM DEBT RATINGS

Despite the COVID-19 pandemic, the City of Berkeley’s financial position improved in FY 2022 and the City continued to be financially strong. The City continues to benefit from participation in the Bay Area’s diverse and stable economy. The City also continues to maintain a bond rating of AA+ from Standard and Poor’s, and its rating of Aa1 at Moody’s, both are one notch lower than the debt rating agencies’ highest rating. The City was able to maintain and increase these ratings in spite of all the challenges to the local economy due to a proven record of sound fiscal management by the City Manager, Mayor, City Council and City staff.

MAJOR COMMUNITY IMPACTS AND INITIATIVES

1. ECONOMIC DEVELOPMENT

Berkeley’s economic development strategy seeks to build on existing strengths to accomplish goals that have been identified by the City Council and citizen planning processes:

A. *Revitalize Downtown Berkeley and strengthen its role in the local and regional economy:*

Downtown Berkeley is a critical location within the local and regional economy as a center for transit-oriented jobs, housing, arts and entertainment, cultural activities, dining, and other commerce and social activities. Over the past several years, the area has benefited from tens of millions of dollars of public and private investment in housing, commercial development, and infrastructure. There are a number of infrastructure upgrades and development projects in the Downtown which are either underway or recently completed. These projects represent over a quarter of a billion dollars in private development and public improvements and include the Downtown BART Plaza (2018) the Center Street Parking Garage (2019), the Shattuck Avenue traffic reconfiguration project (2019) and the Kala Bagai Way renaming project (2020).¹ The 331-room hotel, the Marriott Residence Inn, located at the corner of Center Street and Shattuck Avenue opened in December of 2021.² To date, the new hotel is supporting nightly room rates from

¹ KQED, [Berkeley Renames Downtown Street](#), September 15, 2020.

² Berkeleyside, [Photos: Berkeley Residence Inn](#), December 12, 2021.

\$240-\$500 and demand remains strong.

One of Downtown Berkeley's primary strengths is the success of its central Arts District in attracting a regional nighttime clientele and the emergence of the Downtown as a residential neighborhood. The Arts District is anchored by the Berkeley Repertory Theatre, which in a typical season, attracts an annual audience of 200,000 and employs more than 500 artists, artisans and administrators. In addition to Berkeley Rep's Theaters, the organization will be cutting the ribbon on a pathbreaking adjacent workforce housing project at 2009 Addison Street (45+ units are anticipated to open in September 2022). The Office of Economic Development (OED) worked closely with this organization to proceed with its ambitious project despite the impacts of COVID-19 on the organization in the 2020-2021 season.³ Other theaters and venues in the area include the 180-seat Aurora Theatre, the 1,400-capacity state-of-the-art concert hall in the refurbished UC Theater, and the 440-seat Freight and Salvage, a traditional music performance venue. The Arts District is also home to the California Jazz Conservatory, an independent, accredited music conservatory offering jazz education to people of all ages and intimate jazz performances on two small stages year-round. In 2016, the Diller Scofidio + Renfro designed Berkeley Art Museum/Pacific Film Archive opened at the corner of Oxford and Center Street. The museum has become a transformative cultural anchor, and a keystone investment in Downtown Berkeley's arts cluster.

With the completion of the Center Street Garage in 2019, the City's Civic Arts Program launched the Cube Space gallery dedicated to rotating exhibitions of installation art viewable at all hours, every day of the week. Located on the ground floor of the Center Street Garage on Addison Street in the heart of the Arts District, the Cube Space is a highly visible symbol of the City's support and promotion of art in civic life.

In September of 2020, the City Council adopted the *Berkeley Civic Center Vision and Implementation Plan*, which called for (among other uses) an arts and cultural center to be developed in the city's Veterans Memorial Building (1931 Center Street).⁴ Phase II of this project (scheduled to complete in FY 2023) will include advancing the design concepts and implementation action items called for in the Civic Center Vision plan. Subsequent phases of the Civic Center Plan will likely support Berkeley's artistic and cultural economic sector over the next half decade.

Downtown Berkeley is also an attractive location for urban living. Several multi-unit

³ Referral Response: Deferral of Remaining Permit, Inspection, Connection, and Impact Fees for 2009 Addison Street and Referral to the City Manager to Develop a Limited-Term Citywide Fee Deferral Program, Berkeley City Council Agenda Item 5, March 9, 2021.

⁴ Berkeley City Council, Adoption – Berkeley Civic Center Vision and Implementation Plan, Item 14, September 22, 2020, online: <https://neighborland.com/berkeleycc>.

housing projects are just completing construction, including the 12-story apartments at 1951 Shattuck Avenue with 156 units, the Logan Park Apartments at 2352 Shattuck Avenue (204 units), the Aquatic Shattuck at 2628 Shattuck Avenue with 78 units and 2,000 square feet of retail. Once completed, each of these projects are anticipated to lease up quickly, with strong demand driven by regional economic growth as well as the increasing student population at UC Berkeley. Overall, in the last two years, Berkeley has seen increasing numbers in the development pipeline: 1,790 dwelling units received entitlements in 2020 (the first part of FY21), up from 1,573 in 2019 (FY 2020). Moreover, from 2015 to 2020, permits for 2,943 housing units have been issued. Data from calendar year 2021 is not yet available, but when permits from 2021, 2022, and 2023 are factored in, Berkeley will “far exceed” the state mandated goal for total housing units permitted for 2015 to 2023.⁵

The University of California (UC) at Berkeley has also been active in Downtown area development. UC is currently undertaking construction on a new building which includes 244 apartments with individual bedrooms for 772 transfer students at 1990 Oxford Street (Anchor House), and has opened the former UC Berkeley Art Museum (Woo Hon Fai Hall) into the Bakar BioEnginuity Hub. Bakar labs has brought together a number of campus programs focused on entrepreneurship hosts, a well-equipped incubator with capacity to support up to 80 startup companies, primarily in the life sciences. The incubator opened in early 2022, and provides approximately 20,000 square feet of wet lab and 20,000 square feet of office space on the far eastern edge of Downtown Berkeley.

Downtown Berkeley, within walking distance of campus, continues to be a popular location not only for student recreation but also for innovation sector businesses, especially those that benefit from their proximity to the talent at UC Berkeley and the Berkeley Lab. For example, since it was launched in 2012 as a public-private partnership, the Berkeley SkyDeck startup accelerator, located in the penthouse suite of 2150 Shattuck Avenue, has graduated at least 1,050 companies, of which several hundred temporarily relocated their teams to Berkeley, and a dozen have made Berkeley their long-term home. Other examples of programs that lead to startup and high-tech industry activity near campus include QB3 Bakar Labs within the Bakar Bioenginuity Hub, the Energy Biosciences Institute Entrepreneurial Business Incubator (EBI2), and the Cyclotron Road entrepreneurial fellowship program (run by Activate in partnership with the Berkeley Lab), which offers office space, lab facilities and coaching to aspiring founders.

B. Strengthen neighborhood commercial districts such as Solano, Elmwood, Telegraph, Adeline, Fourth Street, San Pablo, North Shattuck and University

⁵ SF Chronicle, [Berkeley, Once Hostile to Development is Now Inviting It](#), February 15, 2022.

Avenue:

The City seeks to encourage shopping opportunities close to residential neighborhoods, which reduces the need to drive for short trips. Efforts are underway to support expansion of district-based niche marketing campaigns that recognize local strengths and “district identity.” In FY 2022, staff continued its marketing initiatives to highlight businesses and enable economic recovery from COVID in several districts, and for the first time assigned individual staffers to attend to each district including the smaller “commercial-neighborhood” or “C-N” zoned commercial districts. The ‘Discovered in Berkeley’ local marketing campaign featured a thoughtful roster of unique local-serving storefront businesses and the business districts in which they reside, by highlighting Berkeley businesses that fall into the categories of “Deep Tech”, “Food Forward,” “The Upcycle,” and “Dare to Share” and “Local Love.”

In FY 2022, OED continued its #DiscoveredinBerkeley⁶ business marketing campaign, releasing 10 articles in the local news publication, *Berkeleyside*, about Berkeley business pivots and innovations under the campaign’s “Local Love”, “Health Forward” and “Food Forward” themes. The campaign encourages the community to support local businesses and, thus far, has made more than 2.8 million impressions and generated nearly 114,000 concrete engagements with local business content. OED also sponsored the 3rd annual in-person Berkeley Holiday Gift Fair and a #Berkeleyholidays online Gift Guide (www.BerkeleyHolidays.com) to promote local purchase of holiday gifts in December 2021.

The City facilitates five business improvement districts (BIDs) in the Downtown, Telegraph, Elmwood, North Shattuck, and Solano commercial districts that generate funds through a self-assessment to help promote and maintain their districts. There is also a city-wide Tourism BID which is funded by the self-assessment of Berkeley’s hotels and motels and directly supports Visit Berkeley, the City’s Convention and Visitor’s Bureau. Over the past year, the City has continued to provide technical assistance to each of the BIDs, with particular focus on bolstering the wider Berkeley Business District Network (BBDN), increasing the frequency of meetings to allow for improved communication and sharing across district networks. In FY 2023, OED will continue to explore in collaboration with other city departments the establishment of the two additional parking benefit districts in the Lorin and Gilman commercial districts, and focus on organizational capacity building with both local merchant groups.

As a response to the pandemic, OED developed and continues to support Berkeley’s Outdoor Commerce Program. In 2021, OED worked with a number of

⁶ First launched in 2019, the *Discovered in Berkeley* the campaign promotes content primarily through *Berkeleyside* sponsored stories, the www.discoveredinberkeley.com website, and [@DiscoveredinBerkeley Instagram](https://www.instagram.com/DiscoveredinBerkeley) channel.

City of Berkeley departments on the creation of a “path to permanence” for outdoor dining and commerce⁷ to allow expanded outdoor commercial activity including sidewalk seating, parklets and street closures for outdoor commerce. The ordinance expanded the range of allowed outdoor activities on both public and private property and streamlined the permitting processes for Berkeley’s businesses wishing to provide outdoor seating. Staff worked closely with the City’s communication team to prepare educational materials and a webpage to assist businesses with obtaining outdoor commerce permits in a seamless manner.⁸ OED also commissioned a *Parklet Guide* that included five pre-approved parklet designs for streamlined City approval.⁹ Since the launch of the outdoor commerce program, about 45 outdoor commerce permits have been issued to Berkeley businesses and organizations.

In FY 2022, OED continued a series of dynamic economic development initiatives to better support small, independently-owned businesses. These included deepening our baseline services by: improving OED’s outreach & communications with small businesses, increasing support for businesses navigating the permitting process, further modifying the zoning ordinance to support small local businesses, continuing new small business assistance and retention programs, especially support for worker cooperatives and increasing marketing, technical assistance, and recovery opportunities for locally-owned retail and services businesses. OED will continue its support of these and other initiatives in FY 2023 and beyond.

- C. *COVID-19 (Coronavirus) Pandemic – Promoting Sustainable Economic Recovery*
During the full year of FY 2022 (July 1, 2021 to June 30, 2022), staff was fully engrossed in providing support for local businesses impacted by the COVID-19 pandemic. This included disbursing federal funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act and American Rescue Plan Act (ARPA) to support local economic recovery.

To support economic recovery in Berkeley, federal funding was allocated to the following programs:

- **Low interest rate loans to Berkeley small businesses:** In July 2020, the City of Berkeley’s existing Revolving Loan Fund (RLF) program was modified to accept \$814,000 of CARES funding to establish a second revolving loan fund, the COVID-19 Resiliency Loan Program (RLP), with a goal to provide low interest rate loans to Berkeley small businesses negatively impacted by the COVID-19 pandemic. To

⁷ Berkeley City Council, *Referral Response: Path to Permanence: Outdoor Dining and Commerce in the Public Right-of-Way*, Item 38, June 15, 2021.

⁸ City of Berkeley, *Outdoor Commerce Permit Information*, online: <https://berkeleyca.gov/safety-health/covid-19/covid-19-information-businesses/covid-19-outdoor-commerce-and-dining>

⁹ Berkeley Chamber of Commerce, *Parklet Guide*, June 2020.

date, RLP has provided \$520,000 to 11 businesses through 11 loans. Through work with Berkeley's Loan Administration Board, and the Federal Economic Development Administration (EDA), a sub grantee agreement was executed for a nimble certified Community Development Financial Institution, Working Solutions, to manage the fund on behalf of the city.¹⁰ This agreement immediately improved the experience for Berkeley's borrowers with seamless electronic loan disbursement and the ability to make online loan payments. Additionally, \$60,000 of American Rescue Plan Act (ARPA) funds were distributed to Working Solutions, to provide technical assistance and small business support to Berkeley's RLP participants.

- **Grants for arts organizations & festivals:** Funded by ARPA, Berkeley Arts Recovery Grants (BARG) for Organizations & Festivals provided one-time grants to all qualifying Berkeley-based nonprofit and fiscally sponsored arts organizations and festivals. BARG grants are being used to mitigate arts organizations' economic losses from COVID-19, implement COVID-19 prevention tactics, and procure consulting and marketing services to support organizations' future financial sustainability.
- **Grants for artists and cultural practitioners:** Also funded through ARPA, in May 2022, the Center for Cultural Innovation administered the Berkeley Arts Recovery Grants (BARG) for Artists & Cultural Practitioners on behalf of the City.
- **Grants for artists to create temporary public art on the theme of COVID recovery:** With the remaining ARPA funds (approximately \$125,000) set aside for arts community recovery, the Civic Arts Program plans to implement a second round of Berkeley Arts Works Projects (BAWP) grants. BAWP was an initiative first implemented in 2021, which provided artists financial opportunities during an economically challenging time, while also enhancing Berkeley's cultural and economic vitality through community-focused public art projects.
- **Funding for tourism and hospitality industry marketing and advertising:** In January 2022, \$500,000 of ARPA funds were provided to Visit Berkeley, the city's destination marketing organization (DMO) to support the hard-hit tourism and hospitality industries.
- **Local business marketing and advertising:** The #DiscoveredinBerkeley business marketing campaign was launched in 2019 to, *"inspire pride among Berkeley residents and business owners alike about the amazing commercial activity happening in the neighborhoods where they live and work, encourage local shopping, raise awareness of the business services offered by the City's Office of*

¹⁰ Online: <https://www.workingsolutions.org/news/announcing-a-new-partnership-with-the-city-of-berkeley>, March 2022.

Economic Development and enhance Berkeley's reputation as a good place to do business. In May 2022, \$12,500 of ARPA funding was allocated to *Cityside*, the publisher of the local independent online news publication, *Berkeleyside*, to support the creation of sponsored stories, banner ads, and graphics for social media and the *DiscoveredinBerkeley.com* website highlighting exceptional businesses in Berkeley. Remaining ARPA funds, in the amount of \$37,500 will be spent in FY 2023 on events, social media, and additional media channels that will greater increase local businesses' sales, visibility in the region, reputation, and community pride.

- **Equity-focused programming for the innovation sector:** *Berkeley Ventures, Berkeley Values* was launched in 2019 to align the growth of Berkeley's innovation sector with the community values of diversity, equity and inclusion. Remaining ARPA funds, in the amount of \$20,000 will be spent on activities that engage Berkeley startup founders, funders, and STEM industry professionals to build a local economy that benefits the entire Berkeley community.
- **Business success planning for worker owned cooperatives:** Beginning in 2018, OED partnered with Project Equity to meet the local demand for business succession planning; and provide technical assistance to Berkeley's businesses wishing to transition to employee ownership. Remaining ARPA funds, in the amount of \$40,000 will be spent on a continued multi-year engagement with Project Equity. The funds will enable Project Equity to stay as an on-call advisor to businesses in Berkeley that want to transition to worker ownership. Project Equity's work will also implement strategies to measure business retention risk in Berkeley on an ongoing basis.

Staff anticipates that the balance of FY 2023 will be taken up with furthering these efforts; as OED moves from a stance of emergency economic crisis response to supporting sustainable business recovery efforts as the crisis becomes less acute.

D. *Support creation of employment opportunities for local residents:*

Berkeley's annual average unemployment rate in FY 2022 was 4.3%, down from 7.6% the previous year. Most of the employment increases happened in Berkeley sectors like tourism & hospitality (especially lodging, food & beverage, and arts & cultural industries); and personal & professional service industries (e.g. gyms and fitness studios, salons, employment services).

Approximately 33% of the jobs in Berkeley are in the public sector, including those employed by UC Berkeley, Lawrence Berkeley Laboratory, Berkeley Unified School District, Berkeley City College (Peralta College) and the City of Berkeley. Berkeley's largest private sector employers include Sutter Bay Hospitals, Medical Foundation, and Health Support Services (including the Alta Bates and Herrick

campuses), Bayer Corporation (pharmaceuticals manufacturing), Kaiser Permanente, and the grocery retailer Berkeley Bowl. Traditionally, Berkeley's strong employment sectors include food services, biomedical/biopharmaceutical, computer systems design services, environmental consulting services, and arts and entertainment. The sectors that showed the greatest job growth in Berkeley in FY 2022 include biomedical and life sciences sectors. It is also observed that growth opportunities abound in Berkeley's "innovation sector". More than 400 Berkeley-based tech, biotech, research and development (R&D) and other STEM (science technology engineering and math) industry businesses were either able to adapt to having a remote workforce or continued work in medical, life science, and health manufacturing facilities, with many returning to work in-person or in a hybrid format.

E. *Increase technology transfer from UC Berkeley and Lawrence Berkeley National Laboratory and encourage startups in Downtown and West Berkeley:*

The Lawrence Berkeley National Laboratory (LBNL) and the neighboring University of California – Berkeley (UCB) continue to serve as terrific catalysts for startup growth and entrepreneurship in the City of Berkeley. Notably, the Lawrence Berkeley National Laboratory funding increased \$15 million over FY 2020 levels to \$1,207 million in FY 2021, enabling researchers at LBNL to continue to seek science solutions to solve some of the greatest problems facing the world including significant new investments in Basic Energy Sciences (BES), Advanced Scientific Computing Research (ASCR), and Biological and Environmental Research. The Lab's Office of Science funding remained essentially flat, with the largest contributing programs being ASCR and BES. ASCR funding was primarily in support of the Department of Energy's dedicated Energy Sciences Network (ESnet) and National Energy Research Scientific Computing Center (NERSC). ASCR increased their support (\$9 million) for Quantum research at LBNL in FY 2021 to accelerate the development of quantum information science for national competitiveness. Funding for BES programs remained constant, with continued support to User Facilities, including the Advanced Light Source (ALS) and the Molecular Foundry (MF). BES also provided significant funding in support of Lab's ALS Upgrade project which will endow the ALS with revolutionary x-ray capabilities.

Even after factoring in a \$6 million funding decrease in Energy Efficiency and Renewable Energy (EERE), net funding increases *outside* of the Office of Science increased – in part due to a \$4 million increase in National Nuclear Security Agency (NNSA) and a \$3 million increase in Fossil Energy. The National Institutes of Health (NIH) and Department of Defense (DOD) continue to be the Berkeley Lab's largest Federal sponsors outside of the Department of Energy.¹¹ These

¹¹ Lawrence Berkeley National Laboratory, Office of the Chief Financial Officer, *2021 Annual Financial Report*, online: <https://cfo.lbl.gov/annual-financial-report/>.

federal funds complement other non-federal sponsors for research in other areas including: biofuels, biomedical engineering, integrative genomics, computing sciences, energy conservation, advanced telecommunications, and other physical, earth and environmental sciences. In FY 2021, the Berkeley Lab also had 84 invention disclosures and 104 software disclosures.¹²

Berkeley's existing life sciences (biotech and healthcare) industry base includes more than 140 companies, from early-stage startups to multinational Bayer's bio-manufacturing and biologics development facilities which employ more than 1000+ people and span 46 acres in West Berkeley. In 2021, nine Berkeley companies were granted nearly \$9 million in state and federal Research & Development (R&D) awards,¹³ and 66 Berkeley startups raised \$1.5 billion in capital.

Together, UC Berkeley and the Berkeley Lab provide tremendous anchors for Berkeley's "innovation ecosystem", which includes companies, buildings and human capital assets not only on their campuses, but also in Downtown Berkeley and West Berkeley. To support the sector's growth in Berkeley, OED has taken a leadership role in the Berkeley Startup Cluster¹⁴, a partnership between the City, UC Berkeley, Berkeley Lab, Berkeley Chamber and Downtown Berkeley Association. With a mission to make Berkeley a more vibrant, accessible, and equitable place to grow, the Berkeley Startup Cluster enables the City of Berkeley to work closely with both UC Berkeley and Berkeley Lab staff to retain local startups that are commercializing new technology, as well as attract national companies with an interest in intellectual property developed in Berkeley. This collaboration is productive; the companies benefit from the City's interest in nurturing innovative startups and overall responsiveness to business needs and the City receives high quality jobs and investment in return.

For this and other reasons including the overall quality of life in Berkeley, access to a highly educated workforce, the central and accessible location within the Bay Area, and access to investment opportunities. Berkeley's innovation sector has continued to thrive, even during the pandemic. The City maintains a list of more than 350 active Berkeley innovation companies, many of them in Berkeley's Downtown Berkeley incubators and co-working spaces or in West Berkeley research and development facilities.

In fact, West Berkeley (which houses the Aquatic Park campus of the Berkeley Lab and provides easy access to the I-80/580 freeway which connects Berkeley to San

¹² See report details here: https://indd.adobe.com/view/publication/8deff6a0-0452-49c9-8f87-298d7fa4b896/bwcx/publication-web-resources/pdf/AR2021_Final.pdf

¹³ Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs are highly competitive programs that encourage US small businesses to engage in Federal Research and Development with the potential for commercialization.

¹⁴ Online: www.berkeleystartupcluster.com.

Francisco) is experiencing substantial development of new programs and buildings that support the local bioscience and plant-based foods industries. For example, the QB3 East Bay Innovation Center (EBIC), a unique public-private partnership between UC Berkeley, UCSF, the Berkeley Lab, the cities of Berkeley and Emeryville and private developer, Wareham Development, offers top-quality wet-laboratories, along with office space for support functions. Nearby, Bonneville Labs offers co-working facilities for life sciences entrepreneurs and others who require lab space for both research and development (R&D), and several other similar innovation hubs/R&D spaces are either leasing now or are currently under construction (i.e. [theLAB Berkeley](#) Class A “creative” life science campus along 4th and 5th Streets and more than a half-million square feet of purpose-built, state-of-the-art lab space at [Berkeley Commons](#) at 600 Addison Street). The demand for these types of facilities with combined office & lab facilities is strong, and rarely is space available.

OED, together with its Berkeley Startup Cluster partners, will continue to advocate for expanded zoning that enables innovation companies to increase the number of high-quality jobs they offer in Berkeley, encourage high tech industries to build diverse teams and workplace practices that lead to shared prosperity for the community¹⁵, and shed light on the City’s “Deep Tech” resources through newsletters, social media, and the #DiscoveredinBerkeley¹⁶ business marketing campaign. In fact, the City of Berkeley adopted the updated definition of “Research & Development (R&D)” in its zoning code in March 2022 to be more inclusive of the types of industrial, biological, and scientific R&D activities that firms are undertaking today -- and the types of spaces needed to safely and effectively conduct those activities. Additionally, on September 13, 2022, Berkeley City Council unanimously passed the “Keep Innovation in Berkeley” referral, which was sponsored by District 7 City Councilmember Rigel Robinson to reduce the barriers that R&D businesses and startups face when deciding whether to grow their companies in Berkeley. The item attempts to streamline lengthy permitting processes, allow R&D establishments to locate in more areas of Berkeley, and improve the clarity and consistency of the City’s zoning code for applicants.

F. Generate location-based economic data to monitor and analyze local business trends and help fill commercial vacancies:

Economic Development staff updates its inventory of ground floor space in the City’s commercial districts annually, and tracks commercial vacancy rates closely. This effort has proven valuable as an analytic tool, and staff has been able to generate reports that outline and assess sectoral and sub-sectoral trends within specific commercial neighborhoods. In addition, staff produces annual reports

¹⁵ Community engagement, workforce diversity and inclusive cultures are encouraged through the Berkeley Startup Cluster’s *Berkeley Ventures, Berkeley Values* (BV²) initiative – see www.berkeleystartupcluster.com/giveback.

¹⁶ Online: <https://www.discoveredinberkeley.com/>.

entitled, the *Berkeley Economic Dashboard* and *Commercial District Dashboard*, and is routinely publishing the information online in an accessible format for clients and researchers to use.¹⁷ The dashboard reports outline the state of real estate and business development and commercial vacancy in Berkeley. For example, the most recent dashboard report (published March 2022, based on data gathered in Q3 and Q4 of 2021) shows that the citywide vacancy rate had increased to 8.3%, an increase of 1.4% since Q3 2020 and 2.9% since Q3 2019 due mostly to the impact of the COVID-19 pandemic. Field work is currently underway for a comprehensive update to be published in March of 2023.

G. *Market Berkeley's visitor appeal and support Berkeley's Hotel/Motel Industry:*

The City provides annual support to Visit Berkeley (the Berkeley Convention and Visitors' Bureau) for its comprehensive marketing efforts aimed at promoting domestic tourism, corporate and association conferences and hospitality services. A local Tourism Business Improvement District (BID) was established in late 2012 to collect a transient occupancy taxes on all of the City's hotel and motel properties for the purposes of promoting tourism to Berkeley and, in FY 2017, Berkeley City Council authorized a ten-year extension of the Tourism BID. This BID effectively doubled the budget of Visit Berkeley and has had a very positive impact on the local visitor and tourism industry. In addition to BID revenues, which were deeply reduced due to COVID-19 pandemic travel restrictions, in January 2022, \$500,000 of federal American Rescue Plan Act (ARPA) funds were disbursed to Visit Berkeley to support the hard-hit tourism and hospitality industries. With these funds, Visit Berkeley initiated the "Make Berkeley Your Bay Area Basecamp" digital advertising campaign, which featured ads in the AAA Northern California Digital TourBook, as well as on AAA.com, Expedia.com and Hotels.com. For all channels, ad clicks brought customers looking for a place to stay in Northern California to an integrated landing page to book Berkeley lodging. Additionally, from May – September 2022, Visit Berkeley is participating in an advertising campaign with Visit California and Expedia called "What If You Could" featuring banner ads on Expedia.com and hotels.com that targets California and West Coast travelers looking to stay in Northern California and brings them to a dedicated landing page to book Berkeley lodging.

In August of 2018, construction began on the largest hotel project in Berkeley to date: a 16-story, 331 room hotel constructed by the Pyramid Hotel group at 2129 Shattuck Ave (at the corner of Center Street). The project opened in December 2021. It is anticipated that the hotel will generate an estimated \$2.7 million per year in tax revenue to the city's general fund over its initial eight years. After year eight, this figure will substantially increase because of the expiration of a rebate designed

¹⁷ City of Berkeley, Office of Economic Development, *Berkeley Economic Dashboard and Commercial District Dashboards*, online: <https://berkeleyca.gov/doing-business/economic-development/economic-dashboards-and-reports>.

to assist project feasibility.

H. *Build on Berkeley's strength as a regional hub of arts and culture:*

More than 150 arts and cultural organizations comprise an arts community that collectively is among the largest employment sectors in Berkeley. Per the 2018 study, the arts provide approximately 6,000 jobs in the City of Berkeley, reach an annual audience of 2.6 million people, have a combined budget of approximately \$98 million, and generate nearly \$165 million of economic impact (including direct and indirect expenditures). Arts, culture, and entertainment help drive the City's local economy. The City provides substantial support to the Berkeley Art Center and also disburses annual arts grants to non-profit arts groups, individual artists and festivals through a competitive selection process. The City also provides funds for public art commissions based on a percent for art program that is tied to City building and infrastructure spending.¹⁸

In 2017 the City launched its Public Art in Private Development program. This program requires developers of multi-unit housing projects and commercial projects greater than 10,000 square feet to include on-site, publicly accessible art projects with a value equal of at least 1.75% of total construction costs. Alternatively, projects can contribute an in-lieu fee at a discounted rate of 0.8% of total construction costs. The City expects this program to generate ongoing and significant new resources for the arts and strengthen the community's arts and cultural fabric. Since the inception of the Public Art in Private Development program, six on-site art projects have been completed, forty are in progress, and twenty-four projects have generated a total of \$3.9 million paid into the City's public art fund.

Recent major investments in the arts are focused on bolstering recovery from the COVID-19 pandemic. These include the Berkeley Arts Works Projects, a \$200,000 grant program funded by art fees on private development. This program is providing grants of up to \$10,000 each for dozens of artists, performers, and community members to create temporary public art projects throughout Berkeley that bolster collective resilience and recovery from the effects of COVID-19.¹⁹ The City also allocated \$2 million dollars of the city's American Rescue Plan Act (ARPA) funds to create a grant program to support the recovery and reopening efforts of Berkeley's art sector.

Funded by ARPA, Berkeley Arts Recovery Grants (BARG) for Organizations & Festivals provided one-time grants to all qualifying Berkeley-based nonprofit and fiscally sponsored arts organizations and festivals. BARG grants are being used to

¹⁸ City of Berkeley, *Economic Impact Report of the Arts in Berkeley*, MIG, September 2017.

¹⁹ City of Berkeley, [Berkeley Art Works Projects](#), Accessed September 2022.

mitigate arts organizations' economic losses from COVID-19, implement COVID-19 prevention tactics, and procure consulting and marketing services to support organizations' future financial sustainability. In February and March 2022, 74 grant awards were dispersed totaling \$1,532,345, with individual awards ranging from \$3,000 to \$33,000, and an average grant award amount of \$20,734 per organization.

Also funded through ARPA, in May 2022, the Center for Cultural Innovation administered the Berkeley Arts Recovery Grants (BARG) for Artists & Cultural Practitioners on behalf of the City. This grant program distributed \$276,250 to 114 Berkeley-based artists, culture bearers, cultural practitioners, makers, specialized arts workers, and teaching artists. Awards ranged from \$1,250 to \$8,000 each and were prioritized to individuals from marginalized communities, as well as those with the highest percentage of income lost from arts and culture related-professions.

In addition, in FY 2019 the City completed and adopted a comprehensive update to its Arts & Culture Plan. The Arts & Culture Plan, funded by a grant from the William & Flora Hewlett Foundation, and the UC Berkeley Chancellor's Community Partnership Fund, provides a forward-thinking blueprint for maintaining and expanding the arts programs and cultural institutions that have established Berkeley as a regional center for the arts, culture and entertainment. In FY 2022, substantial progress was made on many of the action items identified in the plan. Most significantly, the Civic Arts Program tripled its capacity by adding two additional arts professional staff to manage key Civic Arts program areas (public art and grants). In FY 2022, Civic Arts also made progress on the goal to increase access to affordable housing and affordable spaces for artists and arts organizations by completing an assessment of art space affordability challenges and displacement risks within Berkeley. Findings from this study are being utilized to develop strategies for inclusion the upcoming Housing Element for the City of Berkeley to help create affordable housing for artists in Berkeley.

2. MAJOR CAPITAL PROJECTS - PUBLIC WORKS

A. Measure T1 – Infrastructure and Facilities Improvements General Obligation Bonds

In November 2016, Berkeley residents voted for and approved Ballot Measure T1, authorizing \$100,000,000 of general obligation bonds to meet the unfunded needs for repairs, renovation, replacement, or reconstruction of the City's aging infrastructure and facilities, including sidewalks, storm drains/watershed, streets, senior and recreation centers, parks, and other important City facilities and buildings. The City Council adopted a multi-phase implementation plan for the Measure T1 program. Currently, all projects initially adopted by City Council for Phase 1 of the T1 Bond Program have been completed. Since the bonds were sold in November of 2017, all of the projects slated for construction have gone

through the planning and/or design phase and most have had construction completed; and, 85% of the initial \$35,000,000 in bond proceeds has been spent. A significant public outreach process in developing the project priorities for T1 Phase 2 was completed in FY 2021, and the next round of bonds in the amount of \$45,000,000 have been issued, with project planning and design underway for those projects.

Major Public Works facilities completing construction in FY 2022 include the seismic upgrade and renovation of the North Berkeley Senior Center, and critical electrical improvements to the Public Works and Marina Corporation Yards. Construction on the following PRW T1 Bond streets projects was completed in FY 2022: University Avenue, Marina Blvd, and Spinnaker Way. For FY 2023 and FY 2024, T1 Phase 2 funding in the amount of \$6,450,000 will go towards paving projects scheduled citywide.

B. Streets and Roads Capital

The City maintains 215 centerline miles of improved streets. A baseline annual amount of \$7,000,000 per year in recurring funding for street paving from state and local sources is supplemented whenever possible by grants or one-time bond funding. T1 Funds will add \$6,450,000 across FY 2023 and FY 2024 to additional paving, and the City has committed \$5,000,000 in FY 2023 and \$9,100,000 in FY 2024 in new paving Capital Improvement Fund contributions. In FY 2022, Public Works managed and constructed the FY 2021 Street Rehabilitation and 1322 Glendale Retaining Wall Projects. Additionally, staff designed, bid and contracted for the Street Rehabilitation FY 2022 project.

The City Auditor published an updated audit on the Street Rehabilitation Program focused on program funding resource sufficiency as well as paving policy and guidelines that drive deciding which streets get paved. Public Works is developing its next five-year paving plan to address the audit report, and to develop funding solutions to bridge the structural funding shortfall affecting deferred maintenance of Berkeley's streets.

C. Sidewalks Capital

The City manages sidewalk repair programs to keep the City's sidewalks safe and provide for safe pedestrian passage, including make-safe repairs, annual proactive and responsive repair programs, and the City's 50/50 replacement cost share program in which the City shares the liability and costs for broken sidewalks with property owners. Additionally, sidewalk improvements and curb repairs get incorporated into major street repair projects as part of the Complete Streets approach to paving.

Initiated in 2011, the 50/50 sidewalk replacement program has been very popular with Berkeley. Over time, the backlog of sidewalk repairs identified to be addressed

through the 50/50 program grew well beyond the funding capacity to make the needed repairs. In FY 2020, Council approved an additional allocation of \$500,000 to accelerate the 50/50 program. Staff hired a sidewalk shaving contractor to review all 3,600+ addresses on the 50/50 list, and through FY 2022 they have been able to make 17,000 repairs at 3,600 addresses on the 50/50 list through a shaving treatment of the sidewalk to level the surface for safer travel. In FY 2022, staff completed the FY 2020 Sidewalk Repairs Project, wherein a city-hired contractor completed sidewalk replacement at over 650 addresses on the 50/50 list. For FY 2023, over 575 additional addresses have been identified for sidewalk replacement and will be part of the FY 2022 Sidewalk Repair Project that goes into construction.

D. Storm Capital Projects

The City owns and operates storm drainage facilities consisting of approximately 93 miles of storm drain pipelines and associated manholes, inlets, and catch basins within the public right-of-way. All the creeks and storm drains in Berkeley eventually drain to the San Francisco Bay. The City's Clean Stormwater program reduces pollutants that enter the storm drain, and ensures that regulatory mandates for clean water are met. The Program also funds capital needs to reduce flooding and avoid structural failures. The City's 2012 Watershed Management Plan identified \$208 million of capital costs to help achieve these goals. Through 2018, Clean Stormwater Fee rates had not increased since the City's August 8, 1991 passage of Ordinance No. 6070-N.S. Revenue was insufficient to fund capital needs related to facility replacement or renewal, and to meet the City's Municipal Regional Permit clean stormwater requirements. In order to meet these unfunded needs, the City conducted rate studies and balloting processes in compliance with Proposition 218 for the Clean Stormwater Fees. A new Clean Stormwater Fee initiative passed by balloted vote in May 2018, adding an additional \$2,500,000 per year to improve the City's ability to address water quality, green infrastructure, storm emergency response and storm drain infrastructure.

In FY 2022, Public Works completed Green Infrastructure improvements to storm drain facilities on Marine Avenue, and direct drilling in the Berkeley Hills area. For FY 2023- 2024 planned projects include advertise and execute a of a master plan for stormwater infrastructure, which will update the 2012 Watershed Plan, perform a survey and structural evaluation of Strawberry Creek culvert for a 1.25 mile stretch, design and construct drainage culverts at 23 locations spread over a two mile stretch of Wildcat Canyon Road, the planning and installation of trash capture devices for achieving 90% trash capture by July 2023, and feasibility studies of future Green Infrastructure improvements.

E. Sewer Capital Projects

Sewer projects involve operations, maintenance, and capital improvements of the City's sewer collection system. Revenue for the fund mainly comes from sanitary

sewer service fees. In 2009, the EPA and the State and Regional Water Quality Control Boards sued EBMUD and all agencies conveying flows to EBMUD (Satellite agencies) for violation of the Clean Water Act. In 2014, all parties agreed to a stipulated settlement known as the final Consent Decree (CD), which, required the City to be in compliance in 12 years. To comply with the CD, the City is required to rehabilitate an average of 4.2 miles of sewer pipeline annually based on a three-year rolling average. Rate hikes were implemented to support the added financial load of the CD requirements.

Major sanitary sewer CIP projects under construction in FY 2022 include Shattuck Ave, Cragmont, Alvarado, and Euclid/Grizzly Peak. Also, in FY 2022, staff started the design for FY 2023 sewer rehabilitation improvement projects in the neighborhoods north of UC's main campus including along Hearst Avenue and Euclid Avenue, east of campus along Piedmont Avenue, sewer mains in the neighborhood west of the Claremont Hotel, sewer mains on Alvarado Road, sewer force main in the Marina along University Avenue, and sewer mains in the neighborhood north of Cedar Street and east of Euclid Avenue including along Del Mar Avenue and Parnassus Drive. The estimated construction cost of the FY 2023 CIP projects is \$15.3 million. Construction is scheduled to start in fall 2022 and projected to be completed by June 30, 2023. Additionally, Public Works is completing a Sanitary Sewer Master Plan that will inform future sewer infrastructure needs. Recommendations and funding support needed to implement the plan will be reflected in future Sewer budgets.

F. Transportation

The City of Berkeley is committed to improving traffic safety, encouraging transit use, bicycling and walking, and addressing a variety of transportation issues. The Transportation Division receives recurring allocations from State Gas Tax, local fund sources such as Measure BB, Measure F, and the Capital Improvement Fund to fund transportation planning and operations such as traffic calming, traffic signal improvements and maintenance, street improvements, roadway marking, bicycle and pedestrian infrastructure improvements such as pathways, on-street facilities, and bicycle parking as well as bicycle and pedestrian planning programs. This funding is supplemented by local, state and federal grants whenever possible to deliver additional transportation infrastructure and safety projects.

Major transportation CIP projects either starting or continuing construction in FY 2023 include Martin Luther King Jr. Way Vision Zero Project, Dwight/California Intersection Improvements Project, Ohlone Greenway Modernization & Safety Project, University West Bus Stop Improvements, NB/ Sacramento Street Complete Streets Project, Woolsey- Fulton Bike Boulevard, Parker Street to Addison Bikeway Project, and the Southside Complete Streets Project.

3. CLIMATE ACTION PLAN

The Berkeley Climate Action Plan (CAP) was adopted by City Council in 2009 as a roadmap to reduce community-wide greenhouse gas (GHG) emissions and set a goal of reducing GHG emissions by 80% by 2050. Amplifying the urgency for climate action, Berkeley has now also pledged 100% renewable electricity by 2035, resolved to become a “Fossil Fuel Free City”, committed to reaching zero net emissions by 2045, and declared a Climate Emergency. Berkeley plans to meet climate action goals for a clean energy future by 1) reducing energy use, 2) promoting cleaner electricity, and 3) electrifying buildings and transportation. The City of Berkeley centers equity and climate justice within its sustainability efforts with the understanding that any climate goals must ensure those who are most impacted by climate impacts benefit from climate action.

A. Tracking Community Greenhouse Gas Emission Reductions

Based on the available data from 2020, the community has reduced overall GHG emissions by 31% since 2000 and decreased them 7% since 2019. From 2019 to 2020, emissions from the transportation sector decreased by 29%. This significant reduction in transportation emissions is largely due to the decreased driving and change in commuting patterns caused by the COVID-19 pandemic. Transportation accounts for 46% of emissions, another 51% comes from building energy use, and 3% comes from landfill waste.

B. East Bay Community Energy

East Bay Community Energy (EBCE), our locally governed, green electricity supplier for Alameda County, invests its earnings back into the community and helps cities meet their climate goals.

Berkeley’s decrease in greenhouse gas emissions related to buildings can largely be attributed to Berkeley joining EBCE in 2018. EBCE offers two electricity services: Bright Choice (less expensive than PG&E) or Renewable 100 (sourced from 100% solar and wind power). In 2021, municipal buildings opted up to the Renewable 100 service and in 2022 all of Berkeley’s residential and commercial accounts were also transitioned over to Renewable 100, though customers can choose to change their service at any time.

C. Natural Gas Prohibition

In July 2019, the City Council adopted the first ordinance in the nation to prohibit the use of natural gas in newly constructed buildings. In place of natural gas appliances, new buildings in Berkeley now install highly efficient electric heat pumps for water heating and for heat and air conditioning, and electrically powered appliances, improving occupant health and safety, as well as the climate impacts, of these buildings.

D. Building Emissions Saving Ordinance (BESO)

Berkeley's Building Emissions Saving Ordinance (BESO) became effective December 1, 2015, as BMC Chapter 19.81. BESO requires building owners to complete and publicly report building-specific energy efficiency and electrification assessments and energy scores so that building owners and potential buyers can make informed decisions about a building's energy system. During FY2022, staff began implementing many of the BESO amendments which were adopted by Council in 2020, including requiring that the BESO time of sale assessment be completed prior to listing a building for sale, adding a Fuel Source Disclosure at time of listing, and lowering the building size threshold for the energy benchmarking requirement.

E. Municipal Facilities and Leadership

While GHG emissions from municipal facilities only account for 0.3% of overall community emissions, it is important that the City leads by example in making its facilities as clean, efficient, safe, and healthy as possible. The City of Berkeley opted to use East Bay Community Energy's (EBCE) 100% renewable product for its municipal accounts in March 2021. In addition, FY2022 upgrades at municipal buildings include lighting retrofits at the Animal Shelter, renovations at the North Berkeley Senior Center to become an all-electric building, kitchen electrification projects at South Berkeley Senior Center, and the installation of electric heat pump water heaters at several libraries and fire stations.

F. Solar + Storage for Critical Facilities

The City is working with East Bay Community Energy (EBCE) on solar + storage systems at critical municipal facilities to provide increased resiliency and clean back-up power in the case of a power outage. Alongside Fremont, Hayward, and San Leandro, the City of Berkeley submitted a list of potential critical facilities to the EBCE project portfolio to be included in a joint Request for Offers (RFO) for Power Purchase Agreement vendors. In August of 2022, EBCE released the RFO and hopes to select a vendor by the end of 2022 and start installation of the solar + storage projects in 2023.

G. Electric Vehicles & Charging Infrastructure

The City continues to implement the Electric Mobility Roadmap (2020) to support fossil fuel-free clean transportation, including walking, biking, public transportation, and a wide variety of electric vehicles, with a focus on equitable and affordable access. As of August 2022, there were over 200 publicly-available electric vehicle (EV) charging ports in Berkeley and approximately 7.5% of registered cars in the community were electric. The City's FY2022 efforts include work to install EV charging for municipal fleet vehicles at the Corp Yard, partnering with East Bay Community Energy (EBCE) to site and develop future public EV DC Fast Charging Hubs in Berkeley, and working to adopt local amendments to the 2022 California Green Building Standards Code to require EV charging readiness and installation

in new buildings.

H. Climate Equity Fund

On July 27, 2021, City Council approved a resolution establishing a Pilot Climate Equity Action Fund and allocated \$600,000 to provide climate change and resilience benefits to low-income residents in both buildings and transportation. On December 3, 2021, the City of Berkeley released a Request for Proposals (RFP). The RFP included three program areas: Program Area #1: Resilient Home Retrofits, Program Area #2: Electric Mobility Access Pilot, and Program Area #3: Community Access to Resilience Measures and Electrification Engagement Pilot. The implementation of these programs will take place through Q3 2024. This advances implementation of the Berkeley Existing Buildings Electrification Strategy (2021, which identified long- and short-term strategies to make existing buildings in Berkeley free of fossil fuels in a way that includes and benefits all residents, especially members of historically marginalized communities.

I. Just Transition Healthy Home Electrification Pilot Program

On June 14, 2022, City Council approved a resolution to develop an Existing Building Electrification Installation Incentives and Just Transition Pilot Program, with a budget of \$1,500,000. The program, using pre-qualified contractors who meet minimum labor standards, will target homes for households at or below 120% of the Area Median Income for replacing with natural gas water heating, HVAC, and cooking equipment with systems that run on clean electricity. The resolution calls for the establishment of labor standards that provide pathways to high-road careers for workers in residential electrification. This advances implementation of the Berkeley Existing Buildings Electrification Strategy (2021), which identified long- and short-term strategies to make existing buildings in Berkeley free of fossil fuels in a way that includes and benefits all residents, especially members of historically marginalized communities. Staff is conducting research to inform program design through interviews with key stakeholders and participation in the Bay Area regional High Road Training Partnership (H RTP), and getting input from the Berkeley Environment and Climate Commission (ECC), the City Council Facilities, Infrastructure, Transportation, Environment & Sustainability (FITES) Policy Committee, and others. A Request for Proposals for this Pilot Program is anticipated by early 2023.

OTHER INFORMATION:

INDEPENDENT AUDIT

The City's Charter requires an annual audit of the City's records. These records,

represented in the basic financial statements included in the ACFR have been audited by the public accounting firm, Badawi & Associates, CPAs.

AWARDS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2021. In order to receive this prestigious award of the Certificate of Achievement, the City must publish and submit such report to the GFOA for their evaluation. This report satisfied 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 annual comprehensive financial report continues to fulfill the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA's award for Distinguished Budget Presentation for the biennium (two-year period) beginning July 1, 2020 and staff plans to pursue that award for the current budget.

ACKNOWLEDGEMENTS

The preparation of this report could not be accomplished without the efforts of the following individuals: Alyssa Loo, Sandy Barger and the entire Accounting Division of the Finance Department, as well as the City's Budget Manager, Sharon Friedrichsen, the accounting firm of Badawi & Associates, CPA, and the continued support of sound financial management by the City Manager, Dee Williams-Ridley, Mayor Jesse Arreguin and the City Council.

Due to the efforts of the entire City staff, the City's accounting and financial reporting systems continue to improve, as well as the quality of the information being reported to our citizens, the City Council, Department heads and Managers, Bond-holders, Federal, State and County agencies, and to other users of the City's financial reports.

Respectfully submitted,



Henry Oyekanmi
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Berkeley
California**

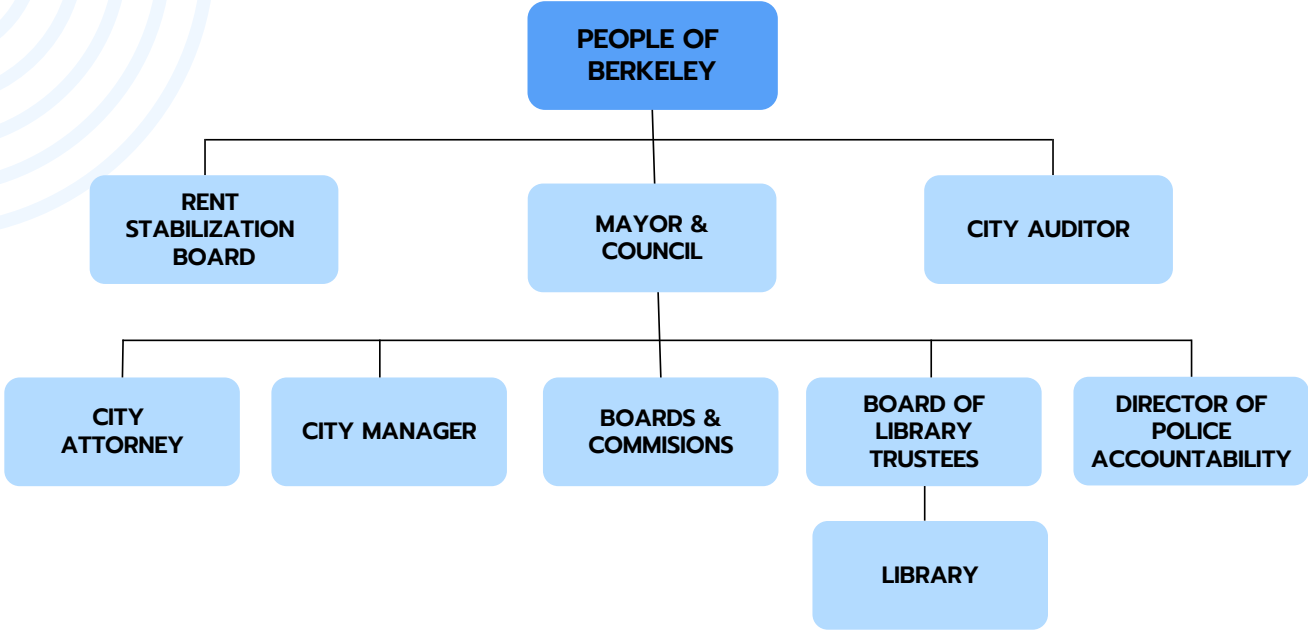
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Executive Director/CEO

City of Berkeley Government Structure

2022



CITY OF BERKELEY
FY 2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

ELECTED OFFICIALS

Mayor

Jesse Arreguin

Councilmembers

Rashi Kesarwani (District 1)

Terry Taplin (District 2)

Ben Bartlett (District 3)

Kate Harrison (District 4)

Sophie Hahn (District 5)

Susan Wengraf (District 6)

Rigel Robinson (District 7)

Lori Droste (District 8)

City Auditor

Jenny Wong

APPOINTED OFFICIALS

City Manager

Dee Williams-Ridley

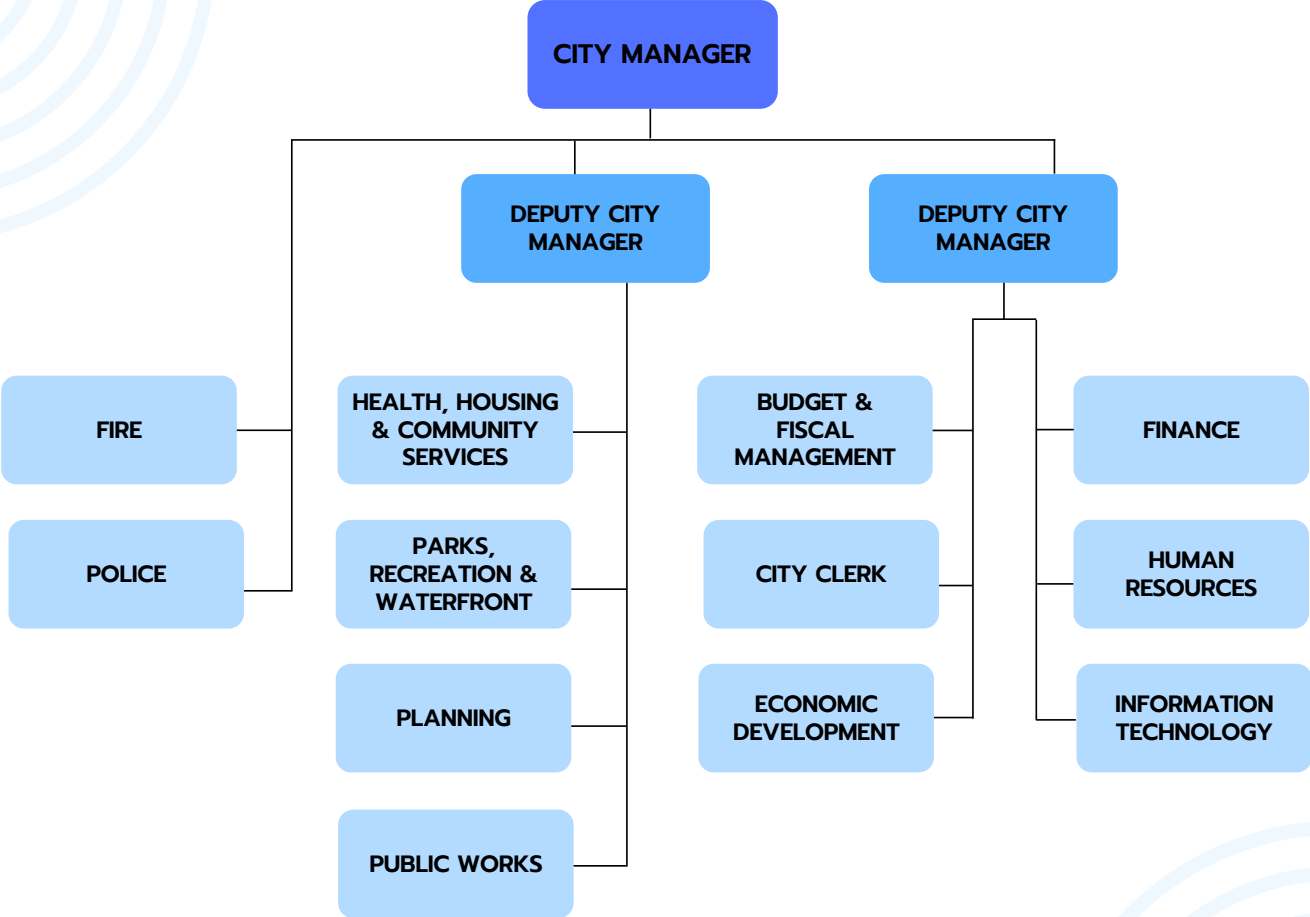
Deputy City Managers

Paul Buddenhagen

LaTanya Bellow

City of Berkeley Organization Chart

2022





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ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
Of the City of Berkeley
Berkeley, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Berkeley (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, 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.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 8-28 and 154-162 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

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

Supplementary 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 accompanying combining and individual nonmajor fund financial statements, and budgetary comparison information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and budgetary comparison information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

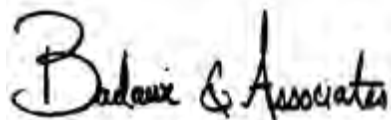
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 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 the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.



Badawi & Associates, CPAs
Berkeley, California
December 15, 2022



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ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

Management's Discussion and Analysis



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Berkeley (City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on pages v-xix of this report. Comparative data on the government-wide financial statements is only presented in Management's Discussion and Analysis.

FINANCIAL HIGHLIGHTS

Government-wide

- On June 30, 2022, City assets and deferred outflows exceeded liabilities and deferred inflows by \$288.8 million (net position). Included in this amount was a balance of (\$440.2) million in unrestricted net position. Unrestricted net position is net position that may be used to meet the City's ongoing obligations to citizens and creditors. The negative unrestricted net position is primarily due to the recognition of pension and OPEB liabilities.
- City total net position increased \$180.0 million during the fiscal year. Governmental activities net position increased \$150.6 million compared to prior year's increased \$15.3 million. Business-type activities net position increased \$29.4 million compared to prior year's increase of \$14.6 million (Pages 11-17).
- Net pension liability decreased by \$207.5 million or 31.9% during FY 2022 to \$442.5 million from \$650.0 million; it decreased by \$176.3 million or 31.3% to \$386.6 million from \$562.9 million for governmental activities, while net pension liability also decreased by \$31.2 million or 35.9% to \$55.8 million from \$87.1 million for business-type activities.
- Net OPEB liability decreased by \$31.0 million or 29.5% during FY 2022 to \$74.2 million from \$105.2 million for governmental activities, while net OPEB liability decreased by \$3.4 million or 35.6% to \$6.1 million from \$9.5 million for business-type activities.

Fund based

- At the close of fiscal year 2022, governmental funds reported combined ending fund balance of \$512.3 million, an increase of \$105.8 million, primarily due to (1) an increase of \$36.2 million in General Fund revenues and transfers in over expenditures and transfers out; (2) increased \$4.1 million in Grants Fund revenues and transfers in over expenditures and transfers out; (3) decreased \$2.7 million in Capital Improvement Fund revenues and transfers in over expenditures and transfers out; (4) an increase of \$23.9 million in Other Governmental Funds revenues and transfers in over expenditures and transfers out; and (5) \$40.4 million increase in measure O Housing Bond in other financing sources. The ending fund balance is identified as: \$0.5 million or 0.1 percent was non-spendable, \$317.9 million or 62.0 percent was restricted fund balance, \$107.6 million or 21.0 percent was in committed funds, \$19.3 million or 3.8 percent was in assigned funds, and \$67.0 million or 13.1 percent was in unassigned fund balance and \$40.4 million increase in measure O Housing Bond in other financing sources (Page 19).
- At the close of fiscal year 2022, fund balance for the General Fund was \$148.0 million consisting primarily of \$12.2 in assigned funds, \$75.2 million in unassigned funds, and \$46.9 million in committed funds (Page 19).
- At the close of fiscal year 2022, General Fund revenues, including transfers in and proceeds from sale of assets, were \$259.9 million. Total revenues and transfers were \$40.1 million higher than the prior fiscal year's revenues and transfers of \$219.8 million (Pages 19-21).
- At the close of fiscal year 2022, General Fund expenditures, including transfers out, were \$223.8 million. Total expenditures were \$17.8 million higher than the prior fiscal year's expenditures of \$206.0 million (Page 21).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements. This report also contains other required supplementary information in addition to 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 information on all of the City's assets and deferred outflows, and liabilities and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the current 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, all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid (e.g., earned but unused vacation leave or uncollected taxes).

Government-wide financial statements distinguish City governmental activities that are principally supported by taxes and intergovernmental revenues from other business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities of the City include general government, public safety, transportation, community development, and culture and leisure. Business-type activities of the City include water, wastewater, golf course, transportation, solid waste management, and theatres operations. The government-wide financial statements can be found on pages 33-36 of this report.

Fund financial statements

Fund financial statements are designed to report information about groupings of related accounts 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. City funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The City maintains several individual governmental funds organized by their type (special revenue, debt service, and capital projects funds). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Grants, Library, and Capital Improvements funds, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements shown on pages 167-290.

The City adopts a biennial appropriated budget for its General Fund and major funds. Budgetary comparison statements have been provided to demonstrate compliance with this budget on pages 142-165.

The basic governmental funds financial statements can be found on pages 39-43 of this report.

Proprietary funds are generally used to account for services for which the City charges outside customers or internal departments of the City. Proprietary funds provide the same type of information as shown in the government-wide statements, only in more detail. The City maintains the following two types of proprietary funds:

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations of zero waste, marina operations, sanitary sewer, clean storm water, permit service center, off-street parking, parking meter, and building purchases and management.

- **Internal service funds** are used to report activities that provide internal services for the City. The City uses internal service funds to account for its equipment maintenance replacement, building maintenance, central services, computer replacement, workers' compensation, sick leave and vacation payout, public liability, and catastrophic loss. Because internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements found on pages 274-277.

The basic proprietary funds financial statements can be found on pages 46-53 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City's own programs.

The basic fiduciary funds financial statements can be found on pages 56-57 of this report.

Notes to basic financial statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 60-136 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information (RSI) concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to its employees. RSI can be found on pages 141-162 of this report.

Combining statements for non-major governmental funds, internal service funds, and custodial funds are presented immediately following the RSI. Combining financial statements and schedules can be found on pages 167-290 of this report.

Statistical tables regarding: fiscal trends, revenue capacity, debt capacity, demographic and economic information, and operating information can be found on pages 295-321 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. City assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$288.8 million at the close of fiscal year 2022 as summarized below:

Statement of Net Position
June 30, 2022 and 2021

	Governmental Activities		Business-type Activities		Totals	
	FY 2022	FY 2021	FY 2022	FY 2021	FY 2022	FY 2021
Assets:						
Current and Other Assets	\$ 713,020,776	\$ 616,420,120	\$ 175,845,992	\$ 126,586,959	\$ 888,866,768	\$ 743,007,079
Capital Assets	342,477,842	306,656,354	247,929,581	241,437,311	590,407,423	548,093,665
Total Assets	<u>1,055,498,618</u>	<u>923,076,474</u>	<u>423,775,573</u>	<u>368,024,270</u>	<u>1,479,274,191</u>	<u>1,291,100,744</u>
Deferred Outflows of Resources:						
Related to Pensions	52,044,338	60,884,880	8,378,459	10,891,003	60,422,797	71,775,883
Related to Other Postemployment Benefits	29,131,793	31,702,320	4,287,938	4,660,707	33,419,731	36,363,027
Total Deferred Outflows of Resources	<u>81,176,131</u>	<u>92,587,200</u>	<u>12,666,397</u>	<u>15,551,710</u>	<u>93,842,528</u>	<u>108,138,910</u>
Liabilities:						
Current and Other Liabilities	145,660,884	150,005,735	15,814,279	12,609,080	161,475,163	162,614,815
Long-term Liabilities	282,875,704	249,385,138	55,439,454	57,440,734	338,315,158	306,825,872
Net Pension Liability	386,644,770	562,907,904	55,825,691	87,053,778	442,470,461	649,961,682
Net OPEB Liability	74,156,336	105,202,419	6,087,671	9,456,022	80,244,007	114,658,441
Total Liabilities	<u>889,337,694</u>	<u>1,067,501,196</u>	<u>133,167,095</u>	<u>166,559,614</u>	<u>1,022,504,789</u>	<u>1,234,060,810</u>
Deferred Inflows of Resources:						
Related to Pensions	120,958,260	2,807,679	22,625,163	-	143,583,423	2,807,679
Related to Other Postemployment Benefits	76,479,667	45,898,496	9,586,748	6,593,386	86,066,415	52,491,882
Related to Leases	-	-	31,193,043	-	31,193,043	-
Related to Deferred Gain On Refunding	1,011,693	1,130,278	-	-	1,011,693	1,130,278
Total Deferred Inflows of Resources	<u>198,449,620</u>	<u>49,836,454</u>	<u>63,404,954</u>	<u>6,593,386</u>	<u>261,854,574</u>	<u>56,429,839</u>
Net Position:						
Net Investment in Capital Assets	217,483,591	182,328,842	193,099,462	185,554,832	410,583,053	367,883,674
Restricted	318,362,643	249,223,746	-	-	318,362,643	249,223,746
Unrestricted	(486,958,799)	(533,226,565)	46,770,459	24,868,148	(440,188,340)	(508,358,418)
Total Net Position	<u>\$ 48,887,435</u>	<u>\$ (101,673,976)</u>	<u>\$ 239,869,921</u>	<u>\$ 210,422,980</u>	<u>\$ 288,757,356</u>	<u>\$ 108,749,004</u>

Statement of Activities

The statement of activities shows how the City's net position changed during fiscal year 2022. The City's net position increased \$180.0 during the fiscal year. These increases are explained in the governmental and business-type activities on the following pages. Provided below is a summary of changes in net position.

Statement of Activities Year Ended June 30, 2022

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 50,055,704	\$ 25,690,419	\$129,997,872	\$ 117,452,011	\$180,053,576	\$ 143,142,430
Operating grants and contributions	78,791,428	37,789,826	-	-	78,791,428	37,789,826
Capital grants and contributions	11,585,728	17,948,256	-	-	11,585,728	17,948,256
General revenues:						
Property taxes, levied for general purposes	153,440,402	126,973,349	-	-	153,440,402	126,973,349
Property taxes, levied for debt services	12,790,133	12,183,689	-	-	12,790,133	12,183,689
Property taxes for special purposes:						
Library	22,351,009	20,710,050	-	-	22,351,009	20,710,050
Parks	15,737,217	14,582,521	-	-	15,737,217	14,582,521
Paramedic	3,426,681	3,237,447	-	-	3,426,681	3,237,447
Fire	18,224,563	5,298,142	-	-	18,224,563	5,298,142
Sales taxes	19,976,288	17,619,492	-	-	19,976,288	17,619,492
Utility user taxes	15,001,999	13,876,525	-	-	15,001,999	13,876,525
Transient occupancy taxes	6,976,513	3,114,546	-	-	6,976,513	3,114,546
Business license tax	28,322,034	25,363,297	-	-	28,322,034	25,363,297
Other taxes	27,160,604	23,384,480	-	-	27,160,604	23,384,480
Other unrestricted state subventions	384,008	385,644	-	-	384,008	385,644
Contributions not restricted to specific programs	1,031,485	653,399	-	-	1,031,485	653,399
Investment earnings	(15,823,184)	7,887,837	(5,518,709)	47,274	(21,341,893)	7,935,111
Insurance claims reimbursement	-	-	-	-	-	-
Miscellaneous	1,975,103	890,427	-	-	1,975,103	890,427
Gain/(loss) on sale of capital assets	263,857	447,058	-	(10)	263,857	447,048
Total revenues	451,671,572	358,036,404	124,479,163	117,499,275	576,150,735	475,535,679
Expenses:						
General government	32,819,873	37,969,856	-	-	32,819,873	37,969,856
Public safety	111,224,119	149,237,352	-	-	111,224,119	149,237,352
Highways and streets	20,097,032	16,721,534	-	-	20,097,032	16,721,534
Health and welfare	37,029,496	41,577,559	-	-	37,029,496	41,577,559
Culture and recreation	42,017,875	51,985,738	-	-	42,017,875	51,985,738
Community development and housing	37,658,556	32,758,249	-	-	37,658,556	32,758,249
Economic development	6,376,040	5,627,518	-	-	6,376,040	5,627,518
Interest on long-term debt	6,196,846	5,527,301	-	-	6,196,846	5,527,301
Refuse services	-	-	43,158,125	44,269,653	43,158,125	44,269,653
Marina operations and maintenance	-	-	6,102,667	7,234,475	6,102,667	7,234,475
Sewer services	-	-	16,748,645	17,247,422	16,748,645	17,247,422
Clean storm water	-	-	2,750,543	2,631,714	2,750,543	2,631,714
Permit service center	-	-	17,184,988	19,589,787	17,184,988	19,589,787
Parking related	-	-	14,285,865	10,744,575	14,285,865	10,744,575
Building purchase and management	-	-	2,491,713	2,468,796	2,491,713	2,468,796
Total expenses	293,419,837	341,405,107	102,722,546	104,186,422	396,142,383	445,591,529
Excess in net position before other items	158,251,735	16,631,297	21,756,617	13,312,853	180,008,352	29,944,150
Transfers	(7,690,324)	(1,296,542)	7,690,324	1,296,542	-	-
Change in net position	150,561,411	15,334,755	29,446,941	14,609,395	180,008,352	29,944,150
Net position - beginning, as restated (note 15)	(101,673,976)	(117,008,732)	210,422,980	195,813,585	108,749,004	78,804,853
Net position - ending	\$ 48,887,435	\$ (101,673,976)	\$239,869,921	\$210,422,980	\$288,757,356	\$ 108,749,004

A more detailed statement of activities is shown on pages 30-31.

The largest portion of the City's net position reflects its investment of \$410.6 million in capital assets (land, buildings and improvements, equipment, intangibles, infrastructure, and construction in progress, net of accumulated depreciation), less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another portion of the City's net position, \$318.4 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, (\$440.2) million may be used to meet the government's ongoing obligations to citizens and creditors, as well as to meet City imposed designations (e.g., reserves, endowments, pending litigations, contingencies, and capital projects).

Governmental activities increased \$150.6 million compared to the prior fiscal year's increase of \$15.3 million. Key elements of the decrease in net position were as follows:

Program revenues increased \$59.0 million due to an increase in charges for services of \$24.4 million, an increase in operating grants and contributions of \$41.0 million, and a decrease in capital grants and contributions of \$6.4 million. The major changes are highlighted below:

- Charges for services increased \$24.4 million primarily due to the following: (1) An increase of \$13.1 million in affordable housing mitigation fees from \$3.1 million in FY2021 to \$16.2 million in FY2022; (2) An increase of \$3.4 million in UC Settlement fees from \$1.2 million in FY2021 to \$4.6 million in FY2022; (3) An increase of \$2.3 million in Art Cultural Trust fees from \$.065 million in FY2021 to \$2.4 million in FY2022; (4) An increase of \$1.6 million in Mental Health Service Act fees from \$0 in FY2021 to \$1.6 million in FY2022; (5) An increase of \$1.2 million in Playground Camp Fees from \$.9 million in FY2021 to \$2.1 million in FY2022; (6) An increase of Housing Mitigation fees from \$.1 million in FY2021 to \$.7 million in FY2022; (7) An increase of \$.6 million in Parking In Lieu fees from \$0 in FY2021 to \$.6 million in FY2022; and (8) An increase in \$.6 million in Street and Open Space Improvement fees from \$0 in FY2021 to \$.6 million in FY2022.
- Operating grants and contributions increased \$41.0 million primarily due to the earning of \$36.7 million of American Rescue Plan Act grant funds in FY2022 versus non earned in FY2021, even though \$33.3 million of the grant was received in May 2021.
- Capital funding and contributions decreased \$6.4 million primarily due to decline in insurance reimbursements for rebuilding of Tuolumne Camp from \$13.6 in FY2021 to \$6.9 million in FY2022.

General revenues increased \$34.6 million primarily due to a \$43.0 million increase in property taxes. Other significant changes were the following: a \$3.0 million increase in Business License Taxes, \$3.9 million increase in Transient Occupancy Taxes (TOT) and a \$3.8 million increase in other taxes, \$2.4 million increase in sales tax, \$23.7 million decrease in investment earnings, and \$1.1 million increase in Miscellaneous Income. The details of these increases/decreases are highlighted below:

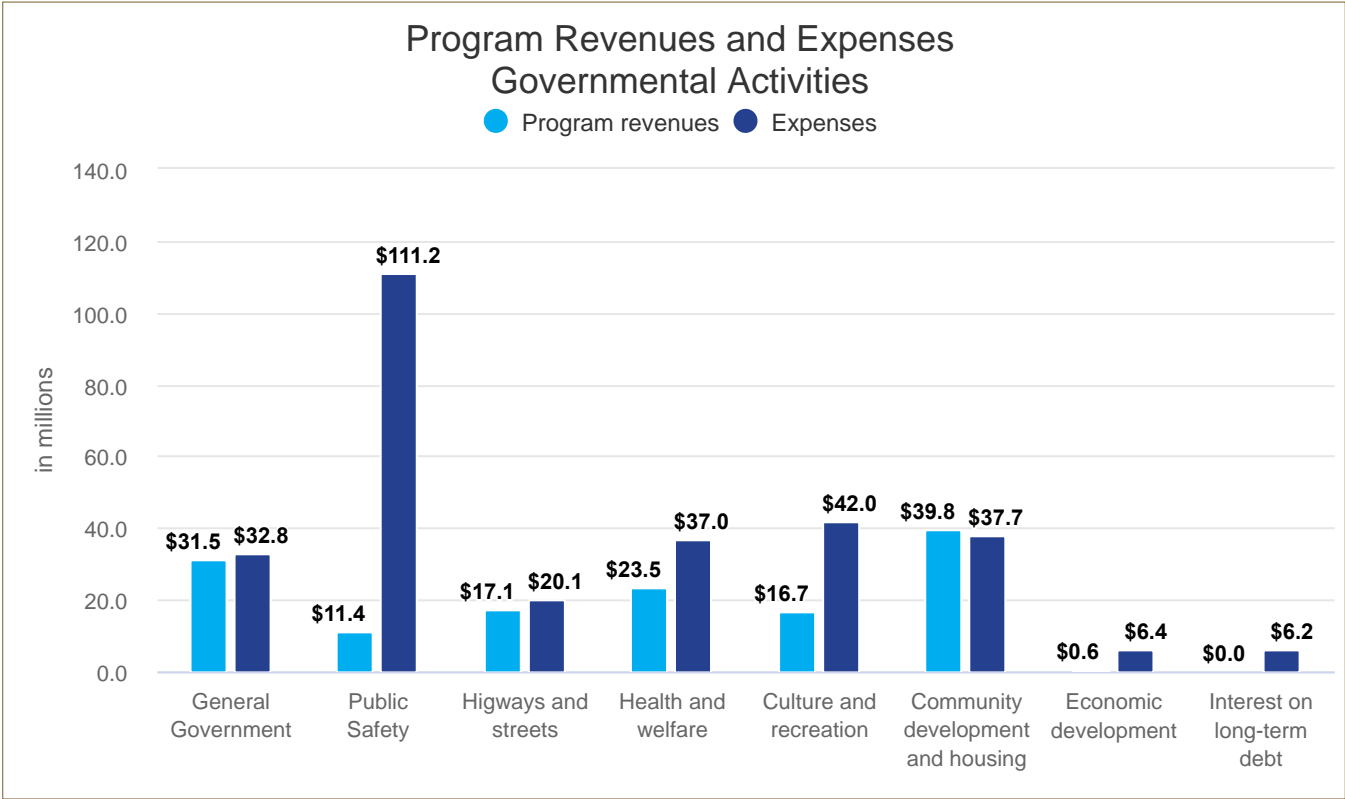
- Property tax revenue increased \$43.0 million, or 23.5% percent, over last year which was due to the following:
 - **Property Taxes for General Purposes** increased \$26.5 million or 20.8%, from \$127.0 million in FY 2021 to \$153.4 million in FY 2022, as a result of an increase of \$2.5 million in Secured Property Taxes due to a 4.48% increase in City assessed values; an increase of \$13.2 million in Property Transfer Taxes, as a result of an increase in the dollar value of property sales in FY 2022; an increase of \$8.9 million from Property Transfer Taxes-Measure P; and, Vehicle In-Lieu Taxes increased by \$.6 million due to a 4.48% increase in assessed values.
 - **Property Taxes for Debt Service** increased \$.7 million or 5.6%, from \$12.1 million in FY 2021 to \$12.8 million in FY 2022 primarily as a result of the following: (1) Increase of \$.5 million for Measure T1; increase of \$.08 million for Measure S; (3) increase of \$.07 million for Measure M; and, (4) increase of \$.1 million for Measure O.
 - **Property Taxes for Special Purposes** increased \$15.9 million or 36.3% from \$43.8 million in FY 2021 to \$59.7 million in FY 2022, primarily as a result of the following: (1) Fire special taxes increased \$12.9 million in FY 2022 due to the passage of Measure FF on the November 2020 ballot which was effective in FY 2022 and added \$12.8 million. In addition, Measure G taxes for Fire increased by \$.1 million; (2) Library special taxes increased by \$1.6 million as a result of a 5.73% increase in Personal Income Growth in FY 2022; and, (3) Parks special taxes increased by \$1.2 million as a result of 5.73% increase in FY 2022 Personal Income Growth.

- Business License Taxes increased \$3.0 million or 11.7% primarily due to an increase of \$1,4 million in rental of real property and \$1.0 in the professional/semi professional category.
- Sales tax revenue (including sugar tax) increased \$2.4 million or 13.4% to \$20.0 million in FY 2022 from \$17.6 million in FY 2021. The increases are in the following sales tax categories: Restaurants (+\$.1 million); Miscellaneous Retail (+\$.3 million); Service Stations (+\$.4 million); Auto Sales-new (+\$.3 million); and, Building Materials-wholesale (+\$.3 million).
- Transient Occupancy taxes (TOT) - The increase in TOT was primarily attributed to an increase 124.0% at the five largest hotels in Berkeley plus the addition of another large hotel in December 2021.
- Investment Income - The decline in investment income was due to the dramatic reversal in the policy of the Federal Reserve Board from a loose monetary policy (and short term interest rates close to zero) to a tight monetary policy, to fight very high inflation in the U.S. When interest rates rise, the market value of bonds declines.

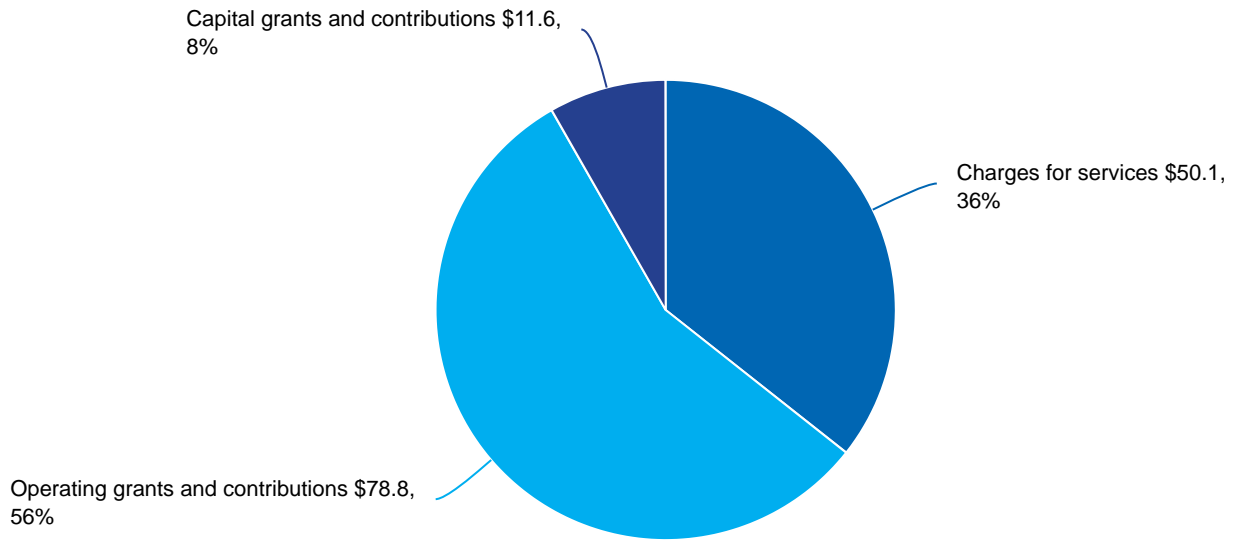
Expenses decreased \$49.4 million primarily due to the following: \$5.1 million decrease in general government, \$38.0 million decrease in public safety, \$3.4 million increase in highway and streets, \$4.5 million decrease in health and welfare, \$10.0 million decrease in culture and recreation, \$4.9 million increase in community development and housing, \$0.7 million increase in economic development and \$0.7 million increase in interest expense. These changes are highlighted below:

- General government expenses decreased \$5.1 million. This was primarily due to (1) \$0.82 million increase in election costs since it was an election year; (2) increase of \$0.4 million in compensated absence expenses since employees took less vacation time off due to pandemic; (3) spending \$0.5 million more in the Neighborhood program.
- Public safety expenses decreased \$38.0 million in FY2022 primarily due to a \$47 million decrease in actuarial pension and OPEB expense.
- Highway and streets expenses increased \$3.4 million due to a decrease in repair and maintenance expenses and other expenses. In the beginning of the pandemic, the City decided to defer non-essential, big budget spending items. As a result, less money was spent compared with last year.
- Health and welfare expenses decreased \$4.5 million primarily due to a \$5.5 million decrease in actuarial pension expenses and 0.45 million decrease in actuarial OPEB expenses.
- Culture and recreation expenses decreased \$10.0 million. The \$11.3 million decrease is mainly due to 1) a decrease of \$2.6 million in Parking Tax fund spending; 2) a \$4.4 million decrease in spending from the Capital Project Fund – Measure T1 due to the completion of the projects; and, 3) a decrease of \$5.1 million and \$0.5 million in actuarial pension expenses and actuarial OPEB expenses, respectively.
- Community development and housing expenses increased \$4.9 million. There was an \$8 million increase mainly due to 1) the General Fund's increase of \$3.5 million in grant payments to support non-profit organizations that provided housing services; 2) the Grant fund's increase of \$4.5 million that included increased spending \$2.5 million in the Emergency Solution Grant – CARES Act, increase of \$1 million in CDBG grant, and a new grant – Permanent Local Housing Allocation \$1.1 million. This \$8 million increase was partially offset by a decrease in actuarial pension expenses of \$2.6 million and a decrease in actuarial OPEB expense of \$0.2 million.
- Economic development expenses increased \$0.7 million primarily due to less spending in grant payments. In FY 2021, the beginning of the COVID 19, the City spent \$1 million to support small businesses for Business Continuity grants, and \$0.7 million in Berkeley Relief grants. A smaller amount of grant money was spent in FY 2022.

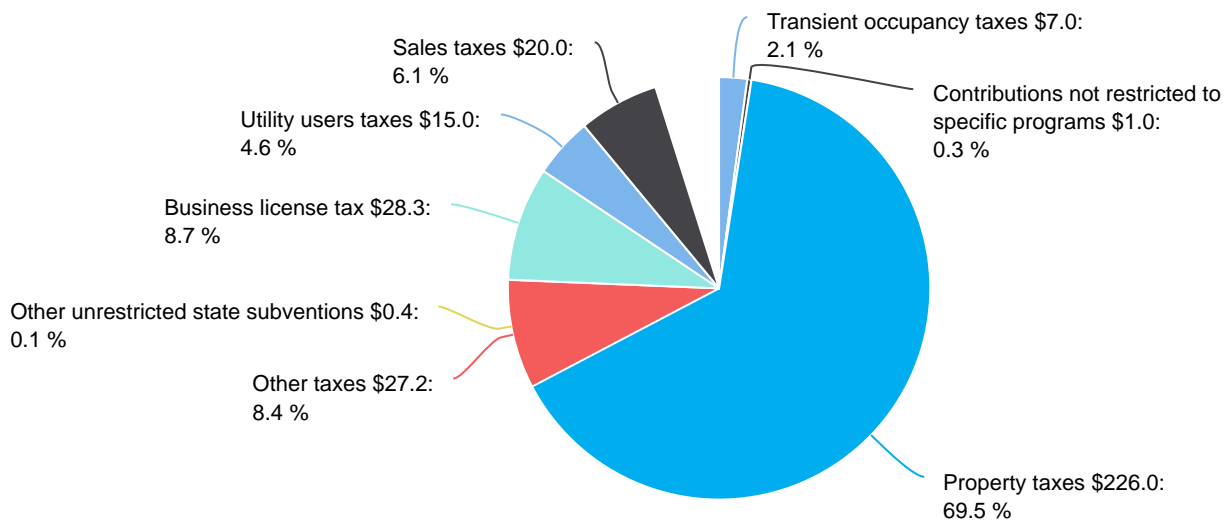
As shown on the charts on the following page, public safety is the largest program (\$111.2 million), followed by culture and recreation (\$42.0 million), community development and housing (\$37.7 million), health and welfare (\$37.0 million), general government (\$32.8 million), highways and streets (\$20.1 million), and economic development (\$6.4 million). General revenues, such as property and sales tax, are not shown by program, but are effectively used to support program activities citywide.



Revenue by Source Governmental Activities Program Revenues (in millions)



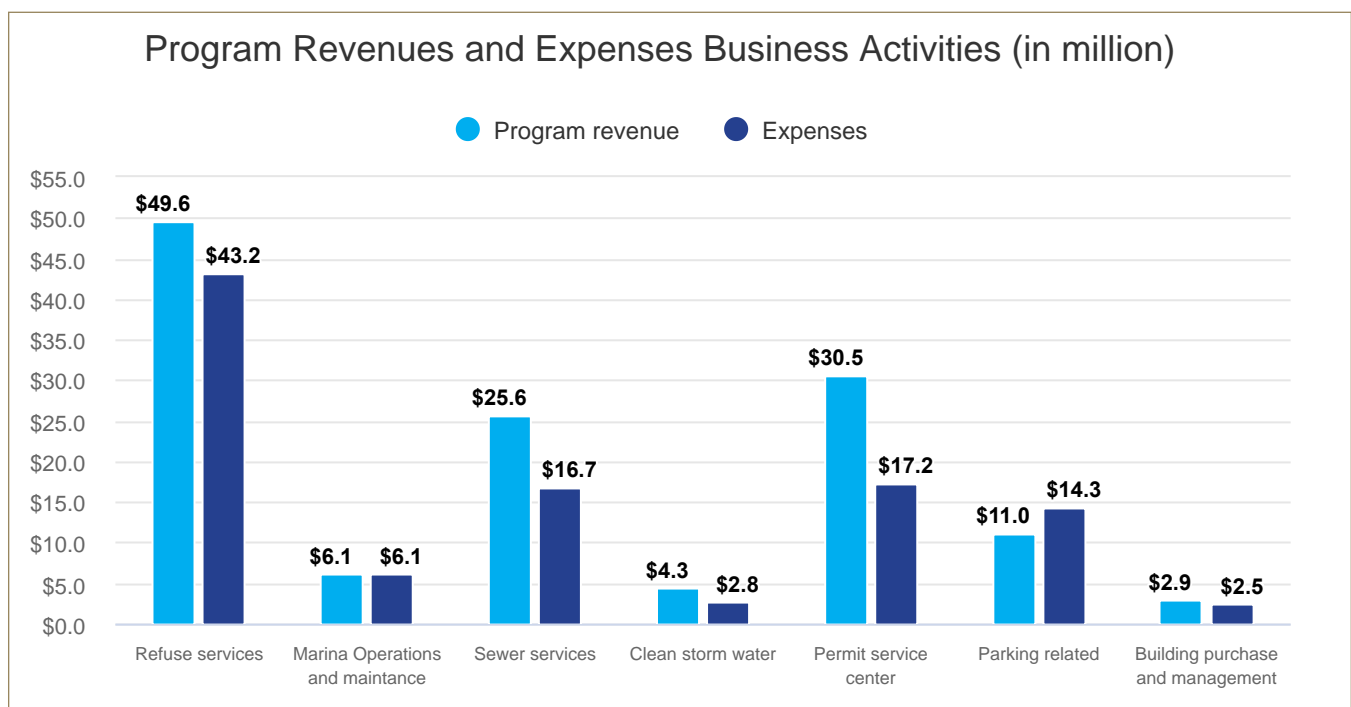
Revenue by Source Governmental Activities General Revenues (in millions)



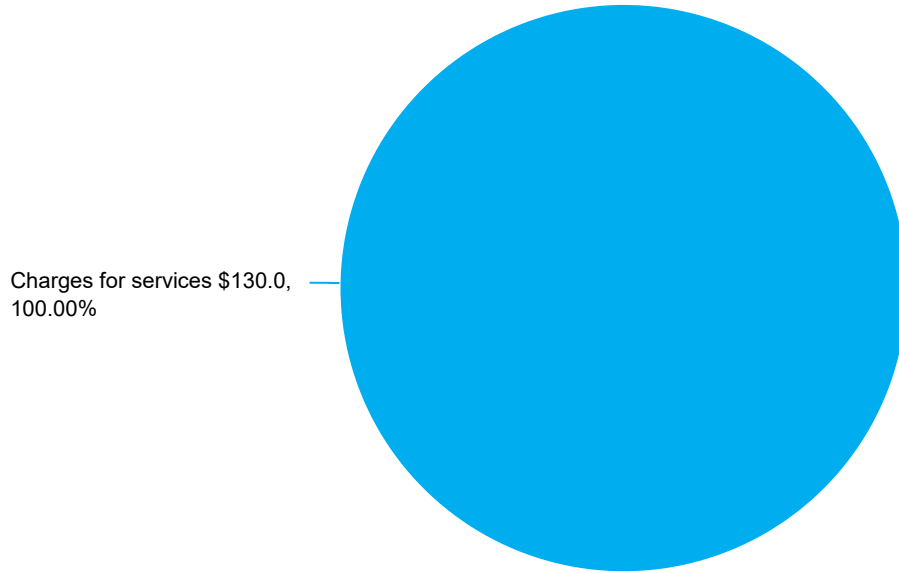
Business-type activities increased the City's net position by \$29.4 million, compared to FY 2021's increase of \$14.6 million. This increase was primarily the result of \$124.5 million in program and general revenues exceeding \$102.7 million in expenses. Key elements of net position changes from the prior fiscal year were as follows:

- Parking- Related activities' net position decreased \$3.3 million, compared to the FY 2021 decrease of \$3.9 million. This \$3.3 million decrease was primarily due to the Off- Street Parking Fund which had revenues of \$3.5 million versus expenses of \$5.9 million; The Parking Meter Fund had revenues of \$7.5 million versus expenses of \$7.6 million and Transfers Out of \$1.8 million..
- Marina Operations and Maintenance activities' net position was flat, compared to the FY 2021 decrease of \$4.9 million. This was primarily due to revenues of \$6.1 million and total expenses of \$6.1 million.
- Refuse Services activities' net position increase by \$6.4 million, compared to the FY 2021 decrease of \$1.5 million. This increase by \$6.4 million was primarily due to operating revenues of \$49.6 million, expenses of \$43.2 million.
- Clean Storm Water activities' net position increased by \$1.6 million, compared to the FY 2021 increase of \$9.2 million. This \$1.6 million increase was primarily due to Clean Storm Water Fees of \$4.3 million, and operating expenses of \$2.9 million.
- Sewer Services activities' net position increased by \$8.8 million, compared to the FY 2021 decrease of \$1.7 million. This \$8.8 million increase was primarily due to operating revenues of \$25.6 million and operating expenses of \$16.7 million.
- Permit Service Center activities' net position increased by \$13.4 million, compared to the FY 2021 increase of \$3.0 million. This \$13.4 million increase was primarily due to operating revenues of \$30.5 million, and operating expenses of \$17.4 million.
- Building Purchases and Management activities' net position increased \$0.4 million, compared to unchanged in FY 2021. This \$0.4 million increase was primarily due to operating revenues of \$2.9 million, and total expenses of \$2.5 million.
- Internal Service Funds (ISF) allocation of operating profit increased net position of business-type activities by \$3.8 million compared to prior fiscal year's increase of \$3.7 million.

As shown below, Refuse Services, Permit Service Center, and Sanitary Sewer funds have the greatest total expenses with \$43.2 million, \$17.2 million and \$16.7 million, respectively, out of approximately \$102.7 million in total business-type expenses. For all the business-type activities below, charges for services provided nearly 100 percent of revenues.



Revenue by Source Business-type activities (in millions)



FINANCIAL ANALYSIS OF CITY 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 spending at the end of the fiscal year.

At the close of fiscal year 2022, City governmental funds reported a combined ending fund balance of \$512.3 million, an increase of \$105.8 million in comparison with FY 2021 combined ending fund balance of \$406.5 million. The increase in fund balance was primarily due to the following: General Fund had an increase of \$36.1 million, Grants Fund had an increase of 4.1 million, Library Fund had an increase of \$4.4 million, Capital Improvements Fund had a decrease of \$2.7 million, Measure O Housing Bond had an increase of \$40.1 million, and other Non-Major Governmental Funds had an increase of \$23.9 million. Of the \$512.3 million fund balance, approximately \$0.5 million or 0.1 percent was non-spendable, \$317.9 million or 62.0 percent was restricted fund balance, \$107.6 million or 21.0 percent was in committed funds, \$19.3 million or 3.8 percent was in assigned funds, and \$67.0 million or 13.1 percent was in unassigned fund balance. Refer to pages 39-43 for more detail of governmental funds.

General Fund – Fund Balance Analysis

The General Fund is the chief operating fund of the City. As of June 30, 2022, ending fund balance had an increase of \$36.1 million, to \$148.0 million, compared to the FY 2021 increase of \$13.8 million.

The Fund balance of the General Fund consists of \$13.8 million in restricted fund balance; and \$12.2 million was assigned to stability reserves, catastrophic reserves and public safety, street maintenance, health and welfare, park and recreation, community development and housing loans, and economic development; \$46.9 million was committed. The remaining \$75.2 million was unassigned. Refer to page 39 for more detail of fund balance.

Below is a five-year trend on the General Fund:

Changes to General Fund - Fund Balance by Fiscal Year

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Revenues	\$ 232,594,533	\$ 213,739,932	\$ 210,940,719	\$ 201,089,822	\$ 185,351,536
Expenditures	(200,826,851)	(189,313,176)	(188,605,343)	(164,040,069)	(152,728,506)
Other financing sources (uses)	4,393,666	(10,613,695)	(17,501,973)	(27,699,229)	(12,396,323)
Operating surplus/(deficit)	36,161,348	13,813,061	4,833,403	9,350,524	20,226,707
Beginning fund balance	111,882,130	98,069,069	93,235,667	83,885,143	63,658,436
Ending fund balance	<u>\$ 148,043,478</u>	<u>\$ 111,882,130</u>	<u>\$ 98,069,069</u>	<u>\$ 93,235,667</u>	<u>\$ 83,885,143</u>
Fund balance categories:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 142,342
Restricted	13,817,991	6,196,569	4,820,212	3,696,971	3,755,304
Committed	46,879,379	29,744,146	-	-	-
Assigned	12,162,510	19,577,650	44,704,796	42,666,449	33,373,367
Unassigned	75,183,598	56,363,765	48,544,061	46,872,247	46,614,130
Fund balance	<u>\$ 148,043,478</u>	<u>\$ 111,882,130</u>	<u>\$ 98,069,069</u>	<u>\$ 93,235,667</u>	<u>\$ 83,885,143</u>

General Fund – Revenue and Expenditure Analysis

General Fund Revenues for fiscal year 2022, including transfers in and proceeds from sale of property, were \$232.6 million, an increase of \$18.9 million, or 8.8%, compared to the FY 2021 total of \$213.7 million. The chart below compares General Fund revenues for the past two fiscal years followed by key information

Comparison of General Fund Revenues

	Fiscal Year 2022	Fiscal Year 2021	Variance Over/(Under) LastYear	% of Increase (Decrease) Over	% of Total
				Prior Year	
Property taxes	\$ 138,434,399	\$ 112,592,896	\$ 25,841,503	23.0%	59.5%
Sales taxes	19,976,288	17,619,492	2,356,796	13.4%	8.6%
Utility users taxes	15,001,999	13,876,525	1,125,474	8.1%	6.4%
Transient occupancy taxes	5,680,715	2,420,349	3,260,366	134.7%	2.4%
Business license taxes	23,408,162	20,544,557	2,863,605	13.9%	10.1%
U1 revenues	4,913,873	4,818,740	95,133	2.0%	2.1%
Short-term Rentals	1,295,798	694,197	601,601	86.7%	0.6%
Vehicle In-Lieu taxes	15,006,003	14,380,453	625,550	4.4%	6.5%
Other taxes	1,382,462	447,356	935,106	209.0%	0.6%
Other licenses & permits	1,579,944	1,804,867	(224,923)	-12.5%	0.7%
Intergovernmental	651,916	3,699,830	(3,047,914)	-82.4%	0.3%
Charges for services	7,806,047	6,989,548	816,499	11.7%	3.4%
Fines and penalties	4,967,462	3,579,345	1,388,117	38.8%	2.1%
Rents and royalties	294,329	189,355	104,974	55.4%	0.1%
Franchise	1,712,652	1,713,732	(1,080)	-0.1%	0.7%
Investment income	(10,069,162)	8,109,544	(18,178,706)	-224.2%	-4.3%
Other revenue	551,646	259,147	292,499	112.9%	0.2%
Total revenues	\$ 232,594,533	\$ 213,739,932	\$ 18,854,600	8.8%	100.00%

- Property taxes increased \$25.8 million or 23.0% to \$138.4 million in FY 2022 from \$112.6 million in FY 2021, primarily as a result of increases in the following revenue sources:
 - i. Real Property Taxes \$2.5 million or 3.7% to \$70.6 million in FY 2022 from \$68.1 million in FY 2021. This increase was consistent with the FY 2022 increase in assessed valuation of 4.48%.
 - ii. Property Transfer Taxes increased \$13.2 million or 50.0% to \$39.6 million in FY 2022 from \$26.4 million in FY 2021. This resulted primarily from a 59.7% increase in the dollar value of property sales during FY 2022.
 - iii. Property Transfer Tax-Measure P \$8.9 million or 76.1% to \$20.6 million in FY 2022 from \$11.7 million in FY 2021. This increase resulted from an 88.6% increase in the dollar value of property sales for properties selling for more than \$1.5 million in FY 2022.
 - iv. Vehicle In-Lieu Taxes increased \$0.6 million or 4.4% in FY2022 to \$15.0 million from \$14.4 million in FY 2021. This was consistent with the 4.48% increase in FY 2022 assessed values reported by the County.
- Sales taxes including Sugar Tax of \$1.0 million increased \$2.4 million or 13.4% to \$20.0 million in FY 2022 from \$17.6 million in FY 2021. Sugar tax of \$1.4 million was included as Other Taxes in FY 2021. The increase in FY 2022 was due to removal of COVID-19 pandemic restrictions on the retail businesses in the city.
- Business License Taxes (BLT) revenue increased \$2.9 million to \$23.4 million or 13.9% in FY 2022 from \$20.5 million in FY 2021. This increase was primarily due to an increase of \$1.4 million in rentals of real property and \$1.0 in the professional/semi professional category.
- Transient Occupancy taxes (TOT) increased \$3.3 million or 137.5% to \$5.7 million in FY 2022 from \$2.4 million in FY 2021 due to a 124.9% increase in revenue at the five largest hotels in Berkeley and the addition of another large hotel in December 2021.

- U1 revenue increased \$0.1 million to \$4.9 million or 2.0% in FY 2022 to \$4.8 million in FY 2021, consistent with the decline in BLT revenues. U1 revenue was a new revenue source starting in FY 2018. Per the passage of enhanced Business License Tax (BLT) on November 8, 2016, the owners of five or more residential rental units must pay an increase in BLT from 1.081% to 2.880%. That increase in the tax is U1 revenue, which will be used to create roughly 400 affordable homes in Berkeley and also will be used to fund emergency rental assistance.
- Short-term Rentals revenue increased \$0.6 million or 86.7% to \$1.3 million in FY 2022 from \$0.7 million in FY 2021 due to a recovery from the COVID-19 pandemic.
- Other Taxes increased \$0.9 million or 209.0% in FY 2022 to \$1.4 million from \$0.4 million in FY 2021. This increase is primarily attributable to an increase in Parking Lot Taxes and Soda Taxes.
- Fines and penalties increased \$1.4 million or 38.8% to \$5.0 million in FY 2022 from \$3.6 million in FY 2021 due to an increase in number of tickets written (and their collectability).
- Investment income declined \$18.2 million from the total of \$8.1 million in FY 2021. The decline in interest income in FY 2022 primarily resulted from the change in the Federal Reserve Board's Policy to tighten monetary policy and raise interest rates.

General Fund Expenditures for fiscal year 2022, including transfers out, increased \$2.3 million, or 8.5% percent. The chart below compares general fund expenditures for the last two fiscal years followed by key information:

Comparison of General Fund Expenditures and Other Financing Uses

	Fiscal Year	Fiscal Year	Variance Over/(Under)	% of Increase/ (Decrease) Over Prior Year	% of Total
	2022	2021	Prior Fiscal		
General government	\$ 29,692,864	\$ 27,357,145	\$ 2,335,719	8.5%	13.3%
Public safety	124,900,757	120,179,383	4,721,374	3.9%	55.8%
Highway and streets	3,833,392	3,163,011	670,381	21.2%	1.7%
Health and welfare	17,896,636	19,320,286	(1,423,650)	-7.4%	8.0%
Culture-recreation	8,707,861	7,361,990	1,345,871	18.3%	3.9%
Community development and housing	12,692,681	9,257,638	3,435,043	37.1%	5.7%
Economic development	3,004,509	2,534,451	470,058	18.5%	1.3%
Debt service	98,151	139,272	(41,121)	-29.5%	0.0%
Other financing uses	22,965,735	16,700,977	6,264,758	37.5%	10.3%
Total Expenditures and Other Financing Uses	\$ 223,792,586	\$ 206,014,153	\$ 17,778,433	8.6%	100.0%

- General government expenditures increased \$2.3 million or 8.5% in FY 2022, compared to the prior fiscal year. The reasons for the increase are the following: (1) FY2021 being an election year, and the City spent \$0.82 million more for election costs; (2) The City spent \$0.49 million for Neighborhood programs due to the pandemic; (3) The demand for IT service and better and faster computer programs increased. The City spent \$0.5 million more in software maintenance costs; (4) The City sent \$0.2 million to finance grant payments for eligible Berkeley businesses through the Alameda County CARES grant program for Berkeley Relief Fund.
- Public safety expenditures increased \$4.7 million or 3.9% in FY 2022, compared to the prior fiscal year. It was primarily due to shifting Police traffic enforcement related expenses in Off Street Parking Fund to meet the parking revenue bonds coverage ratio.
- Highways and streets expenditures increased \$0.7 million or 21.2% in FY 2022, compared to the prior fiscal year. It is largely attributed to the following: (1) Design and engineering services in support of quick build traffic safety projects; (2) Addition of GIS specialist position in Engineering; (3) Staffing non-personnel budget adjustments in the Clean Cities group which directly supports the Homelessness Response.

- Health and welfare expenditures decreased \$1.4 million or 7.4% in FY 2022, compared to the prior fiscal year. The decrease is primarily due to (1) hiring freeze. (2) Department's expenditures in operating were focused on COVID-grants and prioritizing spending down grant funds over General Fund wherever appropriate.
- Culture-Recreation expenditures increased \$1.3 million or 18.3% in FY 2022, compared to the prior fiscal year. The increase is due to increased capital improvement costs.
- Community Development and Housing expenditures increased \$3.4 million or 37.1% in FY 2022, compared to the prior fiscal year. The increase is due to grant payments to community agencies.
- Economic development increased \$0.5 million or 18.5% primarily due to increase in the following payments: 1) to nonprofit organizations, like Berkeley Convention & Visitors, Telegraph Property & Business, to promote Berkeley and 2) to Civic Arts Grant.
- Other Financing Uses increased \$6.3 million or 37.5% in FY 2022 primarily due to the following: 1) transfer out to Capital Project fund increased by \$1.7 million as a result of the increase in property transfer tax revenue in FY 2021; 2) Council authorized an increase of \$2.2 million in the transfer out to the PERS Saving Fund; 3) the total transfer out to the Public Liability fund and the Catastrophic Insurance fund increased by \$1.5 million; 4) the transfer out to equipment fund increased \$1 million.

Other Major Governmental Funds

Grants Fund

The Grants Fund accounts for revenues derived from grants, which are used for various projects throughout the City. The fund balance of the City's Grant Fund increased \$4.1 million compared to prior fiscal year's decrease of \$7.4 million. Much of the FY 2022's increase resulted from a \$5.7 million excess of revenues (\$38.5 million) over expenditures of (\$32.8 million).

Library Fund

The Library Fund provides for the operation of the City's library system. Property taxes and other revenues are restricted for library operations and maintenance expenditures.

The City's Library's Fund fund balance increased \$4.4 million which is comparable to prior fiscal year's decrease of \$0.9 million. The \$4.4 million increase resulted primarily from \$22.9 million in revenue and \$18.5 million in expenditures. The Library's FY 2022 increase in revenue resulted from a tax rate increase of 5.73% in personal income growth in FY2022 .

Capital Improvements Fund

The Capital Improvements Fund accounts for local revenues, including developer fees, which are used to finance expenditures for land, buildings, major reconstruction and renovation of structures, and for major landscaping or park improvements.

The fund balance of the Capital Improvements Fund decreased \$2.7 million million, compared to the prior fiscal year's \$3.3 million. The net decrease of \$2.7 million was primarily due to (1) Revenues of \$.6 million; (2) Expenditures of \$5.5 million; (3) Transfers In from the General Fund of \$3.3 million; and, (4) total Transfers Out of \$1.7 million.

Measure O Housing Bond - Capital Project Fund

The Measure O Housing Bond Fund accounts for the expenditure of the bond proceeds for the Measure O Affordable Housing General Obligation Bonds, Series 2020.

The fund balance increased \$40 million due to the issuance of \$40 million 2020 General Obligation Bonds, Series B.

Proprietary funds

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

Details on net position for the Zero Waste, Marina Operations, Sanitary Sewer, Clean Storm Water, Permit Service Center, Off-Street Parking, Parking Meters, and Building Purchases and Management funds, are provided below.

Proprietary Funds Fiscal Year Ended June 30, 2022

Fund	Unrestricted	Change in	Total Net	Change in
	Net Position	Unrestricted Net Position	Position	Total Net Position
Zero Waste	\$ 692,581	\$ 2,267,222	\$ 5,423,304	\$ 2,208,616
Marina Operations	(1,020,549)	(779,206)	3,920,721	1,234,131
Sanitary Sewer	17,110,903	(268,679)	164,904,959	6,534,776
Clean Storm Water	6,102,970	1,604,633	26,366,259	964,305
Permit Service Center	10,954,238	11,772,218	14,531,502	11,611,646
Off-Street Parking	(112,405)	1,507,616	12,991,797	440,383
Parking Meters	(5,048,621)	1,953,881	(4,269,376)	2,295,994
Building Purchases and Management	(1,473,171)	39,885	(3,563,758)	352,349
Total	<u>\$ 27,205,947</u>	<u>\$ 18,097,571</u>	<u>\$ 220,305,409</u>	<u>\$ 25,642,200</u>

Other factors concerning the finances of these eight funds have been addressed in the discussion of the City's business-type activities on pages 13-15. Proprietary financial statements can be found on pages 39-45.

BUDGETARY HIGHLIGHTS

General Fund

The General Fund budget and actual report can be found on page 142. \$19.1 million increase between the original and final budget (expenditures plus transfer out) is primarily the result of \$7.2 million of encumbered rollovers, \$4.7 million in unencumbered rollovers and other adjustments. Provided below is a more detailed summary of budget and actual, with expenditures shown by category as opposed to activity. Major differences are highlighted below and on the following page.

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund - Budgetary Basis
For the Fiscal Year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 183,468,012	\$ 217,668,362	\$ 227,982,400	\$ 10,314,038
Licenses and permits	1,548,145	1,548,145	1,579,944	31,799
Intergovernmental	738,372	738,372	651,916	(86,456)
Charges for service	7,013,322	7,127,595	7,683,304	555,709
Fines and penalties	3,880,508	3,940,508	4,931,195	990,687
Rents and royalties	149,210	149,210	294,329	145,119
Franchise	1,613,283	1,613,283	1,720,056	106,773
Private contributions and donations	174,769	174,769	45,433	(129,336)
Investment income	4,462,320	5,766,586	6,694,122	927,536
Miscellaneous	168,243	168,243	511,214	342,971
Total revenues	203,216,184	238,895,073	252,093,913	13,198,840
Expenditures:				
Current:				
General government	51,881,184	40,748,901	29,498,944	11,249,957
Public safety	112,977,640	118,279,817	124,218,213	(5,938,396)
Highway and streets	2,297,841	5,049,440	3,770,170	1,279,270
Health and welfare	12,188,170	19,392,403	18,016,899	1,375,504
Culture-recreation	7,675,564	9,676,531	8,755,061	921,470
Community development and housing	19,428,932	27,347,834	20,382,853	6,964,981
Economic development	2,535,186	3,904,679	3,004,196	900,483
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	200,000	200,000	29,575	170,425
Bond issuance cost	-	-	-	-
TRAN issuance costs	-	-	68,576	68,576
Total expenditures	209,184,517	224,599,605	207,744,487	16,992,270
Revenues over/(under) expenditures	(5,968,333)	14,295,468	44,349,426	30,053,958
Other financing sources/(uses)				
Transfers in	27,354,923	27,354,923	29,445,572	2,090,649
Transfers out	(19,381,784)	(23,108,479)	(31,577,119)	(8,468,640)
Interfund repayments	-	-	-	-
Interfund advances	-	-	-	-
Sale of capital assets	-	-	4,478	-
Total other financing sources/(uses)	7,973,139	4,246,444	(2,127,069)	(6,373,513)
Net change in fund balance	2,004,806	18,541,912	42,222,357	23,680,445

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 42,222,357
Receivable accrual	(19,499,380)
Due from other fund - repayment	(2,090,649)
Due from other fund - advance	8,009,747
Payable accrual	<u>7,519,273</u>
Net change in fund balances - GAAP basis	<u>\$ 36,161,348</u>

Revenues, excluding other financing sources, were \$13.2 million, or 5.5%, higher than budgetary estimates as a result of receiving higher than anticipated revenue as follows:

- Taxes were \$10.3 million over budget primarily due to: Property transfer taxes exceeding the final budget by \$3.0 million; Supplemental Taxes exceeding the final budget by \$.3 million; Unsecured Property Taxes under the final budget by \$.1 million; Business License Tax exceeding the final budget by \$1.4 million; Sales Taxes exceeding the final budget by \$1.2 million; Transient Occupancy Taxes (TOT) exceeding the final budget by \$1.5 million; Short- term rentals exceeded the final budget by \$.1 million; Measure P Property Transfer tax revenue exceeding the final budget by \$0.6 million, and UUT exceeding the final budget by \$1.0 million.
- Investment income was over budget by \$0.9 million due to a higher proportion of the portfolio being invested in longer-term securities (i.e., more than one year maturity) and a small increase in average interest rates.
- Fines and penalties income were over budget by \$1.0 million due partly to a 15% increase in parking citations and \$.5 million collected on delinquent receivables.
- Ambulance fees exceeded the budget by \$.5 million due to the removal of COVID-19 restrictions, allowing the number of transports to increase.
- Charges for services were over budget of \$.6 million due to more activity related to the removal of COVID-19 restrictions.
- Miscellaneous income exceeded the budget due to more activity related to the removal of COVID-19 restrictions.

Expenditures, excluding other financing uses, were less than budgetary estimates by \$16.9 million, or 7.5%, primarily due to the following:

- General government was under budget by \$11.2 million due to salary savings and underspending of non-personnel funds.
- Public Safety was over budget by \$5.9 million due to overspending of Police and Fire overtime budgets. This was related to staffing shortages forcing mandatory overtime, and due to mutual aid requests.
- Highways and streets were under budget by \$1.3 million due to salary savings and underspending of non-personnel funds.
- Economic Development Health and welfare was under budget by \$0.9 million due to underspending in non-personnel funds.
- Community Development and Housing expenditures were under budget by \$7.0 million due to salary savings and underspending of non-personnel funds.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

Investments in capital assets for governmental and business-type activities as of June 30, 2022, totaled \$590.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress. The total increase in capital assets for fiscal year 2022 was \$42.3 million, which represents a total increase of 7.7%, 11.7% increase for governmental activities and a 2.7% percent increase for business-type activities. Additional information on the

City's capital assets can be found on pages 75-76 in the notes to basic financial statements. Capital assets are summarized below:

City of Berkeley
Capital Assets (net of accumulated depreciation)
Fiscal Year Ended June 30, 2022

Fund	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 25,142,014	\$ 25,142,014	\$ 2,979,050	\$ 2,979,050	\$ 28,121,064	\$ 28,121,064
Buildings	84,410,833	87,906,431	62,349,172	64,884,025	146,760,005	152,790,456
Improvements Other than Buildings	26,823,467	23,965,779	10,157,118	10,214,347	36,980,585	34,180,126
Machinery and Equipment	26,748,061	23,459,917	3,250,842	3,245,197	29,998,903	26,705,114
Infrastructure	120,679,521	114,978,977	167,017,665	160,114,693	287,697,186	275,093,670
Right-to-use leased buildings	591,918	-	-	-	591,918	-
Construction in Progress	58,082,028	31,203,236	2,175,734	-	60,257,762	31,203,236
Total Capital Assets, Net	<u>\$ 342,477,843</u>	<u>\$ 306,656,354</u>	<u>\$ 247,929,581</u>	<u>\$ 241,437,310</u>	<u>\$ 590,407,423</u>	<u>\$ 548,093,666</u>

Major capital asset events during fiscal year 2022 included the following: Governmental activities' Buildings decreased by \$3.5 million or 4.0 percent from the prior fiscal year primarily due to FY 2022 additions of \$10.1 million and depreciation expense of \$5.4 million.

- Governmental activities Infrastructure increased by \$5.7 million or 5.0% over the prior fiscal year primarily due to FY 2022 additions of \$12.6 million and depreciation expense of \$6.4 million.
- Governmental activities Construction in Progress increased by \$26.9 million or 86.1% over the prior fiscal year primarily due to additions of \$19.2 million for reconstruction of the Berkeley Tuolumne Park that burned down, and \$5.4 million in deletions for the completion of four fire engines and one tiller.

Long-term debt

At the end of fiscal year 2022, the City had total long-term debt outstanding of \$299.1 million (Excluding pension liabilities, OPEB liabilities and compensated absences). Of this amount, \$228.6 million, or 76.0% percent, of total long-term debt consisted of the City's general obligation bonds and bonds premiums, and a total of \$70.5 million, or 24.0% percent, consisted of revenue bonds, certificates of participation, notes/loans payable and capital leases payable. Long-term debt increased overall by \$36.6 million, primarily due to the issuance of \$45.8 million (including premium of \$2.8 million) in general obligation bonds to fund Measure T1 Infrastructure and Facilities within the City, and principal payments made during FY 2021. Additional information on long-term liabilities can be found on pages 80-96 in the notes to the basic financial statements. Long-term debt outstanding (including premiums) is summarized below:

Long-Term Debt (dollars in thousands)

Type	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
General Obligation Bonds Including \$11.4 million in premiums	\$ 228,565	\$ 192,672	\$ -	\$ -	\$ 228,565	\$ 192,672
Revenue Bonds	8,036	8,446	47,536	49,622	55,571	58,068
Capital Leases	3,459	4,564	-	-	3,459	4,564
Certificate of Participations	-	-	-	-	-	-
Notes/Loans Payable	5,415	6,201	6,063	6,261	11,478	12,462
Total Long-Term Debt	<u>\$ 245,474</u>	<u>\$ 211,883</u>	<u>\$ 53,599</u>	<u>\$ 55,883</u>	<u>\$ 299,073</u>	<u>\$ 267,766</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

During the fiscal year, the local economy recovered significantly from the negative impacts of the COVID-19 pandemic. Berkeley's current economic base consists of approximately 12,653 active licensed businesses operating in the City. These businesses include private manufacturing, technology research, retail and service businesses,

educational services, healthcare and social assistance, consulting, arts and entertainment, hospitality services, along with several state, federal, and non-profit institutions. The City's revenue base generated approximately \$1.89 billion in taxable sales taxes during FY 2021, more than the \$1.58 billion generated in FY 2020, due to the significant recovery from the negative impact of the COVID-19 pandemic. In addition, the City's unemployment rate (as reported by the State of California Employment Development Department) was 2.8 percent in June 2022 compared to 5.5 percent in June 2021, compared to 3.1 percent for the County, 4.2 percent for the state, and 3.6 percent for the U.S. as a result of the negative impact of the coronavirus pandemic.

Growth in assessed valuation on secured property increased by 4.48 percent to \$22.3 billion in FY 2022 (net of exemptions and other deductions) from \$21.3 billion in FY 2021, for a strong level of \$179,026 per capita. The tax base is diverse, with the top ten property taxpayers accounting for 5.024 percent of total assessed valuation.

Next Year's Budget

On June 29, 2022, Council voted to approve the FY 2023 and FY 2024 Biennial Budget. As a result of the economic impact of the coronavirus pandemic, the FY 2022 Budget was adopted for one year. The FY 2023 and FY 2024 Budget is characterized by the return of a biennial budget.

Operating Factors and Challenges

Department narratives describe the hybrid approaches delivering a combination of virtual and in-person services moving forward in order to enhance customer service, meet new service delivery expectations and improve operational efficiencies.

While some revenues are projected to continue to improve, some General Fund revenues, such as sales and use taxes and transient occupancy taxes, still lag in terms of pre-pandemic levels of performance. The City received federal funding of approximately \$66.6 million under the American Rescue Plan Act (ARPA) of 2021, used in part to help offset revenue losses and balance the FY 2022 budget. The Biennial Budget defers the partial use of remaining ARPA funds until FY 2024, as part of a series of strategies to balance the General Fund baseline budget. Additional budget balancing strategies are outlined below.

Budget Strategies

Consistent with prior years, the following budget strategies guided the development of the FY 2023 and FY 2024 Adopted Biennial Budget:

1. *Continue serving the community.* Public health and safety functions, as well as essential municipal services will be preserved to the maximum extent possible. In so doing, the City will make every effort to avoid service and workforce reductions.
2. *Live within our means.* Strive for long-term sustainability that aligns available resources with needs and the City's values that embrace a commitment to advancing racial and social equity, serving those who are most in need, and environmental sustainability.
3. *Identify expenditures that can be deferred.* Take a deferment first approach by thoroughly assessing expenditures with a special emphasis on large capital projects, equipment purchases, and new projects.
4. *Pursue other revenue and assistance.* Vigorously pursue cost recovery efforts, secure alternative sources of revenue, and be positioned to capitalize on federal and state assistance.
5. *Manage use of, and replenish, reserves.* In drawing on reserves, the City will adopt a long-term orientation to ensure that funds are available for the duration the economic downturn. The City will look to its existing policies to ensure that any reserves that are utilized are restored when the economy improves.
6. *Be data-driven and transparent.* Budget decisions will be informed by data and be transparent. Staff will work collaboratively with the Budget Office and Finance Policy Committee with on-going communication and updates provided to the entire City Council.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of City finances for all those with an interest in the government's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Department, City of Berkeley, 2180 Milvia Street, Third Floor, Berkeley, California 94704, or call (510) 981-7200, or e-mail finance@cityofberkeley.info. This report is also available on the City's website at www.cityofberkeley.info/finance.



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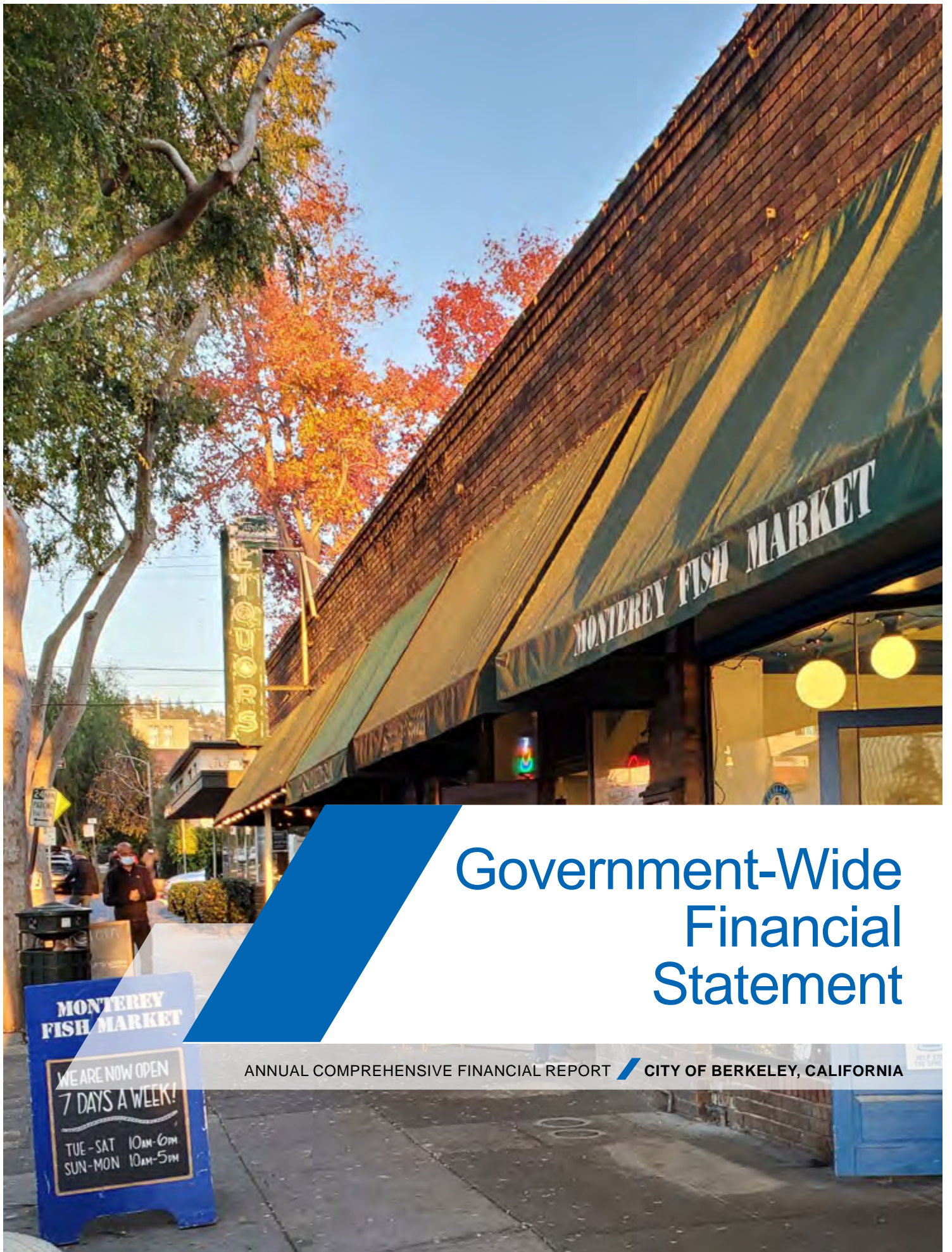
ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

Basic Financial Statements





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Government-Wide Financial Statement

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

Statement of Net Position
June 30, 2022

	Primary Government			Component
	Governmental Activities	Business Type Activities	Total	Unit Rent Stabilization Board
Assets				
Current assets:				
Cash and investments	\$ 268,295,356	\$ 114,067,863	\$ 382,363,219	\$ 6,431,961
Restricted cash and investments	314,779,681	-	314,779,681	-
Receivables (net of allowance for uncollectible)	43,429,490	12,252,810	55,682,300	-
Prepaid items	485,140	-	485,140	-
Inventories	14,012	-	14,012	-
Internal balances	(18,960,961)	18,960,961	-	-
Property held for resale	713,313	-	713,313	-
Total current assets	608,756,031	145,281,634	754,037,665	6,431,961
Noncurrent assets:				
Lease Receivable	-	30,564,358	30,564,358	-
Notes Receivable	104,264,745	-	104,264,745	-
Capital assets:				
Land	25,142,014	2,979,050	28,121,064	-
Building	197,115,330	93,469,516	290,584,846	-
Improvements other than buildings	34,804,036	17,837,445	52,641,481	-
Machinery and equipment	82,744,052	10,404,879	93,148,931	595,666
Infrastructure	270,922,882	249,400,729	520,323,611	-
Construction in progress	58,082,028	2,175,734	60,257,762	-
Right-to-use leased buildings	746,332	-	746,332	910,329
Less accumulated depreciation	(327,078,832)	(128,337,772)	(455,416,604)	(936,446)
Total capital assets	342,477,842	247,929,581	590,407,423	569,549
Total noncurrent assets	446,742,587	278,493,939	725,236,526	569,549
Total assets	1,055,498,618	423,775,573	1,479,274,191	7,001,510
Deferred outflows of resources				
Deferred pension items	52,044,338	8,378,459	60,422,797	737,251
Deferred OPEB items	29,131,793	4,287,938	33,419,731	383,709
Total deferred outflows of resources	81,176,131	12,666,397	93,842,528	1,120,960
Liabilities				
Current liabilities:				
Accounts payable	18,142,321	7,922,474	26,064,795	19,080
Accrued salaries and wages	13,836,822	3,086,600	16,923,422	264,688
Accrued interest payable	2,959,157	466,889	3,426,046	339
Deposits held	1,040,809	543,012	1,583,821	15,075
Other liabilities	6,218,245	537,919	6,756,164	61,764
Unearned revenues	34,099,205	54,993	34,154,198	-
Advances - rent registration	-	-	-	3,435,011
Tax and revenue anticipation notes	44,660,000	-	44,660,000	-
Current portion of LT liability due within one year	24,704,325	3,202,392	27,906,717	375,268
Total current liabilities	145,660,884	15,814,279	161,475,163	4,171,225
Noncurrent liabilities due in more than one year:				
Net pension liabilities	386,644,770	55,825,691	442,470,461	4,957,072
Net OPEB liabilities	74,156,336	6,087,671	80,244,007	163,961
Others due in more than one year	282,875,704	55,439,454	338,315,158	620,112
Total noncurrent liabilities	743,676,810	117,352,816	861,029,626	5,741,145
Total liabilities	889,337,694	133,167,095	1,022,504,789	9,912,370
Deferred inflows of resources				
Deferred pension items	120,958,260	22,625,163	143,583,423	2,186,892
Deferred OPEB items	76,479,667	9,586,748	86,066,415	852,819
Lease	-	31,193,043	31,193,043	-
Deferred gain on refunding	1,011,693	-	1,011,693	-
Total deferred inflows of resources	198,449,620	63,404,954	261,854,574	3,039,711
Net position				
Net investment in capital assets	217,483,591	193,099,462	410,583,053	(9,076)
Restricted for:				
Other purposes	1,420,040	-	1,420,040	-
Operating Reserves	13,975,857	-	13,975,857	-
Law enforcement	14,220,684	-	14,220,684	-
Highway and streets	62,972,976	-	62,972,976	-
Health and welfare	30,873,838	-	30,873,838	-
Park, recreation, and education	23,544,742	-	23,544,742	-
Urban redevelopment and housing	147,986,290	-	147,986,290	-
Economic development	4,311,599	-	4,311,599	-
Debt service	19,056,617	-	19,056,617	-
Unrestricted	(486,958,799)	46,770,459	(440,188,340)	(4,820,535)
Total net position	\$ 48,887,435	\$ 239,869,921	\$ 288,757,356	\$ (4,829,611)

The accompanying notes are an integral part of these financial statements



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Statement of Activities
For the year ended June 30, 2022

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government					
Governmental activities:					
General government	\$ 37,894,569	\$ (5,074,696)	\$ 8,330,119	\$ 23,144,997	\$ -
Public safety	111,169,771	54,348	10,912,787	479,021	-
Highways and streets	20,062,710	34,322	3,699,746	8,909,600	4,452,862
Health and welfare	37,029,496	-	2,713,528	20,767,297	-
Culture and recreation	42,017,875	-	4,087,107	5,460,580	7,132,866
Community development and housing	37,519,837	138,719	20,312,417	19,468,240	-
Economic development	6,376,040	-	-	561,693	-
Interest on long-term debt	6,196,846	-	-	-	-
Total governmental activities	<u>298,267,144</u>	<u>(4,847,307)</u>	<u>50,055,704</u>	<u>78,791,428</u>	<u>11,585,728</u>
Business-type activities:					
Refuse services	41,044,428	2,113,697	49,557,551	-	-
Marina operations and maintenance	5,745,968	356,699	6,113,093	-	-
Sewer services	15,938,609	810,036	25,558,093	-	-
Clean storm water	2,634,541	116,002	4,328,800	-	-
Permit service center	15,734,115	1,450,873	30,544,861	-	-
Parking related	14,285,865	-	11,034,615	-	-
Building purchase and management	2,491,713	-	2,860,859	-	-
Total business-type activities	<u>97,875,239</u>	<u>4,847,307</u>	<u>129,997,872</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$ 396,142,383</u>	<u>\$ -</u>	<u>\$ 180,053,576</u>	<u>\$ 78,791,428</u>	<u>\$ 11,585,728</u>
Component unit:					
Rent stabilization board	\$ 4,744,979	\$ -	\$ 6,423,888	\$ -	\$ -
Total component unit	<u>\$ 4,744,979</u>	<u>\$ -</u>	<u>\$ 6,423,888</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

Taxes:

Property taxes, levied for general purposes

Property taxes, levied for debt services

Property taxes, levied for special purposes:

Library

Parks

Paramedic

Fire

Sales taxes

Utility users taxes

Transient occupancy taxes

Business license tax

Other taxes

Total taxes

Other unrestricted state subventions

Contributions not restricted to specific programs

Investment earnings

Insurance reimbursement

Miscellaneous

Gain/(loss) on sales of capital assets

Transfers:

Primary government

Total general revenues and transfers

Changes in net position

Net position - beginning

Net position - ending

The accompanying notes are an integral part of these financial statements

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	Rent Stabilization Board
\$ (1,344,757)	\$ -	\$ (1,344,757)	\$ -
(99,832,311)	-	(99,832,311)	-
(3,034,824)	-	(3,034,824)	-
(13,548,671)	-	(13,548,671)	-
(25,337,322)	-	(25,337,322)	-
2,122,101	-	2,122,101	-
(5,814,347)	-	(5,814,347)	-
(6,196,846)	-	(6,196,846)	-
(152,986,977)	-	(152,986,977)	-
-	6,399,426	6,399,426	-
-	10,426	10,426	-
-	8,809,448	8,809,448	-
-	1,578,257	1,578,257	-
-	13,359,873	13,359,873	-
-	(3,251,250)	(3,251,250)	-
-	369,146	369,146	-
-	27,275,326	27,275,326	-
\$ (152,986,977)	\$ 27,275,326	\$ (125,711,651)	\$ -
			\$ 1,678,909
			\$ 1,678,909
153,440,402	-	153,440,402	-
12,790,133	-	12,790,133	-
22,351,009	-	22,351,009	-
15,737,217	-	15,737,217	-
3,426,681	-	3,426,681	-
18,224,563	-	18,224,563	-
19,976,288	-	19,976,288	-
15,001,999	-	15,001,999	-
6,976,513	-	6,976,513	-
28,322,034	-	28,322,034	-
27,160,604	-	27,160,604	-
323,407,443	-	323,407,443	-
384,008	-	384,008	-
1,031,485	-	1,031,485	-
(15,823,184)	(5,518,709)	(21,341,893)	-
-	-	-	-
1,975,103	-	1,975,103	-
263,857	-	263,857	-
(7,690,324)	7,690,324	-	-
303,548,388	2,171,615	305,720,003	-
150,561,411	29,446,941	180,008,352	1,678,909
(101,673,976)	210,422,980	108,749,004	(6,508,520)
\$ 48,887,435	\$ 239,869,921	\$ 288,757,356	\$ (4,829,611)



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Governmental Fund Financial Statements

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA



Balance Sheet
Governmental Funds
June 30, 2022

	Major Funds						
	General Fund	Grants	Library	Capital Improvement	Measure O Housing Bond	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and investments in treasury	\$ 113,471,741	\$ -	\$ -	\$ 6,411,924	\$ -	\$ 65,590,007	\$ 185,473,672
Restricted cash and investments	58,483,697	61,275,218	19,638,694	-	51,758,443	123,623,629	314,779,681
Receivables (net of allowance where applicable):							
Accounts	5,384,222	-	9,213	-	-	1,627,180	7,020,615
Interest	1,078,332	-	-	-	-	570,913	1,649,245
Taxes	10,794,903	-	153,777	-	-	2,946,781	13,895,461
Subventions/grants	-	17,507,847	-	-	-	2,860,450	20,368,297
Due from other funds	17,740,198	-	-	2,140,134	-	-	19,880,332
Notes receivable	13,817,991	34,282,183	-	7,771,575	25,487,665	22,905,331	104,264,745
Other	4,812	156,082	-	-	-	-	160,894
Property held for resale	-	-	-	-	-	713,313	713,313
Prepaid items	-	485,140	-	-	-	-	485,140
Total assets	\$ 220,775,896	\$ 113,706,470	\$ 19,801,684	\$ 16,323,633	\$ 77,246,108	\$ 220,837,604	\$ 668,691,395
Liabilities							
Accounts payable	\$ 7,094,288	\$ 1,716,899	\$ 267,327	\$ 706,625	\$ 5,841	\$ 5,975,127	\$ 15,766,107
Accrued salaries and wages	8,933,555	963,647	778,443	147,118	-	2,377,087	13,199,850
Accrued interest payable	445,359	-	-	-	-	-	445,359
Advances from other funds	813,779	-	-	-	-	-	813,779
Due to other funds	-	13,219,978	-	-	-	5,592,047	18,812,025
Deposits held	885,629	-	-	12,933	-	142,247	1,040,809
Unearned revenues	-	33,743,334	15,090	-	-	340,781	34,099,205
Taxes and revenue anticipation note	44,660,000	-	-	-	-	-	44,660,000
Other liabilities	6,129,465	-	20,576	-	-	68,204	6,218,245
Total liabilities	68,962,075	49,643,858	1,081,436	866,676	5,841	14,495,493	135,055,379
Deferred Inflows of Resources							
Unavailable revenue	3,770,343	14,315,887	9,213	554,285	-	2,665,634	21,315,362
Total deferred inflows of resources	3,770,343	14,315,887	9,213	554,285	-	2,665,634	21,315,362
Fund Balances							
Nonspendable	-	485,140	-	-	-	-	485,140
Restricted	13,817,991	54,677,576	18,711,035	7,771,575	77,240,267	145,659,057	317,877,501
Committed	46,879,379	-	-	-	-	60,737,146	107,616,525
Assigned	12,162,510	-	-	7,131,097	-	-	19,293,607
Unassigned	75,183,598	(5,415,991)	-	-	-	(2,719,726)	67,047,881
Total fund balances	148,043,478	49,746,725	18,711,035	14,902,672	77,240,267	203,676,477	512,320,654
Total liabilities, deferred inflows of resources, and fund balances	\$ 220,775,896	\$ 113,706,470	\$ 19,801,684	\$ 16,323,633	\$ 77,246,108	\$ 220,837,604	\$ 668,691,395

The accompanying notes are an integral part of these financial statements

Reconciliation of the Balance Sheet of Government Funds to the Statement of Net Position June 30, 2022

Fund balances - total governmental funds (Page 39)	\$ 512,320,654
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the funds.	
Land	25,142,014
Buildings	197,115,330
Improvements other than buildings	34,804,036
Machinery and equipment	82,744,052
Infrastructure	270,922,882
Construction in progress	58,082,028
Right-to-use leased Building	746,332
Less accumulated depreciation	<u>(327,078,832)</u>
Governmental activities capital assets, net	342,477,842
Less: capital assets for Internal Service Funds	<u>(24,808,432)</u>
Net capital assets	317,669,410
Net OPEB liability and assets and net pension liability in governmental activities, net of internal service fund portion, are not due and payable and therefore, are not reported in the funds.	
Net pension liability - CalPERS Miscellaneous Plan	(123,906,581)
Net pension liability - CalPERS Police Plan	(131,002,601)
Net pension liability - CalPERS Fire Plan	(51,029,071)
Net pension liability - Berkeley Police Retirement Income Benefit	(60,184,407)
Net pension liability - Safety Member Pension Plan	(1,134,809)
Net OPEB liability - Miscellaneous Retiree	(20,696,882)
Net OPEB liability - Police Retiree Premium Assistance Plan	(32,429,614)
Net OPEB liability - Fire Retiree Healthcare Plan	(18,507,610)
Other long-term assets, net of internal service fund portion, are not available to pay for current period expenditures and, therefore, are deferred in the funds.,	
Unavailable revenue	21,315,361
Deferred outflow on pension - CalPERS Miscellaneous Plan	18,282,346
Deferred outflow on pension - CalPERS Police Plan	20,291,828
Deferred outflow on pension - CalPERS Fire Plan	10,189,559
Deferred outflow on pension - Berkeley Police Retirement Income Benefit Plan	317,213
Deferred outflow on Safety Member Pension Plan	297
Deferred outflow on OPEB - Miscellaneous Retiree Healthcare Plan	9,603,461
Deferred outflow on OPEB - Police Retiree Healthcare Plan	11,953,261
Deferred outflow on OPEB - Fire Retiree Healthcare Plan	6,041,726
Internal service funds are used by management to charge the costs of public liability, equipment maintenance, building maintenance, supply warehouse, workers compensation, electrical warehouse, and catastrophic loss services to individual funds.	
The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	9,467,613
Long-term liabilities, including bonds payable, net of internal service fund portion, are not due and payable in the current period and, therefore, are not reported in the funds.	
Accrued interest payable on long-term debt	(2,500,102)
Bonds, certificates of participation, notes and loans	(242,015,334)
Compensated absences	(17,055,721)
Lease Payable	(600,387)
Other long-term liabilities and deferred inflows, net of internal service fund portion, are not available to pay for current period therefore, are deferred in the funds.	
Deferred inflow on pension - CalPERS Miscellaneous Plan	(57,568,771)
Deferred inflow on pension - CalPERS Police Plan	(31,310,882)
Deferred inflow on pension - CalPERS Fire Plan	(24,537,902)
Deferred inflow on OPEB - Miscellaneous Retiree Healthcare Plan	(21,414,215)
Deferred inflow on OPEB - Police Retiree Healthcare Plan	(40,300,498)
Deferred inflow on OPEB - Fire Retiree Healthcare Plan	(11,358,214)

Deferred inflows due to the advance refunding resulting in defeasance of debt	<u>(1,011,693)</u>
Net position of governmental activities (Page 33)	<u>\$ 48,887,435</u>

The accompanying notes are an integral part of these financial statements

City of Berkeley
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2022

	Major Funds					Measure O Housing Bond	Other Governmental Funds	Total Governmental Funds
	General Fund	Grants	Library	Capital Improvement				
Revenues:								
Taxes	\$ 225,099,698	\$ -	\$ 22,374,277	\$ -	\$ -	\$ -	\$ 75,786,157	\$ 323,260,132
Licenses and permits	1,579,944	-	-	-	-	-	2,657,412	4,237,356
Intergovernmental	651,916	77,401,544	106,029	-	-	-	3,275,892	81,435,381
Charges for service	7,806,047	2,528,779	-	15,794	-	-	27,736,577	38,087,197
Fines and penalties	4,967,462	-	16,147	-	-	-	236,151	5,219,760
Rents and royalties	294,329	-	-	-	-	-	737,156	1,031,485
Franchise	1,712,652	-	-	-	-	-	131,310	1,843,962
Private contribution and donations	45,433	-	280,927	-	-	-	981,644	1,308,004
Investment income/ (loss)	(10,069,162)	326,953	783	10,486	63,449	-	(1,565,942)	(11,233,433)
Miscellaneous	506,214	17,529	137,791	4,946	-	-	619	667,099
Total revenues	232,594,533	80,274,805	22,915,954	31,226	63,449	-	109,976,976	445,856,943
Expenditures:								
Current:								
General government	29,692,864	491,479	-	54,850	-	-	4,201,457	34,440,650
Public safety	124,900,757	347,061	-	16,695	-	-	15,558,541	140,823,054
Highway and streets	3,833,392	546,047	-	-	-	-	7,561,325	11,940,764
Health and welfare	17,896,636	18,424,409	-	-	-	-	3,845,043	40,166,088
Culture-recreation	8,707,861	342,338	18,526,627	-	-	-	23,612,798	51,189,624
Community development and housing	12,692,681	14,694,019	-	1,415,590	-	-	9,352,557	38,154,847
Economic development	3,004,509	3,023,614	-	168	-	-	303,585	6,331,876
Debt service:								
Principal repayment	-	-	-	-	-	-	5,978,593	5,978,593
Interest and fiscal charges	29,575	-	-	-	-	-	6,323,508	6,353,083
Debt issuance costs	-	-	-	-	432,800	-	-	432,800
TRAN issuance costs	68,576	-	-	-	-	-	-	68,576
Capital outlay:								
Highway and streets	-	4,335,081	-	4,814,491	-	-	7,328,399	16,477,971
Culture-recreation	-	-	-	316,847	-	-	19,289,836	19,606,683
Total expenditures	200,826,851	42,204,048	18,526,627	6,618,641	432,800	-	103,355,641	371,964,609
Excess/(deficiency) of revenues over/(under) expenditures	31,767,682	38,070,757	4,389,327	(6,587,415)	(369,351)	-	6,621,335	73,892,335
Other financing sources/(uses)								
Transfers in	27,354,923	-	-	4,950,904	-	-	13,269,738	45,575,565
Transfers out	(22,965,735)	(33,988,056)	-	(1,134,529)	-	-	(3,752,449)	(61,840,769)
Debt issuance	-	-	-	-	40,000,000	-	-	40,000,000
Premium on debt issuance	-	-	-	-	432,800	-	833,479	1,266,279
Insurance recoveries	-	-	-	28,900	-	-	6,876,076	6,904,976
Sale of capital assets	4,478	-	-	-	-	-	8,599	13,077
Total other financing sources/(uses)	4,393,666	(33,988,056)	-	3,845,275	40,432,800	-	17,235,443	31,919,128
Net change in fund balance	36,161,348	4,082,701	4,389,327	(2,742,140)	40,063,449	-	23,856,778	105,811,463
Fund balance, July 1, 2021	111,882,130	45,664,024	14,321,708	17,644,812	37,176,818	-	179,819,699	406,509,191
Fund balance, June 30, 2022	\$ 148,043,478	\$ 49,746,725	\$ 18,711,035	\$ 14,902,672	\$ 77,240,267	\$ -	\$ 203,676,477	\$ 512,320,654

The accompanying notes are an integral part of these financial statements

City of Berkeley
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balance of Governmental Funds to the Statement of Activities
For the year ended June 30, 2022

Net change in fund balances - total governmental funds (Page 42) \$ 105,811,463

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

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

The capital outlay expenditures are therefore added back to fund balance (net of ISF's amount)	45,954,819
Deletion of capital assets due to sale is therefore deducted from fund balance	(29,803)
Depreciation expense is therefore deducted from fund balance (net of ISF's amount)	(14,644,027)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Tax receivable	(45,292)
Grant receivable	2,679,435
Accounts receivable	597,622

Issuance of long-term debt provides current financial resources to governmental funds but incurring debt increases long-term liabilities in the Statement of Net Position. Repayment of principal on long-term debts is an expenditures in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.

Lease payment	145,433
Face value of bonds issued	(40,000,000)
Principal payment on bonds, certificates of participation, notes and loans	5,978,593
Issuance of premium on debt	(1,266,279)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences	(1,650,305)
Amortization of original issuance premium on debt	590,919
Amortization of deferred gain on refunding of general obligation refunding bonds	118,585
Pension expense - CalPERS Miscellaneous Plan	(13,764,872)
Pension expense - CalPERS Police Plan	(9,156,562)
Pension expense - CalPERS Fire Plan	(2,246,314)
Pension expense - Berkeley Police Retirement Income Benefit	16,120,889
Pension expense - Safety Member Pension Plan	412,300
Net OPEB expense - Miscellaneous Retiree	4,975
Net OPEB expense - Police Retiree Healthcare Plan	(878,029)
Net OPEB expense - Fire Retiree Healthcare Plan	(1,233,355)
Accrued interest payable	(492,914)

Employer contributions made during the year and subsequent to the measurement date for pension are classified as expenditures for governmental funds, but are considered deferred outflows of resource son the statement of net position.

CalPERS Miscellaneous Plan	29,261,593
CalPERS Police Plan	17,147,766
CalPERS Fire Plan	9,467,356

Internal service funds are used by management to charge the costs of public liability, equipment maintenance, building maintenance, supply warehouse, workers compensation, electrical warehouse, and catastrophic loss services to individual funds. The activities of the internal service funds is reported with governmental activities.

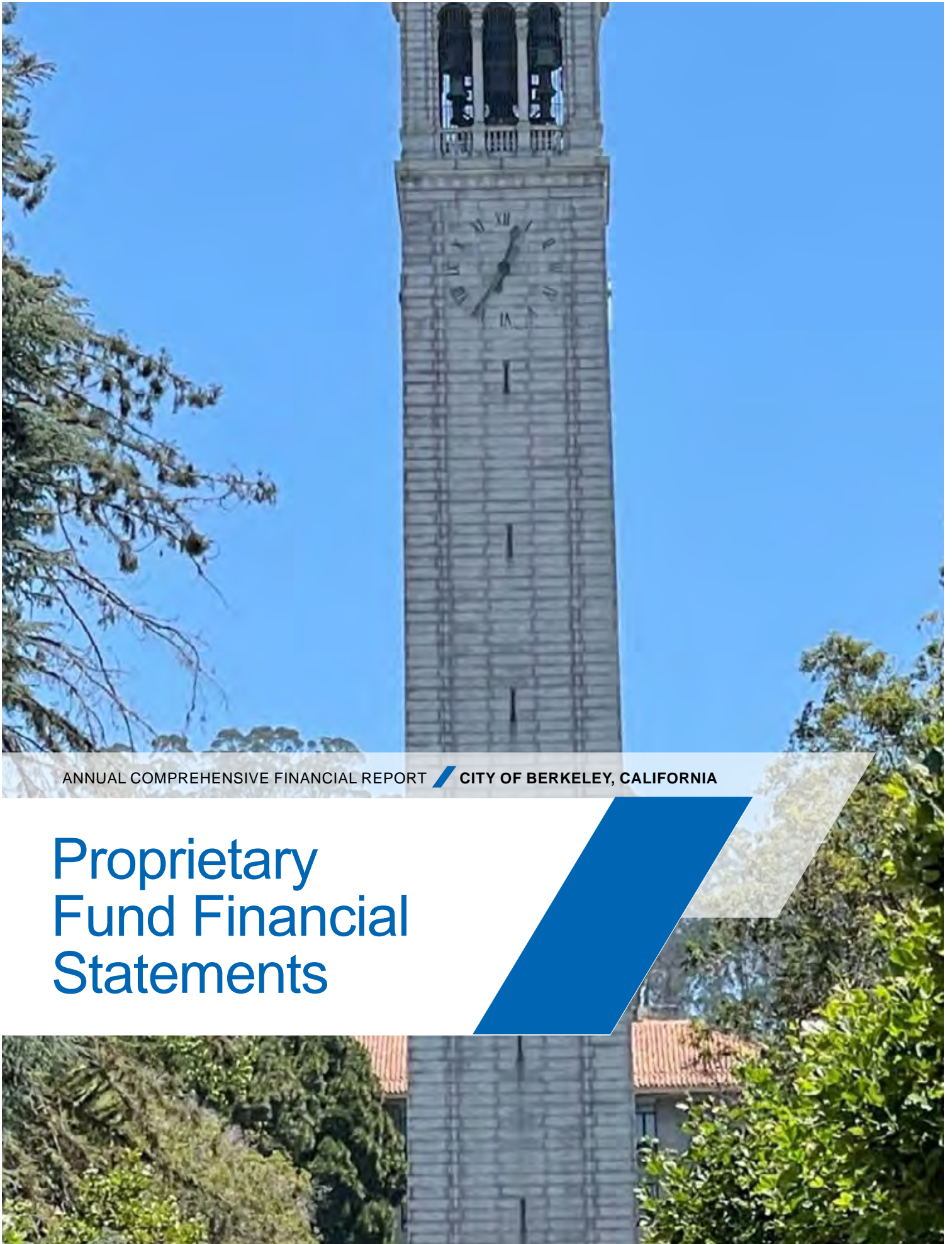
Income/(loss)	1,677,415
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Changes in net position of governmental activities (page 35) \$ 150,561,411

The accompanying notes are an integral part of these financial statements



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ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

Proprietary Fund Financial Statements



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Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities				
	Zero Waste	Marina Operations	Sanitary Sewer	Clean Storm Water	Permit Service Center
Assets					
Current assets:					
Cash and investments in treasury	\$ 26,795,764	\$ 6,099,621	\$ 35,195,585	\$ 9,109,550	\$ 31,774,506
Accounts receivable	7,164,888	313,440	2,312,135	38,516	731,709
Current portion of lease receivable	-	548,206	-	-	-
Accrued interest	87,832	79,083	119,508	29,175	88,907
Inventory	-	-	-	-	-
Total current assets	34,048,485	7,040,350	37,627,228	9,177,240	32,595,122
Noncurrent assets:					
Lease receivable	-	28,519,452	-	-	-
Advances to other funds	-	-	-	-	-
Capital assets:					
Land	1,089,529	557,386	40,426	-	-
Building	2,004,070	3,930,260	2,006,786	37,373	4,373,637
Improvements other than buildings	1,974,908	13,746,089	126,696	-	-
Machinery and equipment	3,848,901	364,290	1,323,417	50,772	206,316
Infrastructure	-	-	209,407,477	39,993,252	-
Construction in progress	-	2,175,734	-	-	-
Less accumulated depreciation	(4,186,685)	(9,486,466)	(64,175,752)	(19,818,108)	(1,002,689)
Total noncurrent assets	4,730,723	39,806,745	148,729,050	20,263,289	3,577,264
Total assets	38,779,207	46,847,095	186,356,278	29,440,529	36,172,386
Deferred outflows of resources:					
Deferred pension items	2,999,203	562,072	1,799,012	462,593	1,464,773
Deferred OPEB items	1,538,873	325,109	715,425	110,854	1,253,360
Total deferred outflows of resources	4,538,075	887,181	2,514,438	573,447	2,718,133
Liabilities					
Current liabilities:					
Accounts payable	525,935	1,533,642	5,126,844	7,028	454,812
Accrued salaries and wages	1,249,208	216,009	462,749	59,351	755,508
Accrued interest payable	3,368	254,613	-	-	-
Due to other funds	-	-	-	-	-
Compensated absences - due within one year	308,644	22,141	161,755	5,066	134,116
Other liabilities	537,919	-	-	-	-
Deposits held	215	313,711	-	-	117,242
Landfill liabilities - due within one year	290,049	-	-	-	-
Unearned revenues	-	55,000	-	-	-
Claims and judgements payable	-	-	-	-	-
Notes payable - due within one year	-	206,639	-	-	-
Finance purchase payable - due within one year	-	-	-	-	-
Revenue bonds payable - due within one year	-	-	-	-	-
Total current liabilities	2,915,338	2,601,755	5,751,348	71,444	1,461,678

Business-type Activities				Governmental Activities
Off-Street Parking	Parking Meter	Building Purchases & Management	Total	Internal Service Funds
\$ 1,145,652	\$ 3,947,180	\$ 5	\$ 114,067,863	\$ 82,821,684
371,123	5,847	-	10,937,658	79,021
228,741	-	114,643	891,590	-
7,926	9,676	1,456	423,561	255,957
-	-	-	-	14,012
1,753,442	3,962,703	116,104	126,320,672	83,170,674
1,032,739	-	1,012,167	30,564,358	-
-	-	-	-	813,779
1,291,709	-	-	2,979,050	-
56,310,371	314,871	24,492,148	93,469,515	1,174,730
-	215,701	1,774,051	17,837,445	171,524
1,646,563	2,747,789	216,831	10,404,880	53,551,594
-	-	-	249,400,730	-
-	-	-	2,175,734	952,011
(13,015,094)	(2,499,115)	(14,153,863)	(128,337,773)	(31,041,427)
47,266,289	779,245	13,341,335	278,493,939	25,622,211
49,019,730	4,741,948	13,457,438	404,814,612	108,792,885
97,302	864,262	129,242	8,378,458	2,963,096
59,567	237,433	47,317	4,287,938	1,533,344
156,868	1,101,695	176,559	12,666,396	4,496,440
40,208	199,771	34,235	7,922,475	2,376,216
33,404	270,762	39,609	3,086,599	636,972
85,150	-	123,758	466,889	13,696
474,893	-	128,658	603,552	464,755
-	75,096	6,384	713,202	95,179
-	0	-	537,919	-
5,559	-	106,278	543,005	-
-	-	-	290,049	-
-	-	-	55,000	-
-	-	-	-	14,490,219
-	-	-	206,639	-
-	-	-	-	911,654
840,000	-	1,152,501	1,992,501	-
1,479,214	545,629	1,591,423	16,417,829	18,988,691

Statement of Net Positiona
Proprietary Funds
June 30, 2022

	Business-type Activities				
	Zero Waste	Marina Operations	Sanitary Sewer	Clean Storm Water	Permit Service Center
Noncurrent liabilities:					
Compensated absences - due in more than one year	1,619,393	116,172	848,697	26,583	703,684
Landfill liabilities - due in more than one year	297,360	-	-	-	-
Claims and judgments payable - due in more than one year	-	-	-	-	-
Notes payable - due in more than one year	-	5,856,647	-	-	-
Finance purchase payable - due in more than one year	-	-	-	-	-
Revenue bonds payable - due in more than one year	-	-	-	-	-
Net pension liabilities	19,300,169	3,818,262	10,749,282	2,515,316	11,346,305
Net OPEB liabilities	2,222,408	439,741	1,171,596	254,804	1,267,217
Total noncurrent liabilities	23,439,330	10,230,821	12,769,575	2,796,703	13,317,205
Total liabilities	26,354,668	12,832,576	18,520,923	2,868,147	14,778,883
Deferred inflows of resources:					
Deferred pension items	8,133,198	1,424,889	3,845,540	524,837	6,794,935
Deferred OPEB items	3,406,113	719,393	1,599,293	254,733	2,785,198
Deferred lease revenue	-	28,836,697	-	-	-
Total deferred inflows of resources	11,539,311	30,980,979	5,444,833	779,570	9,580,134
Net position					
Net investment in capital assets	4,730,723	4,941,270	147,794,056	20,263,289	3,577,264
Unrestricted	692,581	(1,020,549)	17,110,903	6,102,970	10,954,238
Total net position	\$ 5,423,304	\$ 3,920,721	\$ 164,904,959	\$ 26,366,259	\$ 14,531,502

The accompanying notes are an integral part of these financial statements

Business-type Activities				Governmental Activities
Off-Street Parking	Parking Meter	Building Purchases & Management	Total	Internal Service Funds
-	394,015	33,493	3,742,037	1,159,374
-	-	-	297,360	-
-	-	-	-	28,705,000
-	-	-	5,856,647	-
-	-	-	-	2,547,162
32,289,347	-	13,254,063	45,543,411	-
739,465	6,550,216	806,676	55,825,690	19,387,301
53,383	586,764	91,758	6,087,669	2,522,230
33,082,195	7,530,995	14,185,990	117,352,814	54,321,067
34,561,409	8,076,624	15,777,413	133,770,643	73,309,758
242,061	1,455,888	203,815	22,625,163	7,540,706
134,455	580,507	107,056	9,586,749	3,406,740
1,246,876	-	1,109,470	31,193,043	-
1,623,392	2,036,395	1,420,342	63,404,956	10,947,446
13,104,202	779,245	(2,090,587)	193,099,462	21,349,616
(112,405)	(5,048,621)	(1,473,171)	27,205,947	7,682,505
\$ 12,991,797	\$ (4,269,376)	\$ (3,563,758)	\$ 220,305,409	\$ 29,032,121
			19,564,512	Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds
			\$ 239,869,921	Net position of business-type activities

Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2022

	Business-type Activities - Enterprise Funds			
	Zero Waste	Marina Operations	Sanitary Sewer	Clean Storm Water
Operating revenues:				
Parking related revenues	\$ -	\$ -	\$ -	\$ -
Marina operations and maintenance	-	4,201,303	-	-
Sewer service fees	-	-	25,558,093	-
Clean storm water fees	-	-	-	4,312,850
Refuse service fees	49,556,975	-	-	-
Building permits	-	-	-	-
Other permits	-	-	-	-
Plan checking fees	-	-	-	-
Other fees	-	-	-	-
Equipment rentals service charge	-	-	-	-
Building maintenance	-	-	-	-
Central store service charge	-	-	-	-
Workers' compensation fees	-	-	-	-
IT service fee	-	-	-	-
Lease revenues	-	1,874,915	-	-
Other revenues	576	36,875	-	15,950
Total operating revenues	49,557,551	6,113,093	25,558,093	4,328,800
Operating expenses:				
Personnel services	12,436,405	1,888,617	5,210,380	603,515
Employee benefits	6,422,407	897,997	2,336,077	321,698
Transportation	7,877,028	198,196	752,844	562,254
Repairs and maintenance	1,537,031	317,118	1,082,494	317,775
Materials and supplies	1,415,996	30,464	1,758,307	79,471
Utilities	739,097	643,607	25,585	25,823
Insurance	-	53,432	-	-
Specialized and professional services	12,428,632	602,740	1,387,468	20,082
Depreciation	440,739	519,463	3,427,043	725,203
Judgments and claims	-	-	-	-
Communication	16,754	23,985	26,934	1,014
General administration	2,373,853	767,822	1,213,953	288,490
Total operating expenses	45,687,942	5,943,441	17,221,085	2,945,325
Operating income (loss)	3,869,609	169,652	8,337,008	1,383,475
Nonoperating revenues (expenses):				
Investment earnings	(1,547,642)	(25,770)	(1,699,710)	(478,960)
Interest expense	-	(288,173)	-	-
Gain (loss) on disposal of capital assets	(2,481)	-	-	-
Total nonoperating revenues (expenses)	(1,550,123)	(313,943)	(1,699,710)	(478,960)
Income (loss) before transfers	2,319,486	(144,291)	6,637,298	904,515
Transfers in	-	1,400,000	90,501	84,875
Transfers out	(110,870)	(21,578)	(193,023)	(25,085)
Change in net position	2,208,616	1,234,131	6,534,776	964,305
Total net position - beginning	3,214,688	2,686,590	158,370,183	25,401,954
Total net position - ending	\$ 5,423,304	\$ 3,920,721	\$ 164,904,959	\$ 26,366,259

The accompanying notes are an integral part of these financial statements

Business-type Activities - Enterprise Funds					Governmental Activities
Permit Service Center	Off-Street Parking	Parking Meter	Building Purchases & Management	Total	Internal Service Funds
\$ -	\$ 3,199,271	\$ 7,502,175	\$ -	\$ 10,701,446	\$ -
-	-	-	-	4,201,303	-
-	-	-	-	25,558,093	-
-	-	-	-	4,312,850	-
-	-	-	-	49,556,975	-
10,629,352	-	-	-	10,629,352	-
3,030,945	-	-	-	3,030,945	-
12,280,415	-	-	-	12,280,415	-
4,595,859	-	-	-	4,595,859	-
-	-	-	-	-	15,685,017
-	-	-	2,722,371	2,722,371	3,893,508
-	-	-	-	-	302,068
-	-	-	-	-	10,225,778
-	-	-	-	-	14,654,320
-	286,793	-	138,487	2,300,195	-
8,290	28,960	17,416	-	108,067	3,419,402
<u>30,544,861</u>	<u>3,515,024</u>	<u>7,519,591</u>	<u>2,860,858</u>	<u>129,997,871</u>	<u>48,180,093</u>
8,174,220	292,772	3,317,793	324,933	32,248,635	11,558,112
3,185,659	72,190	1,914,678	188,564	15,339,270	3,638,671
113,923	305	521,459	-	10,026,009	497,799
1,508,681	530,661	141,470	51,729	5,486,959	333,629
181,106	648	161,932	38,490	3,666,414	5,219,456
-	247,044	9,259	279,414	1,969,829	50,463
-	-	-	-	53,432	8,839
2,521,440	2,606,407	1,357,172	297,797	21,221,738	5,765,176
160,572	1,935,132	185,037	892,182	8,285,371	4,430,126
-	-	-	-	-	14,223,152
34,635	67,416	20,624	17,096	208,458	111,967
1,528,033	183,598	16,334	6,218	6,378,301	1,043,160
<u>17,408,269</u>	<u>5,936,173</u>	<u>7,645,758</u>	<u>2,096,423</u>	<u>104,884,416</u>	<u>46,880,550</u>
13,136,592	(2,421,149)	(126,167)	764,435	25,113,455	1,299,543
(1,469,309)	(120,510)	(166,901)	(9,907)	(5,518,709)	(4,589,745)
-	(950,038)	-	(402,179)	(1,640,390)	(53,306)
-	-	-	-	(2,481)	250,780
<u>(1,469,309)</u>	<u>(1,070,548)</u>	<u>(166,901)</u>	<u>(412,086)</u>	<u>(7,161,580)</u>	<u>(4,392,271)</u>
11,667,283	(3,491,697)	(293,068)	352,349	17,951,875	(3,092,728)
-	3,940,000	4,340,000	-	9,855,376	8,574,879
<u>(55,637)</u>	<u>(7,920)</u>	<u>(1,750,938)</u>	<u>-</u>	<u>(2,165,051)</u>	<u>-</u>
11,611,646	440,383	2,295,994	352,349	25,642,200	5,482,151
2,919,856	12,551,414	(6,565,370)	(3,916,107)		23,549,970
<u>\$ 14,531,502</u>	<u>\$ 12,991,797</u>	<u>\$ (4,269,376)</u>	<u>\$ (3,563,758)</u>		<u>\$ 29,032,121</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				3,804,740	
Change in net position of business-type activities				<u>\$ 29,446,940</u>	

City of Berkeley
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2022

	Business-type Activities			
	Zero Waste	Marina Operations	Sanitary Sewer	Clean Storm Water
Cash flows from operating activities:				
Cash received from customers	\$ 48,512,525	\$ 6,640,272	\$ 25,636,628	\$ 4,334,945
Cash paid for goods and services	(27,319,453)	(1,941,163)	(3,178,879)	(1,304,657)
Cash paid for employee services	(20,804,811)	(3,317,890)	(8,137,839)	(1,134,994)
Claims and judgments paid	-	-	-	-
Net cash provided (used) by operating activities	388,261	1,381,220	14,319,910	1,895,294
Cash flows from noncapital financing activities:				
Transfers in	-	1,400,000	90,501	84,875
Transfers out	(110,870)	(21,578)	(193,023)	(25,085)
Advances repayment from other funds	-	-	-	-
Receipt from interfund loans	-	-	-	-
Net cash provided (used) from noncapital financing activities	(110,870)	1,378,422	(102,522)	59,790
Cash flows from capital and related financing activities:				
Interest paid	-	(296,468)	-	-
Purchases of capital assets	(407,076)	(2,617,992)	(11,165,491)	(84,876)
Lease payments	-	(230,961)	-	-
Debt issuance	77,359	-	-	-
Debt (repayment)	-	(155,394)	-	-
Proceeds from disposal of capital assets	22,461	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-
Net cash provided (used) from capital and related financing activities	(307,256)	(3,300,815)	(11,165,491)	(84,876)
Cash flows from investing activities:				
Unrealized gain/loss on investments	(1,597,841)	(334,888)	(2,095,560)	(501,616)
Interest received	42,356	245,574	370,978	14,782
Net cash provided (used) from investing activities	(1,555,485)	(89,314)	(1,724,582)	(486,834)
Net increase (decrease) in cash and cash equivalent	(1,585,349)	(630,487)	1,327,314	1,383,374
Cash and cash equivalents, July 1, 2021	28,381,113	6,730,108	33,868,271	7,726,176
Cash and cash equivalents, June 30, 2022	26,795,764	6,099,621	35,195,585	9,109,550
Financial statement presentation:				
Cash and investments	26,795,764	6,099,621	35,195,585	9,109,550
Total	26,795,764	6,099,621	35,195,585	9,109,550
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Income (loss) from operations	\$ 3,869,609	\$ 169,652	\$ 8,337,008	\$ 1,383,475
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:				
Depreciation	440,739	519,463	3,427,043	725,203
Change in:				
Accounts receivable	(1,045,026)	527,179	78,535	6,145
Deferred outflow	1,037,280	186,563	489,247	67,861
Inventory	-	-	-	-
Accounts payable	(1,157,109)	691,274	3,068,706	(9,748)
Deposits held	0	4,927	-	-
Accrued salaries and wages	131,808	33,276	38,405	11,909
Unearned revenues	-	-	-	-
Compensated absences	112,333	(180,822)	405,750	(80,354)
Claims and judgments payable	-	-	-	-
Net pension liabilities	(11,225,739)	(1,966,684)	(5,307,757)	(724,399)
Net OPEB liability	(1,211,553)	(255,973)	(562,013)	(86,539)
Other liabilities	226,047	-	-	-
Deferred inflows	9,209,873	1,652,365	4,344,985	601,741
Net cash provided (used) by operating activities	\$ 388,261	\$ 1,381,220	\$ 14,319,910	\$ 1,895,294

The accompanying notes are an integral part of these financial statements

Business-type Activities					Governmental Activities
Permit Service Center	Off-Street Parking	Parking Meter	Building Purchases & Management	Total	Internal Service Funds
\$ 30,522,912	\$ 3,486,265	\$ 7,518,153	\$ 2,860,858	129,512,558	\$ 48,178,442
(5,681,755)	(3,817,357)	(2,317,104)	(785,798)	(46,346,166)	(25,652,695)
(13,016,680)	(440,921)	(5,457,852)	(551,038)	(52,862,025)	(17,225,717)
-	-	-	-	-	(220,933)
11,824,478	(772,013)	(256,804)	1,524,022	30,304,367	5,079,097
-	3,940,000	4,340,000	-	9,855,376	8,574,879
(55,637)	(7,921)	(1,750,938)	-	(2,165,052)	-
-	-	-	-	-	946,163
-	-	-	128,342	128,342	464,755
(55,637)	3,932,079	2,589,062	128,342	7,818,666	9,985,797
-	(1,043,951)	-	(415,736)	(1,756,155)	(76,060)
-	-	(527,150)	-	(14,802,585)	(8,225,083)
-	(14,604)	-	(17,340)	(262,904)	(1,105,451)
-	-	-	-	77,359	-
-	(867,899)	-	(1,217,837)	(2,241,129)	-
-	-	-	-	22,461	251,569
-	-	-	-	(2,481)	-
-	(1,926,453)	(527,150)	(1,650,913)	(18,962,954)	(9,155,025)
(1,498,709)	(122,238)	(169,029)	(9,845)	(6,329,726)	-
1	-	1	-	673,692	(4,619,306)
(1,498,708)	(122,238)	(169,028)	(9,845)	(5,656,034)	(4,619,306)
10,270,132	1,111,375	1,636,079	(8,393)	13,504,046	1,290,563
21,504,374	34,277	2,311,101	8,398	100,563,818	81,531,121
31,774,506	1,145,652	3,947,179	5	114,067,863	82,821,684
31,774,506	1,145,652	3,947,180	5	114,067,863	82,821,684
31,774,506	1,145,652	3,947,180	5	114,067,863	82,821,684
\$ 13,136,592	\$ (2,421,149)	\$ (126,167)	\$ 764,435	25,113,455	\$ 1,299,543
160,572	1,935,132	185,037	892,182	8,285,371	4,430,126
(21,949)	(28,759)	(1,438)	-	(485,313)	(1,651)
863,692	32,049	181,887	26,736	2,885,315	970,892
-	-	-	-	-	526
196,585	(181,271)	(88,854)	(95,054)	2,424,529	(354,191)
9,478	(7)	-	-	14,398	-
45,745	12,400	(3,634)	22,474	292,382	(22,679)
-	-	-	-	-	-
127,207	(23,168)	170,277	(5,126)	526,097	24,388
-	-	-	-	-	14,002,219
(9,378,622)	(334,102)	(2,009,470)	(281,314)	(31,228,088)	(10,407,962)
(985,901)	(46,692)	(182,611)	(37,069)	(3,368,353)	(1,206,188)
-	-	0	-	226,047	(12,268,541)
7,671,080	283,555	1,618,169	236,758	25,618,527	8,612,615
\$ 11,824,478	\$ (772,013)	\$ (256,804)	\$ 1,524,022	30,304,367	\$ 5,079,097



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ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

Fiduciary Fund Financial Statements



Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Pension and Other Post- Employment Benefit Trust Funds	Private Purpose Trust Fund - Successor Agency of Former RDA	Custodial Funds
Assets			
Restricted cash and cash equivalents	\$ 27,008,334	\$ 4,683,478	\$ 3,837,926
Investments, at fair value:			
Medium term notes	2,540,100	-	-
US agency securities	7,113,312	-	-
Municipal bonds	5,439,550	-	-
Preferred Stock	7,660,000	-	-
Savo Island loan	193,000	-	-
Interest receivable	263,879	20	-
Taxes receivable	-	-	20,952
Other accounts receivable	-	-	13,771
Total current assets	<u>50,218,175</u>	<u>4,683,498</u>	<u>3,872,649</u>
Total assets	<u>50,218,175</u>	<u>4,683,498</u>	<u>3,872,649</u>
Liabilities			
Accounts payable	1,407,724	-	322,954
Accrued interest payable	-	5,147	-
Due to City of Berkeley	-	-	38,072
Bonds payable - noncurrent	-	193,000	-
Deposits held	-	-	14,490
Other liabilities	-	-	166,630
Total liabilities	<u>1,407,724</u>	<u>198,147</u>	<u>542,146</u>
Net position restricted for:			
Employee pension benefits held in trust	4,629,686	-	-
Employee OPEB benefits held in trust	44,180,765	-	-
City of Berkeley Successor Agency assets held in trust	-	4,485,351	-
Individuals, organizations, and other governments	-	-	3,330,503
Total net position	<u>\$ 48,810,451</u>	<u>\$ 4,485,351</u>	<u>\$ 3,330,503</u>

The accompanying notes are an integral part of the financial statements.

City of Berkeley
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the year ended June 30, 2022

	Pension and Other Post - Employment Benefit Trust Funds	Private Purpose Trust Funds - Successor Agency of Former RDA	Custodial Funds
Additions:			
Tax increment income	\$ -	\$ 961,392	\$ -
Contributions: employer	6,207,233	-	-
Property tax collections for other entities	-	-	3,130,714
Investment income	(3,568,390)	-	87
Total additions	<u>2,638,843</u>	<u>961,392</u>	<u>3,130,801</u>
Deductions:			
Community development	-	15,974	-
Benefits payment for service	6,737,339	-	-
Administrative expenses	757	-	-
Personnel services	-	-	181,986
Employee benefits	-	-	112,847
Payments of property tax to other entities	-	-	2,143,092
Payments to others	-	-	1,184,353
Total deductions	<u>6,738,096</u>	<u>15,974</u>	<u>3,622,278</u>
Change in net position	(4,099,253)	945,418	(491,477)
Total net position - beginning	<u>52,909,705</u>	<u>3,539,933</u>	<u>3,821,980</u>
Total net position - ending	<u>\$ 48,810,452</u>	<u>\$ 4,485,351</u>	<u>\$ 3,330,503</u>

The accompanying notes are an integral part of the financial statements.



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ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

Notes to Basic Financial Statements



1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Reporting Entity

The City of Berkeley (the City) is a municipal corporation created under the laws of the State of California. The City operates under its own charter. The current charter provides for a Council-Manager form of government and the City is governed by an elected mayor and eight-member council. The City provides the following services: public safety (police and fire); sanitation and sewer; housing; leisure (parks, recreation, and marina); health and human services, including City funded health clinics; animal control; public improvements; planning and zoning; library services; and general and administrative services.

As required by generally accepted accounting principles, these financial statements present the City of Berkeley and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization or there is a potential for that organization to provide specific financial benefits to, or impose specific financial burdens, on the City. The City is also considered to be financially accountable for an organization if that organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the City.

Blended Component Units

These basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. The blended component unit has a June 30 year-end. The following entity is reported as a blended component unit:

The Berkeley Joint Powers Financing Authority (BJPFA) was established solely to assist the City in the issuance of certain bonds. The City Council served as the Board of Directors of the BJPFA. It is controlled by and financially dependent on the City; its financial activities were accounted for as part of the respective funds. Separate financial statements for the BJPFA are not issued.

Discretely Presented Component Units

The Rent Stabilization Board (Rent Board) is responsible for: the proper administration of programs to regulate residential rents; protecting tenants from unwarranted rent increases and arbitrary, discriminatory, or retaliation evictions; helping maintain the diversity of the Berkeley community; and to ensure compliance with legal obligations relating to the rental of housing. The nine member Board of Commissioners is elected by the citizens. However, the Rent Board is fiscally dependent upon the City because the City Council authorizes any bonded debt, and provides support services such as accounting, human resources, payroll, information technology and finance.

Complete financial statements for the rent board may be obtained at the entity's administrative offices:

Rent Stabilization Board
2125 Milvia Street
Berkeley, California

B. Implementation of Recently Issued Accounting Principles

During FY 2022, the City implemented the following Governmental Accounting Standards Board (the GASB) Statement:

GASB Statement No. 87

In June 2017, GASB issued Statement No. 87, *Leases*. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under

NOTES TO THE FINANCIAL STATEMENTS

this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Application of this Statement was effective for the City's FY ended June 30, 2022. See Note 5, 6 and Note 8.

GASB Statement No. 89

In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Application of this Statement was effective for the City's FY ended June 30, 2022.

GASB Statement No. 92

In January 2020, GASB issued Statement NO. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following: The effective date of Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases for interim financial reports*; Reporting of intra-entity transfers of assets between a primary government and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan; The applicability of Statements No. 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not within the Scope of GASB Statement No. 68*, and Amendments to Certain Provisions of GASB Statements No. 67 and 68, as amended, and No. 74, *Financial Reporting for Postemployment Benefits Plans Other Than Pension Plans*, as amended, to reporting assets accumulated for postemployment benefits; The applicability of certain requirements of Statement No. 84, *Fiduciary Activities*, to postemployment benefit arrangements; Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition; Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers; Reference to nonrecurring fair value measurements of assets and liabilities in authoritative literature; and Terminology used to refer to derivative instruments. The requirements of this Statement were effective as follows: The requirements related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments were effective upon issuance; The requirements related to intra-entity transfers of assets and those related to the applicability of Statement No. 73 and 74 were effective in FY 2022; The requirements related to application of Statement No. 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets and liabilities were effective in FY 2022; and, the requirements related to the measurement of liabilities (and assets, if any) associated with AROs in a government acquisition were effective in FY 2022. There was no effect on the City's net position as a result of the implementation of this statement.

GASB Statement No. 93

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Application of this Statement was effective for the City's FY ended June 30, 2022. The application of this Statement did not have any effect on the City's financial statements.

GASB Statement No. 97

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans— An Amendment of GASB Statement No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contributions other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Application of this Statement was effective for the City's FY ended June 30, 2022. There was no impact on the City's net position as a result of implementation of this statement.

C. Leases

A lease is defined as a contract that conveys control of the rights to use another entity's nonfinancial asset as specified in the contract for a period of time in an exchange or exchange-like transaction. The City recognizes lease receivables of \$100,000 or more, except for the Sather Gate Mall leases, which combined together are more than \$100,000. The \$100,000 amount is based on the future lease payments remaining at the start of the lease. The City recognizes lease liabilities with an initial, individual value of \$100,000 or more, based on the future lease payments remaining at the start of the lease.

City as lessor: The City is a lessor for noncancellable leases of 15 buildings, including the Sather Gate Mall buildings. (See Note 6). The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

City staff monitors changes in circumstances that would significantly affect the amount of the lease receivable, and warrant a remeasurement of the lease receivable and deferred inflow of resources.

City as lessee: The City has one noncancellable lease of nonfinancial assets at 1521 and 1523 University Avenue. (See Note 6). The City recognizes a lease liability and an intangible right-to-use lease buildings (lease asset) in the government-wide and fund financial statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be received during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

D. Financial Statement Presentation

Government-Wide Financial Statements

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

NOTES TO THE FINANCIAL STATEMENTS

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Program revenues come from sources other than the tax base. Therefore, taxes are reported instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category, such as governmental, proprietary, and fiduciary, are presented. The emphasis of fund financial statements is on the major governmental and enterprise funds of the City, and are reported separately in the accompanying financial statements, all remaining governmental funds are aggregated and reported as nonmajor funds in the accompanying financial statements.

Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues for all the enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include personnel services, employee benefits, repairs and maintenance, professional services, transportation, materials and supplies, claims and judgments, rent, insurance, utilities, communications, general administration and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The City reports the following major governmental funds:

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.

The **Grants Fund** accounts for grant monies received from other governments and private sources to be used to cover expenditures for providing public services and improving public safety.

The **Library Fund** accounts for all monies received and expended for the operation of the City's main and branch libraries, the major source of revenues are special taxes approved by two-thirds of the voters.

The **Measure O Housing Bond Fund** accounts for the affordable housing projects financed by a bond revenue.

The **Capital Improvement Fund** accounts for expenditures for land, buildings, major reconstruction and renovation of structures, and for major landscaping or park improvements financed by local revenues.

The government reports the following major enterprise funds:

The **Zero Waste Fund** accounts for monies received and expended from refuse collection services, including the surcharge to provide for expenses incurred in the collection and disposal of solid waste materials as well as for plans, surveys, engineering expenses, property acquisition, and construction costs of facilities for future refuse disposal.

The **Marina Operations Fund** accounts for the day-to-day operations of the Berkeley Marina.

The **Sanitary Sewer Fund** accounts for the collection of revenues from sanitary sewer charges, and the expenses related to the operation, maintenance, replacement, reconstruction, and repair of sanitary facilities.

The **Clean Storm Water Fund** accounts for the fees collected to improve the quality of storm water discharged from the City's storm drainage system.

The **Permit Service Center Fund** accounts for revenues from customers processing development permit application (i.e., building and zoning permits) and the funds expended to operate the permit review functions of the Permit Service Center.

The **Off Street Parking Fund** accounts for the operations of the City's Center Street garage, Sather Gate garage, Sather Gate Mall leases, and Oxford/Fulton parking lot.

The **Parking Meter Fund** accounts for the collection of coins from the City's parking meters and for the purchasing, leasing, installing, repairing, maintaining, operating, removing, and policing of the meters.

The **Building Purchases & Management Fund** accounts for the purchase and management of the building at 1947 Center Street.

Additionally, the City reports the following fund types:

The **Special Revenue Funds** account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

The **Capital Projects Funds** account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary and trust funds).

The **Debt Service Funds** account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

The **Internal Service Funds** account for equipment maintenance replacement, building maintenance, central services, computer replacement, workers' compensation, sick and vacation payouts, public liability, catastrophic loss services to other departments of the City on a cost reimbursement basis, and IT cost allocation plan.

The **Pension and OPEB Trust Funds** account for the activities of the Safety Members Pension Fund, which provides pension benefits on a pay-as-you-go basis for fire and police employees hired on or before February 28, 1973; Police Retirement and Pension Annuity fund and the Police Retirement Income Benefit Plan. It also accounts for the **Other Post-Employment Benefits Trust Funds**, including the Retiree Medical Benefit Trust, Berkeley Police Employees Retiree Health Plan Trust Fund, and Fire Medical Trust funds and allocated sources to provide medical benefits for retirees.

The **Private Purpose Trust Funds** account for **Successor Agency** activities of the former Berkeley Redevelopment Agency, which was dissolved on January 31, 2012 under AB 1X 26. Please refer to more details above in Section 1 under "**Successor Agency Trust for Assets of Former Redevelopment Agency**".

The **Custodial Funds** account for the District 47 Underground/Miller, Sustainable Energy, Thousand Oaks Heights Applicant Funded Utility Undergrounding special assessment tax monies, Measure H School Tax, Community Facilities District No. 1 Disaster Fire Protection special assessment tax monies, Sick Leave Entitlement (funds held for retiree benefits not held in trust meeting the definition of GASB Statement No. 75), Berkeley Tourism BID, Elmwood Business Improvement District, Solano Avenue Business Improvement District, and Telegraph Business Improvement District.

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

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary and fiduciary fund financial statements, except for Custodial Funds which use the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants are recognized as revenues as soon as all eligibility requirements imposed by the grantor have been met. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

NOTES TO THE FINANCIAL STATEMENTS

Property taxes, utility users taxes, transient occupancy taxes, ambulance fees, interest, and sales taxes associated with the current fiscal year are all considered susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when the City receives cash.

F. Cash, Cash Equivalents, and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term instruments with original maturities of three months or less from the date acquisition.

State of California statutes authorize the City to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, State and Local agencies, certificates of deposits, commercial paper rated A-1/P-1, medium term corporate notes rated A or its equivalent or better by Moody's or Standard & Poor's, asset backed corporate notes, negotiable certificates of deposits, bankers' acceptances, mutual funds, guaranteed investment contracts, repurchase agreements, reverse repurchase agreements when authorized by the City Council, and the State Treasurer's investment pool (Local Agency Investment Fund).

The City does not utilize the Local Agency Investment Fund, as this fund is not in compliance with the City's nuclear free ordinance.

Investments for the City, as well as for its component units, are reported at fair value. The value is determined based upon quoted market closing prices. The fair value of mutual funds is stated at share value. Income from pooled investments is allocated to the individual funds based on the fund average monthly balance in relation to the total pooled investments.

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.

G. Restricted Cash and Investments

Certain proceeds of the City's resources set aside for their repayment are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants.

The debt service account is used to segregate resources accumulated for principal payments; the construction account is used to report those proceeds of the revenue bond issuance that are restricted for use in construction; the interest account is used to segregate resources accumulated for interest payments; the debt service reserve account is used to segregate resources set aside to make up potential future deficiencies in the interest account and the debt service account; and the cost of issuance account is used to segregate proceeds of the revenue bond issuance that are to be used to pay the cost of issuance.

The balance of the restricted cash as of June 30, 2022 are as follows:

	<u>Restricted cash</u>
Governmental activities:	
TRANS repayment	\$ 45,105,359
Climate equity action	600,000
U1 housing	12,778,338
Grants	61,275,218
Library	19,638,694
Measure O housing bond	51,758,443
Non-major fund - Special revenue funds	66,450,068
Non-major fund - Capital project	38,237,074
Non-major fund - Debt service fund	18,936,487
Total governmental activities	<u>\$ 314,779,681</u>
Pension and other post-employment benefit trust funds:	
Safety members pension annuity fund	\$ 31,116
Police retirement income benefit plant	2,022,894
Miscellaneous retiree health premium assistance plan	18,274,581
Police retiree premium assistance plan	858,758
Fire employees retiree health plan	5,820,985
Total Pension and other post-employment benefit trust funds	<u>\$ 27,008,334</u>
Private purpose trust fund - Successor agency of former RDA:	
Successor agency - WBIP	\$ 4,268,006
Successor agency - Savo DSF	415,472
Total private-purpose trust funds	<u>\$ 4,683,478</u>
Custodial funds	
District 47 underground/Miller	\$ 124,312
Sustainable energy	22,163
Solano avenue Bid	10,081
Thousand oaks undergrounding	297,993
Measure H School tax	43,132
CFD No. 1 disaster fire protection Mello-Roos	2,856,383
Berkeley tourism BID	216,037
Elmwood business improvement district	33,518
Downtown Berkeley property and improvement district	234,307
Total custodial funds	<u>\$ 3,837,926</u>

H. Receivables and Payables

Transactions between funds that are representative of long-term lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “advances to/advances from other funds”. All other outstanding balances between funds are reported as “due to/from other funds”. The latter transactions are typically loans from the General Fund to cover cash shortages in other funds that result from the pooled cash arrangement. The loans are short-term in nature and generally result from the time lag in receiving grant reimbursements. The amounts are repaid to the General Fund when the grant reimbursements are made. Any residual balances between the governmental activities and business type activities are reported in the government-wide financial statements as internal balances.

NOTES TO THE FINANCIAL STATEMENTS

All trade accounts receivable are presented net of allowance for doubtful accounts. No allowances for doubtful accounts have been provided for taxes or rental registration fees. Property taxes are levied as of July 1 on property assessed on the same date. Alameda County assesses properties, bills for, collects and distributes property taxes as follows:

	<u>Secured</u>	<u>Unsecured</u>
Valuation/Lien Dates	January 1	January 1
Levy Dates	July 1	July 1
Due Dates	50% on Nov1 50% on Feb1	July 1
Delinquent as of	Dec 10 (for Nov) Apr 10 (for Feb)	August 31

The term “unsecured” refers to taxes on businesses’ machinery, furniture, and equipment. Property taxes are secured by liens on the property being taxed.

Property taxes are recorded as revenue when they become both measurable and available to finance expenditures in the fiscal year. Deferred inflows of resources is recorded for the amount included in taxes receivable, which is not collected within 60 days after fiscal year-end.

I. Inventories and Prepaid Expenses

All inventories are valued at the lower of cost or market on a first-in-first-out basis. Inventory in the Supplies Warehouse Fund consists of postage supplies held for consumption by all departments of the City. The cost is recorded as an expense in the appropriate fund at the time inventory items are withdrawn for use (consumption method).

The City uses the consumption method to record changes in prepaid items in governmental funds; they are recorded at cost as assets in the period which they are purchased and recognized as expenditures in the period they are used or consumed.

J. Land Held for Resale

Land parcels held for resale are accounted for at the lower of cost or net realizable market value.

K. Capital Assets

Capital assets, which include land, buildings, machinery, construction in progress, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (land rights, software and right-to-use leased buildings) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

City policy has set the capitalization threshold for reporting capital assets at the following:

Non-Infrastructure Capital Assets	\$5,000
Infrastructure Capital Assets	\$100,000

For capital assets, depreciation is recorded on the straight-line method over the useful lives of the assets as follows:

Building and Improvements	15 to 30 years
Equipment	4 to 10 years
Infrastructure	10 to 50 years
Right-to use lease buildings	Shorter of useful life or lease term

L. Compensated Absences

Compensated Absences - Other

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation pay is accrued when incurred in proprietary funds and is reported as a fund liability. In governmental funds, compensated absences are recorded as expenditures in the year paid, as it is the City's policy to liquidate any unpaid compensated absences at June 30 from future resources, rather than currently available financial resources. The City has established an Internal Service Fund (Sick and Vacation Payout Fund) to pay for compensated absences when a worker leaves the City or retires. The City uses the vested method for calculating compensated absences.

The personnel policies of the City do not allow employees to accrue vacation in excess of eight weeks (320 hours). For example, when a miscellaneous employee (Police and Fire sworn employees have different formulas) is terminated or retires, with a vested pension with twenty years of service, an employee is entitled to be paid 38 percent of the accrued sick leave balance and 62 percent of the balance can be used for CALPERS credit. Employees with at least twenty-eight (28) years of benefited City service or an employee retiring on permanent disability arising out of, and incurred in, the course and scope of their employment with the City with at least twenty-eight (28) years of benefited service shall be entitled to receive payment in an amount equal to 50 percent of their accrued sick leave days up to a maximum of (200) unused sick leave days. The employee has the option of using the payout entitlement for retiree medical insurance premium payments.

Compensated Absences-New Sick Leave Program for Police (PORAC)

Effective December 23, 2012, Section 24.6 Maximum Sick Leave Accrual, of the Police MOU in its entirety has been abolished and the following New Sick Leave Program is in effect:

Initial Implementation with Existing Sick Leave Balances

If a sworn member of the Berkeley Police Department has an accrued sick leave balance on December 23, 2012, one half of those hours in excess of 200 it has been converted and will be deposited into the employee's retiree Peace Officers Research Association of California (PORAC) medical trust account over five successive years in installments commencing on January 1, 2013. The conversion rate is the employee's rate of pay on December 23, 2012. The remaining fifty percent of the sick leave balance in excess of 200 hours was credited into the employee's separate "catastrophic/service time" bank no later than February 1, 2013 up to a maximum of 500 hours.

After initial implementation and Going Forward

Beginning January 1, 2013, at the end of each calendar year, if an employee has an accrued sick leave balance of 200 hours or more of sick leave, fifty percent of all hours accrued in excess of 200 hours is converted into a cash equivalent at the end of each calendar year. The annual cash conversion is calculated at the employee's hourly rate including additional pay such as POST pay, Bilingual Pay and Longevity Pay then in effect at the end of the calendar year. The annual cash conversion is limited to 50 percent of the hours an employee has accrued in excess of 200 hours as of December 31 of each year. The City pays the annual cash equivalent into an employee's retiree PORAC medical trust account on behalf of the employee member. Upon retirement, any sick leave hours that have not been converted into an employee's PORAC medical trust account, used for the purposes of additional retirement service credit as provided in PERL Section 20965, or "catastrophic/service time" bank is forfeited.

M. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs with the exception of bond insurance are expensed at time of issuance.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt

NOTES TO THE FINANCIAL STATEMENTS

issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

The Tax Reform Act of 1986 instituted arbitrage restrictions related to the issuance of tax-exempt bonds issued after August 31, 1986. Those regulations relate to the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. An independent firm performs arbitrage rebate calculations to determine the applicability of federal arbitrage regulations. As of June 30, 2022, the City did not have a liability due.

N. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position 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 assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and deferred inflows of resources represent an acquisition of net assets that applies to future periods.

Net Position

In the government-wide and proprietary funds financial statements, net position is categorized in the following categories:

Net Investment in Capital Assets is the portion of net position that relates to the City's capital assets less accumulated depreciation and any outstanding debt incurred to acquire, construct, or improve those assets, excluding unexpended proceeds.

Restricted Net Position is the portion of net position that has been restricted for general use by external parties (creditors, grantors, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position consists of all net position that does not meet the definition of either of the other two components.

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

O. Fund Balances

The City follows the provisions of GASB Statement No. 54 Fund Balance and Governmental Fund Type Definitions. GASB Statement No. 54 established Fund Balance classifications based largely upon the extent to which a government is bound to observe constraints imposed upon the use of resources reported in governmental funds.

GASB Statement No.54 distinguishes fund balance between amounts that are considered non-spendable, such as fund balance associated with inventories, and other amounts that are classified based on the relative strength of the constraints that controls the purposes for which specific amounts can be spent. Beginning with the most binding constraints, fund balance amounts is reported in the classifications listed on the following page.

Nonspendable Fund Balance are amounts that are not in a spendable form, such as inventories, prepaid items, and long-term loans and notes receivable. It also includes amounts that are legally or contractually required to be maintained intact or required to be retained in perpetuity, such as the principal of an endowment fund.

Restricted Fund Balance are amounts reported as restricted when constraints placed on the use of resources are either (1) externally imposed by creditors (e.g., through debt covenants), grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance are amounts that have been limited to specific purposes as defined in the City Charter or through adoption of an ordinance by the City Council, the highest level of decision making authority in the City. These commitments may be changed or lifted, but only by the same formal action that was used to impose the constraint originally. City Council action to commit fund balance must occur within the fiscal reporting period, while the amount committed may be subsequently determined.

Assigned Fund Balance are amounts that are intended to be used by the City for specific purposes that are neither restricted nor committed through City Council budgetary action, which includes the approval of appropriations and revenues pertaining to the next fiscal year's budget. Intent is expressed by the City Council or City Manager, to which the City Council has delegated the authority, to assign amounts to be used for specific purposes.

Unassigned Fund Balance are amounts within the General Fund, the residual resources (either positive or negative), in excess of what can properly be classified in one of the other four fund balance categories. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification in one of the other four fund balance categories.

In circumstances where an expenditure is made for a purpose for which amounts are available in multiple fund balance categories, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

Spending Policy

The City's policy is to spend restricted fund balances first, before spending unrestricted fund balances, for expenditures incurred for purposes for which both restricted and unrestricted fund balances are available, except for instances wherein a City's ordinance or resolution specifies the fund balance.

The City's policy is that committed and assigned fund balances are considered to have been spent first before unassigned fund balances have been spent, when expenditure are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used, except for instances where in a City ordinance specifies the fund balance. For committed fund balance, the City Council is the highest level of decision making authority. Commitments may be changed or lifted only by the City adopting a resolution that imposed the constraint originally. For assigned fund balance, it comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by the City Council or City manager, to which the City Council has delegated the authority, to assign amounts to be used for specific purposes.

P. Use of Estimates

A number of estimates and assumptions relating to the reporting of revenues, expenditure/expenses, assets, deferred outflows of resources, liabilities, deferred inflows of resources, and the disclosure of contingent liabilities were used to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America, actual results could differ from these results.

Q. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's three Plans (Separate ones for Miscellaneous, Fire and Police employees) and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

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, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

R. Pensions

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

NOTES TO THE FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS

Cash and investments as of June 30, 2022 are classified in the accompanying financials statements at fair value as follows:

	Unrestricted	Restricted	Total
Primary government except for fiduciary fund	\$ 382,363,219	\$ 314,779,681	\$ 697,142,900
Fiduciary fund	-	58,475,700	58,475,700
Component unit: Rent Stabilization Board	6,431,961	-	6,431,961
Total cash and investments	<u>\$ 388,795,180</u>	<u>\$ 373,255,381</u>	<u>\$ 762,050,561</u>

Cash and investments as of June 30, 2022 consist of the following:

Cash and deposits:		
Cash on hand		\$ 18,950
Deposits with financial institutions in pooled cash account		
Primary government		236,711,547
Fiduciary funds		35,529,738
Rent Stabilization Board		6,431,961
Total deposits with financial institutions		<u>278,673,246</u>
Deposits with fiscal agents		13
Deposits with fiscal agents for Fiduciary fund		<u>1</u>
Total cash and deposits		<u>278,692,210</u>
Investments:		
Investments for City government, excluding trust funds		460,412,389
Investments held in trust		<u>22,945,962</u>
Total investments		<u>483,358,351</u>
Total cash, deposits and investments		<u>\$ 762,050,561</u>

Pooled Cash and Investments - The City maintains a cash and investment pool that is available for use by all funds and component units. Each fund's portion of this pool is displayed on the governmental fund balance sheets and proprietary fund statement of net position as "cash and investments."

Restricted Cash and Investments - The City has other investments, not held by the City Treasury, that are invested pursuant to governing bond covenants. These amounts are reflected as restricted cash in the financial statements.

Investments in Retirement Plans - The funds of the retirement plans and retiree medical plans are invested pursuant to City investment policies established specifically for those plans by the City Council., which are pursuant to Sections 2.44.040 and 2.44.060 of the Berkeley Municipal Code, Resolution No. 45,087-N.S., and Sections 53601, 53607, 53636 and 53648 of the State Government Code, the Director of Finance, the Treasurer of the City, is authorized to make investments of the City's Trusts' idle funds. Pursuant to Section 53622, some of the investment vehicles the City Council has authorized includes equity mutual funds or equity index funds, preferred stocks and bond funds. The Code also directs the City to present an annual investment policy to the City Council for approval. The objective of the investment policies is to maximize the expected return of the plans at the acceptable level of risk.

A. Investments

Investments Authorized by the California Government Code and the City of Berkeley Investment Policies

The table below identifies the **investment types** that are authorized for the City of Berkeley's pooled investment policies. The table also identifies certain provisions of the California Government Code and/or the City's investment policies that address **interest rate risk and concentration of credit risk**. This table

does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code.

Authorized Investment Type	Maximum Maturity	Percentage/ Dollar of Portfolio	Maximum Investment in One Issuer
Local agency bonds	5 years	100%	N/A
U.S. treasury securities	10 years	100%	N/A
U.S. agency securities	10 years	100%	N/A
Banker's acceptances	7 days	40%	30%
Commercial paper	180 days	25%	\$5MM or 2%
Negotiable certificates of deposit	10 years	30%	N/A
Repurchase agreements	1 year	10%	N/A
Medium-term notes	10 years	30%	N/A
Guaranteed investment contracts	5 years	25%	N/A
Money market funds	N/A	100%	N/A
Mortgage pass-through securities	5 years	20%	N/A
County pooled investment funds	N/A	N/A	N/A
JPA pools (other investment pools)	N/A	N/A	N/A

B. Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policies. The table on the next page identifies the **investment types** that are authorized for investments held by bond trustees. The table also identifies certain provisions of these debt agreements that address **interest rate risk**, and **concentration of credit risk**.

Authorized Investment Type	Maximum Maturity	Percentage/ Dollar of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Securities	10 years	100%	N/A
U.S. Agency Securities	10 years	100%	N/A
Money Market Funds	N/A	100%	N/A
Guaranteed Investment Contracts	5 years	25%	N/A

NOTES TO THE FINANCIAL STATEMENTS

C. Risk Disclosures

i. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash 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.

The City has the intention of holding all investments to maturity. The average maturity of the City's pooled investments governed by the Investment Policies was approximately 1.51 years as of June 30, 2022.

City's Investments

Information about the sensitivity of the fair values of the City's investments (excluding investments held in trust for retiree medical plans) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Investment Maturities (in years)							
	Total	Less than 1	1 - 2	2 - 3	3 - 4	4 - 5	More than 5	No Maturity
U.S. Agency securities	\$ 321,642,302	\$ 9,953,300	\$ -	\$ 14,946,650	\$ 153,774,290	\$ 121,775,357	\$ 21,192,705	\$ -
Municipal bond	4,996,700	-	-	4,996,700	-	-	-	-
Medium term notes	119,295,403	28,939,600	26,022,480	20,349,053	19,843,000	19,138,770	5,002,500	-
Certificates of deposit	502,128	-	502,128	-	-	-	-	-
Mutual Funds	13,975,856	-	-	-	-	-	-	13,975,856
Total Investments	\$ 460,412,389	\$ 38,892,900	\$ 26,524,608	\$ 40,292,403	\$ 173,617,290	\$ 140,914,127	\$ 26,195,205	\$ 13,975,856

Trust Fund Investments

In accordance with Government Code Sections 53620-53622, the assets of the City of Berkeley retiree medical plan trusts may be invested in any form or type of investments deemed prudent by the City Council. These plans are authorized by investment policies approved by the City Council to invest in various types of investments, up to a maturity of 30 years.

- The issuer of commercial paper must have the highest rating from two nationally recognized rating agencies, not one (as required by the State).
- Purchases of corporate notes shall be limited to securities rated "A" or higher by Moody's or Standard and Poor's.
- Purchases of long-term (i.e., beyond five years) corporate bonds are limited to the Retiree Medical Plan Trust Fund and debt service reserve funds. Issuers must have a Moody's credit rating of "A3" or higher and Standard and Poor's rating of "A-" or higher.

These OPEB and pension investments are reported at fair value, as follows:

Investment Type	Investment Maturities (in years)							
	Total	Less than 1	1 - 2	2 - 3	3 - 4	4 - 5	More than 5	No Maturity
U.S. Agency securities	\$ 7,113,312	\$ -	\$ -	\$ -	\$ 7,113,312	\$ -	\$ -	\$ -
Municipal bond	5,439,550	-	-	-	5,439,550	-	-	-
Medium term notes	2,540,100	-	-	-	2,540,100	-	-	-
Preferred stock	7,660,000	-	-	-	-	-	-	7,660,000
Savo Island loan	193,000	-	-	-	193,000	-	-	-
Total Investments	\$ 22,945,962	\$ -	\$ -	\$ -	\$ 15,285,962	\$ -	\$ -	\$ 7,660,000

ii. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by the California Government Code, the City's investment policies, or debt agreements and the actual rating as of the year end for each investment type.

City's Investments

<u>Investment Type</u>	<u>Amount Held</u>	<u>Minimum Legal Rating</u>	<u>S & P Rating June 30, 2022</u>
U.S. Agency Securities	\$ 321,642,302	AA+	AA+
Municipal bond	4,996,700	A	AA+
Medium Term Notes	119,295,403	A	A+
Certificates of Deposit	502,128	N/A	N/A
Mutual Funds	13,975,856	N/A	N/A
Total	\$ 460,412,389		

Trust Fund Investments

<u>Investment Type</u>	<u>Amount Held</u>	<u>Minimum Legal Rating</u>	<u>S & P Rating June 30, 2022</u>
U.S. agency securities	\$ 7,113,312	AA+	AA+
Municipal bonds	5,439,550	A	A+
Medium term notes	2,540,100	A	A
Preferred stock	7,660,000	N/A	N/A
Savo Island loan	193,000	N/A	Not rated
Total	\$ 22,945,962		

iii. Concentration of Credit Risk

The investment policies of the City contain no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5 percent or more of total investments are as follows:

City's Investments

<u>Investment Type</u>	<u>Reported Amount</u>	<u>Percentage of Holdings</u>
Federal Home Loan Banks	282,357,102	63.3%
Total	\$ 282,357,102	63.3%

NOTES TO THE FINANCIAL STATEMENTS

Trust Fund Investments

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>	<u>Percentage of Holdings</u>
AT&T Inc.	Preferred securities	\$ 7,660,000	33.4%
Federal Farm Credit Banks	Federal agency securities	7,113,312	31.0%
Sacramento County CA PO Bond	Municipal bond	5,439,550	23.7%
Morgan Stanley DW DTC#0015	Medium-term notes	2,540,100	11.1%
	Total	\$ 22,752,962	99.2%

iv. Custodial Credit Risk

For an investment, custodial credit risk is the risk that 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 if the counter-party fails. All of the City's investments except money market mutual funds and guaranteed investment contracts are subject to custodial risk. However, the California Government Code and the City's investment policies do not contain legal or policy requirements that would limit the exposure to custodial risk for investments. The City's investments, OPEB trust fund investments and pension fund investments are held by Wells Fargo, in the Trust and Custody Department, which is separate from the operations of the bank. In addition, Wells Fargo maintains a Financial Institution Bond of at least \$100 million which provides protection from losses sustained by employee dishonesty, burglary, robbery, check forgery, securities forgery, computer crime, safe deposit, etc.

D. Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These principles recognize a three-tiered hierarchy, as follows:

- Level 1: Investments reflect prices quoted for identical assets in active markets
- Level 2 of the fair value hierarchy investments are valued using prices determined by matrix pricing techniques maintained by the various pricing vendors for these securities. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices for similar securities that are observable in the marketplace.
- Level 3: Investments reflect prices based upon unobservable sources.

The City has the following recurring fair value measurements as of June 30, 2022:

City's Investments

<u>Investment Types</u>	<u>Amount</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets</u>		<u>Significant Unobservable Inputs (Level 3)</u>
		<u>Identical Assets (Level 1)</u>	<u>Similar Assets (Level 2)</u>	
U.S. agency securities	\$ 321,642,302	\$ -	\$ 321,642,302	\$ -
Municipal bond	4,996,700	-	4,996,700	-
Medium term notes	119,295,403	-	119,295,403	-
Certificates of deposit	502,128	-	502,128	-
Mutual Funds	13,975,856	-	13,975,857	-
Total	\$ 460,412,389	\$ -	\$ 460,412,390	\$ -

Trust Fund Investments

Investment Types	Amount	Fair Value Measurements Using		
		Quoted Prices in Active Markets		Significant Unobservable Inputs (Level 3)
		Identical Assets (Level 1)	Similar Assets (Level 2)	
U.S. agency securities	\$ 7,113,312	\$ -	\$ 7,113,312	\$ -
Municipal bonds	5,439,550	-	5,439,550	-
Medium term notes	2,540,100	-	2,540,100	-
Preferred securities	7,660,000	7,660,000	-	-
Others	193,000	-	-	193,000
Total	\$ 22,945,962	\$ 7,660,000	\$ 15,092,962	\$ 193,000

E. Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover its deposits. Included as deposits are bank deposits. In accordance with the California Government Code, demand deposits that are not insured must be collateralized with governmental securities at 110 percent of all such deposits or pledging of first deed mortgage notes equal to 150 percent of the City's deposits. The collateral must be held by the bank in the City's name. The following chart presents bank deposit balances for the primary government, its component units, and fiduciary funds as of June 30, 2022. Deposits are listed in terms of whether they are exposed to custodial credit risk (i.e., the risk that in the event of a bank failure, the City's deposits may not be returned). Deposits are exposed to custodial credit risk if they are either, (1) insured and collateralized, (2) uninsured and collateralized with securities held by the pledging financial institution, or (3) uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of the City.

Bank Deposit Balances**Deposits Exposed to Custodial Credit Risk**

Description	Primary Government	Component Unit (Rent Board)	Fiduciary Funds		Total Bank Balances
			OPEB	Others	
Insured and/or collateralized	\$ 427,847	\$ 11,060	\$ 42,909	\$ 18,184	\$ 500,000
Uninsured and collateralized with securities held by pledging institution's trust department or agent, but not in City's name	248,392,863	6,420,901	24,911,415	10,557,230	290,282,409
Total bank balance - all deposits*	\$ 248,820,710	\$ 6,431,961	\$ 24,954,324	\$ 10,575,414	\$ 290,782,409

* These amounts represent bank balances before reconciling items.

The City applies the provision of GASB 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, which requires governments to present investments at fair value. For the fiscal year ended June 30, 2022, the City had an increase in the fair value of investments based on quoted market prices for the securities held, which are included as investment income in the General Fund, as follows:

Interest income	\$ 6,938,395
Net increase/(decrease) in the fair value of investments	(17,007,557)
Total investment income	\$ (10,069,162)

NOTES TO THE FINANCIAL STATEMENTS

3. NOTES AND LOANS RECEIVABLE

Details of Notes Receivable as of June 30, 2022 are as follows:

Notes/Loans Receivable	June 30, 2022
General Fund:	
Development Loans	\$ 5,337,733
Housing Assistance Loans	660,000
S.B. Rental Rehabilitation	2,391,678
Golden Bear Homes - Homekey Project	5,664,456
Allowance for uncollectible	(235,876)
Total General Fund	<u>13,817,991</u>
Grant Fund:	
Development Loans	33,147,436
CalHome Senior Home Repair	989,514
Rehabilitation - Emergency Repair	5,233
1st Time Homebuyer Home Loans	140,000
Total Grant Fund	<u>34,282,183</u>
Capital Improvement Fund:	
Development Loans	7,275,114
Security deposit	375,000
CalHome Senior Home Repair	121,461
Total Capital Improvement Fund	<u>7,771,575</u>
Measure O housing Fund:	
Development Loan	25,487,665
Total Measure O Housing Fund	<u>25,487,665</u>
Nonmajor Governmental Funds:	
Development Loans	20,463,896
S.B. Rental Rehabilitation	27,253
CalHome Senior Home Repair	252,921
Rehabilitation - Emergency Repair	813,576
Rehabilitation - Senior Disabled	409,208
OED - Citywide Loans	88,834
OED - Mortgage Loan	77,000
OED - Revolving Loan	1,006,471
Allowance for uncollectible	(233,828)
Total Nonmajor Governmental Funds	<u>22,905,331</u>
Total Notes/Loans Receivable	<u>\$ 104,264,745</u>

Development Loans

This loan program began in 1991, in which the City awards loans to developers every year. The first year of maturity for loans starts in 2046, but most of the loans may be forgiven. Development loans normally are charged 6 percent simple interest per annum, with a range of 3 to 6 percent. The agreements require the borrower to pay annual interest only, at the lesser of 50 percent of the property's net cash flow or the amount of interest calculated at 6 percent. Some of the loans may be forgiven after 55 years from the loan date, if the terms of the agreement are satisfied. Most of the loans have a residual receipt clause, which means a portion of the revenue received from the development is used to repay the loan back to the city on an annual basis after project completion.

Senior Rehabilitation Loans

This loan program began in 1980. The City is unable to predict the maturity dates of the loans because most of them are only due upon sale of the property. Ninety percent of these loans are deferred with no monthly payments required. Interest rates range between 0 to 6 percent.

CALHOME Senior Home Repair Loans

Cal Home funds are additional resources to existing Senior and Disabled Home Rehabilitation Loan Programs. Financial assistance from the Cal Home is in the form of a deferred payment loan that is due and payable upon sale or transfer of title to the property. The interest rate is zero. Cal Home has been in existence since 2002 and it targets seniors and disabled homeowners who are very low income and are unable to undertake rehabilitation of their homes because of limited income.

Rehabilitation – Emergency Repair

This loan program was done primarily in the 1980s and was a predecessor for the Senior and Disabled Rehabilitation Loan Programs. Funds are used for repairs to homes.

Rehabilitation – Senior Disabled

This loan program is related to CDBG and CalHome funds, which are used for zero-interest loans to homeowners who are either 62 or older or disabled. Funds are used for health and safety repairs.

1st Time Homebuyer Home Loans

This loan program provides a second mortgage for low-income homeowners. It was implemented in approximately 1998 and 1999.

OED Citywide, Mortgage, and Revolving Loans

OED loans are revolving loans funds that can provide access to capital for businesses and entrepreneurs who seek to grow, retain or create jobs, but do not qualify for a traditional bank loan. The OED program serves all commercial areas in the City. The interest rate is based on Prime Rate plus 2 percent at the time of loan approval. Loan terms are up to 7 years.

Golden Bear Homes Homekey Project Loan

The State of California Housing and Community Development created the State Homekey program to fund the acquisition and development of existing residential buildings, including hotels, motels, and other residential building structures to house households experiencing or at risk of homelessness.

NOTES TO THE FINANCIAL STATEMENTS

4. INTERFUND TRANSACTIONS

A. Due To/From Other Funds

At June 30, 2022, the City had the following due to/from other funds:

Due To / From Other Funds				
From Fund	To Fund	Amount		
General Fund	Nonmajor governmental funds			
	Special revenue fund	\$ 5,581,667		
	Debt service fund	10,380		5,592,047
	Governmental fund			
	Grant fund			11,079,845
	Enterprise funds			
	Off street parking	474,893		
	Building purchases & management	128,658		603,551
	Internal service funds			464,755
	Capital improvement fund	Governmental funds		
	Grant fund			2,140,134
				<u>\$ 19,880,332</u>

The amounts due to the General Fund and Capital Improvement Funds from other funds represent reclassified temporary negative cash balances pending grant reimbursements or other receivables. Current interfund balances arise in the normal course of operations and are expected to be repaid within the next fiscal year.

B. Transfers

At June 30, 2022, the City had the following transfers in/out which arise in the normal course of operations.

From Fund	To Fund	Purpose	Amount	
General Fund	Capital Improvement Fund	Capital project support	\$ 4,950,904	
		Playground Camp Fund for Berkeley	2,700,000	
	Non-Major Funds	Employee Training Fund	750,000	
		PERS Savings Fund	3,479,360	
		Health State Aid	1,953,018	
		Fair Elections Fund	505,002	
		Phone System Replacement	449,408	
		Internal Service Funds	Equipment Replacement	1,081,700
			Public Liability	3,895,888
			Catastrophic Insurance	3,129,120
			Information Technology Support	71,335
				<u>22,965,735</u>
	Grant Fund	General Fund	To cover revenue suffered in the General Fund due to the Covid-19 pandemic and to help balance the FY2022 General Fund Budget	22,969,355
			Nonmajor Funds	Gilman Sports Field Support
		Playground Camp Support	1,035,000	
Enterprise Funds		Clean Storm Water Fund	107,700	

		Marina Operations	1,400,000
		Off Street Parking	3,940,000
		Parking Meter Support	4,340,000
			<u>33,988,055</u>
Capital Improvement Fund	Non-Major Funds	First Source Fund	26,943
		Public Art Fund	40,414
		PERS Savings Fund	151,632
		Berkeley Repertory Theatre Fund	499,802
		Debt Service Payments	402,613
	Enterprise Fund	Clean Storm Water Fund	13,125
			<u>1,134,529</u>
Non-major Funds	General Fund	Health State Aid	2,643,280
	Nonmajor Funds	Gilman Field Reserve Fund for sports field user fees	175,000
		Catastrophic Insurance	69,262
		First Source Fund	14,093
		Public Art Fund	21,140
		Paramedic Fund	757,925
	Enterprise Funds	Clean Storm Water Fund	71,750
			<u>3,752,449</u>
Zero Waste Fund	Internal Service Funds	Catastrophic Insurance	110,870
Marina Operations Fund	Non-Major Funds	First Source Fund	1,875
		Public Art Fund	2,813
	Internal Service Funds	Catastrophic Insurance	16,890
			<u>21,578</u>
Sanitary Sewer Operation Fund	Enterprise Fund	Private Sewer Lateral	90,501
	Internal Service Funds	Catastrophic Insurance	102,522
			<u>193,023</u>
Clean Storm Water Fund	Internal Service Funds	Catastrophic Insurance	25,085
Permit Service Center Fund	Internal Service Funds	Catastrophic Insurance	55,637
Off Street Parking Fund	Internal Service Funds	Catastrophic Insurance	7,920
Parking Meter Fund	General Fund	Homeless program funded by parking meters	1,742,288
	Internal Service Funds	Catastrophic Insurance	8,650
			<u>1,750,938</u>
			<u>\$ 64,005,820</u>

C. Advances to/from

During 2017, the General Fund borrowed \$6,683,398 from the Workers Compensation Fund to fund the purchase of a building located at 1001, 1007, and 1011 University Avenue and 1925 Ninth Street. Repayment of the loan will be funded from a combination of the Business License Tax of five or more units and excess Property Transfer Tax. Interest on the loan is the State of California Local Agency Investment Fund rate of 0.68 percent. A principal repayment of \$946,163 on the loan balance of \$1,759,942 was made during FY 2022, leaving a principal balance outstanding of \$813,779 as of June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS

5. CAPITAL ASSETS

At June 30, 2022, the City's capital assets consisted of the following:

	Governmental Activities	Business-Type Activities	Total	Component Unit
Non-Depreciable Assets				
Land	\$ 25,142,014	\$ 2,979,050	\$ 28,121,064	\$ -
Construction in Progress	58,082,028	2,175,734	60,257,762	-
Total Non-Depreciable Assets	83,224,042	5,154,784	88,378,826	-
Depreciable Assets				
Buildings	197,115,330	93,469,516	290,584,846	-
Improvements Other than Buildings	34,804,036	17,837,445	52,641,481	-
Machinery and Equipment	82,744,052	10,404,879	93,148,931	595,666
Infrastructure	270,922,882	249,400,729	520,323,611	-
Right-to-use leased buildings*	746,332	-	746,332	910,329
Total Depreciable Assets	586,332,632	371,112,569	957,445,201	1,505,995
Less Accumulated Depreciation and Amortization for:				
Buildings	112,704,497	31,120,344	143,824,841	-
Improvements Other than Buildings	7,980,569	7,680,327	15,660,896	-
Machinery and Equipment	55,995,991	7,154,037	63,150,028	595,073
Infrastructure	150,243,361	82,383,064	232,626,425	-
Right-to-use leased buildings*	154,414	-	154,414	341,373
Total Accumulated Depreciation	327,078,832	128,337,772	455,416,604	936,446
Total Depreciable Assets, net	259,253,800	242,774,797	502,028,597	569,549
Total Capital Assets	\$ 342,477,842	\$ 247,929,581	\$ 590,407,423	\$ 569,549

*The City implemented GASB Statement No. 87 effective July 1, 2021. As a result, the beginning Balance include the right-to-use leased assets for those qualifying leases that were in place at the date.

A. Government Activities

The following is a summary of changes in the capital assets for the governmental activities during the fiscal year:

	Beginning Balance as Restated	Additions	Deletions	Ending Balance
Non-Depreciable Assets				
Land	\$ 25,142,014	\$ -	\$ -	\$ 25,142,014
Construction in Progress	31,203,236	26,878,792	-	58,082,028
Total Non-Depreciable Assets	56,345,250	26,878,792	-	83,224,042
Depreciable Assets				
Buildings	194,896,680	2,218,649	-	197,115,330
Improvements Other than Buildings	30,892,879	3,911,158	-	34,804,036
Machinery and Equipment	81,601,972	9,309,695	(8,167,615)	82,744,052
Infrastructure	258,655,498	12,267,384	-	270,922,882
Right-to-use leased buildings*	746,332	-	-	746,332
Total Depreciable Assets	566,793,361	27,706,886	(8,167,615)	586,332,632
Less Accumulated Depreciation and Amortization for:				
Buildings	106,990,249	5,714,248	-	112,704,497
Improvements Other than Buildings	6,927,100	1,053,469	-	7,980,569
Machinery and Equipment	58,142,055	5,585,181	(7,731,246)	55,995,991
Infrastructure	143,676,521	6,566,840	-	150,243,361
Right-to-use leased buildings*	-	154,414	-	154,414
Total Accumulated Depreciation	315,735,925	19,074,153	(7,731,246)	327,078,832
Total Depreciable Assets, net	251,057,436	8,632,733	(436,369)	259,253,800
Total Capital Assets	\$ 307,402,686	\$ 35,511,525	\$ (436,369)	\$ 342,477,842

* The City implemented GASB Statement No. 87 effective July 1, 2021. As a result, the beginning Balance include the right-to-use leased assets for those qualifying leases that were in place at the date.

Depreciation expense by program for capital assets for the fiscal year ended June 30, 2022 was as follows:

General Government	\$	860,154
Public Safety		1,100,874
Highways and Streets		6,647,219
Health and Welfare		254,545
Culture and Recreation		3,519,626
Community Development and Housing		2,261,609
Internal Service Funds		4,430,126
Total Depreciation Expense	<u>\$</u>	<u>19,074,153</u>

B. Business-Type Activities

The following is a summary of changes in the capital assets for business-type activities during the fiscal year:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Non-Depreciable Assets				
Land	\$ 2,979,050	\$ -	\$ -	\$ 2,979,050
Construction in Progress	-	2,175,734	-	2,175,734
Total Non-Depreciable Assets	<u>2,979,050</u>	<u>2,175,734</u>	<u>-</u>	<u>5,154,784</u>
Depreciable Assets				
Buildings	93,102,065	367,450	-	93,469,516
Improvements Other than Buildings	17,286,337	551,108	-	17,837,445
Machinery and Equipment	9,953,364	799,631	(348,114)	10,404,879
Infrastructure	238,492,066	10,908,663	-	249,400,729
Total Depreciable Assets	<u>358,833,833</u>	<u>12,626,853</u>	<u>(348,114)</u>	<u>371,112,569</u>
Less Accumulated Depreciation for:				
Buildings	28,218,042	2,902,302	-	31,120,344
Improvements Other than Buildings	7,071,991	608,336	-	7,680,327
Machinery and Equipment	6,708,166	769,042	(323,171)	7,154,037
Infrastructure	78,377,372	4,005,692	-	82,383,064
Total Accumulated Depreciation	<u>120,375,571</u>	<u>8,285,372</u>	<u>(323,171)</u>	<u>128,337,772</u>
Total Depreciable Assets, net	<u>238,458,262</u>	<u>4,341,481</u>	<u>(24,943)</u>	<u>242,774,797</u>
Total Capital Assets	<u>\$ 241,437,311</u>	<u>\$ 6,517,215</u>	<u>\$ (24,943)</u>	<u>\$ 247,929,581</u>

* The City implemented GASB Statement No. 87 effective July 1, 2021. As a result, the beginning Balance include the right-to-use leased assets for those qualifying leases that were in place at the date.

Depreciation expense by program for capital assets for the fiscal year ended June 30, 2022 was as follows:

Parking-Related	\$	2,120,170
Marina Operations and Maintenance		519,463
Sewer Services		3,427,043
Clean Storm Water		725,203
Refuse Services		440,739
Permit Service Center		160,572
Building Purchases		892,182
Total Depreciation Expense	<u>\$</u>	<u>8,285,373</u>

NOTES TO THE FINANCIAL STATEMENTS

C. Discretely Presented Component Unit

Capital asset activity for the Rent Stabilization Board for the fiscal year ended June 30, 2022 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Depreciable Assets				
Machinery and Equipment	\$ 595,666	\$ -	\$ -	\$ 595,666
Right-to-use leased building*	910,329			910,329
Total Depreciable Assets	1,505,995	-	-	1,505,995
Less Accumulated Depreciation and Amortization for:				
Machinery and Equipment	594,125	948	-	595,073
Right-to-use leased building*	-	341,373		341,373
Total Accumulated Depreciation	594,125	342,321	-	936,446
Total Capital Assets	\$ 911,870	\$ (342,321)	\$ -	\$ 569,549

*The City implemented GASB Statement No. 87 effective July 1, 2021. As a result, the beginning Balance include the right-to-use leased assets for those qualifying leases that were in place at the date.

6. LEASES**Leases Receivable**

For the year ended 6/30/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about the City's leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The City has 15 building lessor financing leases in which it is acting as Lessor. The total value of the lease receivable and deferred inflow of resource at June 30, 2022 were \$31,455,946 and \$31,193,043, respectively. The total of lease revenue recognized during FY 2022 was \$1,001,339. Following are the additional disclosures related to each of the leases:

Location	Months in Lease	Beg. Lease Receivable	Monthly Payment Amount	Interest Rate	Value of Lease Receivable	Deferred Inflow at 6/30/22	Lease Revenue Recognized in FY 2022	Number of Extension Options	Total Months of Extension Options
1. 1947 Center St.	114	\$ 1,239,996	\$ 10,881	1.60%	\$ 1,126,810	\$ 1,109,470	\$ 130,526	2	120
2. 2425 Channing Way	62	112,126	1,794	0.32%	90,888	90,552	21,574	1	60
3. 225 University Ave.	52	174,862	3,200	0.89%	136,971	134,509	40,353	1	24
4. 200 Marina Blvd.	714	25,898,678	70,904	2.58%	25,657,614	25,463,406	435,272	N/A	N/A
5. Bike Station Center Street Garage	175	649,985	4,113	1.99%	612,144	605,415	44,570	1	12
6. 2446 Durant Ave. Storage	42	14,164	325	0.89%	10,302	10,117	4,046	2	60
7. 2446 Durant Ave. Shop	41	69,000	1,617	0.73%	49,654	48,805	20,195	1	60
8. 1 Seawall Drive	294	527,786	1,691	2.48%	519,086	506,243	21,542	2	120
9. 2435 Channing Way	19	32,879	1,705	0.51%	12,271	12,113	20,766	1	60
10. 2444 Durant Ave.	48	103,132	2,186	0.89%	77,635	77,349	25,783	1	60
11. 2439 Channing Way	40	147,630	3,548	0.73%	105,152	103,341	44,289	1	60
12. 2425 Channing Way Suite B	101	260,885	2,343	0.73%	233,929	229,889	30,996	2	60
13. 2438 Durant Ave.	35	105,449	3,044	0.73%	69,504	69,295	36,154	1	60
14. 100 Seawall Drive	120	2,525,056	24,000	2.72%	2,482,720	2,482,972	42,084	2	60
15. 235 University Ave.	48	332,755	5,330	0.89%	271,266	249,567	83,189	1	60
Total Amount:					\$ 31,455,948	\$ 31,193,043	\$ 1,001,339		

Principal and Interest Expected to Maturity

Fiscal Year	Business-Type Activities		
	Principal Receipt	Interest Revenue	Future Minimum Rent
2023	\$ 891,590	\$ 774,117	\$ 1,665,707
2024	903,177	757,709	1,660,886
2025	850,555	741,059	1,591,614
2026	695,424	725,022	1,420,445
2027	685,302	709,467	1,394,769
2028 - 2032	3,340,132	3,302,123	6,642,255
2033 - 2037	1,590,660	3,005,713	4,596,373
2038 - 2042	1,625,354	2,804,319	4,429,672
2043 - 2047	1,812,512	2,580,749	4,393,262
2048 - 2052	1,910,896	2,343,344	4,254,240
2053 - 2057	2,174,064	2,080,176	4,254,240
2058 - 2062	2,473,475	1,780,764	4,254,240
2063 - 2067	2,814,122	1,440,117	4,254,240
2068 - 2072	3,201,683	1,052,557	4,254,240
2073 - 2077	3,642,618	611,621	4,254,240
2078 - 2082	2,844,383	133,584	2,977,968
Total	\$ 31,455,948	\$ 24,842,444	\$ 56,298,392

Leases Payable

For the year ended 6/30/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 07/01/2021, the city has a remaining 58 month lease as Lessee for the use of 1521 And 1523 University Avenue. An initial lease liability was recorded in the amount of \$746,332.42. As of 06/30/2022, the value of the lease liability is \$600,387.00. City Of Berkeley is required to make monthly fixed payments of \$12,664.45. The lease has an interest rate of 1.0586%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$746,332.42 with accumulated amortization of \$154,413.61 is included with Buildings on the Lease Class activities table found below. City Of Berkeley has 2 extension option(s), each for 60 months.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end	
	Lease Asset Value	Accumulated Amortization
Buildings	\$ 746,332	\$ 154,414
Total Leases	746,332	154,414

NOTES TO THE FINANCIAL STATEMENTS

Principal and Interest Requirements to Maturity

Fiscal Year	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2023	\$ 149,898	\$ 5,632	\$ 155,530
2024	154,618	4,022	158,640
2025	159,451	2,362	161,813
2026	136,421	663	137,084
Total	\$ 600,387	\$ 12,680	\$ 613,067

7. TAX REVENUE ANTICIPATION NOTES PAYABLE

On July 26, 2021, the City issued \$44,660,000 of Tax Revenue Anticipation Notes (Notes) in order to alleviate the strain on working capital prior to the receipt of property tax revenues in December. The Notes were issued with a coupon rate of 1.00 percent and a yield of 0.065 percent and are recorded in the General Fund. Interest and principal on these Notes are payable on July 25, 2022 by the General Fund. The City has maintained a MIG-1 rating on this short-term issue.

	Beginning Balance	Additions	Deletions	Ending Balance
Tax Revenue Anticipation Notes Payable	\$ 42,405,000	\$ 44,660,000	\$ (42,405,000)	\$ 44,660,000

A. Pledged Revenues

Tax Revenue Anticipation Notes are secured by the City's General Fund tax revenues received in FY 2022. The City pledges to reserve an amount equal to:

- i. 50 percent of the principal amount of the Notes in January 2022;
- ii. an amount equal to 50 percent of the principal amount of the Notes in the month of May 2022; and
- iii. an amount sufficient to pay interest as due on the Notes at their maturity, in the month of June 2022

The City had pledged and assigned approximately \$44,660,000 plus interest of \$445,359 or 19.1 percent of the City's rights to the General Fund FY 2022 annual revenues.

8. LONG-TERM LIABILITIES

A. Governmental Activities

The following is a summary of long-term liabilities including premiums for the fiscal year ended June 30, 2022:

Governmental Activities	Beginning Balance	Additions	Deletions	Bond Discount/ (Premium)	Ending Balance	Due Within One Year
Bonds Payable:						
General Obligation Bonds:						
Measure M - Street and Integrated Watershed						
Series 2014	13,368,196	-	(350,000)	(14,580)	13,003,616	370,000
Series 2016	14,453,030	-	(305,000)	(22,467)	14,125,563	320,000
Measure T1 - Infrastructure and Facilities						
Series 2017	31,912,521	-	(695,000)	(28,185)	31,189,336	730,000
Series 2021	47,810,990	-	-	(107,426)	47,703,564	1,500,000
Measure O Affordable Housing						
Series 2020	38,252,480	-	(715,000)	(37,628)	37,499,852	740,000
Series 2022		41,266,279			41,266,279	
2015 General Obligation Refunding Bonds	26,163,222	-	(2,160,000)	(188,859)	23,814,363	2,270,000
2020 General Obligation Refunding Bonds						
Series A 2020	8,149,695	-	(250,000)	(38,791)	7,860,904	265,000
Series B 2020	12,561,119	-	(380,000)	(79,878)	12,101,241	395,000
Revenue Bonds:						
2012 Lease Revenue Bonds	3,796,143	-	(337,275)	(36,132)	3,422,736	352,499
2021 Lease Revenue Refunding Bonds	4,649,757	-	-	(36,973)	4,612,784	-
Total Bonds Payable	<u>201,117,153</u>	<u>41,266,279</u>	<u>(5,192,275)</u>	<u>(590,919)</u>	<u>236,600,238</u>	<u>6,942,499</u>
Certificates of Participation:						
Loans Payable:						
HUD 108 - Adeline	58,000	-	(26,000)	-	32,000	32,000
HUD 108 - UNA	586,000	-	(2,000)	-	584,000	2,000
HUD 108 - Ed Roberts Campus California Energy Resources Conservation	4,255,000	-	(400,000)	-	3,855,000	425,000
1,302,413	-	(358,318)	-	944,095	361,910	
Total Loans Payable	<u>6,201,413</u>	<u>-</u>	<u>(786,318)</u>	<u>-</u>	<u>5,415,095</u>	<u>820,910</u>
Fire Equipment Notes						
2016 Fire Engine and Trucks	629,829	-	(417,855)	-	211,974	211,973
2020 Fire Engine and Tiller	3,934,438	-	(687,596)	-	3,246,842	699,681
Total Fire Equipment Notes	<u>4,564,267</u>	<u>-</u>	<u>(1,105,451)</u>	<u>-</u>	<u>3,458,816</u>	<u>911,654</u>
Lease Payable						
1521 & 1523 University Ave.	746,332	-	(145,945)	-	600,387	149,898
Total Lease Payable	<u>746,332</u>	<u>-</u>	<u>(145,945)</u>	<u>-</u>	<u>600,387</u>	<u>149,898</u>
Other Long-Term Obligations						
Accrued Vacation and Sick Leave	16,635,575	31,909,585	(30,234,885)	-	18,310,275	1,389,144
Accrued Workers' Compensation Claims and Judgements	36,538,000	5,902,503	(5,329,503)	-	37,111,000	8,406,000
Accrued Public Liability Claims and Judgements	4,923,541	1,890,478	(729,800)	-	6,084,219	6,084,219
Total Other Long-Term Obligations	<u>58,097,116</u>	<u>39,702,566</u>	<u>(36,294,188)</u>	<u>-</u>	<u>61,505,494</u>	<u>15,879,363</u>
Net Pension Liability:						
CalPERS Miscellaneous Plan	233,160,399	71,988,998	(161,855,515)	-	143,293,882	-
CalPERS Fire Plan	82,974,398	25,703,030	(57,648,357)	-	51,029,071	-
CalPERS Police Plan	169,327,368	43,569,726	(81,894,493)	-	131,002,601	-
Police Retirement Income Benefit	75,897,453	2,158,312	(17,871,358)	-	60,184,407	-
Safety Member Pension Fund	1,548,284	139,505	(552,980)	-	1,134,809	-
Total Net Pension Liability	<u>562,907,904</u>	<u>143,559,571</u>	<u>(319,822,703)</u>	<u>-</u>	<u>386,644,770</u>	<u>-</u>
Net OPEB Liability:						
Miscellaneous Employees Retiree Health Plan	31,973,670	5,225,205	(13,979,763)	-	23,219,112	-
Fire Retiree Premium Assistance Plan	23,873,248	3,766,215	(9,131,853)	-	18,507,610	-
Police Retiree Premium Assistance Plan	49,355,501	5,101,825	(22,027,712)	-	32,429,614	-
Total Net OPEB Liability	<u>105,202,419</u>	<u>14,093,245</u>	<u>(45,139,328)</u>	<u>-</u>	<u>74,156,336</u>	<u>-</u>
Total Governmental Activities	<u>\$ 938,836,602</u>	<u>\$ 238,621,661</u>	<u>\$ (408,486,208)</u>	<u>\$ (590,919)</u>	<u>\$ 768,381,136</u>	<u>\$ 24,704,324</u>

NOTES TO THE FINANCIAL STATEMENTS

Measure M - Street and Integrated Watershed Improvements Bonds, Series 2014

On November 6, 2012, the residents of the City duly approved, by at least a two-thirds vote, Measure M which authorized the City to issue \$30,000,000 in General Obligation Bonds to provide funds to improvements to streets, with integrated watershed improvements within the City.

On November 19, 2013, the City issued the first series of bonds for \$15,000,000. The interest rates on the bonds range from 3.00 percent to 5.00 percent. Interest is payable semi-annually on March 1 and September 1, and the principal is payable annually on September 1. The General Obligation bonds mature on September 1, 2043. This bond has a rating of Aa2 from Moody's and AA+ from S&P.

The annual debt service requirements on the Measure M – Street and Integrated Watershed Improvements Bonds, Series 2014 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 370,000	\$ 526,000	\$ 894,000
2024	385,000	507,125	896,000
2025	405,000	491,425	892,125
2026	420,000	478,788	896,425
2027	430,000	465,238	898,788
2028-2032	2,410,000	2,057,650	4,470,638
2033-2037	2,945,000	1,512,566	4,458,572
2038-2042	3,635,000	800,503	4,442,697
2043-2044	1,695,000	77,063	2,656,113
Subtotal	12,695,000	\$ 6,916,358	\$ 20,505,358
Bond Premium	308,616		
Total	\$ 13,003,616		

Measure M - Street and Integrated Watershed Improvements Bonds, Series 2016

On November 6, 2012, the residents of the City duly approved, by at least a two-thirds vote, Measure M which authorized the City to issue \$30,000,000 in General Obligation Bonds to provide funds to improvements to streets, with integrated watershed improvements within the City.

On May 31, 2016, the City issued the second series of bonds for \$15,000,000. The interest rates on the bonds range from 2.00 percent to 5.00 percent. Interest is payable semi-annually on March 1 and September 1, and the principal is payable annually on September 1. The General Obligation bonds mature on September 1, 2046. This bond has a rating of Aa2 from Moody's and AA+ from S&P.

The annual debt service requirements on the Measure M – Street and Integrated Watershed Improvements Bonds, Series 2016 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 320,000	\$ 420,113	\$ 740,113
2024	335,000	403,738	738,738
2025	350,000	386,613	736,613
2026	370,000	370,463	740,463
2027	385,000	355,363	740,363
2028-2032	2,235,000	1,543,738	3,778,738
2033-2037	2,665,000	1,186,738	3,851,738
2038-2042	3,165,000	797,531	3,962,531
2043-2047	3,825,000	295,875	4,120,875
Subtotal	13,650,000	\$ 5,760,172	\$ 19,410,172
Bond Premium	475,563		
Total	\$ 14,125,563		

Measure T1 – Infrastructure and Facilities, Series 2017

On October 17, 2017, the City of Berkeley issued the first series of bonds for \$35,000,000 from an aggregate authorized amount of not to exceed \$100,000,000 of General Obligation Bonds duly approved by at least two-thirds of the voters voting on Measure T1 at an election held on November 8, 2016, to provide funds to finance the repair, renovation, replacement, or reconstruction of existing City infrastructure and facilities, including sidewalks, storm drains, parks, streets, senior and recreation centers, and other important City facilities and buildings. The interest rates on the bonds range from 2.125 percent to 5.000 percent, with an average yield of 2.66 percent. Interest is payable semi-annually on March 1 and September 1, and the principal is payable annually on September 1. The General Obligation bonds mature on September 1, 2047.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 730,000	\$ 1,000,556	\$ 1,731,181
2024	765,000	963,181	1,730,556
2025	805,000	923,931	1,728,181
2026	845,000	882,681	1,728,931
2027	885,000	843,856	1,727,681
2028-2032	4,890,000	3,778,206	8,665,606
2033-2037	5,635,000	3,017,456	8,654,031
2038-2042	6,555,000	2,082,081	8,640,613
2043-2047	7,680,000	934,309	8,621,031
2048	1,690,000	28,519	3,438,147
Subtotal	30,480,000	\$ 14,454,776	\$ 46,665,958
Bond Premium	709,336		
Total	\$ 31,189,336		

Measure T1 – Infrastructure and Facilities, Series 2021

On May 25, 2021, the City of Berkeley issued the second series of bonds for \$45,000,000 from an aggregate authorized amount of not to exceed \$100,000,000 of General Obligation Bonds duly approved by at least two-thirds of the voters voting on Measure T1 at an election held on November 8, 2016, to provide funds to finance the repair, renovation, replacement, or reconstruction of existing City infrastructure and facilities, including sidewalks, storm drains, parks, streets, senior and recreation centers, and other important City facilities and buildings. The interest rates on the bonds range from 2.125 percent to 5.000 percent, with an average yield of 2.03 percent. Interest is payable semi-annually on March 1 and September 1, and the principal is payable annually on September 1. The General Obligation bonds mature on September 1, 2051.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,500,000	\$ 1,258,325	\$ 2,758,325
2024	1,750,000	1,177,075	2,927,075
2025	920,000	1,110,325	2,030,325
2026	965,000	1,063,200	2,028,200
2027	1,010,000	1,013,825	2,023,825
2028-2032	5,860,000	4,268,875	10,128,875
2033-2037	6,985,000	3,184,000	10,169,000
2038-2042	7,800,000	2,381,125	10,181,125
2043-2047	8,615,000	1,550,556	10,165,556
2048-2052	9,595,000	549,281	10,144,281
Subtotal	45,000,000	\$ 17,556,587	\$ 62,556,587
Bond Premium	2,703,564		
Total	\$ 47,703,564		

NOTES TO THE FINANCIAL STATEMENTS

Measure O – Affordable Housing, Series 2020

On November 6, 2018, more than two-thirds of the residents of Berkeley voted for and approved Ballot Measure O, authorizing \$135,000,000 of General Obligation Bonds to create and preserve affordable housing for low-income households, working families, and individuals including teachers, seniors, veterans, the homeless, and persons with disabilities.

On February 25, 2020, the City Council authorized the issuance of the initial series of Measure O bonds in the amount of \$38,000,000. The interest rates on the bonds range from 2.125 percent to 5.000 percent. Interest and principal are payable annually on September 1.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 740,000	\$ 1,265,540	\$ 2,005,540
2024	770,000	1,237,265	2,007,265
2025	800,000	1,209,790	2,009,790
2026	825,000	1,181,353	2,006,353
2027	855,000	1,151,953	2,006,953
2028-2032	4,745,000	5,282,406	10,027,406
2033-2037	5,600,000	4,420,663	10,020,663
2038-2042	6,665,000	3,321,231	9,986,231
2043-2047	7,995,000	1,974,975	9,969,975
2048-2051	7,445,000	516,715	7,961,715
Subtotal	36,440,000	\$ 21,561,891	\$ 58,001,891
Bond Premium	1,059,852		
Total	\$ 37,499,852		

Measure O – Affordable Housing, Series 2022

On November 6, 2018, more than two-thirds of the residents of Berkeley voted for and approved Ballot Measure O, authorizing \$135,000,000 of General Obligation Bonds to create and preserve affordable housing for low-income households, working families, and individuals including teachers, seniors, veterans, the homeless, and persons with disabilities.

On April 26, 2022, the City Council authorized the issuance of the second series of Measure O bonds, series 2022 in the amount of \$40,000,000. The interest rates on the bonds range from 5.0 percent to 6.000 percent. Interest and principal are payable annually on September 1.

Year Ending June 30,	Principal	Interest	Total
2023	\$ -	\$ 560,733	\$ 560,733
2024	805,000	2,081,070	2,886,070
2025	580,000	2,032,770	2,612,770
2026	615,000	1,997,970	2,612,970
2027	650,000	1,961,070	2,611,070
2028-2032	3,875,000	9,179,350	13,054,350
2033-2037	5,135,000	7,912,875	13,047,875
2038-2042	6,645,000	6,411,728	13,056,728
2043-2047	8,440,000	4,617,955	13,057,955
2048-2052	10,770,000	2,289,250	13,059,250
2053	2,485,000	124,250	2,609,250
Subtotal	40,000,000	\$ 39,169,021	\$ 79,169,021
Bond Premium	1,266,279		
Total	\$ 41,266,279		

2015 General Obligation Refunding Bonds

On July 15, 2015, the City of Berkeley issued \$36,680,000 of General Obligation Refunding Bonds and paid \$6,275,000 of cash on hand to current refund the 2002, 2007A, and 2007B General Obligation Bonds and advance refund the 2008 General Obligation Bonds with interest rates ranging from 3.00 percent to 5.50 percent and a combined par value of \$44,940,000.

The 2002 General Obligation Bonds were issued to finance facilities to increase the level of fire protection in the City, including the construction of a jointly funded, multi-jurisdictional fire station, the seismic retrofitting of City buildings which house public safety personnel and equipment, the replacement of water mains and the seismic retrofitting of other City buildings.

The 2007A and 2007B General Obligation Bonds were issued to refund the 1992 Series C Bonds and the 1996 Series A, Series B, and Series C Bonds respectively. Those bonds were issued to acquire property, expand and retrofit the Main Library, internally retrofit (as the most cost-effective means to achieve earthquake safety) and improve the Martin Luther King, Jr. Civic Center building, and revitalize the downtown/ Civic Center area.

The 2008 General Obligation Bonds were issued to finance a new Animal Shelter to replace the existing shelter in the City and to pay for costs of issuing the bonds.

A portion of the net proceeds from the issuance of the 2015 Refunding Bonds were used to purchase U.S. government securities. A portion of those securities (\$6,534,205) was deposited in an irrevocable trust with an escrow agent to provide debt service payments until the 2008 Bonds were called on September 1, 2016. The remaining amount (\$33,903,767), combined with cash on hand, was deposited in an irrevocable trust with an escrow agent to redeem the refunded bonds on September 26, 2015 (2002 Bonds) and September 1, 2015 (2007 Series A & B Bonds).

The advance and current refunding met the requirements of an in-substance defeasance and the term bonds were removed from the City's government-wide financial statements.

As a result of the advance and current refunding, the City of Berkeley reduced its total debt service requirements by \$7,137,075, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$3,808,919.

Interest is payable semi-annually on March 1 and September 1, and the principal is payable annually on September 1. The General Obligation bonds mature on September 1, 2037. This bond has a rating of Aa2 from Moody's and AA+ from S&P.

The 2015 Refunding Bonds were issued at a premium of \$4,144,029 and, after paying issuance costs of \$245,094 and underwriter's discount of \$140,961, the net proceeds were \$40,437,973. The net carrying amount of the old debt exceeded the reacquisition price by \$1.1 million. This amount is being amortized over the remaining life of the old debt.

The annual debt service requirements on the 2015 General Obligation Refunding Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 2,270,000	\$ 779,838	\$ 3,049,838
2024	2,380,000	663,588	3,043,588
2025	2,495,000	541,713	3,036,713
2026	2,625,000	413,713	3,038,713
2027	2,760,000	306,688	3,066,688
2028-2032	6,300,000	651,250	6,951,250
2033-2037	1,735,000	227,497	1,962,497
2038	385,000	6,978	391,978
Subtotal	20,950,000	\$ 3,591,265	\$ 24,541,265
Bond Premium	2,864,363		
Total	\$ 23,814,363		

NOTES TO THE FINANCIAL STATEMENTS

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General Obligation Bonds have been issued for governmental activities. General Obligation Bonds are direct obligations and pledge the full faith and credit of the City. These bonds generally are issued as 25-30 year serial bonds with amounts of principal maturing each year. General Obligation Bonds currently outstanding are as follows:

Measure FF - Series A 2020 General Obligation Refunding Bonds

On November 4, 2008, the residents of the City duly approved, by at least a two-thirds vote, Measure FF which authorized the City to issue \$26,000,000 in General Obligation Bonds to provide funds to finance renovations, construction, seismic and access improvements, and expansion of program areas at four neighborhood branch libraries in the City.

On April 14, 2009, the City issued the first series of bonds for \$10,000,000. The interest rates on the bonds range from 1.25 percent to 5.30 percent. Interest is payable semi-annually on March 1 and September 1.

On April 16, 2020, the City issued \$7,790,000 City of Berkeley 2020 Refunding Bonds, Series A to refund the 2009 Bonds. The refunding generated net present value savings (including all transaction costs) equal to 24.27% of the outstanding principal amount of the 2009 Bonds for the benefit of property taxpayers in the City.

A portion of the net proceeds \$8,407,689 from the issuance of Refunding Bonds were deposited in an irrevocable trust with an escrow agent to provide debt service payments, principal amount \$8,330,000 and interest, until all the 2009 Bonds were called on September 1, 2020.

As a result of the advance refunding, the City of Berkeley reduced its total debt service requirements by \$2,570,813 over the next 20 years, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,021,831, and deferred gain of \$200,674.

The annual debt service requirements on the Measure FF Series A 2020 General Obligation Refunding Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 265,000	\$ 272,075	\$ 537,075
2024	275,000	258,575	533,575
2025	285,000	244,575	529,575
2026	300,000	229,950	529,950
2027	315,000	214,575	529,575
2028-2032	1,865,000	811,925	2,676,925
2033-2037	2,315,000	409,250	2,724,250
2038-2040	1,575,000	71,775	1,646,775
Subtotal	7,195,000	\$ 2,512,700	\$ 9,707,700
Bond Premium	665,904		
Total	\$ 7,860,904		

Measure FF - Series B 2020 General Obligation Refunding Bonds

On November 4, 2008, the residents of the City duly approved, by at least a two-thirds vote, Measure FF which authorized the City to issue \$26,000,000 in General Obligation Bonds to provide funds to finance renovations, construction, seismic and access improvements, and expansion of program areas at four neighborhood branch libraries in the City.

On August 3, 2010, the City issued the second series of bonds for \$16,000,000. The interest rates on the bonds range from 3.00 percent to 5.00 percent. Interest is payable semi-annually on March 1 and September 1, and principal is payable annually on September 1.

On June 3, 2020, the City issued \$11,690,000 of City of Berkeley 2020 Refunding General Obligation Bonds, Series B 2020 to refund the 2010 Bonds. The refunding generated net present value savings (including all

transaction costs) equal to 17.31% of the outstanding principal amount of the 2010 Bonds for the benefit of property taxpayers in the City.

A portion of the net proceeds \$13,115,253 from the issuance of Refunding Bonds were deposited in an irrevocable trust with an escrow agent to provide debt service payments, principal amount \$12,855,000 and interest, until all the 2010 Bonds were called on September 1, 2020.

As a result of the advance refunding, the City of Berkeley reduced its total debt service requirements by \$2,680,608 over the next 20 years, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,225,136.

The annual debt service requirements on the Measure FF – Series B 2020 General Obligation Refunding Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 395,000	\$ 409,313	\$ 804,313
2024	415,000	389,063	804,063
2025	435,000	367,813	802,813
2026	455,000	345,563	800,563
2027	485,000	322,063	807,063
2028-2032	2,790,000	1,217,763	4,007,763
2033-2037	3,440,000	587,806	4,027,806
2038-2040	2,315,000	103,650	2,418,650
Subtotal	10,730,000	\$ 3,743,034	\$ 14,473,034
Bond Premium	1,371,241		
Total	\$ 12,101,241		

Revenue Bonds

The City also issues bonds where the City pledges income derived from the acquired or constructed assets or tax increment or the General Fund to pay debt service.

Revenue bond debt service requirements to maturity for the Pension Refunding Bonds and Berkeley Repertory Theatre are as follows:

2012 Lease Revenue Bonds

On October 24, 2012, the Berkeley Joint Powers Financing Authority (BJPFA) issued \$5,693,851 of Refunding Lease Revenue Bonds, to refund the 1999 BJPFA Lease Revenue Bonds, with interest rates ranging from 2.00 percent to 5.00 percent and to current refund prior Lease Revenue Bonds with interest rates ranging from 5.20 percent to 5.70 percent and a par value of \$6,770,000.

The 1999 Lease Revenue Bonds were issued to acquire a new theatre facility and a 6.4 acre park and park facilities.

The current Refunding Lease Revenue Bonds were issued at a premium of \$542,791 and, after paying issuance costs of \$58,095 and underwriter's discount of \$18,247, the net proceeds were \$6,160,299. The net proceeds from the issuance of the Refunding Lease Revenue Bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the bonds were called on November 9, 2012.

The current refunding met the requirements of an in-substance defeasance and the term bonds were removed from the City's government-wide financial statements.

As a result of the current refunding, Berkeley Joint Powers Financing Authority reduced its total debt service requirements by \$1,661,350, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,214,306.

NOTES TO THE FINANCIAL STATEMENTS

The annual debt service requirements on the 2012 Lease Revenue Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 352,499	\$ 146,881	\$ 499,380
2024	366,552	130,668	497,220
2025	386,461	111,842	498,303
2026	405,198	92,051	497,249
2027	427,449	71,235	498,684
2028-2030	1,222,621	110,465	1,333,086
Subtotal	3,160,780	\$ 663,142	\$ 3,823,922
Bond Premium	261,956		
Total	\$ 3,422,736		

2021 Refunding Lease Revenue Bonds - 2010 Animal Shelter Financing

On June 2, 2021, the Berkeley Joint Powers Financing Authority (BJPFA) issued \$3,975,000 of Refunding Lease Revenue Bonds to refund the principal remaining on the 2010 Certificates of Participation-Animal Shelter. The 2010 COPs were issued to provide funds to the City to finance a portion of the acquisition and construction of an animal shelter.

The 2021 Refunding Lease Revenue Bonds were issued with interest rates ranging from 2.00 percent to 5.00 percent and to current refund prior 2010 COPs-Animal Shelter financing in the amount of \$4,868,506.

The current Refunding Lease Revenue Bonds were issued at a premium of \$674,757 and, after receiving a transfer of \$414,595 from the prior issue's debt service reserve, paying issuance costs of \$164,114 and underwriter's discount of \$31,732, the net proceeds were \$4,868,506. The net proceeds from the issuance of the Refunding Lease Revenue Bonds were held by the 2010 Trustee and deposited in the Escrow Funds as cash. These funds will be sufficient to defease the outstanding 2010 Certificates as of the date of issuance of the Bonds and prepay the 2010 Certificates in full on the prepayment date.

The current refunding met the requirements of an in-substance defeasance and the term bonds were removed from the City's government-wide financial statements.

As a result of the current refunding, Berkeley Joint Powers Financing Authority reduced its total debt service requirements by \$2,147,997, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,733,350.

The annual debt service requirements on the 2021 Refunding Lease Revenue Bonds - Animal Shelter are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ -	\$ 138,200	\$ 138,200
2024	-	138,200	138,200
2025	-	138,200	138,200
2026	-	138,200	138,200
2027	-	138,200	138,200
2028-2032	1,065,000	593,375	1,658,375
2033-2037	1,740,000	247,925	1,987,925
2038-2040	1,170,000	35,500	1,205,500
Subtotal	\$ 3,975,000	\$ 1,567,800	\$ 5,542,800
Bond Premium	637,784		
Total	\$ 4,612,784		

Loans Payable

HUD 108 – Adeline Street

On August 7, 2003, the City of Berkeley borrowed \$500,000 from the U.S. Housing and Urban Development (HUD) Section 108 Loan Guarantee Program to bridge a funding gap that resulted from a 30 percent increase in construction costs of 3222 Adeline Street Apartments and anticipated increases for monthly utility costs. The apartments consist of a 19-unit mixed-use project for persons with disabilities and their families. Though the City, as the grantee, is required to make the loan payments, the funds for the repayment are the obligation and responsibility of the project developer as with any conventional loan a developer may secure. The HUD 108 Loan is secured by a first or second lien on the property and by a pledge of an income stream, such as monthly rents. The interest rate is 4.25 percent, and interest is payable semiannually on February 1 and August 1 of each year. This loan will mature on August 1, 2022.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 32,000	\$ 902	\$ 32,902
Total	<u>\$ 32,000</u>	<u>\$ 902</u>	<u>\$ 32,902</u>

HUD 108 – University Avenue Neighborhood Apartments (UNA)

As of June 30, 2012, the City of Berkeley made a total drawdown of \$604,000 of the \$705,000 loan commitment from the U.S. Housing and Urban Development (HUD) Section 108 Loan Guarantee Program. The purpose of this loan is to help finance the costs associated with the development of certain real property located at 1719 and 1725 University Avenue, Berkeley, California. The interest is payable semiannually on February 1 and August 1 of each year. This loan will mature on August 1, 2024.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 2,000	\$ 17,253	\$ 19,253
2024	2,000	17,197	19,197
2025	580,000	8,584	588,584
Total	<u>\$ 584,000</u>	<u>\$ 43,034</u>	<u>\$ 627,034</u>

HUD 108- Ed Roberts Campus

In August 2009, the City of Berkeley accepted a \$6,000,000 loan from the U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee Program and executed a loan agreement with The Ed Roberts Campus, Inc. to construct a public facility that will operate primarily as a one-stop service center for people with disabilities. The interest rate is 3.40 percent, and interest is payable semiannually on February 1 and August 1 of each year. This loan will mature on August 1, 2029.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 425,000	\$ 110,456	\$ 535,456
2024	450,000	98,950	548,950
2025	475,000	85,881	560,881
2026	500,000	71,738	571,738
2027	510,000	56,458	566,458
2028-2030	1,495,000	72,686	1,567,686
Total	<u>\$ 3,855,000</u>	<u>\$ 496,169</u>	<u>\$ 4,351,169</u>

NOTES TO THE FINANCIAL STATEMENTS

California Energy Resources Conservation and Development

In February 2014, the City of Berkeley accepted a \$3,000,000 loan from the California Energy Resources Conservation and Development Commission (the Energy Commission) with loan number 005-13-ECD. This loan is made to the City for an energy savings project, which consists of retrofitting 7,975 street lights with LED technology. It is estimated that the City will have an annual energy cost savings of \$387,021 after implementation. This loan consists of a 1.00 percent interest rate, with interest payable semiannually on December 22 and June 22 of each year. This loan will mature on June 22, 2025.

Year Ending June 30,	Principal	Interest	Total
2023	\$ 361,910	\$ 8,541	\$ 370,451
2024	365,527	4,924	370,451
2025	216,658	1,248	370,451
Total	<u>\$ 944,095</u>	<u>\$ 14,713</u>	<u>\$ 1,111,353</u>

Fire Equipment Notes

The City entered into a finance purchase agreement in FY 2015-16 for financing the acquisition of fire equipment. The assets acquired through this include three engines and one hazmat response vehicle which are allocated among four fire stations. The acquisition amount for the equipment described in this schedule to be paid to the vendor is \$2,789,241 (excluding sales tax of \$135,829 to be payable to the State Board of Equalization) and the contract rate is 1.94 percent.

The assets acquired through the agreement were as follows on the following page:

Year Ended June 30, 2022	Governmental Activities
Assets:	
Fire Engine	\$ 756,628
Fire Engine	756,628
Fire Engine	756,628
Hazardous Material Arrow XT	784,334
Less: Accumulated Depreciation	(2,363,383)
Total	<u>\$ 690,835</u>

The remaining payments as of June 30, 2022, were as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 211,974	\$ 2,056	\$ 214,030
Total	<u>\$ 211,974</u>	<u>\$ 2,056</u>	<u>\$ 214,030</u>

The City entered into a finance purchase agreement in FY 2019-20 for financing the acquisition of fire equipment. The assets acquired through this include four engines and one tiller which are allocated among four fire stations. The acquisition amount for the equipment described in this schedule to be paid to the vendor is \$4,943,578 (excluding sales tax of \$457,280 to be payable to the State Board of Equalization) and the contract rate is 1.75 percent.

The assets acquired through the agreement were as follows on the following page:

Year Ended June 30, 2022	Governmental Activities
Assets:	
Fire Engine Quantum 1500 GPM Pump	\$ 945,082
Fire Engine Quantum 1500 GPM Pump	945,082
Fire Engine Quantum 1500 GPM Pump	945,082
Fire Engine Quantum 1500 GPM Pump	945,082
Tiller 107' Quantum	1,620,574
Less: Accumulated Depreciation	(1,044,159)
Total	<u>\$ 4,356,744</u>

The remaining payments as of June 30, 2022, were as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 699,681	\$ 53,772	\$ 753,453
2024	711,979	41,474	753,453
2025	724,493	28,960	753,453
2026	737,227	16,226	753,453
2027	373,462	3,268	376,730
Total	<u>\$ 3,246,842</u>	<u>\$ 143,700</u>	<u>\$ 3,390,542</u>

Lease Payable

1521 and 1523 University Avenue

As of 07/01/2021, the city has a remaining 58 month lease as Lessee for the use of 1521 and 1523 University Avenue. An initial lease liability was recorded in the amount of \$746,332. As of 06/30/2022, the value of the lease liability is \$600,387. City of Berkeley is required to make monthly fixed payments of \$12,664. The lease has an interest rate of 1.0586%. The Buildings estimated useful life was 360 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$746,332 with accumulated amortization of \$154,414 is included with Buildings on the Lease Class activities table found below. City Of Berkeley has 2 extension option(s), each for 60 months.

The annual lease payable requirements on 1521 and 1523 University Avenue are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 149,898	\$ 5,632	\$ 155,530
2024	154,618	4,022	158,640
2025	159,451	2,362	161,813
2026	136,421	663	137,084
Subtotal	<u>\$ 600,387</u>	<u>\$ 12,680</u>	<u>\$ 613,067</u>

NOTES TO THE FINANCIAL STATEMENTS

Business-Type Activities

The following is a summary of long-term liabilities including premiums for the fiscal year ended June 30, 2022:

	Beginning Balance	Additions	Deletions	Bond Discount (Premium)	Ending Balance	Due Within One Year
Business-Type Activities						
Bonds Payable:						
2012 Refunding Lease Revenue Bond	\$ 15,624,402	\$ -	\$ (1,102,725)	\$ (115,112)	\$ 14,406,565	\$ 1,152,501
Parking Revenue Bonds, Series 2016	33,997,246	-	(805,000)	(62,899)	33,129,347	840,000
Total Bonds Payable	49,621,648	-	(1,907,725)	(178,011)	47,535,912	1,992,502
Notes Payable						
Harbor Construction 5	6,260,832	-	(197,546)		6,063,283	206,639
Total Loans Payable	6,260,832	-	(197,546)		6,063,283	206,639
Other Long-Term Obligations						
Accrued Vacation and Sick Leave	3,929,142	7,518,506	(6,992,410)		4,455,238	713,201
Landfill Liabilities	510,050	77,359	-		587,409	290,049
Total Other Long-Term Obligations	4,439,192	7,595,865	(6,992,410)		5,042,647	1,003,250
Net Pension Liability - CalPERS						
Miscellaneous Plan	87,053,778	25,014,719	(56,242,806)		55,825,691	-
Net OPEB Liability - Miscellaneous						
Employees Retiree Health Plan	9,456,022	2,010,422	(5,378,770)		6,087,674	-
Total Business-Type Activities	\$ 156,831,471	\$ 34,621,006	\$ (70,719,257)	\$ (178,011)	\$ 120,555,207	\$ 3,202,391

Revenue Bonds**2012 Lease Revenue Bonds**

On October 24, 2012, the BJPFA issued \$21,566,149 of Refunding Lease Revenue Bonds with interest rates ranging from 2.00 percent to 5.00 percent to current refund prior Certificates of Participation with interest rates ranging from 3.625 percent to 5.00 percent and a par value of \$24,665,000.

The prior Certificates of Participation were issued on behalf of the City to purchase and renovate the building at 1947 Center Street.

The current Refunding Lease Revenue Bonds were issued at a premium of \$2,055,885 and, after paying issuance costs of \$220,043 and underwriter's discount of \$69,114, the net proceeds were \$23,332,876. The net proceeds from the issuance of the Refunding Lease Revenue Bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the bonds were called on November 9, 2012.

The current refunding met the requirements of an in-substance defeasance and the term bonds were removed from the City's government-wide financial statements.

As a result of the current refunding, BJPFA reduced its total debt service requirements by \$6,627,294, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$4,818,892.

The annual debt service requirements on the 2012 Lease Revenue Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,152,501	\$ 480,231	\$ 1,632,732
2024	1,198,448	427,220	1,625,668
2025	1,263,539	365,670	1,629,209
2026	1,324,802	300,962	1,625,764
2027	1,397,551	232,903	1,630,454
2028-2032	6,947,379	509,541	7,456,920
Subtotal	13,284,220	\$ 2,316,527	\$ 15,600,747
Bond Premium	1,122,345		
Total	\$ 14,406,565		

Parking Revenue Bonds, Series 2016

On August 9, 2016, the BJPFA issued \$33,970,000 in parking revenue bonds, on behalf of the City, to provide funds to (1) finance the demolition of the current Center Street garage, the construction of a new downtown Center Street Garage and other related work; (2) purchase a reserve fund insurance policy for the bonds; and (3) pay capitalized interest through June 1, 2019. Interest rates ranging from 3.00 percent to 4.00 percent are payable semi-annually on June 1 and December 1. Principal is due annually on June 1 starting in FY 2019-20. The bonds mature June 1, 2046 and are collateralized solely by all the installment payments received by BJPFA from the City under the installment sale agreement, any business interruption insurance proceeds paid to the Trustee pursuant to the installment sale agreement, and certain monies derived from certain other funds and accounts held by the Trustee pursuant to the indenture. This bond had an underlying rating of A from S&P on June 30, 2020, and an insured rating of AA. However, the rating was downgraded to BBB by S&P's global ratings on November 19, 2020.

The annual debt service requirements on the Parking Revenue Bonds, Series 2016 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	840,000	1,074,650	\$ 1,914,650
2024	870,000	1,041,050	1,911,050
2025	905,000	1,006,250	1,911,250
2026	945,000	970,050	1,915,050
2027	980,000	932,250	1,912,250
2028-2032	5,520,000	4,040,650	9,560,650
2033-2037	6,675,000	2,886,250	9,561,250
2038-2041	7,780,000	1,780,500	9,560,500
2042-2046	7,110,000	541,050	7,651,050
Subtotal	31,625,000	\$ 14,272,700	\$ 45,897,700
Bond Premium	1,504,347		
Total	\$ 33,129,347		

Notes Payable

Harbor Construction 5

The City of Berkeley borrowed a total of \$7.1 million of the \$9.0 million maximum loan amount from the California State Department of Boating and Waterways. The purpose of this loan is financing for the demolition and replacement of wooden docks and wood piles into a new marina berthing system and concrete piles. New utilities, including electrical power and water are to be installed. The new docks and gangways were to be designed and built for barrier-free access. In addition, existing restroom buildings were to be replaced. The loan is payable on August 1 of each year with an interest of 4.50 percent.

NOTES TO THE FINANCIAL STATEMENTS

The annual debt service requirements on the Harbor Construction 5 Loan are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 206,639	\$ 279,080	\$ 485,719
2024	216,150	269,569	485,719
2025	225,371	260,348	485,719
2026	236,472	249,247	485,719
2027	247,357	238,362	485,719
2028-2032	1,417,722	1,010,873	2,428,595
2033-2037	1,775,318	653,277	2,428,595
2038-2041	1,738,254	204,572	1,942,826
Total	<u>\$ 6,063,283</u>	<u>\$ 3,165,328</u>	<u>\$ 9,228,611</u>

Other Long-Term Obligations

Landfill Liabilities

On July 13, 2010, the City Council adopted an amendment with SCS Field Services for Cesar Chavez Park Landfill post-closure monitoring and maintenance under contract No. 71988. The City began to record the landfill liabilities in FY 2010-11 based on the requirements of GASB Statement No. 18. This Statement is based on the October 9, 1991, U.S. Environmental Protection Agency (EPA) rule, "Solid Waste Disposal Facility Criteria," which establishes closure requirements for all municipal solid waste landfills (MSWLFs) that receive solid waste after October 9, 1991. The EPA rule also establishes thirty-year post closure care requirements for MSWLFs that accept solid waste after October 9, 1993. The effect of the EPA rule and similar state and local laws or regulations is to obligate MSWLF owners and operators to perform certain closing functions and post closure monitoring and maintenance functions as a condition of the right to operate the MSWLF in the current period. For MSWLFs that use proprietary fund accounting and reporting, a portion of the estimated total current cost of MSWLF closure and post closure care is required to be recognized as an expense and as a liability in each period that the MSWLF accepts solid waste. Recognition should begin on the date the MSWLF begins accepting solid waste, continue in each period that it accepts waste, and be completed by the time it stops accepting waste. Estimated total current cost should be assigned to periods based on MSWLF use rather than on the passage of time, using a formula provided in this Statement. MSWLF capital assets excluded from the calculation of the estimated total cost of MSWLF closure and post closure care should be fully depreciated by the date that the MSWLF stops accepting solid waste. Capital assets used for a single cell should be fully depreciated by the date that each cell is closed.

In accordance with requirements established by the California Integrated Waste Management Board, the City has recognized a portion of the landfill's closure and post closure care (closure) costs. These cost estimates are based on the amount of landfill used to date. The estimated closure and corrective action costs are current estimates based on data provided by SCS Field Services, an independent consultant and are subject to changes in inflation, technological advancements, or regulatory changes.

The City last accepted waste in 1983 and closed the landfill in phases over the period 1981 through 1990 in accordance with closure regulations contained in California Code of Regulations Title 14, Chapter 15 and the San Francisco Regional Water Quality Control Board requirements which were then in effect. As of June 30, 2022, the estimated annual landfill closure cost are as follows:

Total Estimated Closure and Post-Closure Costs	\$ 587,409
Percentage of Used Capacity to Total Capacity	100%
Revised Estimated Total Closure and Post-Closure Costs Liability	587,409
Previous Closure Costs Accrued	510,050
FY 2022 Adjustment made on the liability	<u>\$ 77,359</u>

The landfill has an estimated remaining capacity of zero cubic yards and closure construction was completed in 1990.

Other long-term obligation payments (including Net pension and OPEB liabilities) are primarily made from general revenues recorded in the General Fund, except for workers compensation claims which are paid from the Workers Compensation Fund, and public liability claim which are paid from the Public Liability Fund.

Compensated Absences

It is the policy of the City to record the cost of vested vacation and sick leave as earned. Earned vacation and sick leave that is taken during the year is payable from the fund(s) the employee's salary or wage is chargeable to. The vested compensated absences balances for employees who retire or otherwise leave the City are paid from the Sick Leave and Vacation Payouts Internal Service Fund at the time of departure.

A. Discretely Presented Component Unit

Discretely Presented Component Unit	Beginning			Ending Balance	Due Within One Year
	Balance	Additions	Deletions		
Lease Payable - 2001 Center Street	\$ 910,329	\$ -	\$ (331,704)	\$ 578,625	\$ 343,650
Accrued Vacation and Sick Leave	\$ 288,644	\$ 651,037	\$ (522,926)	\$ 416,755	\$ 31,618
Net Pension Liability - CalPERS Miscellaneous Plan	7,975,505	2,417,856	(5,436,289)	4,957,072	-
Net OPEB Liability - Miscellaneous Employees Retiree Health Plan	465,778	180,139	(481,956)	163,961	-
Total Discretely Presented Component Unit	\$ 9,640,256	\$ 3,249,032	\$ (6,772,875)	\$ 6,116,413	\$ 375,268

Leases Payable

For the year ended 6/30/2022, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 07/01/2021, the city has a 32 month lease as Lessee for the use of 2001 Center Street. An initial lease liability was recorded in the amount of \$910,329.14. As of 06/30/2022, the value of the lease liability is \$578,624.82. City Of Berkeley is required to make monthly fixed payments of \$27,777.00. The lease has an interest rate of 7.268%. The Buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2022 of \$910,329.14 with accumulated amortization of \$341,373.43 is included with Buildings on the Lease Class activities table found below. City Of Berkeley has 1 extension option(s), each for 60 months.

The annual lease payable requirements on 2001 Center Street are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 343,650	\$ 3,070	\$ 346,720
2024	234,975	641	235,616
Subtotal	\$ 578,625	\$ 3,711	\$ 582,336

B. Internal Service Funds

These funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the totals above for governmental activities. As of June 30, 2022, \$1,254,553 in compensated absences, \$43,195,219 in claims and judgments payables, \$2,522,230 in Net OPEB Liability, and \$19,387,301 in Net Pension Liability are included in the amounts presented in the table for governmental

NOTES TO THE FINANCIAL STATEMENTS

activities. The liabilities for workers' compensation are paid from the Workers' Compensation Internal Service Fund and the liabilities for public liability claims are paid from the Public Liability Internal Service Fund.

C. Non-Obligatory Debt**Thousand Oaks Heights**

On September 2, 2004, the City issued \$1,490,000 in Thousand Oaks Heights Applicant Funded Utility Undergrounding Assessment District Limited Obligation Improvement Bonds (Bonds) pursuant to the provision of the Improvement Bond Act of 1915 (Division 10 of the California Streets and Highways Code) for the purpose of financing the construction and acquisition of certain public improvement within the City's Thousand Oaks Heights Applicant Funded Utility Undergrounding Assessment District. Interest on the Bonds is payable March 2, 2005, and thereafter semiannually on September 2 and March 2 of each year. The Bonds were issued to improve 105 parcel district by providing the undergrounding of existing overhead utility facilities, removal of existing poles and related above ground facilities, replacement of street lighting, with appurtenant work and improvements and including incidental costs and expenses of project design and construction supervision, legal proceedings, and bond financing. The Bonds were issued upon, and secured by, the unpaid special assessment levied on parcels within the Districts. The Bonds are special limited obligations of the City; they are not payable from the City's General Fund and the City is not obligated in any way to repay the debt in the event of a default. The Bonds are due in annual installments ranging from \$50,525 to \$100,255, and have an interest rate ranging between 4.60 and 5.25 percent. The total principal outstanding as of June 30, 2022 was \$1,050,000.

Community Facilities District No. 1

On June 1, 2002, the City issued \$9,750,000 in Community Facilities District No. 1 bonds (for disaster fire protection), pursuant to the Mello-Roos Community Facilities Act of 1982 (being section 53311 et seq. of the California Government Code and City Council Resolution #66,615-N.S). The bonds were issued to finance a mobile disaster fire protection system for the delivery of auxiliary firefighting water, including: transportation pumping units, ultra large diameter hose, transport and support vehicles, portable hydrants, accessory fittings, hose bridges, and a storage site or sites, together with incidental expenses related thereto. These bonds will be repaid from amounts levied against property owners benefited by the disaster fire protection system. The amounts levied against property owners to repay the bonds are accounted for in a custodial fund. The faith and credit or taxing power of the City is not pledged to the payment of the bonds. Accordingly, the debt has not been included in the basic financial statements. The bonds are due in annual installments ranging from \$270,000 to \$760,000, and have an interest rate ranging between 3.00 and 4.75 percent. The City is not obligated in any way to repay the debt in the event of a default. The total principal outstanding as of June 30, 2022 was \$2,105,000. This bond has had a rating of Aa3 from Moody's since April 16, 2010 and A (Stable) from S&P since March 8, 2011.

D. Pledged Revenue**The Bank of New York Trust Company**

City Pledge to The Bank of New York Trust Company: On October 6, 1999, the City of Berkeley issued \$9,125,000 of bonds called the Berkeley Joint Powers Financing Authority Lease Revenue Bonds, Series 1999. The bonds were issued for the acquisition of a theatre and park facilities. All of the revenues and fund balance are pledged in their entirety to the payment of principal and interest on the bonds. The City has pledged and assigned to Berkeley Joint Powers Financing Authority approximately 100 percent of the City's rights to the revenues and 100 percent of the fund balance of the Berkeley Repertory Theatre Fund. On October 2012, The Berkeley Joint Powers Financing Authority issued its 2012 Refunding Lease Revenue Bonds (1999 and 2003 Refinancing). The Bonds were being issued to provide funds to (i) refinance three outstanding lease obligations of the City and related outstanding 1999 Lease Revenue Bonds of the Authority and 2003 Certificates of Participation of the City and (ii) pay the costs of issuing the Bonds. As a result of the refinancing of the Original Theater Lease and the Original Park Lease, the Authority will concurrently defease and provide for redemption of the Authority's outstanding \$9,125,000 Berkeley Joint Powers Financing Authority Lease Revenue Bonds, Series 1999, which the Authority issued pursuant to a Trust Indenture, dated as of October 1, 1999, by and among the Authority, the City and The Bank of New York Mellon Trust Company, N.A., as trustee. The total original principal of 2012 Refunding Lease Revenue Bonds as of October 24, 2012 was \$5,693,852. The fund had a deficit fund balance of -\$10,378 at June 30, 2022, so for FY 2022, the

pledged revenues (FY 2022 budgeted transfers in) were \$499,638 compared with debt service of \$499,638. Transfers are made from the City's General Fund that had \$213,739,932 in unrestricted revenues in FY2022.

Parking Revenue Bonds, Series 2016

On August 9, 2016, the BJPFA issued \$33,970,000 in parking revenue bonds, on behalf of the City, to provide funds to (1) finance the demolition of the current Center Street garage, the construction of a new downtown Center Street Garage and other related work; (2) purchase a reserve fund insurance policy for the bonds; and (3) pay capitalized interest through June 1, 2019. Interest rates ranging from 3.00 percent to 4.00 percent are payable semi-annually on June 1 and December 1. Principal is due annually on June 1 starting in FY 2019-20. The bonds mature June 1, 2046 and are collateralized solely by all the installment payments received by BJPFA from the City under the installment sale agreement, any business interruption insurance proceeds paid to the Trustee pursuant to the installment sale agreement, and certain monies derived from certain other funds and accounts held by the Trustee pursuant to the indenture. The City has pledged and assigned to Berkeley Joint Powers Financing Authority approximately 100 percent of the City's rights to the net revenues of the Off-Street Parking Fund and Parking Meter Fund. In addition, the bond covenant provides that the City is to maintain a ratio of net revenues of the Off-street Parking Fund and Parking Meter Fund of 1.25 times total bond debt service. For FY 2022, the pledged revenues totaled \$2,389,813 compared to debt service of \$1,911,850. Due to the COVID-19 pandemic, this requirement was not met, as net revenues of the Off-Street Parking Fund and Parking Meter Fund were -\$668,650 and -\$665,701, respectively. In addition, about \$4.7 million of police costs in the Parking Meter Fund was transferred to the General Fund.

The City does not project to meet the 1.25 debt covenant ratio in FY2022 but the ratio is expected to be positive, and by FY 2023 and FY 2024 to reach a coverage of 1.22 and 1.4, respectively. The City received a total of \$8.28 million in American Rescue Plan Act stimulus funds in FY2022 that are excluded in this coverage calculation.

NOTES TO THE FINANCIAL STATEMENTS

9. FUND BALANCES FOR GOVERNMENTAL FUNDS

Fund balances as of June 30, 2022, for the governmental funds were categorized as nonspendable, restricted, committed, assigned, or unassigned for the following purposes:

	Major Funds						Total Governmental Funds
	General Fund	Grants	Library	Capital Improvement	Measure O Housing Bond	Other Governmental Funds	
Fund balances:							
Nonspendable for:							
Prepaid items	\$ -	\$ 485,140	\$ -	\$ -	\$ -	\$ -	\$ 485,140
Subtotal nonspendable for:	-	485,140	-	-	-	-	485,140
Restricted for:							
Other purposes	-	-	-	-	-	934,900	934,900
Operating reserves ⁽¹⁾	-	-	-	-	-	13,975,857	13,975,857
Public safety	-	-	-	-	-	14,220,684	14,220,684
Street maintenance	-	-	-	-	-	62,972,976	62,972,976
Health and welfare	-	19,948,338	-	-	-	10,925,500	30,873,838
Park and recreation	-	-	18,711,035	-	-	4,833,707	23,544,742
Community development and housing loan	13,817,991	34,729,240	-	7,771,575	77,240,267	14,427,217	147,986,290
Economic development	-	-	-	-	-	4,311,599	4,311,599
Debt service reserve	-	-	-	-	-	19,056,617	19,056,617
Subtotal restricted for:	13,817,991	54,677,576	18,711,035	7,771,575	77,240,267	145,659,057	317,877,501
Committed for:							
Operating reserves ^{(1) (2)}	46,879,379	-	-	-	-	448,898	47,328,277
Capital projects	-	-	-	-	-	5,452,405	5,452,405
Street maintenance	-	-	-	-	-	7,610,948	7,610,948
Health and welfare	-	-	-	-	-	297,279	297,279
Park and recreation	-	-	-	-	-	1,902,823	1,902,823
Community development and housing loan	-	-	-	-	-	41,259,176	41,259,176
Economic development	-	-	-	-	-	3,765,617	3,765,617
Debt service reserve	-	-	-	-	-	-	-
Subtotal committed for:	46,879,379	-	-	-	-	60,737,146	107,616,525
Assigned to:							
Operating reserves	3,749,729	-	-	-	-	-	3,749,729
Capital projects	-	-	-	66,091	-	-	66,091
Public safety	4,169,455	-	-	20,116	-	-	4,189,571
Street maintenance	751,695	-	-	5,490,776	-	-	6,242,471
Health and welfare	2,224,218	-	-	-	-	-	2,224,218
Park and recreation	811,077	-	-	369,590	-	-	1,180,667
Community development and housing loan	301,536	-	-	1,184,321	-	-	1,485,857
Economic development	154,801	-	-	202	-	-	155,003
Subtotal assigned for:	12,162,510	-	-	7,131,097	-	-	19,293,607
Unassigned:							
Operating reserves	75,183,598	-	-	-	-	-	75,183,598
Public safety	-	(138,820)	-	-	-	(2,709,260)	(2,848,080)
Street maintenance	-	(4,859,742)	-	-	-	(87)	(4,859,829)
Health and welfare	-	-	-	-	-	-	-
Park and recreation	-	(417,429)	-	-	-	-	(417,429)
Economic development	-	-	-	-	-	-	-
Debt service reserve	-	-	-	-	-	(10,379)	(10,379)
Subtotal unassigned for:	75,183,598	(5,415,991)	-	-	-	(2,719,726)	67,047,881
Total fund balance	\$ 148,043,478	\$ 49,746,725	\$ 18,711,035	\$ 14,902,672	\$ 77,240,267	\$ 203,676,477	\$ 512,320,654

(1) include PERS Savings

(2) Include Stabilization, Catastrophic Reserves

10. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Excess of Expenditures / Over Appropriations

The following non-major governmental funds expenditures exceeded appropriations at the legal level of budgetary control (the fund level):

	<u>Amount</u>
Paramedic Assessment District Fund	(498,197) ⁽¹⁾
Domestic Violence Prevention Vital Statistics Fund	(9) ⁽²⁾
Affordable Housing Mitigation Fee Fund	(142,485) ⁽²⁾
Inclusionary Housing Program Fund	(9,931) ⁽²⁾
PERS Savings Fund	(35,466) ⁽²⁾
Park Acquisition Development Fund	(177) ⁽²⁾
Measure O Housing Bond Capital Project Fund	(799,843) ⁽²⁾
GO 2014 Measure M Street and Watershed Improvement	(895,500) ⁽²⁾
Measure T1 - Infrastructure & Facilities Fund	(987,659) ⁽²⁾

1 The deficit is being addressed in FY2023 through a transfer from ARPA Fund.

2 An amendment to the appropriations ordinance was not prepared. The fund balance was used to cover the excess.

B. Deficit Fund Balances/Net Position

The following nonmajor funds had deficit fund balances / net position as of June 30, 2022:

	<u>Amount</u>
Special revenue funds	
California Energy Commission	\$ (87) ⁽¹⁾
Paramedic Assessment District	(2,703,262) ⁽³⁾
Measure B: Paratransit Fund	(88,589) ⁽¹⁾
1st Response Advanced Life Support	(5,998) ⁽¹⁾
Total special revenue funds	<u>(2,797,936)</u>
Debt service funds	
Berkeley Repertory Theatre	(10,379) ⁽²⁾
Total debt service funds	<u>(10,379)</u>
Internal service funds	
Building Maintenance	(1,673,506) ⁽³⁾
Public Liability	(6,274,798) ⁽³⁾
Catastrophic Loss	(464,755) ⁽³⁾
IT Cost Allocation Plan	(6,407,055) ⁽⁴⁾
Total internal service funds	<u>(14,820,114)</u>
Total	<u>\$ (17,628,429)</u>

1 Deficit partially due to timing of receivables and billing of project costs. The City plans to transfer General Fund monies to cover the unbillable amount after the project is complete.

2 Capital Improvement Fund will transfer money in FY 2023 to cover deficit.

3 Ongoing deficit that the City is aware of. Internal charges to funds have been increased to gradually decrease the deficit.

4 Created by net pension and OPEB liabilities, where beneficiary payments are long term and steps are being taken by the city to increase the funding ratio over the long term.

NOTES TO THE FINANCIAL STATEMENTS

11. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

A. Public Liability

The City has excess coverage for Public Liability claims between \$350,000 and \$1,000,000 through Bay Cities Joint Powers Insurance Authority (BCJPIA). The California Affiliated Risk Management Authority (CARMA) provides additional coverage to BCJPIA and its member entities from claims in excess of \$1 million to \$29 million. The program is administered through the Public Liability Internal Service Fund. There were no transfers in FY 2018. Disbursements from the Public Liability Internal Service Fund are restricted to the payment of liability claims, personnel and other investigation costs.

The City is a member of the Bay Cities Joint Powers Insurance Authority (BCJPIA) for its liability coverage. BCJPIA was created in 1986 to develop effective risk management programs to reduce the amount and frequency of losses; to provide for pooled self-insurance among member agencies, to share the risk of self-insured losses; and to jointly purchase and provide administrative and other services including, but not limited to claims adjusting, data processing, risk management, loss prevention, accounting services, actuarial services, and legal services in connection with the program. BCJPIA consists of 15 cities, four towns, and one police and fire authority all located within the metropolitan Bay Area.

BCJPIA provides General Liability, Auto Liability, and Errors & Omissions coverage for its members in excess of the member's retained limit, or Self-Insured Retention (SIR), up to \$1,000,000 per occurrence.

Each Member retains the portion of every loss that falls within their SIR, ranging from \$5,000 to \$500,000. The City's SIR is \$350,000. BCJPIA is also a member of the California Affiliated Risk Management Authorities (CARMA), a risk-sharing joint powers authority. When losses exceed the \$1,000,000 per occurrence limit, CARMA provides coverage up to \$29,000,000. BCJPIA is governed by a Board of Directors, which is comprised of appointed officials from the member entities. To the extent that allocated losses and administrative expenses exceed contributions previously paid and other income, the BCJPIA may assess its members' additional premiums. Complete financial statements of BCJPIA can be obtained from: Bay Cities Joint Powers Insurance Authority, 6371 Auburn Blvd., Suite B, Citrus Heights, CA 95621-0488. Condensed accrual basis financial information of BCJPIA as of and for the year ended June 30, 2022 is as follows:

Total assets	\$	60,709,429
Total liabilities		36,620,552
Net position	\$	<u>24,088,877</u>
Total revenues	\$	26,667,569
Total expenses		26,442,441
Net income/(loss)	\$	<u>225,128</u>

B. Workers' Compensation

The City is self-insured for workers' compensation. Payments are made to the Workers' Compensation Self-Insurance Internal Service Fund by transfers from all City funds. Funds are available to pay claims and administrative costs of the program.

At June 30, 2022, \$6,084,219 and \$37,111,000 have been accrued for public liability, and workers' compensation claims, respectively. These accruals represent estimates of amounts to ultimately be paid for reported claims and, upon past experience, recent claim settlement trends and other information. It is the City's practice to obtain an actuarial study on an annual basis. Although the amount of actual losses incurred through June 30, 2022 are dependent on future developments, based upon information from the administrators and others involved with the administration of the programs, the City's management believes that the aggregate accrual is adequate to cover such losses.

Changes in the balance of claim liabilities during the fiscal year for all self-insurance funds are as follows:

	Public Liability	Workers' Compensation	Total
Balance, July 1, 2021	\$ 4,923,541	\$ 36,538,000	\$ 41,461,541
Incurred claims and changes in estimates	1,890,478	5,902,503	7,792,981
Claims and fee paid	(729,800)	(5,329,503)	(6,059,303)
Balance, June 30, 2022	<u>\$ 6,084,219</u>	<u>\$ 37,111,000</u>	<u>\$ 43,195,219</u>

There were no significant reductions in insurance coverage from the prior year in public liability and there were no settlements exceeding the limits of the City's excess coverage for the past three years.

C. Construction Commitments

As of June 30, 2022, construction commitments totaled approximately \$48.0 million. The major projects comprising the bulk of the commitments are the FY 22 Sanitary Sewer Rehabilitation Projects, the FY 21/ FY 22 Street Rehabilitation Projects, FY 22 Sidewalk Repair and Replacement Project, Sidewalk Shaving Project, FY 22 Storm Drain Repair, and Transportation traffic improvement and safety projects including: Southside Complete Streets, Dwight/California Intersection Improvements, North Berkeley/Sacramento Street Complete Streets, Ashby/San Pablo Traffic Improvements, MLK Jr. Way Vision Zero Quick Build, Ohlone Green Modernization & Safety Project, and Milvia Bikeway Project.

D. Encumbrances

The City establishes encumbrances to record the amount of purchase orders, contracts, and other obligations, which have not yet been fulfilled, cancelled or discharged, at June 30, 2022, total governmental funds encumbrance balances for the City were:

General fund	\$ 5,509,118
Grant fund	7,726,648
Library fund	685,164
Capital improvement fund	4,491,447
Non-major governmental funds	3,486,275
Total governmental funds	<u>\$ 21,898,652</u>

E. Contingent Liabilities

Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although City management expects such amounts, if any, to be immaterial.

Lawsuits and Claims

There are a number of lawsuits and claims pending against the City. Included in these are a number of property damage, civil suits, and personal injury seeking damages in excess of the City's insurance limits. The aggregate amount of the uninsured liabilities of the City which may result from all suits and claims will not, in the opinion of City management, materially affect the City's finances, or impair its ability to otherwise meet its obligations.

NOTES TO THE FINANCIAL STATEMENTS

12. DEFINED BENEFIT PENSION PLANS

Pension related balances presented on the Statement of Net Position as of June 30, 2022 are described in the following table:

	Deferred Outflows	Deferred Inflows	Net Pension Liability	Pension Expenses
By Individual Plan				
CalPERS Miscellaneous Plan	\$ 30,361,151	\$ 89,921,531	\$ 204,076,645	\$ 5,252,826
CalPERS Public Safety - Fire Plan	10,189,559	24,537,902	51,029,071	2,400,311
CalPERS Public Safety - Police Plan	20,291,828	31,310,882	131,002,601	9,364,978
Berkeley Retirement Income Benefit Plan	317,213	-	60,184,407	(13,973,275)
Safety Members Pension Plan	297	-	1,134,809	81,637
Total	<u>\$ 61,160,048</u>	<u>\$ 145,770,315</u>	<u>\$ 447,427,533</u>	<u>\$ 3,126,477</u>
By Individual Fund				
Governmental Activities				
Governmental Funds	\$ 49,081,243	\$ 113,417,555	\$ 367,257,469	\$ 1,236,569
Internal Service Funds	2,963,095	7,540,705	19,387,301	440,495
Subtotal Governmental Activities	<u>52,044,338</u>	<u>120,958,260</u>	<u>386,644,770</u>	<u>1,677,064</u>
Enterprise Funds	8,378,459	22,625,163	55,825,691	1,321,664
Discretely Presented Component Unit				
Rent Stabilization Board Fund	737,251	2,186,892	4,957,072	127,749
Total	<u>\$ 61,160,048</u>	<u>\$ 145,770,315</u>	<u>\$ 447,427,533</u>	<u>\$ 3,126,477</u>

A. California Public Employees' Retirement System (CALPERS)**General Information about the Pension Plans****Plan Description**

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

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2022, are summarized as follows:

	Miscellaneous	Public Safety	
		Fire	Police
CLASSIC:			
Vesting Period	5 Years Service	5 Years Service	5 Years Service
Benefit Payment	Monthly for Life	Monthly for Life	Monthly for Life
Earliest Retirement Age	55	50	50
Benefit Factor for Each Year of Service as a % of Annual Salary	2.7% at Age 55	3% at Age 55	3% at Age 55
Required Employee Contribution Rates	8%	9%	9%
Required Employer Contribution Rates (normal cost)	12.54%	19.88%	22.38%
Required Unfunded Liability Payment	\$25,644,186	\$6,101,089	\$12,728,384
PEPRA:			
Earliest Retirement Age	62	62	62
Benefit Factor for Each Year of Service as a % of Annual Salary	2% at Age 62	2.7% at Age 57	2.7% at Age 57
Required Employee Contribution Rates	7.75%	11.75%	12.50%

On January 1, 2013, the Public Employee Pension Reform Act (PEPRA) went into effect. This State law applies to employees hired after January 1, 2013 who are new to PERS. These employees are termed PEPRA members and employees that were enrolled in PERS (without significant separation) prior to January 1, 2013 are now referred to as classic members. PEPRA miscellaneous members will be enrolled in a 2 percent at 62 plan and PEPRA safety members (Fire and Police) will be enrolled in a 2.7 percent at 57 plan. PEPRA members will be required to pay half the normal cost of their plans.

Employees Covered

At June 30, 2022, the following employees were covered by the benefit terms for each plan:

	Miscellaneous	Public Safety	
		Fire	Police
Inactive Employees or Beneficiaries			
Currently Receiving Benefits	1,708	129	341
Inactive Employees Entitled to But Not Yet Receiving Benefits	1,078	53	78
Active Employees	1,075	213	157
Total	3,861	395	576

Contributions Description

Section 20814(C) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the measurement period ended June 30, 2021 (the measurement date), the average active employee contribution rate is 8.0 percent of annual pay for the Miscellaneous Plan and 9.0 percent of annual pay for the Safety Plan (Fire and Police), and the employer contribution rate is 32.479 percent of annual payroll for the Miscellaneous Plan, 48.235 percent of annual payroll for the Public Safety Fire Plan, and 66.606 percent of annual payroll for the Public Safety Police Plan.

Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update

NOTES TO THE FINANCIAL STATEMENTS

procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

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

	Miscellaneous	Public Safety	
		Fire	Police
Valuation Date	June 30, 2020	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method		
Actuarial Assumptions:			
Discount Rate	7.15%	7.15%	7.15%
Inflation	2.500%	2.500%	2.500%
Salary Increases	Varies by Entry Age and Services		
Investment Rate of Return ⁽¹⁾	7.00%	7.00%	7.00%
Mortality ⁽²⁾	Derived using CalPERS' Membership Data for all Funds		
Post Retirement Benefit Increase	Protection Allowance Floor on Purchasing Power applies; 2.75% thereafter		

⁽¹⁾ Net of pension plan investment expenses, including inflation.

⁽²⁾ The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using 90% of Society of Actuaries Scale MP-2016.

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

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent for each Plan. This rate includes investment expenses and inflation. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans will run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11- 60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

Asset Class ⁽¹⁾	Assumed asset allocation	Real return year 1-10 ⁽²⁾	Real return year 11+ ⁽³⁾
Public Equity	50.00%	4.80%	5.98%
Fixed Income	28.0	1.00	2.62
Inflation assets	-	0.77	1.81
Private Equity	8.0	6.30	7.23
Real assets	13.0	3.75	4.93
Liquidity	1.0	-	-0.92

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

(2) An expected inflation of 2.00% used for this period.

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

Changes in the Net Pension Liability

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Miscellaneous Plan			
Balance at June 30, 2021	\$ 1,115,293,404	\$ 787,103,725	\$ 328,189,679
Changes in the Measurement Period			
Service Cost	20,548,191	-	20,548,191
Interest on the Total Pension Liability	78,084,124	-	78,084,124
Changes of Assumptions	-	-	-
Difference Between Expected and Actual			
Experience	(3,504,149)	-	(3,504,149)
Plan to Plan Resource Movement	-	28,657	(28,657)
Contribution - Employer	-	26,643,623	(26,643,623)
Contribution - Employees	-	16,374,227	(16,374,227)
Net Investment Income	-	176,980,962	(176,980,962)
Benefit Payable, Including Refunds of			
Employee Contributions	(59,955,398)	(59,955,398)	-
Administrative Expense	-	(786,269)	786,269
Other Miscellaneous Income/Expense	-	-	-
Net Change	<u>35,172,768</u>	<u>159,285,802</u>	<u>(124,113,034)</u>
Balance at June 30, 2022	<u>\$ 1,150,466,172</u>	<u>\$ 946,389,527</u>	<u>\$ 204,076,645</u>

NOTES TO THE FINANCIAL STATEMENTS

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Public Safety - Fire Plan			
Balance at June 30, 2021	\$ 290,583,174	\$ 207,608,776	\$ 82,974,398
Changes in the Measurement Period			
Service Cost	5,149,025	-	5,149,025
Interest on the Total Pension Liability	20,346,616	-	20,346,616
Changes of Assumptions	-	-	-
Difference Between Expected and Actual Experience	(257,904)	-	(257,904)
Plan to Plan Resource Movement	-	-	-
Contribution - Employer	-	9,176,919	(9,176,919)
Contribution - Employees	-	1,759,155	(1,759,155)
Net Investment Income	-	46,454,379	(46,454,379)
Benefit Payable, Including Refunds of Employee Contributions	(16,663,456)	(16,663,456)	-
Administrative Expense	-	(207,389)	207,389
Other Miscellaneous Income/Expense	-	-	-
Net Change	<u>8,574,281</u>	<u>40,519,608</u>	<u>(31,945,327)</u>
Balance at June 30, 2022	<u>\$ 299,157,455</u>	<u>\$ 248,128,384</u>	<u>\$ 51,029,071</u>

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Public Safety - Police Plan			
Balance at June 30, 2021	\$ 444,977,237	\$ 275,649,869	\$ 169,327,368
Changes in the Measurement Period			
Service Cost	7,797,251	-	7,797,251
Interest on the Total Pension Liability	31,496,075	-	31,496,075
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	3,972,386	-	3,972,386
Plan to Plan Resource Movement	-	(28,657)	28,657
Contribution - Employer	-	16,765,193	(16,765,193)
Contribution - Employees	-	2,458,960	(2,458,960)
Net Investment Income	-	62,670,340	(62,670,340)
Benefit Payable, Including Refunds of Employee Contributions	(24,687,419)	(24,687,419)	-
Administrative Expense	-	(275,357)	275,357
Other Miscellaneous Income/Expense	-	-	-
Net Change	<u>18,578,293</u>	<u>56,903,060</u>	<u>(38,324,767)</u>
Balance at June 30, 2022	<u>\$ 463,555,530</u>	<u>\$ 332,552,929</u>	<u>\$ 131,002,601</u>

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

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

	1% Decrease	Current Discount Rate	1% Increase
	6.15%	7.15%	8.15%
Net Pension Liability			
Miscellaneous Plan	\$ 345,118,245	\$ 204,076,645	\$ 86,533,911
Public Safety - Fire Plan	88,409,143	51,029,071	20,012,996
Public Safety - Police Plan	190,872,917	131,002,601	81,581,293

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports.

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

Miscellaneous Plan

For the fiscal year ended June 30, 2022, the City recognized pension expense of \$5,252,826.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 29,261,592	\$ -
Changes in assumptions	-	-
Differences between expected and actual experiences	1,099,559	(2,206,316)
Net differences between projected and actual earnings on pension plan investments	-	(87,715,215)
	<u>\$ 30,361,151</u>	<u>\$ (89,921,531)</u>

\$29,261,592 reported as deferred outflows of resources related to contributions subsequent to the measurement date but before the end of city's reporting period will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Fiscal Year Ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2023	\$ (22,311,538)
2024	(21,181,406)
2025	(21,051,067)
2026	(24,277,961)
Thereafter	-

As of June 30, 2022, the City had no reported payables to the plan.

Public Safety - Fire Plan

For the fiscal year ended June 30, 2022, the City recognized pension expense of \$2,400,311.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 9,467,357	\$ -
Changes in assumptions	-	(84,784)
Differences between expected and actual experiences	722,202	(1,455,286)
Net differences between projected and actual earnings on pension plan investments	-	(22,997,832)
	<u>\$ 10,189,559</u>	<u>\$ (24,537,902)</u>

NOTES TO THE FINANCIAL STATEMENTS

\$9,467,357 reported as deferred outflows of resources related to contributions subsequent to the measurement date but before the end of the city's reporting period, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$ (6,049,231)
2024	(5,621,834)
2025	(5,770,530)
2026	(6,374,105)
Thereafter	-

As of June 30, 2022, the City had no reported payables to the plan.

Public Safety – Police Plan

For the fiscal year ended June 30, 2022, the City recognized pension expense of \$9,364,978.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 17,147,766	\$ -
Changes in assumptions	-	-
Differences between expected and actual experiences	3,144,062	-
Net differences between projected and actual earnings on pension plan investments		(31,310,882)
	<u>\$ 20,291,828</u>	<u>\$ (31,310,882)</u>

\$17,147,766 reported as deferred outflows of resources related to contributions subsequent to the measurement date but before the end of the City's reporting period will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$ (6,259,858)
2024	(6,005,783)
2025	(7,265,519)
2026	(8,635,660)
Thereafter	-

As of June 30, 2022, the City had no reported payables to the plan.

NOTES TO THE FINANCIAL STATEMENTS

Change of Assumption:

For measurement date June 30, 2022, the discount rate was changed from 2.72% to 3.54%.

Discount Rate

The discount rate used to measure the total pension liability was 3.54 percent for the Plan. This rate includes investment expenses and inflation.

Change in Net Pension Liability

The changes in the Net Pension Liability for the Berkeley Police Employees Retirement Income Plan were as follows on the following page:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability / (Asset)
Balance at June 30, 2021	\$ 81,521,206	\$ 5,623,753	\$ 75,897,454
Changes in the measurement period			
Service cost			
Interest on the total pension liability	1,779,108	-	1,779,108
Changes in Assumptions ⁽¹⁾	(11,671,743)	-	(11,671,743)
Changes in Benefit Terms		-	-
Difference between expected and actual experience	(4,052,001)	-	(4,052,001)
Plan to plan resource movement			-
Contribution - employer	-	2,147,614	(2,147,614)
Contribution - employees	-	-	-
Net investment income	-	(379,204)	379,204
Changes of assumptions	-	-	-
Benefit payable, including refunds	(2,762,477)	(2,762,477)	-
Administrative expense	-	-	-
Net change	<u>(16,707,113)</u>	<u>(994,067)</u>	<u>(15,713,046)</u>
Balance at June 30, 2022	<u>\$ 64,814,093</u>	<u>\$ 4,629,686</u>	<u>\$ 60,184,407</u>

The Plan Fiduciary Net Position was 7.14 % of the total pension liability at June 30, 2022.

(1)The assumption gain is primarily due to the change in the discount rate from 2.22% to 3.54%, a 59.5% increase.

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

The following presents the net pension liability of the City for Berkeley Police Employees Retirement Income Plan, calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Net pension liability	\$68,894,043	\$60,184,407	\$52,968,542

Pension Expenses/(Income) and Deferred Outflows/Inflows of Resources Related to Pensions

For the fiscal year ended June 30, 2022, the City recognized pension expense of -\$13,973,275.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ -
Differences between expected and actual experiences	-	-
Net differences between projected and actual earnings on pension plan investments	317,213	-
	<u>\$ 317,213</u>	<u>\$ -</u>

These deferred outflows of resources related to pensions will be recognized as pension expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$ 74,744
2024	24,071
2025	113,319
2026	105,079

As of June 30, 2022, the City had no reported payables to the plan.

C. Safety Members Pension Fund

Plan Description

The City maintains the Safety Members Pension Fund (SMPF). This plan is a single-employer defined benefit pension plan for fire and police officers that retired before March 1973. In March 1973, all active fire and police officers were transferred from SMPF to CalPERS. The Safety Members Pension Board administers the plan. The authority under which benefit provisions are established or may be amended is the Berkeley Municipal Code chapters 4.20, 4.24, 4.28 and 4.32.

Benefits Provided

Service and disability retirement benefits are based on a percentage of salary at retirement, multiplied by years of service. Benefits are adjusted annually by either:

- Current active salary increases (based on the same rank at retirement) or
- The increase in the California Consumer Price Index (with a 1 percent minimum and a 3 percent cap).

Employees Covered

At June 30, 2022, the following employees were covered by SMPF:

	SMPF
Retirees	6
Active employees	-
Total	<u>6</u>

The plan is closed to new entrants.

Contribution Description

The City pays SMPF benefits on a pay-as-you-go basis. In February 1989, the Berkeley Civic Improvement Corporation purchased, on behalf of the City, a Guaranteed Income Contract (GIC) from Massachusetts Mutual. This contract provided annual payments through 202219 and an annual guaranteed 9.68 percent

NOTES TO THE FINANCIAL STATEMENTS

rate of return (net of expenses). The City pays the difference between actual benefit payments and contract provided annual payments, from the General Fund. Additional amounts may be paid, through 2021, under a Risk Agreement to compensate the City for the difference between the amounts paid by the City to its pensioners and the actuarially determined amounts.

Net Pension Liability

The City's net pension liability for the SMPF is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability is measure as of June 30, 2022, using an annual actuarial valuation as of June 30, 2022. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

	<u>SMPF</u>
Valuation date	June 30, 2022
Measurement date	June 30, 2022
Actuarial assumptions:	
Discount rate	3.54%
Inflation	2.50%
Investment rate of return ⁽¹⁾	N/A
Mortality	CalPERS 2000-2019 experience Study Mortality projected fully generational with Scale MP-2021

Discount Rate

The discount rate used to measure the total pension liability was 2.16 percent for the Plan. This rate includes investment expenses and inflation. A Crossover test was performed to determine the discount rate.

Change in Net Pension Liability

The changes in the Net Pension Liability for the Berkeley Safety Members Pension Fund were as follows on the following page:

	<u>Increase (Decrease)</u>		
	<u>Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net Pension Liability / (Asset)</u>
Balance at June 30, 2021	\$ 1,548,284	\$ -	\$ 1,548,284
Changes in the measurement period			
Service cost	-	-	-
Interest on the total pension liability	28,108	-	28,108
Difference between expected and actual experience	111,397	-	111,397
Assumption changes	(59,043)	-	(59,043)
Contribution - employer	-	493,937	(493,937)
Contribution - employees	-	-	-
Net investment income	-	-	-
Changes of assumptions	(493,937)	(493,937)	-
Benefit payable, including refunds	-	-	-
Administrative expense	-	-	-
Net change	<u>(413,475)</u>	<u>-</u>	<u>(413,475)</u>
Balance at June 30, 2022	<u>\$ 1,134,809</u>	<u>\$ -</u>	<u>\$ 1,134,809</u>

The Plan Fiduciary Net Position was 0% at the total pension liability at June 30, 2022.

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

The following presents the net pension liability of the City for Berkeley Safety Member Pension Fund, calculated using the discount rate as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Net pension liability	\$1,163,609	\$1,134,809	\$1,107,646

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

For the fiscal year ended June 30, 2022, the City recognized pension expense of \$81,637.

At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ -	\$ -
Differences between expected and actual experiences	-	-
Net differences between projected and actual earnings on pension plan investments	297	-
	<u>\$ 297</u>	<u>\$ -</u>
		Deferred Outflows/ (Inflows) of Resources
Fiscal Year Ended June 30:		
2023		\$ 297
2024		-

As of June 30, 2022, the City had no reported payables to the plan.

13. OTHER POST-EMPLOYMENT BENEFITS

Other Post-Employment Benefits (OPEB) related balances presented on the Statement of Net Position as of June 30, 2022 are described in the following tables:

	Deferred Outflows	Deferred Inflows	Net OPEB Liability	Actuarial OPEB Expenses
By Individual Plan				
Fire Retiree Healthcare Plan	\$ 6,041,726	\$ 11,358,214	\$ 18,507,610	\$ 2,050,863
Miscellaneous Employees Retiree Health Premium Assistance Plan	15,808,453	35,260,522	29,470,744	2,294,258
Police retiree Healthcare Plan	11,953,261	40,300,498	32,429,614	1,278,165
Total	\$ 33,803,440	\$ 86,919,234	\$ 80,407,968	\$ 5,623,286
By Individual Fund				
Governmental Activities				
Governmental Funds	\$ 27,598,447	\$ 73,072,928	\$ 71,634,106	\$ 4,722,854
Internal Service Funds	1,533,346	3,406,739	2,522,230	222,726
Subtotal Governmental Activities	29,131,793	76,479,667	74,156,336	4,945,580
Enterprise Funds	4,287,938	9,586,748	6,087,671	621,975
Discretely Presented Component Unit				
Rent Stabilization Board Fund	383,709	852,819	163,961	55,731
Total	\$ 33,803,440	\$ 86,919,234	\$ 80,407,968	\$ 5,623,286

The Statement of OPEB Net Position and Statement of Changes in OPEB Net Position as of and for the year ended June 30, 2022, using the accrual basis of accounting are as follows:

Statement of OPEB Net Position June 30, 2022

	Miscellaneous Retiree Health Premium Assistance Plan	Police Retiree Premium Assistance Plan	Fire Employees Retiree Health Plan
Assets			
Restricted cash and cash equivalents	\$ 18,274,581	\$ 858,758	\$ 5,820,985
Investments, at fair value:			
Medium term notes	-	-	2,032,080
US agency securities	2,568,696	952,097	2,272,308
Municipal bonds	5,439,550	-	-
Preferred Securities	4,468,365	513,091	1,914,981
Savo Island loan	193,000	-	-
Guaranteed investment contracts	-	-	-
Interest receivable	207,350	6,263	35,268
Total assets	31,151,542	2,330,209	12,075,622
Liabilities			
Accounts payable	888,681	181,246	306,681
Total liabilities	888,681	181,246	306,681
Net position restricted for:			
Employee OPEB benefits held in trust	30,262,861	2,148,963	11,768,941
Total net position	\$ 30,262,861	\$ 2,148,963	\$ 11,768,941

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**Statement of Changes in OPEB Net Position
For the year ended June 30, 2022**

	Miscellaneous Retiree Health Premium Assistance Plan	Police Retiree Premium Assistance Plan	Fire Employees Retiree Health Plan
Additions:			
Contributions: employer	\$ 2,348,038	\$ 400,136	\$ 817,508
Investment income	(2,023,505)	(228,216)	(937,466)
Total additions	<u>324,533</u>	<u>171,920</u>	<u>(119,958)</u>
Deductions:			
Benefits payment for service	2,107,738	604,145	769,042
Administrative expenses	757	-	-
Total deductions	<u>2,108,495</u>	<u>604,145</u>	<u>769,042</u>
Change in net position	(1,783,962)	(432,225)	(889,000)
Total net position - beginning	<u>32,046,822</u>	<u>2,581,188</u>	<u>12,657,941</u>
Total net position - ending	<u>\$ 30,262,861</u>	<u>\$ 2,148,963</u>	<u>\$ 11,768,941</u>

A. Berkeley Fire Employees Retiree Health Plan**Plan Description and Benefits Provided**

The City of Berkeley Fire Employees Retiree Health Plan (FRHF) is a single-employer defined benefit medical trust plan administered by The Lipman Company (TLC). It is reported in an Other Employee Benefit Trust Fund of the City. To be eligible for benefits, sworn Fire employees must retire from the City on or after July 1, 1997, be vested in a CalPERS pension, and retire from the City on or after age 50. Benefits commence immediately upon retirement. Benefits are payable for the retiree's lifetime and continue for his or her covered spouse's/domestic partner's lifetime.

The amount the City contributes toward the FRHF increases 4.5 percent annually regardless of the amount of increase in the underlying premium rate. The establishment and amendments of benefit provisions are negotiated between the employee bargaining units and the City Labor Negotiating Team, then approved by the City Manager and City Council. The FRHF does not issue a publicly available financial report that includes financial statements and required supplementary information. The City's portion of the benefit is based on the following years of service of the retiree:

<u>Years of Service</u>	<u>City Percentage</u>
Less than 10	0%
10 to 14	25%
15 to 19	50%
20 to 24	75%
More than 25	100%

Employees Covered

At June 30, 2022, the following current and former employees were covered by the benefit terms for FRHF

	<u>FRHF</u>
Inactive employees or beneficiaries currently receiving benefits	38
Inactive employees entitled to but not yet receiving benefits	58
Active employees	130
Total	<u>226</u>

Contributions

The City makes a contribution towards the medical premium. For all Medicare eligible retirees of retirement age, the maximum payment is equal to the City's percentage of the 2001 single or two-party Health Net Senior Plus rate (depending on whether retiree has a covered dependent) adjusted 4.5 percent annually.

The City's maximum contribution for Fire retirees for FY 2022 is shown in the following table:

	City's Contribution for Non-Medicare Eligible Retirees		City's Contribution for Medicare Eligible Retirees	
	Single-Party	Two-Party	Single-Party	Two-Party
Retired before 7/1/06	\$ 490	\$ 979	\$ 397	\$ 795
Retired after 7/1/06	663	1,322	397	795

During FY 2022, the City contributed \$817,508 to the trust and made benefit payments of \$769,042.

Net OPEB Liability of the City

The Total OPEB Liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated July 1, 2021, using the following actuarial assumptions, applied to all prior periods including the measurement:

Actuarial Assumptions

Discount rate	3.54
Expected long-term rate of return	2.75%
General inflation	2.5%*
Aggregate payroll increases	2.75%
Merit payroll increases	CalPERS 2000-2019 Experience Study
Mortality, retirement, disability, termination	CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality projected fully generational* with Scale MP-21
AA municipal bond rate	3.54% (Bond Buyer 20 Index)
Non-medicare trend	6.5% for 2023, decreasing to an ultimate rate of 3.75% for 2076
Medicare trend Non Kaiser/Medicare Kaiser	Non-Kaiser 5.65% for 2023, decreasing to an ultimate rate of 3.75% for 2076; Kaiser 4.6% for 2023, decreasing to an ultimate rate of 3.75% for 2076.*
Healthcare participation for future retirees	100.00%
Current retirees	100.00% if currently participating, 80% of waived retirees re-elect immediately
Cap increases	4.50% annually

*Changes since June 30, 2021 Measurement Date

- Discount rate was updated based on municipal bond rate
- Demographic assumptions updated to CalPERS 2000-2019 Experience Study
- Mortality improvement scale was updated to Scale MP-2021

The component of the City's Net OPEB Liability at June 30, 2022 and June 30, 2021, were as follows:

	FY Ending	
	6/30/2022	6/30/2021
Total OPEB liability	\$ 30,276,552	\$ 36,531,189
Fiduciary net position	11,768,942	12,657,941
Net OPEB Liability	\$ 18,507,610	\$ 23,873,248
Funded Status	38.9%	34.6%

NOTES TO THE FINANCIAL STATEMENTS

Investments**Investment Policy**

FRHF's policy in regard to the allocation of invested assets is established and may be amended by the City of Berkeley City Council.

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 asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class in the target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Policy Target Allocation	Expected Real Rate of Return
Medium Term Notes	37.00%	0.78%
US Agency Securities	27.00%	-0.35%
Cash and other	16.00%	-0.51%
Preferred Stock	20.00%	1.32%
Total	100.00%	
Assumed long-term rate of inflation		2.50%
Expected long-term net rate of return, rounded		2.75%

Rate of Return

For the fiscal year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was 3.72 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.54 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 for each major asset class included in the target asset allocation as of June 30, 2022 (see the discussion of the Plan's investment policy) are as follows:

Change in Net OPEB Liability

The changes in the Net OPEB Liability for the Berkeley City of Berkeley Fire Employees Retiree Health Plan was as follows:

	Increase (Decrease)		
	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability / (Asset)
Balance at June 30, 2021	\$ 36,531,189	\$ 12,657,941	\$ 23,873,248
Changes in the measurement period			
Service cost	1,911,547	-	1,911,547
Interest	917,203	-	917,203
Difference between expected and actual experience	(2,050,333)	-	(2,050,333)
Changes of assumptions	(6,264,012)	-	(6,264,012)
Contribution - employer	-	817,508	(817,508)
Contribution - employees	-	-	-
Net investment income	-	(937,465)	937,465
Benefit payments	(769,042)	(769,042)	-
Administrative expense	-	-	-
Net change	<u>(6,254,637)</u>	<u>(888,999)</u>	<u>(5,365,638)</u>
Balance at June 30, 2022	<u>\$ 30,276,552</u>	<u>\$ 11,768,942</u>	<u>\$ 18,507,610</u>

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

The following presents the City's net OPEB liability calculated, using the discount rate of 3.54 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	\$ 24,198,068	\$ 18,507,610	\$ 14,042,653

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

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB liability	\$ 14,929,009	\$ 18,507,610	\$ 20,238,421

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$2,050,863. As of fiscal year ended June 30, 2022, the City reported deferred inflows and outflows of resources related to OPEB from the following sources:

Deferred Outflows/Inflows Balances at June 30, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 553,340	\$ 5,368,819
Changes in assumptions	4,540,173	5,989,395
Net differences between projected and actual earnings on plan investments	948,213	-
	<u>\$ 6,041,726</u>	<u>\$ 11,358,214</u>

NOTES TO THE FINANCIAL STATEMENTS

Recognition of Deferred Outflows and Inflows of Resources in Future OPEB Expense

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$ (469,768)
2024	(415,421)
2025	(277,076)
2026	(221,040)
2027	(623,621)
Thereafter	(3,309,562)

B. Berkeley Miscellaneous Employees Retiree Health Plan**Plan Description and Benefits Provided**

The City of Berkeley Retiree Health Premium Assistance Plan (RHPAP) is a single-employer defined benefit medical plan with Voya. It is an Other Employee Benefit Trust Fund of the City, which provides retiree health benefits to eligible retirees and his/her spouse or domestic partner. The establishment and amendments of benefit provisions are negotiated between the employee bargaining units and the City, and are approved by the City Council. The RHPAP does not issue a publicly available financial report that includes financial statements and required supplementary information.

Employees are eligible for retiree health benefits if they satisfy the following requirement:

- Retirees who are at least age 50, with at least 8 years of service with the City at the time of separation from service are eligible to receive retiree health benefits commencing at age 55.
- Benefits are payable for the retiree's lifetime and continue for his or her covered spouse's/domestic partner's lifetime. The City pays the monthly cost of the monthly premiums up to a participant's applicable percentage of the base dollar amount and subject to annual 4.5 percent increases as specified in the Retiree Health Premium Assistance Plan document regardless of the amount of increase in the underlying premium rate. The City's portion of the benefit is based on the following years of service of the retiree:

Years of Service	City Percentage
8	30%
9	40%
10	50%
11	58%
12	66%
13	74%
14	82%
15	90%
16	92%
17	94%
18	96%
19	98%
20+	100%

For SEIU Maintenance and Clerical employees, the City contributes additional \$200/month until age 65 for retirements from 7/1/2022 to 6/26/2024. This change of benefit is effective as of June 30, 2022 measurement date.

Employees Covered

At June 30, 2022, the following current and former employees were covered by the benefit terms for RHPAP

	<u>RHPAP</u>
Inactive employees or beneficiaries currently receiving benefits	297
Inactive employees entitled to but not yet receiving benefits	287
Active employees	<u>1,085</u>
Total	<u><u>1,669</u></u>

Contributions

The City's maximum contribution for Miscellaneous retirees for FY 2022 is shown in the following table:

	<u>City's Contribution for Non-Medicare Eligible</u>		<u>City's Contribution for Medicare Eligible Retirees</u>	
	<u>Single-Party</u>	<u>Two-Party</u>	<u>Single-Party</u>	<u>Two-Party</u>
SEIU Local 1021 C&M - retired prior to July 1, 2022	\$ 411	\$ 823	\$ 34	\$ 68
SEIU Local 1021 C&M - retired on or after July 1, 2022	611	1,023	34	68
SEIU Local 1021 CSU - retired prior to June 29, 2008	411	823	136	272
SEIU Local 1021 CSU - retired after June 29, 2008	571	983	136	272
IBEW Local 1245 - retired prior to June 28, 2009	394	787	50	100
IBEW Local 1245 - retired after June 28, 2009	546	1,092	50	100
IBEW Local 1245 - retired on or after June 27, 2010	619	1,238	50	100
IBEW Local 1245 - retired on or after June 26, 2011	654	1,308	50	100
IBEW Local 1245 - retired on or after June 24, 2012	788	1,575	50	100
IBEW Local 1245 - retired on or after June 23, 2013	852	1,703	50	100
IBEW Local 1245 - retired on or after June 22, 2014	882	1,765	50	100
PEU Local One - retired prior to July 1, 2008	411	823	34	68
PEU Local One - retired after July 1, 2008	671	1,343	479	957
Unrepresented (Z-1, Z-5, Z-7) - retired prior to July 1, 2008	411	823	188	376
Unrepresented (Z-1, Z-5, Z-7) - retired after July 1, 2008	493	986	260	521
Unrepresented (all others) - retired prior to June 29, 2008	394	787	188	376
Unrepresented (all others) - retired after June 29, 2008	546	940	188	376

During FY 2022, the City contributed \$2,302,446 to the trust and made benefit payments of \$2,091,325.

Investments

Investment Policy

RHPAP's policy in regard to the allocation of invested assets is established and may be amended by the City of Berkeley City Council.

The long-term expected rate of return on Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of 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 for each major asset class included in the target asset allocation as of June 30, 2022.

NOTES TO THE FINANCIAL STATEMENTS

Asset Class	Policy Target Allocation	Expected Real Rate of Return
Savo Island Loan	1.00%	1.71
Medium Term Notes	17.00%	0.78%
US Agency Securities	16.00%	-0.35%
Municipal Bonds	28.00%	0.79
Cash and other	19.00%	-0.50%
Preferred Stock	19.00%	1.32%
Total	100.00%	
Assumed long-term rate of inflation		2.50%
Expected long-term net rate of return, rounded		3.00%

Rate of Return

For the fiscal year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was 4.49 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.54 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Net OPEB Liability of the City

The Total OPEB Liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated July 1, 2021, using the following actuarial assumptions, applied to all prior periods including the measurement:

Actuarial Assumptions

Discount rate	3.54%*
Expected long-term rate of return	3.00%
General inflation	2.50%*
Aggregate payroll increases	2.75%
Merit payroll increases	CalPERS 2000-2019 Experience Study
Mortality, retirement, disability, termination	CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality improvement projected fully generational with Scale MP-2021*
AA municipal bond rate	3.54% (Bond Buyer 20 Index)
Crossover test	Bond rate is greater than long-term expected rate of return on assets. No crossover test was performed.
Non-medicare trend	6.5% for 2022, decreasing to an ultimate rate of 3.75% in 2076
Medicare trend(non-Kaiser)Medicare(Kaiser)	Non-Kaiser 5.65% for 2022, decreasing to an ultimate rate of 3.75% in 2076; Kaiser 4.6% for 2022, decreasing to an ultimate rate of 3.75% in 2076.*
Healthcare participation for future retirees	Pre-65: 60% Post-65: 95% for Local 1, 80% for other groups
Cap increases	Kaiser retiree premium increase up to a maximum of 4.50% annually

*Changes since June 30, 2020 Measurement Date

**Premiums determined separately for actives and early retirees. Implied subsidy removed.

The component of the City's Net OPEB Liability at June 30, 2022 and June 30, 2021 were as follows:

	FY Ending	
	6/30/2022	6/30/2021
Total OPEB liability	\$ 59,184,799	\$ 73,385,473
Fiduciary net position	29,714,055	31,490,003
Net OPEB Liability	<u>\$ 29,470,744</u>	<u>\$ 41,895,470</u>
Funded Status	50.20%	42.90%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Change in Net OPEB Liability

The changes in the Net OPEB Liability for the Berkeley Miscellaneous Retiree Healthcare Plan was as follows:

	Increase (Decrease)		
	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability / (Asset)
Balance at June 30, 2021	\$ 73,385,473	\$ 31,490,003	\$ 41,895,470
Changes in the measurement period			
Service cost	3,620,832	-	3,620,832
Interest	1,807,863	-	1,807,863
Change of benefit terms	-	-	-
Difference between expected and actual experience	(5,248,182)	-	(5,248,182)
Changes of assumptions	(12,289,862)	-	(12,289,862)
Contribution - employer	-	2,302,446	(2,302,446)
Contribution - employees	-	-	-
Net investment income	-	(1,986,312)	1,986,312
Benefit payments	(2,091,325)	(2,091,325)	0
Administrative expense	-	(757)	757
Net change	<u>(14,200,674)</u>	<u>(1,775,948)</u>	<u>(12,424,726)</u>
Balance at June 30, 2022	<u>\$ 59,184,799</u>	<u>\$ 29,714,055</u>	<u>\$ 29,470,744</u>

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

The following presents the City's net OPEB liability calculated, in accordance with GASB Statement No. 74, using the discount rate of 3.54 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Net OPEB liability	\$39,387,233	\$29,470,744	\$21,509,515

NOTES TO THE FINANCIAL STATEMENTS

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

The following presents the City's net OPEB liability calculated, in accordance with GASB Statement No. 74, using the current healthcare cost trend rate of 6.50 percent decreasing to 3.75 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB liability	\$ 20,845,429	\$ 29,470,744	\$ 36,267,486

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$2,294,258. As of fiscal year ended June 30, 2022, the City reported deferred inflows and outflows of resources related to OPEB from the following sources:

Deferred Outflows/Inflows Balances at June 30, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 11,479,022
Changes in assumptions	13,352,331	23,781,500
Net differences between projected and actual earnings on plan investments *	2,456,122	-
	<u>\$ 15,808,453</u>	<u>\$ 35,260,522</u>

*Deferred Inflows and Outflows combined for footnote disclosure

Recognition of Deferred Outflows and Inflows of Resources in Future OPEB Expense

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2023	\$ (2,302,916)
2024	(2,048,646)
2025	(2,221,181)
2026	(2,714,761)
2027	(5,006,315)
Thereafter	(5,158,250)

C. Police Retiree Premium Assistance Plan

Plan Description and Benefits Provided

Effective September 19, 2012, the City replaced the “Berkeley Police Retirement Income benefit Plan” with the “Retiree Health Premium Assistance Coverage Plan” for any police employees hired on or after that date, as well as any current employees who retire on or after such date. The Retiree Health Premium Assistance Coverage Plan is a single-employer defined benefit medical plan administered by The Lipman Company (TLC). Under the newly established retiree health premium assistance plan, benefits will be paid by the City directly to the provider who is providing retiree health coverage to the retiree or his or her surviving spouse. The maximum amount will be equal in value to the City sponsored health plan.

In order to be eligible for the Retiree health Premium Assistance Coverage a “Retiree” must meet all of the following criteria:

- A person who is vested in CalPERS, and
- Has reached the age of 50, and
- Has retired from the City at age 50 or thereafter, and
- Has applied for and is receiving a pension from CalPERS at the time of retirement

Benefits Provided

The maximum amount the City will contribute toward the payment of medical insurance premiums is based on the employee’s years of service as a sworn member of the Berkeley Police Department at time of retirement. The retiree must have at least 10 years of service as a sworn member of the Berkeley Police Department to qualify for this benefit.

Years of Service	City Percentage
10-14	25%
15-19	50%
20+	100%

Employees Covered

At June 30, 2022, the following current and former employees were covered by the benefit terms for PRPAP:

	PRPAP
Inactive employees or beneficiaries currently receiving benefits	24
Inactive employees entitled to but not yet receiving benefits	17
Active employees	158
Total	199

Contributions

Beginning July 1, 2013 and effective each July 1 thereafter, the base rates the City contributes toward payment of the premium amount described in the preceding paragraph will be increased by either the amount Kaiser increases the retiree medical premium for that year, or 6.0 percent, whichever is less. The retiree and/or surviving spouse/domestic partner shall pay the difference between the amount the City contributes toward payment of the premium and the actual premium cost. As of July 1, 2021, there were 142 active employees and 79 retirees. The base monthly dollar amount paid by the City for FY 2021 was as follows:

	City’s Contribution for Non-Medicare Eligible Retirees		City’s Contribution for Medicare Eligible Retirees	
	Single-Party	Two-Party	Single-Party	Two-Party
PRPAP	\$873	\$1,747	\$ 436	\$ 872

During FY 2022, the City contributed \$400,136 to the trust and made benefit payments of \$604,145.

NOTES TO THE FINANCIAL STATEMENTS

Investments**Investment Policy**

PRPAP's policy in regard to the allocation of invested assets is established and may be amended by the City of Berkeley City Council.

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 asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major class in the target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Policy Target Allocation	Expected Real Rate of Return
Medium Term Notes	20.00%	0.78%
US Agency Securities	42.00%	-0.35%
Cash and other	14.00%	-0.50%
Preferred Stock	24.00%	1.32%
Total	100.00%	
Assumed long-term rate of inflation		2.50%
Expected long-term net rate of return, rounded		2.75%

Rate of Return

For the fiscal year ended June 30, 2022, the annual money-weighted rate of return on investments, net of investment expense, was 4.10 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.54 percent. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current Plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Net OPEB Liability of the City

The Total OPEB Liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, using the following actuarial assumptions, applied to all prior periods including the measurement:

Actuarial Assumptions

Discount rate	3.54%*
Expected long-term rate of return	2.75%
General inflation	2.5%*
Aggregate payroll increases	2.75%
Merit payroll increases	CalPERS 2000-2019 Experience Study
Mortality, retirement, disability, termination	CalPERS 2000-2019 Experience Study
Mortality improvement	Mortality projected fully generational with Scale MP-2021*
AA municipal bond rate	3.54% (Bond Buyer 20 Index)
Non-medicare trend	6.5% for 2022, decreasing to an ultimate rate of 3.75% for 2076
Medicare trend (Non-Kaiser/Kaiser)	Non-Kaiser 5.65% for 2022, decreasing to an ultimate rate of 3.75% for 2076; Kaiser 4.6% for 2022, decreasing to an ultimate rate of 3.75% for 2076.*
Healthcare participation for future retirees	100.00%
Cap increases	Kaiser retiree premium increase up to a maximum of 6.00% annually

*Changes since June 30, 2021 Measurement Date

- Discount rate was updated based on municipal bond rate
- Demographic assumptions updated to CalPERS 2000-2019 Experience Study
- Mortality improvement scale was updated to Scale MP-2021
- Updated participation at retirement assumption

The component of the City's Net OPEB Liability at June 30, 2022 and June 30, 2021, were as follows:

	FY Ended	
	6/30/2022	6/30/2021
Total OPEB liability	\$ 34,578,577	\$ 51,936,689
Fiduciary net position	2,148,963	2,581,188
Net OPEB Liability	<u>\$ 32,429,614</u>	<u>\$ 49,355,501</u>
Funded Status	6.20%	5.00%

Change in Net OPEB Liability

The changes in the Net OPEB Liability for the Berkeley Retiree health Premium Assistance Plan was as follows:

	Increase (Decrease)		
	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability / (Asset)
Balance at June 30, 2021	\$ 51,936,689	\$ 2,581,188	\$ 49,355,501
Changes in the measurement period			
Service cost	3,673,425	-	3,673,425
Interest	1,200,184	-	1,200,184
Difference between expected and actual experience	(4,508,061)	-	(4,508,061)
Changes of assumptions	(17,119,515)	-	(17,119,515)
Contribution - employer	-	400,136	(400,136)
Contribution - employees	-	-	-
Net investment income	-	(228,216)	228,216
Benefit payments	(604,145)	(604,145)	-
Administrative expense	-	-	-
Net change	<u>(17,358,112)</u>	<u>(432,225)</u>	<u>(16,925,887)</u>
Balance at June 30, 2022	<u>\$ 34,578,577</u>	<u>\$ 2,148,963</u>	<u>\$ 32,429,614</u>

NOTES TO THE FINANCIAL STATEMENTS

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

The following presents the City's net OPEB liability calculated, in accordance with GASB Statement No. 74, using the discount rate of 3.54 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
Net OPEB liability	\$ 39,516,164	\$ 32,429,614	\$ 26,929,713

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

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

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Net OPEB liability	\$ 26,076,511	\$ 32,429,614	\$ 40,184,091

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$1,278,165. As of fiscal year ended June 30, 2022, the City reported deferred inflows and outflows of resources related to OPEB from the following sources:

Deferred Outflows/Inflows Balances at June 30, 2022

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 16,274,807
Changes in assumptions	11,659,533	24,025,691
Net differences between projected and actual earnings on plan investments	293,728	-
	<u>\$ 11,953,261</u>	<u>\$ 40,300,498</u>

Recognition of Deferred Outflows and Inflows of Resources in Future OPEB Expense

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2022	\$ (3,542,581)
2023	(3,462,987)
2024	(3,534,842)
2025	(3,532,342)
2026	(3,591,620)
Thereafter	(10,682,865)

D. Defined Contribution Plans**i. Supplemental Retirement and Income Plans (SRIP)**

There are three separate Supplemental Retirement and Income Plans (SRIP) that were enacted by Ordinance at different times and are set forth in the Berkeley Municipal Code as follows:

- Supplementary Retirement and Income Plan I (SRIP I) – Berkeley Municipal Code Chapter 4.36.101 et seq.
- Supplementary Retirement and Income Plan II (SRIP II) – Berkeley Municipal Code Chapter 4.38.101 et seq.

- Supplementary Retirement and Income Plan III (SRIP III) – Berkeley Municipal Code Chapter 4.39.101 et seq.
- SRIP I and SRIP II cover non-sworn employees. SRIP III covers sworn Police personnel except for the Police Chief who is included in SRIP II.

SRIP I

On January 1, 1983, Ordinance No. 5450-N.S., which was codified in the Berkeley Municipal Code under Chapter 4.36.101 et seq., established SRIP I. The SRIP I plan consists of two components: 1) a defined contribution money purchase pension plan adopted in accordance with Sections 401(a) and 501(a) of the Internal Revenue Code, and 2) an employer paid disability benefit.

Money Purchase Pension Plan: The administrators of the money purchase pension plan are Hartford Life Insurance Company and Prudential Retirement Services. The plan is a defined contribution plan whereby the City contributes 5.7 percent of salary up to a salary of \$32,400 into a tax deferred and self-directed investment account and 1 percent of salary up to a salary of \$32,400 into a disability reserve account for each covered employee (all permanent City employees). The total assets of SRIP I available for benefits at June 30, 2022, was \$6,193,509 which comprised of 98 participant accounts. These assets are the property of the individual account holders and not the property of the City. These assets cannot be used to pay disability benefits.

Disability Benefit: Employees hired after January 1, 1983, but prior to July 22, 1988, who became disabled in their own occupation are entitled to receive a disability income benefit equal to 60 percent of their highest compensation, reduced by any disability payments they receive from Social Security, State Disability Insurance, or Workers' Compensation. Employees hired after July 21, 1988, are not eligible for benefits under this plan which was closed to new enrollees.

Benefits are payable for the disabled participant's lifetime or until recovery from disability. The third party administrator is Cigna. Currently, the City pays the monthly cost of the monthly disability benefits on a pay-as-you-go basis. There were a total of 54 closed groups of participants, 6 active employees and 48 disabled participants receiving benefits. The unfunded liability for SRIP I at July 1, 2022, the date of the last actuarial study, was \$11,545,000. For FY 2022, the City paid total SRIP I disability payments of \$1,170,661.

With the inception of SRIP II, the City contracted with Standard Insurance Company of Oregon to provide a portion of disability benefits through a Long Term Disability plan for those active employees remaining in SRIP I on or after July 22, 1988. Subsequently, the City prospectively dropped the Long Term Disability plan provided by Standard Insurance Company of Oregon and purchased a Long Term Disability plan from Hartford Life Insurance Company. Later, the City dropped the Long Term Disability plan provided by Hartford Life and purchased a Long Term Disability Plan from UNUM Provident. Ultimately, the City chose to delete the Long Term Disability plan and self-fund the benefit. The disability benefits of all those in SRIP I disabled prior to July 22, 1988, as well as the self-insured portion of SRIP I disability benefits arising on or after July 22, 1988, applicable to SRIP I coverage, are paid from City contributions.

SRIP II

On July 22, 1988, Ordinance No. 5900-N.S., which was codified in the Berkeley Municipal Code under Chapter 4.38.101 et seq., established SRIP II, a defined contribution money purchase pension plan adopted in accordance with Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a defined contribution money purchase pension plan, whereby the City contributes 6.7 percent of salary up to a salary of \$32,400 into a tax deferred and self-directed investment account for each eligible employee. Enrollment in the plan is mandatory for all eligible persons hired on or after July 22, 1988, and elective for those eligible and hired prior to July 22, 1988.

SRIP III

Effective January 1, 1989, the City established SRIP III, which was codified in the Berkeley Municipal Code under Chapter 4.39.101 et seq., a defined contribution money purchase pension plan adopted in accordance with Sections 401(a) and 501(a) of the Internal Revenue Code. The plan is a defined contribution plan, whereby the City contributes 2 percent of salary up to a salary of \$32,400 into a tax deferred and self-directed investment account for all sworn police officers except the Police Chief.

NOTES TO THE FINANCIAL STATEMENTS

The total assets of SRIP II and SRIP III available for benefits at June 30, 2022 were \$72,611,210 and there were 2,585 participants.

The City Council is responsible for establishing or amending (through changes in the Berkeley Municipal Code) retirement provisions and contribution requirement for all SRIP plans. These investments are held by trustees for the benefit of the participants and are not included in the City's basic financial statements.

The City's contributions (required and actual) and covered payroll for SRIP I, SRIP II, and SRIP III for the year ended June 30, 2022 were as follows:

Plan	Contributions	Covered Payroll	% of Covered Payroll
SRIP I	\$ 9,234	\$ 162,000	5.70%
SRIP II	2,756,103	41,135,858	6.70%
SRIP III	100,025	5,001,262	2.00%

ii. Public Agency Retirement Systems (PARS)

On September 14, 1993, the City Council adopted Resolution # 57,141- N.S. authorizing a contract with the Public Agency Retirement System (PARS) to administer a 401(a) retirement plan for the City's hourly and daily employees, effective October 1, 1993. This retirement plan is an alternative to participation in Social Security. The plan is a defined contribution plan whereby the City and employee each contribute 3.75 percent of salary into a tax deferred savings account. These benefits are non-forfeitable at all time, meaning that the benefit may be distributed to the employee only upon retirement or separation from service or death (with certain restrictions). All temporary and hourly employees are eligible and enrolled in the plan. There were a total of 1,242 active and 681 inactive participants in this plan as of June 30, 2022.

The total asset of PARS available for benefits at June 30, 2022 was \$2,923,154, which was comprised of participant accounts. The City Council is responsible for establishing or amending (through changes in the Berkeley Municipal Code) retirement provisions and contribution requirements for the PARS plan. These investments are held by trustees for the benefit of the participants and are not included in the City's basic financial statements. The City's contribution (required and actual) and covered payroll for the year ended June 30, 2022 were as follows:

Contributions	Covered Payroll	% of Covered Payroll
\$ 182,222	\$ 4,881,751	3.73%

14. RELATED PARTY TRANSACTION

In May 2017, the City recruited a new City Manager. Included as part of the compensation package was a \$660,000, 3 percent interest only housing assistance loan, payable after the earlier of 20 years, sale of the house, or within 24 months of the City Manager's separation with the City. The loan is secured by a note signed by the City Manager, and a deed of trust on the residence that was purchased. The payments may be deferred and there is no prepayment penalty.

15. SUBSEQUENT EVENTS

A. FY 2022 Tax and Revenue Anticipation Notes

On July 26, 2022, the City issued \$28,000,000 of tax and revenue anticipation notes in order to alleviate the strain on working capital prior to the receipt of property tax revenues in December. The notes were issued with a coupon rate of 4.00% and a yield of 1.50% and are recorded in the General Fund. Interest and principal on these notes are payable on July 25, 2023 by the General Fund. The notes were assigned a short-term rating of "SP-1+" by S&P Global Ratings.

B. CalPERS Investment Policy Changes

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3%

prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

16. SUCCESSOR AGENCY

Description of the Entity

The Redevelopment Agency of the City of Berkeley was established to eliminate blight and provide construction financing for affordable housing. There were two Redevelopment Project Areas: Savo Island and West Berkeley Project Areas.

On June 29, 2011, Governor Brown signed Assembly Bill 1X 26 (AB 1X 26) eliminating redevelopment agencies throughout the State in order to protect funding for core public services at the local level.

Pursuant to City Council action taken on January 17, 2012, the City elected to serve as the Successor Agency to the Berkeley Redevelopment Agency of the City of Berkeley (Successor Agency). The Successor Agency is a separate legal entity, which serves as a custodian for the assets and liabilities of the dissolved Redevelopment Agency pending distribution to the appropriate taxing entities after the payment of enforceable obligations. The activity of the Successor Agency is overseen by an Oversight Board comprised of individuals appointed by various government agencies and the City of Berkeley as Successor Agency of the former Redevelopment Agency.

Assets, Liabilities, and Net Position or Equity

All the Notes Receivable and capital assets were transferred to the Housing Special Revenue Funds of the City and therefore, there are no more outstanding items as of June 30, 2022.

Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditure

The following is a summary of Long-term obligations of the Successor Agency as of June 30, 2022:

Successor Agency	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Savo Island	\$ 233,000	\$ -	\$ (40,000)	\$ 193,000	\$ 43,000
Total Successor Agency	\$ 233,000	\$ -	\$ (40,000)	\$ 193,000	\$ 43,000

NOTES TO THE FINANCIAL STATEMENTS

17. TAX ABATEMENT-ECONOMIC DEVELOPMENT INCENTIVES

GASB Statement No.77, *Tax Abatement Disclosures* defines tax abatements as resulting from an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. According to GASB 77, the substance of this agreement meets the definition of “tax abatements” if the revenues received were not available for general municipal purposes, but rather used to effectively reduce the net tax liability of certain taxpayers per the provisions of an agreement. The taxes paid to the City are included in the revenue reported in these financial statements and the payments made to the businesses based upon the taxes paid are also included as expenditures in these financial statements.

On November 7, 2016, the City of Berkeley entered into a Hotel Incentive Agreement (CMS NO. H3WSR) agreement with Center Street Partners, LLC, in the form of a rebate of future Transient Occupancy Tax revenue generated by the project, thereby increasing the economic feasibility of the project, facilitating the development of the hotel and commercial project and increasing the likelihood of future General Fund revenues, without assuming any risk. This financial assistance agreement involves making certain periodic payments in the form of a rebate of new transient occupancy tax revenue generated by the Project in an amount not to exceed \$13, 125, 267 cumulatively, which amount represents the projected total amount of permit and impact fees to be charged by the City to the Project, with adjustments for inflation.

In authorizing the City Manager to execute this agreement, the City Council made the following determinations: (1) the Project will provide significant economic development benefits to the City in terms of both job creation and new tax revenue, including new property tax revenue, transient occupancy tax revenue, sales tax revenue, and other new revenue; (2) the Downtown Area Plan identifies a hotel and conference center as a highly desired use that warrants consideration of incentives; (3) the Owner requested financial assistance from the City equivalent to the total value of permit and impact fees charged by the City to the Project (maximum total rebate projected at \$13,125,267), in order to increase the Owner’s rate of return, economic feasibility of the Project, and ability to attract financing; (4) the City engaged third party consultants to confirm that without financial assistance from the City, the Project would likely be economically infeasible; and, (5) the City is able to provide assistance in the form of a rebate of up to 50 percent of future transient occupancy tax revenues generated by the Project, thereby increasing the economic feasibility of the Project and facilitating the development of the Project.

Construction of the Residence Inn was completed during FY 2022 and operations were started on December 21, 2021. During FY 2022 (December 21, 2021 through June 30, 2022), \$859,348 in TOT was generated by Residence Inn. The details of the transient occupancy taxes rebated during FY 2022 are as follows:

PURPOSE	Percentage of Taxes Abated During FY 2022	Amount of Taxes Abated During FY 2022
Construction of 16 story Residence Inn and commercial development on the site	50	\$429,674



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Required Supplementary Information

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA



BUDGETS AND BUDGETARY ACCOUNTING

A. Budgetary Information

Prior to June 1, the City Manager submits to the City Council a proposed operating budget for the upcoming fiscal year. The proposed budget includes a summary of the proposed expenditures and forecasted revenues, and available cash balances (i.e. budget basis fund balance/net position for the City's General Fund, Special Revenue Funds; Capital Project Funds; all Enterprise Funds, and all Internal Service Funds. The City of Berkeley adopts an annual appropriated budget for its General fund, capital project funds, debt service funds, and special revenue funds except for Community Workforce, California Housing Finance Agency, Tieback Mitigation R-O-W, Traffic Congestion Relief, Legacy Fund, Citywide RLF, Lillie B. Wall Memorial, California Energy Commission, One Time Funding, 1st Response Advanced Life Support (ALSFR), Other Special Deposits, Measure G: Fire Seismic Project, Measure G: Public Safety Building Fund, Street Improvement Fund, Pension Refunding, East Bay Public Utilities Commission, Fund for Impounded and Unneutered and Income Housing Funds: Savo Island Project and West Berkeley Improvement Project.

The City Council adopts an annual budget by resolution prior to July 1 of each fiscal year. The annual budget indicates appropriations by fund. The Council may adopt supplemental appropriations during the year. At the fund level, expenditures may not legally exceed appropriations. The City Manager is authorized to transfer budgeted amounts between departments or programs within any fund. Any revisions or transfers that alter the total appropriations of any fund must be approved by the City Council. The City utilizes a five-year capital plan, which is updated annually. Capital Project Funds are appropriated annually as part of the regular budget process. Any unused funds are re-appropriated to the following fiscal year until the project is completed.

The City Council approved an original annual appropriation ordinance of \$552,265,708 for FY 2022 and made supplementary budget appropriations totaling \$207,628,684 (for a total of revised budget of \$759,894,392) during the year. The supplementary budget appropriations consisted of the following: (1) FY 2021 outstanding encumbered rollovers of \$89,913,808; (2) FY 2021 unencumbered carryovers of \$33,897,163; (3) reappropriations of \$4,767,283; and, (4) other budget adjustments of \$79,050,430. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of money are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in governmental fund types.

Encumbrances outstanding at year-end are reported in assigned fund balance unless the purchase order relates to restricted or committed resources. They do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

B. Budgetary Results Reconciled to Results in Accordance with GAAP

The adopted budget and actual results reported in the governmental funds' budgetary schedules are on a modified cash basis, which is inconsistent with generally accepted accounting principles (GAAP). Under this budget basis, revenues are recorded when received, and interfund loans and repayments are recorded as other financing sources/uses, instead of increases and decreases in the due to/due from accounts.

C. Budgetary Comparison Schedules

The following are the budget comparison schedules for the General Fund and all major Special Revenue Funds.

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund - Budgetary Basis

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 183,468,012	\$ 217,668,362	\$ 227,982,400	\$ 10,314,038
Licenses and permits	1,548,145	1,548,145	1,579,944	31,799
Intergovernmental	738,372	738,372	651,916	(86,456)
Charges for service	7,013,322	7,127,595	7,683,304	555,709
Fines and penalties	3,880,508	3,940,508	4,931,195	990,687
Rents and royalties	149,210	149,210	294,329	145,119
Franchise	1,613,283	1,613,283	1,720,056	106,773
Private contributions and donations	174,769	174,769	45,433	(129,336)
Investment income	4,462,320	5,766,586	6,694,122	927,536
Miscellaneous	168,243	168,243	511,214	342,971
Total revenues	<u>203,216,184</u>	<u>238,895,073</u>	<u>252,093,913</u>	<u>13,198,840</u>
Expenditures:				
Current:				
General government	51,881,184	40,748,901	29,498,944	11,249,957
Public safety	112,977,640	118,279,817	124,218,213	(5,938,396)
Highway and streets	2,297,841	5,049,440	3,770,170	1,279,270
Health and welfare	12,188,170	19,392,403	18,016,899	1,375,504
Culture-recreation	7,675,564	9,676,531	8,755,061	921,470
Community development and housing	19,428,932	27,347,834	20,382,853	6,964,981
Economic development	2,535,186	3,904,679	3,004,196	900,483
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	200,000	200,000	29,575	170,425
Bond issuance cost	-	-	-	-
TRAN issuance costs	-	-	68,576	68,576
Total expenditures	<u>209,184,517</u>	<u>224,599,605</u>	<u>207,744,487</u>	<u>16,992,270</u>
Revenues over/(under) expenditures	<u>(5,968,333)</u>	<u>14,295,468</u>	<u>44,349,426</u>	<u>30,053,958</u>
Other financing sources/(uses)				
Transfers in	27,354,923	27,354,923	29,445,572	2,090,649
Transfers out	(19,381,784)	(23,108,479)	(31,577,119)	(8,468,640)
Interfund repayments	-	-	-	-
Interfund advances	-	-	-	-
Sale of capital assets	-	-	4,478	-
Total other financing sources/(uses)	<u>7,973,139</u>	<u>4,246,444</u>	<u>(2,127,069)</u>	<u>(6,373,513)</u>
Net change in fund balance	2,004,806	18,541,912	42,222,357	23,680,445
Fund balance, July 1, 2021	76,234,681	76,234,681	76,234,681	-
Fund balance, June 30, 2022	<u>\$ 78,239,487</u>	<u>\$ 94,776,593</u>	<u>\$ 118,457,038</u>	<u>\$ 23,680,445</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 42,222,357
Receivable accrual	(19,499,380)
Due from other fund - repayment	(2,090,649)
Due from other fund - advance	8,009,747
Payable accrual	7,519,273
Net change in fund balances - GAAP basis	<u>\$ 36,161,348</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual Grants Fund - Budgetary Basis

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 59,206,799	\$ 60,115,305	\$ 109,446,634	\$ 49,331,329
Charges for service	253,550	253,550	2,495,185	2,241,635
Investment income	61,632	61,632	663,974	602,342
Miscellaneous	-	-	17,529	17,529
Total revenues	59,521,981	60,430,487	112,623,322	52,192,835
Expenditures:				
General government	12,420,000	8,308,161	491,482	7,816,679
Public safety	234,804	1,677,356	373,571	1,303,785
Highway and streets	318,244	1,130,559	653,747	476,812
Health and welfare	22,035,280	31,109,044	18,512,024	12,597,020
Culture-recreation	232,017	930,484	400,111	530,373
Community development and housing	10,142,479	16,550,089	14,780,789	1,769,300
Economic development	1,795,980	3,767,985	3,023,614	744,371
Capital outlay:				
Highway and streets (CO)	185,000	12,538,129	4,562,953	7,975,176
Culture-recreation (CO)	-	2,665	-	2,665
Total expenditures	47,363,804	76,014,472	42,798,291	33,216,181
Revenues over/(under) expenditures	12,158,177	(15,583,985)	69,825,031	85,409,016
Other financing sources/(uses)				
Transfers in	-	-	-	-
Transfers out	(33,880,355)	(33,880,355)	(33,880,355)	-
Total other financing sources/(uses)	(33,880,355)	(33,880,355)	(33,880,355)	-
Net change in fund balance	(21,722,178)	(49,464,340)	35,944,676	85,409,016
Fund balance, July 1, 2021	9,841,226	9,841,226	9,841,226	-
Fund balance, June 30, 2022	\$ (11,880,952)	\$ (39,623,114)	\$ 45,785,902	\$ 85,409,016

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 35,944,676
Receivable accrual	(32,011,495)
Notes receivable accrual	(337,021)
Payable accrual	486,541
Net change in fund balances - GAAP basis	\$ 4,082,701

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Library Fund - Budgetary basis**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 21,704,603	\$ 21,704,603	\$ 22,429,364	\$ 724,761
Intergovernmental	60,000	60,000	62,927	2,927
Fines and penalties	40,000	40,000	16,147	(23,853)
Rents and royalties	-	-	-	-
Private contributions and donations	205,000	205,000	280,927	75,927
Investment Income	-	-	783	783
Miscellaneous	32,000	32,000	137,791	105,791
Total revenues	<u>22,041,603</u>	<u>22,041,603</u>	<u>22,927,939</u>	<u>886,336</u>
Expenditures:				
Culture-recreation	25,602,747	25,147,808	18,496,953	6,650,855
Total expenditures	<u>25,602,747</u>	<u>25,147,808</u>	<u>18,496,953</u>	<u>6,650,855</u>
Revenues over/(under) expenditures	<u>(3,561,144)</u>	<u>(3,106,205)</u>	<u>4,430,986</u>	<u>7,537,191</u>
Other financing sources/(uses)				
Transfers in	\$ -	\$ -	\$ -	\$ -
Transfers out	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(3,561,144)	(3,106,205)	4,430,986	7,537,191
Fund balance, July 1, 2021	14,171,035	14,171,035	14,171,035	-
Fund balance, June 30, 2022	<u>\$ 10,609,891</u>	<u>\$ 11,064,830</u>	<u>\$ 18,602,021</u>	<u>\$ 7,537,191</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 4,430,986
Receivable accrual	(55,087)
Grant receivable accrual	43,102
Payable accrual	(29,674)
Net change in fund balances - GAAP basis	<u>\$ 4,389,327</u>



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2. DEFINED BENEFIT PENSION PLANS

A. CalPERS Plans

Schedule of Changes in Net Pension Liability and Related Ratios during the Measurement Period Miscellaneous Plans⁽³⁾

Measurement period	2014 ⁽¹⁾	2015	2016
Total pension liability			
Service cost	\$ 17,671,892	\$ 16,872,462	\$ 16,093,496
Interest	60,962,710	62,911,744	65,105,036
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	(15,778,151)	(9,281,443)
Change of assumptions	-	(14,788,782)	-
Benefit payments, including refunds of employee contributions	(37,309,302)	(38,947,389)	(43,938,243)
Net change in total pension liability	41,325,300	10,269,884	27,978,846
Total pension liability - beginning	822,654,845	863,980,146	874,250,030
Total pension liability - ending (a)	\$ 863,980,146	\$ 874,250,030	\$ 902,228,876
Plan fiduciary net position			
Contributions - employer	\$ 17,742,374	\$ 18,303,639	\$ 20,032,929
Contributions - employee	9,202,333	6,752,797	6,904,128
Net investment income	98,032,089	14,859,667	3,476,221
Benefit payments, including refunds of employee contributions	(37,309,302)	(38,947,389)	(43,938,243)
Administrative expense	-	(737,906)	(399,523)
Plan to plan resource movement	-	284,821	(284,978)
Other Miscellaneous Income/Expense	-	-	-
Net change in fiduciary net position	87,667,494	515,629	(14,209,466)
Plan fiduciary net position - beginning	655,032,952	641,339,412	655,548,878
Plan fiduciary net position - ending (b)	\$ 655,032,952	\$ 655,548,878	\$ 641,339,412
Plan net position liability/(asset) - ending (a) - (b)	\$ 208,947,194	\$ 218,701,152	\$ 260,889,464
Plan fiduciary net position as a % of the total pension liability	75.82%	74.98%	71.08%
Covered payroll	\$ 87,614,737	\$ 87,918,618	\$ 85,480,937
Plan net pension liability/(asset) as a % of covered payroll	238.48%	248.75%	305.20%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions, CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

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

(3) Includes one year's payroll growth assumption using 2.75% payroll growth assumption for fiscal years ended June 30, 2018-19; 3% payroll growth assumption for fiscal years ended June 30, 2014-17.

	2017	2018	2019	2020	2021 ⁽²⁾
\$	18,319,450	\$ 18,834,712	\$ 19,887,312	\$ 20,079,663	\$ 20,548,191
	66,532,424	68,846,245	72,675,697	75,652,840	78,084,124
	-	-	-	-	-
	(10,781,092)	3,269,467	16,884,427	4,241,153	(3,504,149)
	52,798,032	(8,383,824)	-	-	-
	(45,764,257)	(49,503,784)	(53,562,035)	(56,961,902)	(59,955,398)
	81,104,557	33,062,816	55,885,401	43,011,754	35,172,768
	902,228,876	983,333,433	1,016,396,249	1,072,281,650	1,115,293,404
\$	<u>983,333,433</u>	<u>\$ 1,016,396,249</u>	<u>\$ 1,072,281,650</u>	<u>\$ 1,115,293,404</u>	<u>\$ 1,150,466,172</u>
\$	21,214,582	\$ 20,393,310	\$ 20,886,356	\$ 24,065,716	\$ 26,643,623
	9,301,166	13,747,826	15,885,527	16,545,469	16,374,227
	70,963,526	58,233,830	48,037,150	37,989,064	176,980,962
	(45,764,257)	(49,503,784)	(53,562,035)	(56,961,902)	(59,955,398)
	(946,894)	(1,084,722)	(525,103)	(1,080,642)	(786,269)
	(3,491)	(1,705)	(6,474)	-	28,657
	-	(2,059,905)	1,705	-	-
	54,764,632	39,724,850	30,717,126	20,557,705	159,285,802
	696,104,044	735,828,894	766,546,020	787,103,725	787,103,725
\$	<u>696,104,044</u>	<u>\$ 735,828,894</u>	<u>\$ 766,546,020</u>	<u>\$ 787,103,725</u>	<u>\$ 946,389,527</u>
\$	287,229,389	\$ 280,567,355	\$ 305,735,630	\$ 328,189,679	\$ 204,076,645
	70.79%	72.40%	71.49%	70.57%	82.26%
\$	88,645,362	\$ 94,371,740	\$ 100,559,700	\$ 100,639,199	\$ 106,633,060
	324.02%	297.30%	304.03%	326.11%	191.38%

Public Safety - Fire Plan

Measurement period	2014 ⁽¹⁾	2015	2016
Total pension liability			
Service cost	\$ 4,183,753	\$ 4,154,748	\$ 4,316,812
Interest	17,150,102	17,400,087	17,876,017
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	(4,736,917)	(1,327,136)
Change of assumptions	-	(3,990,299)	-
Benefit payments, including refunds of employee contributions	(13,447,853)	(14,168,237)	(14,006,618)
Net change in total pension liability	7,886,002	(1,340,618)	6,859,075
Total pension liability - beginning	233,300,081	241,186,083	239,845,465
Total pension liability - ending (a)	<u>\$ 241,186,083</u>	<u>\$ 239,845,465</u>	<u>\$ 246,704,540</u>
Plan fiduciary net position			
Contributions - employer	\$ 4,754,912	\$ 5,237,775	\$ 5,967,197
Contributions - employee	1,410,383	1,489,005	1,523,845
Net investment income	28,071,245	4,117,374	939,196
Benefit payments, including refunds of employee contributions	(13,447,853)	(14,168,237)	(14,006,618)
Administrative expense	-	(205,370)	(111,091)
Plan to plan resource movement	-	(70)	-
Other Miscellaneous Income/Expense	-	-	-
Net change in fiduciary net position	20,788,687	(3,529,523)	(5,687,471)
Plan fiduciary net position - beginning	165,021,539	185,810,226	182,280,703
Plan fiduciary net position - ending (b)	<u>\$ 185,810,226</u>	<u>\$ 182,280,703</u>	<u>\$ 176,593,232</u>
Plan net position liability/(asset) - ending (a) - (b)	\$ 55,375,857	\$ 57,564,762	\$ 70,111,308
Plan fiduciary net position as a percentage of the total pension liability	77.04%	76.00%	71.58%
Covered payroll	\$ 14,907,370	\$ 15,467,011	\$ 16,185,414
Plan net pension liability/(asset) as a percentage of covered payroll	371.47%	372.18%	433.18%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions, CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

	2017	2018	2019	2020	2021 ⁽²⁾
\$	4,976,440	\$ 5,050,545	\$ 5,094,809	\$ 5,376,207	\$ 5,149,025
	18,140,550	18,548,037	19,278,306	19,748,456	20,346,616
	-	-	-	-	-
	(2,451,159)	(1,273,144)	2,269,776	(2,098,331)	(257,904)
	14,328,945	(932,620)	-	-	-
	(14,713,157)	(15,785,115)	(15,568,769)	(16,111,142)	(16,663,456)
	20,281,619	5,607,703	11,074,122	6,915,190	8,574,281
	266,986,159	272,593,862	283,667,984	290,583,174	290,583,174
\$	266,986,159	\$ 272,593,862	\$ 283,667,984	\$ 290,583,174	\$ 299,157,455
\$	6,328,886	\$ 6,983,081	\$ 7,762,455	\$ 8,703,901	\$ 9,176,919
	1,575,673	1,801,681	1,800,299	1,781,366	1,759,155
	19,375,895	15,877,869	12,686,105	10,057,956	46,454,379
	(14,713,157)	(15,785,115)	(15,568,769)	(16,111,142)	(16,663,456)
	(260,728)	(294,358)	(140,529)	(286,834)	(207,389)
	-	(457)	(457)	(457)	-
	-	(558,991)	457	-	-
	12,306,569	8,023,710	6,540,018	4,145,247	40,519,608
	170,905,761	188,899,801	196,923,511	203,463,529	207,608,776
\$	183,212,330	\$ 196,923,511	\$ 203,463,529	\$ 207,608,776	\$ 248,128,384
\$	78,086,358	\$ 75,670,351	\$ 80,204,455	\$ 82,974,398	\$ 51,029,071
	68.62%	72.24%	71.73%	71.45%	82.94%
\$	16,684,346	\$ 17,219,137	\$ 18,392,338	\$ 17,619,953	\$ 18,330,455
	468.02%	439.45%	436.08%	470.91%	278.38%

Public Safety - Police Plan

Measurement period	<u>2014⁽¹⁾</u>	<u>2015</u>	<u>2016</u>
Total pension liability			
Service cost	\$ 6,933,491	\$ 6,687,437	\$ 6,603,067
Interest	25,322,913	26,160,351	26,905,428
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	(3,081,594)	(4,051,767)
Change of assumptions	-	(6,342,449)	-
Benefit payments, including refunds of employee contributions	(18,107,995)	(18,657,601)	(19,370,925)
Net change in total pension liability	14,148,409	4,766,144	10,085,803
Total pension liability - beginning	343,226,088	357,374,497	362,140,641
Total pension liability - ending (a)	<u>\$ 357,374,497</u>	<u>\$ 362,140,641</u>	<u>\$ 372,226,444</u>
Plan fiduciary net position			
Contributions - employer	\$ 10,060,801	\$ 10,108,019	\$ 10,777,599
Contributions - employee	2,037,428	1,988,892	2,054,362
Net investment income	35,084,789	5,119,789	1,121,784
Benefit payments, including refunds of employee contributions	(18,107,995)	(18,657,601)	(19,370,925)
Administrative expense		(260,769)	(141,206)
Plan to plan resource movement		(42)	(1,123)
Other Miscellaneous Income/Expense		-	-
Net change in fiduciary net position	29,075,023	(1,701,712)	(5,559,509)
Plan fiduciary net position - beginning	204,321,504	233,396,527	231,694,815
Plan fiduciary net position - ending (b)	<u>\$ 233,396,527</u>	<u>\$ 231,694,815</u>	<u>\$ 226,135,306</u>
Plan net position liability/(asset) - ending (a) - (b)	\$ 123,977,970	\$ 130,445,826	\$ 146,091,138
Plan fiduciary net position as a percentage of the total pension liability	65.31%	63.98%	60.75%
Covered payroll	\$ 22,471,207	\$ 22,490,875	\$ 22,289,585
Plan net pension liability/(asset) as a percentage of covered payroll	551.72%	579.99%	655.42%

(1) Historical information is required only for measurement periods for which GASB 68 is applicable.

(2) During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions, CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

	2017	2018	2019	2020	2021 ⁽²⁾
\$	7,540,371	\$ 7,206,671	\$ 6,572,589	\$ 6,906,033	\$ 7,797,251
	27,414,758	28,303,833	29,224,684	30,242,268	31,496,075
	-	-	-	-	-
	(5,198,038)	607,197	(261,541)	1,239,143	3,972,386
	22,647,547	(2,169,378)	-	-	-
	(20,045,912)	(21,537,031)	(22,568,755)	(23,373,646)	(24,687,419)
	32,358,726	12,411,292	12,966,977	15,013,798	18,578,293
	404,585,170	416,996,462	429,963,439	444,977,237	444,977,237
\$	404,585,170	\$ 416,996,462	\$ 429,963,439	\$ 444,977,237	\$ 463,555,530
\$	11,858,699	\$ 13,095,114	\$ 13,926,791	\$ 15,737,103	\$ 16,765,193
	2,098,584	2,103,617	2,005,991	2,375,802	2,458,960
	25,095,844	20,550,338	16,847,851	13,335,816	62,670,340
	(20,045,912)	(21,537,031)	(22,568,755)	(23,373,646)	(24,687,419)
	(333,874)	(381,485)	(184,056)	(377,747)	(275,357)
	3,491	(598)	6,474	-	(28,657)
	-	(724,446)	598	-	-
	18,676,832	13,105,509	10,034,894	7,697,328	56,903,060
	226,135,306	244,812,138	257,917,647	267,952,541	275,649,869
\$	244,812,138	\$ 257,917,647	\$ 267,952,541	\$ 275,649,869	\$ 332,552,929
\$	159,773,032	\$ 159,078,815	\$ 162,010,898	\$ 169,327,368	\$ 131,002,601
	60.51%	61.85%	62.32%	61.95%	71.74%
\$	22,933,002	\$ 22,701,037	\$ 21,803,626	\$ 21,101,838	\$ 25,356,914
	696.69%	700.76%	743.05%	802.43%	516.63%

Schedule of Plan Contributions for CalPERS Pension Plans

Miscellaneous Plans

	FY 2015	FY 2016	FY 2017
Actuarially determined contribution	\$ 18,303,639	\$ 20,032,929	\$ 21,214,582
Contribution in relation to the actuarially determined contributions	(18,303,639)	(20,032,929)	(21,214,582)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 87,918,618	\$ 85,480,937	\$ 88,645,362
Contributions as a percentage of covered payroll	20.82%	23.44%	23.93%

* Historical information is required only for measurement periods for which GASB 68 is applicable.

Public Safety – Fire Plan

	FY 2015	FY 2016	FY 2017
Actuarially determined contribution	\$ 5,237,775	\$ 5,967,197	\$ 6,328,886
Contribution in relation to the actuarially determined contributions	(5,237,775)	(5,967,197)	(6,328,886)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 15,467,011	\$ 16,185,414	\$ 16,684,346
Contributions as a percentage of covered payroll	33.86%	36.87%	37.93%

* Historical information is required only for measurement periods for which GASB 68 is applicable.

Public Safety – Police Plan

	FY 2015	FY 2016	FY 2017
Actuarially determined contribution	\$ 10,108,019	\$ 10,777,599	\$ 11,858,699
Contribution in relation to the actuarially determined contributions	(10,108,019)	(10,777,599)	(11,858,699)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	\$ 22,490,875	\$ 22,289,585	\$ 22,933,002
Contributions as a percentage of covered payroll	44.94%	48.35%	51.71%

* Historical information is required only for measurement periods for which GASB 68 is applicable.

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
\$	20,393,310	\$ 20,894,560	\$ 24,065,716	\$ 26,643,623	\$ 29,261,593
	(20,393,310)	(20,894,560)	(24,065,716)	(26,643,623)	(29,261,593)
\$	-	\$ -	\$ -	\$ -	\$ -
\$	94,371,740	\$ 100,559,700	\$ 102,290,694	\$ 106,633,060	\$ 108,591,330
	21.61%	20.78%	23.53%	24.99%	26.95%

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
\$	6,983,081	\$ 7,762,455	\$ 8,703,901	\$ 9,176,919	\$ 9,467,357
	(6,983,081)	(7,762,455)	(8,703,901)	(9,176,919)	(9,467,357)
\$	-	\$ -	\$ -	\$ -	\$ -
\$	17,219,137	\$ 18,392,338	\$ 18,877,133	\$ 18,330,455	\$ 21,028,000
	40.55%	42.20%	46.11%	50.06%	45.02%

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
\$	13,095,114	\$ 13,918,569	\$ 15,737,103	\$ 16,765,193	\$ 17,147,766
	(13,095,114)	(13,918,569)	(15,737,103)	(16,765,193)	(17,147,766)
\$	-	\$ -	\$ -	\$ -	\$ -
\$	22,701,037	\$ 21,803,626	\$ 22,263,161	\$ 25,356,914	\$ 24,514,659
	57.69%	63.84%	70.69%	66.12%	69.95%

Notes to Schedules for all plans (miscellaneous, fire, and police) above:

The actuarial methods and assumptions used to set the actuarially determined contribution for FY 2022 were derived from the June 30, 2019 funding valuation report.

	Miscellaneous	Public Safety	
		Fire	Police
Actuarial cost method		Entry-age normal	
Amortization method/period	For details, see June 30, 2018 Funding Valuation Report		
Asset valuation method	Fair value of assets		
Inflation	2.500%	2.500%	2.500%
Salary increases	Varies by entry age and services		
Payroll growth	2.750%	2.750%	2.750%
Investment rate of return	7.00 % net of pension plan investment and administrative expenses; includes inflation		
Retirement age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.		
Mortality	Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries		



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B. Berkeley Retirement Income Benefit Plan**Schedule of Changes in Net Pension Liability and Related Ratios for Berkeley Public Retirement Income Benefit Plan**

Measurement period	2014 ⁽¹⁾	2015	2016
Total pension liability			
Service cost	\$ -	\$ -	\$ -
Interest	2,399,970	2,503,642	2,441,727
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	1,501,596	7,453,545
Change of assumptions	7,559,895	4,403,685	6,961,164
Benefit payments, including refunds of employee contributions	(1,684,552)	(1,678,949)	(2,044,596)
Net change in total pension liability	8,275,313	6,729,974	14,811,840
Total pension liability - beginning	46,605,771	54,881,084	61,611,058
Total pension liability - ending (a)	\$ 54,881,084	\$ 61,611,058	\$ 76,422,898
Plan fiduciary net position			
Contributions - employer	\$ 1,489,304	\$ 1,467,997	\$ 1,943,978
Contributions - employee	-	-	-
Net investment income	410,656	164,247	284,425
Benefit payments, including refunds of employee contributions	(1,684,552)	(1,678,949)	(2,044,596)
Administrative expenses	(30,891)	(41,773)	(42,154)
Net change in fiduciary net position	184,517	(88,478)	141,653
Plan fiduciary net position - beginning	6,403,422	6,587,939	6,499,461
Plan fiduciary net position - ending (b)	\$ 6,587,939	\$ 6,499,461	\$ 6,641,114
Plan net position liability/(asset) - ending (a) - (b)	\$ 48,293,145	\$ 55,111,597	\$ 69,781,784
Plan fiduciary net position as a percentage of the total pension liability	12.00%	10.55%	8.69%
Covered payroll	\$ 19,920,000	\$ 20,002,000	\$ 20,002,000
Plan net pension liability/(asset) as a percentage of covered payroll	242.44%	242.44%	275.53%

(1) Historical information is required only for measurement periods for which GASB 67 is applicable.

(2) Estimated

	2017	2018	2019	2020	2021	2022
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	2,222,569	2,456,058	2,774,656	2,549,534	1,927,908	1,779,108
	-	-	-	-	-	-
	-	(2,399,531)	(2,744,787)	(3,119,941)	(1,862,018)	(4,052,001)
	(7,646,392)	6,217,552	3,226,771	9,305,578	4,026,371	(11,671,743)
	(2,112,022)	(2,155,214)	(2,618,766)	(2,427,646)	(2,522,372)	(2,762,477)
	(7,535,845)	4,118,865	637,874	6,307,525	1,569,889	(16,707,113)
	76,422,898	68,887,053	73,005,918	73,643,792	79,951,317	81,521,206
\$	68,887,053	\$ 73,005,918	\$ 73,643,792	\$ 79,951,317	\$ 81,521,206	\$ 64,814,093
\$	2,132,901	\$ 1,857,970	\$ 1,854,528	\$ 2,048,826	\$ 2,150,175	\$ 2,147,614
	-	-	-	-	-	-
	922	44,462	(29,544)	647,532	170,290	(379,204)
	(2,112,022)	(2,155,214)	(2,618,766)	(2,427,646)	(2,522,372)	(2,762,477)
	(42,204)	(17,199)	-	-	-	-
	(20,403)	(269,981)	(793,782)	268,712	(201,907)	(994,067)
	6,641,114	6,620,711	6,350,730	5,556,948	5,825,660	5,623,753
\$	6,620,711	\$ 6,350,730	\$ 5,556,948	\$ 5,825,660	\$ 5,623,753	\$ 4,629,686
\$	62,266,342	\$ 66,655,188	\$ 68,086,844	\$ 74,125,657	\$ 75,897,453	\$ 60,184,407
	9.61%	8.70%	7.55%	7.29%	6.90%	7.14%
\$	20,002,000	\$ 20,002,000 ⁽²⁾	\$ 20,002,000 ⁽²⁾	\$ 20,002,000 ⁽²⁾	\$ 20,002,000 ⁽²⁾	\$ 21,718,842 ⁽²⁾
	275.53%	311.30%	333.24%	370.59%	379.40%	379.40%

Schedule of Plan Contributions for Berkeley Retirement Income Benefit Plan

There was no required contribution calculation for FY 2022.

Schedule of Investment Returns

Year ending June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return on investments	6.53%	2.55%	3.9%	3.7%	3.3%	3.3%	3.3%	3.3%	3.8%

These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, pension plans should present information for those years which information is available.

C. Safety Members Pension Fund**Schedule of Changes in Net Pension Liability and Related Ratios for Safety Members Pension Fund**

Measurement period	2014 ⁽¹⁾	2015 ⁽¹⁾	2016
Total pension liability			
Service cost	\$ -	\$ -	\$ -
Interest	218,441	205,818	185,544
Changes of benefit terms	-	-	-
Difference between expected and actual experience	518,607	-	480,045
Change of assumptions	-	38,147	114,194
Benefit payments, including refunds of employee contributions	(1,003,620)	(1,001,957)	(1,843,952)
Net change in total pension liability	(266,572)	(757,992)	(1,064,169)
Total pension liability - beginning	5,094,747	4,828,175	4,828,175
Total pension liability - ending (a)	\$ 4,828,175	\$ 4,070,183	\$ 3,764,006
Plan fiduciary net position			
Contributions - employer	\$ 568,620	\$ 604,755	\$ 1,104,309
Contributions - employee	-	-	-
Net investment income	124,010	96,509	166,222
Benefit payments, including refunds of employee contributions	(1,003,620)	(1,001,957)	(1,543,259)
Administrative expenses	-	-	(17,650)
Net change in fiduciary net position	(310,990)	(300,693)	(290,378)
Plan fiduciary net position - beginning	1,564,995	1,254,005	953,312
Plan fiduciary net position - ending (b)	\$ 1,254,005	\$ 953,312	\$ 662,934
Plan net position liability/(asset) - ending (a) - (b)	\$ 3,574,170	\$ 3,116,871	\$ 3,101,072
Plan fiduciary net position as a percentage of the total pension liability	25.97%	23.42%	17.61%
Covered-employee payroll	N/A	N/A	N/A
Plan net pension liability/(asset) as a percentage of covered payroll	N/A	N/A	N/A

(1) Historical information is required only for measurement periods for which GASB 67 is applicable.

N/A - No covered-employee payroll or related ratio is presented, because there were no active members, and the plan was closed to new entrants.

	2017	2018	2019	2020	2021	2022
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
	110,849	106,968	84,747	55,273	33,643	28,108
	-	-	-	-	-	-
	418,546	(112,533)	(100,070)	365,385	253,939	111,397
	(225,811)	7,477	18,332	46,258	(21,303)	(59,043)
	(832,203)	(752,108)	(625,486)	(566,995)	(480,630)	(493,937)
	(528,619)	(750,196)	(622,477)	(100,079)	(214,351)	(413,475)
	3,764,006	3,235,387	2,485,191	1,862,714	1,762,635	1,548,284
\$	<u>3,235,387</u>	<u>\$ 2,485,191</u>	<u>\$ 1,862,714</u>	<u>\$ 1,762,635</u>	<u>\$ 1,548,284</u>	<u>\$ 1,134,809</u>
\$	513,316	\$ 454,108	\$ 525,486	\$ 566,995	\$ 480,630	\$ 493,937
	-	-	-	-	-	-
	43,310	17,690	3,066	-	-	-
	(832,203)	(752,108)	(625,486)	(566,995)	(480,630)	(493,937)
	(10,113)	(10,113)	-	-	-	-
	(285,690)	(290,423)	(96,934)	-	-	-
	662,934	377,244	96,934	-	-	-
\$	<u>377,244</u>	<u>\$ 96,934</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$	2,858,143	\$ 2,388,257	\$ 1,862,714	\$ 1,762,635	\$ 1,548,284	\$ 1,134,809
	11.66%	3.90%	0.00%	0.00%	0.00%	0.00%
	N/A	N/A	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A	N/A	N/A

Schedule of Plan Contributions for Safety Member Pension Fund

Historically, the plan has been funded based on contributions necessary to pay benefits not provided by the MassMutual GIC. Funding is not based on actuarially determined contributions and contributions not neither statutorily not contractually established.

Schedule of Investment Returns

Year ending June 30,	2014	2015	2016	2017	2018	2019	2020	2021	2022
Annual money-weighted rate of return on investments	6.53%	2.55%	3.9%	3.7%	3.3%	3.3%	3.3%	3.3%	3.8%

These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10- year trend is compiled, pension plans should present information for those years which information is available.

3. OTHER POST-EMPLOYMENT RETIREE HEALTH PLANS

A. Berkeley Fire Employees Retiree Health Plan

Schedule of Changes in Net OPEB Liability and Related Ratios

Measurement Period	2017 ⁽¹⁾	2018	2019	2020	2021	2022
Total OPEB liability						
Service cost	\$ 1,139,553	\$ 1,096,067	\$ 1,168,001	\$ 1,342,365	\$ 1,766,598	\$ 1,911,547
Interest cost	1,016,737	1,102,679	1,101,475	1,156,748	952,902	917,203
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	-	(696,670)	(240,242)	(5,001,736)	747,494	(2,050,333)
Changes of assumptions	(1,120,587)	(1,018,507)	1,769,199	5,330,768	418,168	(6,264,012)
Benefit payments	(435,736)	(409,061)	(325,861)	(634,761)	(476,722)	(769,042)
Net change in total OPEB liability	599,967	74,508	3,472,572	2,193,384	3,408,440	(6,254,637)
Total OPEB liability - beginning	26,782,318	27,382,285	27,456,793	30,929,365	33,122,749	36,531,189
Total OPEB liability - ending	\$ 27,382,285	\$ 27,456,793	\$ 30,929,365	\$ 33,122,749	\$ 36,531,189	\$ 30,276,552
Plan fiduciary net position						
Contributions - employer	\$ 862,969	\$ 737,933	\$ 759,000	\$ 742,397	\$ 741,212	\$ 817,508
Contributions - employee	-	-	-	-	-	-
Net investment income	52,551	38,661	662,448	545,553	459,011	(937,465)
Benefit payments and refunds	(435,736)	(409,061)	(325,861)	(634,761)	(476,722)	(769,042)
Administrative expenses	(25,329)	(14,233)	(4,945)	(3,979)	(10,823)	-
Other changes	-	-	-	-	-	-
Net changes	454,455	353,300	1,090,642	649,210	712,678	(888,999)
Plan fiduciary net position - beginning	9,397,656	9,852,111	10,205,411	11,296,053	11,945,263	12,657,941
Plan fiduciary net position - ending	\$ 9,852,111	\$ 10,205,411	\$ 11,296,053	\$ 11,945,263	\$ 12,657,941	\$ 11,768,942
Plan net OPEB liability/(asset)	\$ 17,530,174	\$ 17,251,382	\$ 19,633,312	\$ 21,177,486	\$ 23,873,248	\$ 18,507,610
Fiduciary net position as a percentage of the total OPEB liability	36.0%	37.2%	36.5%	36.1%	34.6%	38.9%
Covered payroll	\$ 15,139,847	\$ 15,614,466	\$ 15,667,851	\$ 15,307,269	\$ 15,282,868	\$ 16,924,571
Net OPEB liability as a percentage of covered payroll	115.79%	110.50%	125.31%	138.35%	156.21%	109.35%

⁽¹⁾Historical information is required only for measurement periods for which GASB 75 is applicable.

*Future years' information will be displayed up to 10 years as information becomes available.

**Changes in Assumptions. The discount rate was updated based on the municipal bond rate as of the measurement date, the expected rate of return on assets, and the crossover test; The inflation was updated from 2.75% to 2.50%; and the Mortality improvement scale was updated to Scale MP-2020.

Schedule of Employer Contributions

Measurement Period	2017 ⁽¹⁾	2018	2019	2020	2021	2022
	\$	\$	\$	\$	\$	\$
Actuarially determined contribution (ADC)	1,991,925	2,163,028	2,326,493	2,104,622	2,575,970	1,354,619
Contributions in relations to the actuarially determined contribution	862,969	737,933	759,000	742,397	741,212	817,508
	\$	\$	\$	\$	\$	\$
Contribution deficiency/(excess)	1,128,956	1,425,095	1,567,493	1,362,225	1,834,758	\$ 537,111
Covered payroll	\$	\$	\$	\$	\$	\$
Contributions as a percentage of covered payroll	5.7%	4.7%	4.8%	4.8%	4.8%	4.8%

⁽¹⁾Historical information is required only for measurement periods for which GASB 75 is applicable.

Notes to Schedule of Employer Contributions

Valuation date	July 1, 2021
Actuarial cost method	Entry age normal, level percentage of payroll
Amortization method	Level dollar, over 20-year open period
Asset valuation method	Market value of assets
Inflation	2.50%
Discount rate	2.75%
Medical trend	Non-Medicare-6.75% for 2022, decreasing to an ultimate rate of 3.75% in 2076 and later years Medicare-Non-Kaiser 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076; Kaiser 4.6% for 2023, decreasing to an ultimate rate of 3.75% in 2076.
Mortality	CalPERS 2000-2019 experience study
Mortality improvement	Mortality projected fully generational with Scale MP-2021

B. Berkeley Miscellaneous Employees Retiree Health Plan

Schedule of Changes in Net OPEB Liability and Related Ratios

Measurement Period	2017 ⁽¹⁾	2018	2019	2020	2021	2022
Total OPEB liability						
Service cost	\$ 3,158,691	\$ 2,758,915	\$ 2,722,025	\$ 3,179,095	\$ 4,501,763	\$ 3,620,832
Interest cost	2,037,274	2,347,169	2,384,553	2,431,913	2,350,294	1,807,863
Changes of benefit terms	-	-	-	-	174,029	-
Difference between expected and actual experience	-	(1,080,363)	(632,496)	(1,851,097)	(7,240,048)	(5,248,182)
Changes of assumptions	(6,804,556)	(5,371,861)	2,729,815	22,060,044	(15,323,082)	(12,289,862)
Benefit payments	(736,196)	(927,645)	(984,708)	(1,328,358)	(1,174,959)	(2,091,325)
Net change in total OPEB liability	(2,344,787)	(2,273,785)	6,219,189	24,491,597	(16,712,003)	(14,200,674)
Total OPEB liability - beginning	64,005,272	61,660,475	59,386,690	65,605,879	90,097,476	73,385,473
Total OPEB liability - ending	\$ 61,660,475	\$ 59,386,690	\$ 65,605,879	\$ 90,097,476	\$ 73,385,473	\$ 59,184,799
Plan fiduciary net position						
Contributions - employer	\$ 3,352,941	\$ 2,000,393	\$ 2,003,621	\$ 2,193,113	\$ 2,219,280	\$ 2,302,446
Contributions - employee	-	-	-	-	-	-
Net investment income	212,183	393,160	2,233,680	217,442	1,091,946	(1,986,312)
Benefit payments and refunds	(735,196)	(927,645)	(984,708)	(1,328,358)	(1,174,959)	(2,091,325)
Administrative expenses	(64,386)	(69,263)	(37,536)	(30,346)	(84,248)	(757)
Other changes	-	-	-	-	-	-
Net changes	2,764,542	1,396,649	3,215,057	1,051,851	2,052,019	(1,775,948)
Plan fiduciary net position - beginning	20,995,355	23,774,427	25,171,076	28,386,133	29,437,984	31,490,003
Plan fiduciary net position - ending	\$ 23,759,897	\$ 25,171,076	\$ 28,386,133	\$ 29,437,984	\$ 31,490,003	\$ 29,714,055
Plan OPEB net liability/(asset)	\$ 37,900,578	\$ 34,215,614	\$ 37,219,746	\$ 60,659,492	\$ 41,895,470	\$ 29,470,744
Fiduciary net position as a percentage of the total OPEB liability	38.50%	42.39%	43.27%	32.67%	42.91%	50.21%
Covered payroll	\$ 84,216,839	\$ 90,333,251	\$ 91,491,386	\$ 94,774,757	\$ 99,542,579	\$ 102,205,676
Net OPEB liability as a percentage of covered payroll	45.00%	37.88%	40.68%	64.00%	42.09%	28.83%

⁽¹⁾ Historical information is required only for measurement periods for which GASB 75 is applicable.

* Changes in assumptions. The discount rate was updated based on the municipal bond rate as of the measurement date, the expected rate of return on assets, and the crossover test; The inflation was updated from 2.75% to 2.50%; and the Mortality improvement scale was updated to Scale MP-2020

Schedule of Employer Contributions

Measurement Period	2017 ⁽¹⁾	2018	2019	2020	2021	2022
Actuarially determined contribution (ADC)	\$ 4,610,828	\$ 4,729,448	\$ 5,051,655	\$ 5,534,572	\$ 4,871,995	\$ 2,071,289
Contributions in relations to the actuarially determined contribution	\$ 3,352,941	\$ 2,000,397	\$ 2,003,621	\$ 2,193,113	\$ 2,219,280	\$ 2,302,446
Contribution deficiency/ (excess)	\$ 7,963,769	\$ 6,729,845	\$ 3,048,034	\$ 3,341,459	\$ 2,652,715	\$ (231,157)
Covered payroll	\$84,216,839	\$90,333,251	\$91,491,386	\$96,774,757	\$99,542,525	\$ 102,205,676
Contributions as a percentage of covered payroll	4.0%	2.2%	2.2%	2.3%	2.2%	2.3%

⁽¹⁾ Historical information is required only for measurement periods for which GASB 75 is applicable.

*Future years' information will be displayed up to 10 years as information becomes available.

Notes to Schedule of Employer Contributions

Valuation date	July 1, 2021
Actuarial cost method	Entry age normal, level percentage of payroll
Amortization method	Level dollar, over 20-year open period
Asset valuation method	Market value of assets
Discount rate	3.00%
Inflation	2.50%
Medical trend	Non-Medicare- Non-Kaiser 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076. Medicare-Non-Kaiser 5.65% for 2022, decreasing to an ultimate rate of 3.75% in 2076; Kaiser 4.6% for 2023, decreasing to an ultimate rate of 3.75% in 2076.
Mortality	CalPERS 2000-2019 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

POLICE RETIREE PREMIUM ASSISTANCE PLAN

Schedule of Changes in Net OPEB Liability and Related Ratios

Measurement Period	2017 ⁽¹⁾	2018	2019	2020	2021	2022
Total OPEB liability						
Service cost	\$ 3,710,498	\$ 3,023,242	\$ 2,629,121	\$ 2,923,570	\$ 3,748,506	\$ 3,673,425
Interest cost	1,556,852	1,800,859	1,779,243	1,803,350	1,415,045	1,200,184
Changes of benefit terms	-	-	-	-	-	-
Difference between expected and actual experience	(8,663,806)	(2,849,858)	(3,609,918)	(6,089,186)	(5,459,588)	(4,508,061)
Changes of assumptions	-	(5,544,476)	4,668,732	12,709,723	(7,333,890)	(17,119,515)
Benefit payments	(150,908)	(226,007)	(221,190)	(203,998)	(279,563)	(604,145)
Net change in total OPEB liability	(3,547,364)	(3,796,240)	5,245,988	11,143,459	(7,909,490)	(17,358,112)
Total OPEB liability - beginning	50,800,336	47,252,972	43,456,732	48,702,720	59,846,179	51,936,689
Total OPEB liability - ending	\$47,252,972	\$43,456,732	\$48,702,720	\$59,846,179	\$51,936,689	\$ 34,578,577
Plan fiduciary net position						
Contributions - employee	\$ 562,995	\$ 295,743	\$ 400,137	\$ 400,136	\$ 400,136	\$ 400,136
Net investment income	-	-	-	-	99,904	(228,216)
Contributions - employer	(9,698)	(5,508)	468,950	(267,637)	-	-
Benefit payments and refunds	(150,908)	(226,007)	(221,190)	(203,998)	(279,563)	(604,145)
Administrative expenses	(12,167)	(4,209)	(1,886)	(4,871)	(13,074)	-
Other changes	-	-	-	-	-	-
Net changes	390,222	60,019	646,011	(76,370)	207,403	(432,225)
Plan fiduciary net position - beginning	1,353,903	1,744,125	1,804,144	2,450,155	2,373,785	2,581,188
Plan fiduciary net position - ending	\$ 1,744,125	\$ 1,804,144	\$ 2,450,155	\$ 2,373,785	\$ 2,581,188	\$ 2,148,963
Plan net OPEB liability/(asset)	\$45,508,847	\$41,652,588	\$46,252,565	\$57,472,394	\$49,355,501	\$ 32,429,614
Fiduciary net position as a percentage of the total OPEB liability	3.7%	4.2%	5.0%	4.0%	5.0%	6.2%
Covered payroll	\$20,303,490	\$19,473,765	\$18,760,962	\$20,695,223	\$21,718,889	\$ 21,681,336
Net OPEB liability as a percentage of covered payroll	224.1%	213.9%	246.5%	277.7%	227.2%	149.6%

⁽¹⁾ Historical information is required only for measurement periods for which GASB 75 is applicable.

* Changes in assumptions. The discount rate was updated based on the municipal bond rate as of the measurement date, the expected rate of return on assets, and the crossover test; The inflation was updated from 2.75% to 2.50%; and the Mortality improvement scale was updated to Scale MP-2020.

Schedule of Employer Contributions

Measurement Period	2017 ⁽¹⁾	2018	2019	2020	2021	2022
Actuarially determined contribution (ADC)	\$ 5,105,429	\$ 4,929,429	\$ 5,155,293	\$ 4,432,549	\$ 5,076,625	\$ 4,636,861
Contributions in relations to the actuarially determined contribution	562,995	295,743	400,137	400,136	400,136	400,136
Contribution deficiency/(excess)	\$ 4,542,434	\$ 4,633,686	\$ 4,755,156	\$ 4,032,413	\$ 4,676,489	\$ 4,236,725
Covered payroll	\$ 20,303,490	\$ 19,473,765	\$ 18,760,962	\$ 20,695,223	\$ 21,718,887	\$ 21,681,336
Contributions as a percentage of covered payroll	2.77%	1.52%	2.13%	1.93%	1.84%	1.85%

⁽¹⁾ Historical information is required only for measurement periods for which GASB 75 is applicable.

*Future years' information will be displayed up to 10 years as information becomes available

Notes to Schedule of Employer Contributions

Valuation date	June 30, 2021
Actuarial cost method	Entry age normal, level percentage of payroll
Amortization method	Level dollar, over 20-year open period
Asset valuation method	Market value of assets
Discount rate	2.75%
Inflation	2.50%
Medical trend	Non-Medicare-6.5% for 2023, decreasing to an ultimate rate of 3.75 in 2076 and later years Medicare-Non-Kaiser 5.65 for 2022, decreasing to an ultimate rate of 3.75 in 2076; Medicare-Kaiser 4.6% for 2022, decreasing to an ultimate rate of 3.75%
Mortality	CalPERS 2000-2019 experience study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021



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The image features a photograph of a paved path lined with large, mature trees. A blue and white geometric graphic, consisting of overlapping triangles, is positioned on the left side of the page. The title text is placed to the right of this graphic.

Combining Financial Statements and Schedules

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Improvement Fund
For the Fiscal Year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	-
Charges for service	-	-	15,794	15,794
Rents and royalties	-	-	-	-
Investment income	-	-	10,486	10,486
Miscellaneous	-	-	4,946	4,946
Total revenues	<u>-</u>	<u>-</u>	<u>31,226</u>	<u>31,226</u>
Expenditures:				
Current:				
General government	126,346	229,711	54,850	174,861
Public safety	-	350,045	16,695	-
Community development and housing	1,347,531	3,680,567	982,890	2,697,677
Economic development	-	53,350	168	53,182
Capital outlay:				
Highway and streets	5,248,620	8,939,111	4,556,898	4,382,213
Culture-recreation	550,000	336,866	306,730	30,136
Total expenditures	<u>7,272,497</u>	<u>13,589,650</u>	<u>5,918,231</u>	<u>7,671,419</u>
Revenues over/(under) expenditures	<u>(7,272,497)</u>	<u>(13,589,650)</u>	<u>(5,887,005)</u>	<u>7,702,645</u>
Other financing sources/(uses)				
Transfers in	4,950,905	4,950,905	4,950,904	(1)
Transfers out	(1,121,404)	(1,121,404)	(1,121,404)	-
Insurance recoveries	-	-	28,900	-
Total other financing sources/(uses)	<u>3,829,501</u>	<u>3,829,501</u>	<u>3,858,400</u>	<u>28,899</u>
Net change in fund balance	(3,442,996)	(9,760,149)	(2,028,605)	7,731,544
Fund balance, July 1, 2021	10,344,520	10,344,520	10,344,520	-
Fund balance, June 30, 2022	<u>6,901,524</u>	<u>584,371</u>	<u>8,315,915</u>	<u>7,731,544</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (2,028,605)
Notes receivable accrual	-
Payable accrual	(713,535)
Net change in fund balances - GAAP basis	<u>\$ (2,742,140)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure O Housing Bond Capital Project Fund
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ -	\$ -	\$ 63,448	\$ 63,448
Total revenues	-	-	63,448	63,448
Expenditures:				
Current				
Community development and housing	6,445,567	10,185,512	10,985,355	(799,843)
Capital Outlay				
Highway and streets	-	-	-	-
Total expenditures	6,445,567	10,185,512	10,985,355	(799,843)
Net change in fund balance	(6,445,567)	(10,185,512)	29,078,093	39,263,605
Fund balance, July 1, 2021	22,674,510	22,674,510	22,674,510	-
Fund balance, June 30, 2022	<u>\$ 16,228,943</u>	<u>\$ 12,488,998</u>	<u>\$ 51,752,603</u>	<u>\$ 39,263,605</u>

**Explanation of differences between budgetary
basis to modified accrual basis:**

Net change in fund balances - budgetary basis	\$ 29,078,093
Payable accrual	10,985,356
Net change in fund balances - GAAP basis	<u>\$ 40,063,449</u>

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

The **Asset Forfeiture Fund** accounts for monies received from the seizure and forfeiture of assets acquired by the City as a result of narcotics related law enforcement.

The **Special Tax for Disabled Fund** accounts for special tax, which is solely for providing emergency services and incidental case management for severely physically disabled persons.

The **Workforce Investment Act Fund** accounts for funds provided by allocation of Workforce Investment Act grant funds.

The **Community Workforce Fund** accounts for funds provided by allocation of adult employment workforce.

The **Sec 108 HUD Loan Grant Assistant** accounts for funds for Sec 108 HUD loan and its disbursement.

The **Fund Raising Activities Fund** accounts for funds donated for providing food meal program.

The **California Housing Finance Agency Fund** accounts for funds for operating a local housing program.

The **Gilman Sports Field Fund** accounts for funds for Gilman sports field.

The **Gilman Fields Reserve Fund** is used to reserve for funds for Gilman fields.

The **Animal Shelter Fund** accounts for funds donated for providing animal shelter and related services.

The **Paramedic Assessment District Fund** is used to account for special tax assessed for paramedic service.

The **California Energy Commission Fund** accounts for street light maintenance and conversion to LED for energy savings.

The **Tieback Mitigation R-O-W Fund** accounts for the collection of mitigation fees from developers for the future potential cost associated in removing tiebacks or any other cost associated in the Public right of way.

The **Domestic Violence Prevention Vital Statistics Fund** accounts for the surcharge for birth and death certificates that are issued by the Berkeley Public Health Vital Statistics unit to be used in the administration and coordination of domestic violence and family violence prevention activities.

The **Affordable Housing Mitigation Fee Fund** accounts for funds received from mitigation fee assessed on the construction of new rental units.

The **Affordable Child Care Fund** accounts for funds received from fees collected from developers of large scale commercial development to assist low-income families with monthly child care payments.

The **Inclusionary Housing Program Fund** accounts for the administration of the Inclusionary Housing Program, whereby 20% of new units in apartment projects in the City of Berkeley must be offered at a rent or sale price that is affordable to low income households. The City charges fees for the administration and monitoring of this program.

The **Condo Conversion Program Fund** accounts for the administration of the affordable housing. Housing department can charge 10% of the revenue for program delivery costs.

The **Parking In-Lieu Fee Fund** accounts for monies received to use for a variety of enhanced transit and transportation demand management programs based on Downtown Area Plan Policy AC 1.3. Fees collected are to be used for capital projects in the Downtown Area.

The **Playground Camp Fund** accounts for registration and miscellaneous fees for the purpose of operating the City's vacation camp and day camps. Fund established to account for the money received under the state's SB300 program.

The **State Proposition 172 Fund** is used to receive monies from sales tax to be used for public safety.

The **Traffic Congestion Relief Fund** established to use for project roadway thermoplastic markings.

The **State Transportation Tax Fund** is used to consolidate Special Gas Tax Fund – Disc; State 2106; State 2107; and State Prop 111, which to receive monies from City's gasoline tax apportionment revenue per code sections, for the highway traffic congestion relief and spending.

The **CDBG Fund** is used pursuant to Housing & Community Development Act of 1974 to consolidate monies for several Federal programs (Model Cities, Urban Renewal, Open Space & Water and Sewer) under a single

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds, continued

block grant designed to allow the City to finance developmental activities (especially housing) on a minimally restricted basis.

The **Rental Housing Safety Program Fund** is used established to receive monies by charging an annual per unit fee to the rental housing property owner, imposing fines to all related violations. The purpose of this fund is to provide and streamline the Rental Housing Safety Program (RHSP) while maintaining the overall goal of having owners, tenants, and the City work together to increase the safety of all residential rental units.

The **Measure B: Local Streets and Roads Fund** accounts for the tax assessed for local streets and roads.

The **Measure B: Bike and Pedestrians Fund** is used to receive monies for the maintenance of bike and pedestrian lanes.

The **Measure B: Paratransit Fund** accounts for the revenue assessed from property tax to be used for expenses related for paratransit services.

The **Measure F Alameda County VRF Street and Road Fund** accounts for the revenue assessed from vehicle registration fee to be used for expenses related for road and street services

The **Measure BB: Local Streets and Roads Fund** established to account for the tax assessed for local streets and roads, which has to separate from any other funds it receives from Alameda CTC per funding agreement article II.B.2.

The **Measure BB: Bike and Pedestrians Fund** is used to receive monies for the maintenance of bike and pedestrian lanes, which has to separate from any other funds it receives from Alameda CTC per funding agreement article II.B.2.

The **Measure BB: Paratransit Fund** accounts for the revenue assessed from property tax to be used for expenses related for paratransit services, , which has to separate from any other funds it receives from Alameda CTC per funding agreement article II.B.2.

The **Shelter Operations Fund** accounts used to provide shelter needs to homeless people.

The **One Time Funding Fund** accounts for the revenue relating to Ed Roberts Campus.

The **Park Tax Fund** accounts for the receipt and expenditure of the special tax approved by two thirds of the voters on May 6, 1997 and re-authorized in November 2000 and November 2008. It is used for the direct cost of acquisition and maintenance of improvements related to parks and landscape in the city.

The **Street and Open Space Improvement Fund** accounts for the SOSIP impact fee assessed to be used for the comprehensive design of significant positive alternations and additions to Downtown's parks, plazas, and streetscape.

The **Measure GG Fire Preparation Tax Fund** accounts for fire and disaster tax passed in Bond Measure GG in 2009. The monies collected are for emergency responses.

The **1st Response Advanced Life Support (ALSFR) Fund** accounts for funds to set up a minimum requirements, conduct and competency in the operation of ALSFR services.

The **Street Lighting Fund** is established to receive special assessment district monies used for maintenance and or servicing of existing and future public lighting facilities, and the installation or construction of public lighting for the maintenance of servicing thereof, including grading, clearing, removal of debris, the installation of curbs and gutters, walls, sidewalks or paving or water, irrigation, drainage or electrical facilities.

The **Business Economic Development Fund** is used to receive monies from a federal grant (Economic Development Administration) for the purpose of providing loans to eligible South Berkeley establishments under a program approved by the City Council.

The **Citywide RLF (Revolving Loan Fund) Fund** established to account for Citywide Commercial revolving loan fund for revitalization of business enterprises and job stimulation.

The **Legacy fund** accounts for balances in inactive funds.

The **Miles Lab Fund** is used to provide job training for Berkeley residents.

The **Employee Training Fund** is used to provide training to city employees.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds, continued

The **UC Settlement Fund** established to account for agreed upon expenses to be shared between City of Berkeley and University of California, Berkeley.

The **Private Percent Art Fund** established for the purpose of implementing the Arts and Cultural Plan.

The **Private Party Sidewalks Fund** accounts for reimbursements from private parties, which were previously passed through Landscape Assessment District Fund, now a parks tax, and all sidewalk funding is to be removed from this fund.

The **Public Art Fund** is used to set aside funds for the development of visual art in public places, including art developed in conjunction with city construction projects.

The **Lillie B. Wall Memorial Fund** established to provide day nursing care to needy children in the City of Berkeley

The **Vital and Health Statistics Fund** established to account for monies held in trust for vital and health statistic program.

The **East Bay Public Utilities Commission Fund** is used to oversee expenses involved in the construction of certain public improvements in Assessment District No. 1960-1 in the City of Berkeley.

The **PERS Savings Fund** accounts for monies accumulated to assist City pay for its pension and OPEB liabilities.

The **Other Special Deposits Fund** is used to receive monies left in trust with the City of Berkeley for specific purposes from various sources.

The **Health State Aid Realignment Fund** is used to receive monies (Assembly Bill 1491) from vehicle license fees and state sales tax to support public health activities within the City's health jurisdiction. This fund provides for the ongoing fiscal relief measure in response to the local funding dilemma created by Proposition 13. These funds replace the Assembly Bill 8 allocations normally received by the city for providing Public Health Services.

The **Tobacco Control Fund** is used to receive State monies from special tax on cigarettes to provide public health education and outreach on tobacco use prevention and cessation.

The **Mental Health State Aid Realignment Fund** accounts for receive monies from State sales tax for the purpose of providing mental health services to the citizens of Berkeley and Albany.

The **City Opt. Public Safety Trust Fund** is used to receive monies from State as a result of Assembly Bill 3229 for the purpose of purchasing radio equipment for the Communications Center of the new public safety building.

The **Fund for Impounded and Unneutered Fund** accounts for monies held in trust for impounded and unneutered animals.

The **Alameda County Abandoned Vehicle Abatement Authority Fund** was established to provide an interest bearing abandoned and inoperative vehicle fund in accordance with requirements mandated by the California Vehicle Code, section 22710.

The **Fair Elections Fund** is established for the purpose of providing public financing for the election campaigns of certified participating candidates; and paying for the administrative and enforcement costs of the Berkeley Fair Campaign Practices Commission ("Commission") and City staff related to the Fair Elections Fund public campaign financing program.

The **Measure FF - Public Safety** is established for the purpose of funding firefighter and emergency medical response including, but not limited to, training, hiring, maintaining and upgrading facilities and equipment, upgrades to the 9-1-1 communication system and wildfire prevention and preparedness activities.

NONMAJOR GOVERNMENTAL FUNDS

Capital Project Funds

The **Infrastructure Facilities Measure T1 Fund** accounts for the receipt and expenditure of the proceeds from the General Obligation bonds approved by over two third of the voters on November 8, 2016, to finance renovations, replacement, or reconstruction of the City's aging infrastructure and facilities.

The **Phone System Replacement Fund** accounts for monies received from other funds to build a reserve for the future replacement of the phone system.

The **Fund\$ Replacement Fund** accounts for monies received from other funds to build a reserve for the future replacement of the Fund\$ enterprise wide software system.

The **Public, Education & Government Access Facilities Fund** accounts for monies received from the Cable Television Franchise. These monies are to be used for capital expenditure for PEG studios, video production equipment, mobile production van(s), internal wiring connections, and related capital items.

The **Measure G: Fire Seismic Projects Fund** accounts for fire seismic projects.

The **Measure M: Street and Watershed Improvements Fund** accounts for street and watershed improvements.

The **Measure G: Public Safety Building Fund** accounts for the retrofit of the public safety building.

The **Street Improvement Fund** established by Resolution 26,971 to receive shared County Gas Tax revenues from the City of Berkeley and County of Alameda for use on specific street improvement projects. Contract is for five years, fiscal year 1988-89 through fiscal year 1992-93.

The **Park Acquisition Development Fund** accounts for monies provided by an annual tax levy of \$.20 for each \$100 of assessed valuation. This levy ended after FY 1979-80. A minimum of 75% of the revenues are used for the acquisition and development of real property which are used for recreation and open space purposes determined by the Recreation and Parks Commission and Planning Commission. The balance of the Fund (up to 25%) may be used for the renovation of existing City park properties and for associated administrative expenses.

The **Income Housing Fund – West Berkeley Improvement Project Fund** accounts for noncash portion transferred from former West Berkeley Low and Moderate Housing Fund due to AB 1X 26.

The **Income Housing Fund – Savo Island Project Fund** accounts for noncash portion transferred from former Savo Island Low and Moderate Housing Fund due to AB 1X 26.

NONMAJOR GOVERNMENTAL FUNDS

Debt Service Funds

The **09 Measure FF – Library Fund** accounts for a bond measure FF in 2009 – the library’s retrofitting projects, part of the monies received are for furniture and fixture.

The **GO 2015 Refunding bonds for 2007 Refunding Bonds’ Fund** was established to receive monies and to make interest and principal payment on the Berkeley 2015 General obligation refunding bonds replacing 2007 General obligation refunding bonds, which replaced the old Measure S series A, B, C.

The **Berkeley Repertory Theatre Fund** was established to receive monies and to make interest and principal payment on the Berkeley Joint Powers Financing Authority Lease Revenue Bonds, Series 1999. The proceeds of the bonds are used to acquire a new theater facility with a park to be constructed by the Berkeley Repertory Theatre or other public facilities.

The **GO 2015 Refunding bonds for 2002 Refunding Bonds’ portion Fund** was established to receive monies and to make interest and principal payment on the Berkeley 2015 General Obligation refunding bonds replacing 2002 General Obligation bonds, which replaced the old Measure G series A and B.

The **GO 2015 Refunding bonds for 2007 Refunding Bonds Proceeds’ portion Fund** was established to receive Proceeds on the Berkeley 2015 General Obligation refunding bonds replacing 2007 General Obligation Refunding bonds, which replaced the old Measure G series C.

The **GO 2015 Refunding bonds for 2008 Animal Shelter – Measure I’s portion Fund** was established to receive monies and to make interest and principal payment on the Berkeley 2015 General Obligation bonds replacing 2008 General Obligation bonds, which replaced 2002 General Obligation bond for the animal shelter.

The **2010 COP Animal Shelter Fund** established to receive funds to finance a portion of the acquisition and construction of an animal shelter

The **GO 2014 Measure M Street and Watershed Improvement Fund** established to receive monies to make interest and principal payment on the Berkeley 2014 General Obligation bonds for improvements to street, with integrated watershed improvements.

The **Infrastructure & Facilities Measure T1 Fund** established to receive monies and to make interest and principal payment on the Berkeley 2017 General Obligations bonds for infrastructure and facilities renovation and improvements.

The **Measure O Housing Bond Fund** will be used to receive monies to make interest and principal payments on the Measure O Affordable Housing General Obligation Bonds, Series 2020.

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Special Revenue Funds			
	Asset Forfeiture	Special Tax for Disabled	Workforce Investment Act	Community Workforce
Assets				
Cash and investments in treasury	\$ -	\$ -	\$ -	\$ 10,074
Restricted cash and investments	642,325	197,699	68,440	-
Receivables (net of allowance where applicable):				
Accounts receivable	-	446	-	-
Interest receivable	-	-	-	-
Taxes receivable	-	10,131	-	-
Special assessments	-	-	-	-
Subventions/grants	-	-	-	-
Due from other funds	-	-	-	-
Notes receivable	-	-	-	-
Other	-	-	-	-
Property held for resale	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>642,325</u>	<u>208,276</u>	<u>68,440</u>	<u>10,074</u>
Liabilities				
Accounts payable	-	-	-	-
Accrued salaries and wages	-	1,162	-	-
Advances from other funds	-	-	-	-
Due to other funds	363,672	-	-	-
Deposits held	-	-	-	-
Unearned revenues	-	-	-	-
Taxes and revenue anticipation note	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>363,672</u>	<u>1,162</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue	-	446	-	-
Total deferred inflows of resources	<u>-</u>	<u>446</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	278,653	206,668	68,440	-
Committed	-	-	-	10,074
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>278,653</u>	<u>206,668</u>	<u>68,440</u>	<u>10,074</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 642,325</u>	<u>\$ 208,276</u>	<u>\$ 68,440</u>	<u>\$ 10,074</u>

Special Revenue Funds

Sec 108 Hud Loan Grant Assistance	Fund Raising Activities	California Housing Finance Agency	Gilman Sport Field	Gilman Fields Reserve	Animal Shelter
\$ -	\$ 549,219	\$ -	\$ 186,234	\$ 817,277	\$ 110,219
1,376,147	-	111,418	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,832,766	-	82,401	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>5,208,913</u>	<u>549,219</u>	<u>193,819</u>	<u>186,234</u>	<u>817,277</u>	<u>110,219</u>
-	497	-	9,931	-	4,575
-	1,175	-	10,086	-	-
-	-	-	-	-	-
-	-	-	-	-	-
60,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	904	-	-
<u>60,000</u>	<u>1,672</u>	<u>-</u>	<u>20,921</u>	<u>-</u>	<u>4,575</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,148,913	-	193,819	-	-	-
-	547,547	-	165,313	817,277	105,644
-	-	-	-	-	-
<u>5,148,913</u>	<u>547,547</u>	<u>193,819</u>	<u>165,313</u>	<u>817,277</u>	<u>105,644</u>
\$ 5,208,913	\$ 549,219	\$ 193,819	\$ 186,234	\$ 817,277	\$ 110,219

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Special Revenue Funds			
	Paramedic Assessment District	California Energy Commission	Tieback Mitigation R-O-W	Domestic Violence Prevention Vital Statistics
Assets				
Cash and investments in treasury	\$ -	\$ -	\$ 1,257,304	\$ 29,744
Restricted cash and investments	-	-	-	-
Receivables (net of allowance where applicable):				
Accounts receivable	1,058	-	-	-
Interest receivable	-	-	-	-
Taxes receivable	23,551	-	-	-
Special assessments	-	-	-	-
Subventions/grants	-	-	-	-
Due from other funds	-	-	-	-
Notes receivable	-	-	-	-
Other	-	-	-	-
Property held for resale	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>24,609</u>	<u>-</u>	<u>1,257,304</u>	<u>29,744</u>
Liabilities				
Accounts payable	78	-	-	-
Accrued salaries and wages	264,826	-	-	1,052
Advances from other funds	-	-	-	-
Due to other funds	2,461,909	87	-	-
Deposits held	-	-	-	-
Unearned revenues	-	-	-	-
Taxes and revenue anticipation note	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>2,726,813</u>	<u>87</u>	<u>-</u>	<u>1,052</u>
Deferred Inflows of Resources				
Unavailable revenue	1,058	-	-	-
Total deferred inflows of resources	<u>1,058</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	-	-	1,257,304	28,692
Assigned	-	-	-	-
Unassigned	(2,703,262)	(87)	-	-
Total fund balances	<u>(2,703,262)</u>	<u>(87)</u>	<u>1,257,304</u>	<u>28,692</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 24,609</u>	<u>\$ -</u>	<u>\$ 1,257,304</u>	<u>\$ 29,744</u>

Special Revenue Funds

Affordable Housing Mitigation Fee	Affordable Child Care	Inclusionary Housing Program	Condo Conversion Program	Parking In-Lieu Fee	Playground Camp
\$ 26,949,642	\$ 425,758	\$ 666,445	\$ 1,337,740	\$ 1,290,000	\$ 4,726,742
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
4,672,596	-	1,326,345	2,421,103	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>31,622,238</u>	<u>425,758</u>	<u>1,992,790</u>	<u>3,758,843</u>	<u>1,290,000</u>	<u>4,726,742</u>
-	-	767	-	-	3,608,132
12,861	-	9,435	1,024	-	219,610
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	5,915
-	-	-	-	-	77,949
-	-	-	-	-	-
-	-	-	-	-	3,364
<u>12,861</u>	<u>-</u>	<u>10,202</u>	<u>1,024</u>	<u>-</u>	<u>3,914,970</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
31,609,377	425,758	1,982,588	3,757,819	1,290,000	811,772
-	-	-	-	-	-
-	-	-	-	-	-
<u>31,609,377</u>	<u>425,758</u>	<u>1,982,588</u>	<u>3,757,819</u>	<u>1,290,000</u>	<u>811,772</u>
\$ <u>31,622,238</u>	\$ <u>425,758</u>	\$ <u>1,992,790</u>	\$ <u>3,758,843</u>	\$ <u>1,290,000</u>	\$ <u>4,726,742</u>

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Special Revenue Funds			
	State Proposition 172	Traffic Congestion Relief	State Transportation Tax	CDBG
Assets				
Cash and investments in treasury	\$ -	\$ 12	\$ -	\$ -
Restricted cash and investments	1,293,687	-	5,337,212	-
Receivables (net of allowance where applicable):				
Accounts receivable	-	-	560,082	2,500
Interest receivable	-	-	-	51,953
Taxes receivable	93,664	-	-	-
Special assessments	-	-	-	-
Subventions/grants	-	-	-	2,742,551
Due from other funds	-	-	-	-
Notes receivable	-	-	-	6,690,412
Other	-	-	-	-
Property held for resale	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>1,387,351</u>	<u>12</u>	<u>5,897,294</u>	<u>9,487,416</u>
Liabilities				
Accounts payable	25,435	-	265,055	97,151
Accrued salaries and wages	-	-	125,844	71,850
Advances from other funds	-	-	-	-
Due to other funds	-	-	-	2,661,920
Deposits held	-	-	-	-
Unearned revenues	-	-	-	-
Taxes and revenue anticipation note	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>25,435</u>	<u>-</u>	<u>390,899</u>	<u>2,830,921</u>
Deferred Inflows of Resources				
Unavailable revenue	-	-	96,972	1,184,589
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>96,972</u>	<u>1,184,589</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	1,361,916	12	5,409,423	5,471,906
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>1,361,916</u>	<u>12</u>	<u>5,409,423</u>	<u>5,471,906</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 1,387,351</u>	<u>\$ 12</u>	<u>\$ 5,897,294</u>	<u>\$ 9,487,416</u>

Special Revenue Funds

Rental Housing Safety Program	Measure B: Local Streets and Roads	Measure B: Bike and Pedestrian	Measure B: Paratransit	Measure F: Alameda County VRF Street and Road	Measure BB: Local Streets and Roads
\$ 2,999,404	\$ -	\$ -	\$ -	\$ -	\$ -
-	4,757,820	875,081	-	1,062,123	8,017,920
589,743	8,671	-	-	-	28,315
-	-	-	-	-	-
13,819	42,699	5,057	4,021	77,638	1,941,341
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>3,602,966</u>	<u>4,809,190</u>	<u>880,138</u>	<u>4,021</u>	<u>1,139,761</u>	<u>9,987,576</u>
3,048	47,427	11,307	509	54,475	191,262
84,162	7,235	-	-	11,334	93,237
-	-	-	-	-	-
-	-	-	88,081	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>87,210</u>	<u>54,662</u>	<u>11,307</u>	<u>88,590</u>	<u>65,809</u>	<u>284,499</u>
589,743	8,671	-	-	-	28,315
589,743	8,671	-	-	-	28,315
-	-	-	-	-	-
-	4,745,857	868,831	(84,569)	1,073,952	9,674,762
2,926,013	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>2,926,013</u>	<u>4,745,857</u>	<u>868,831</u>	<u>(84,569)</u>	<u>1,073,952</u>	<u>9,674,762</u>
\$ <u>3,602,966</u>	\$ <u>4,809,190</u>	\$ <u>880,138</u>	\$ <u>4,021</u>	\$ <u>1,139,761</u>	\$ <u>9,987,576</u>

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Special Revenue Funds			
	Measure BB: Bike and Pedestrian	Measure BB: Paratransit	Shelter Operations	One Time Funding
Assets				
Cash and investments in treasury	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	9,070	777,145	81,351	1,160,030
Receivables (net of allowance where applicable):				
Accounts receivable	-	-	-	-
Interest receivable	-	-	-	-
Taxes receivable	199,465	195,372	-	-
Special assessments	-	-	-	-
Subventions/grants	-	-	-	-
Due from other funds	-	-	-	-
Notes receivable	-	-	-	-
Other	-	-	-	-
Property held for resale	-	-	-	-
Prepaid items	-	-	-	-
Total assets	208,535	972,517	81,351	1,160,030
Liabilities				
Accounts payable	29,004	8,506	-	-
Accrued salaries and wages	12,774	9,633	-	-
Advances from other funds	-	-	-	-
Due to other funds	-	-	-	-
Deposits held	-	-	-	-
Unearned revenues	-	-	-	-
Taxes and revenue anticipation note	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	41,778	18,139	-	-
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	166,757	954,378	81,351	1,160,030
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	166,757	954,378	81,351	1,160,030
Total liabilities, deferred inflows of resources, and fund balances	\$ 208,535	\$ 972,517	\$ 81,351	\$ 1,160,030

Special Revenue Funds

Park Tax	Street and Open Space Improvement	Measure GG: Fire Preparation Tax	1st Response Advanced Life Support (ALSFR)	Street Lighting	Business Economic Development
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5,803,791	1,476,053	3,396,801	-	2,567,357	605,697
11,244	44,082	40,210	-	19,789	-
-	-	-	-	-	-
106,822	-	-	-	14,604	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	1,006,471
-	-	-	-	-	-
-	-	-	-	-	-
5,921,857	1,520,135	3,437,011	-	2,601,750	1,612,168
524,361	-	40,542	-	335,213	-
541,081	-	352,399	-	35,427	-
-	-	-	-	-	-
-	-	-	5,998	-	-
90	-	-	-	-	-
-	-	-	-	-	262,832
-	-	-	-	-	-
11,983	-	-	-	-	-
1,077,515	-	392,941	5,998	370,640	262,832
10,635	44,082	2,359	-	21,510	-
10,635	44,082	2,359	-	21,510	-
-	-	-	-	-	-
4,833,707	1,476,053	3,041,711	-	2,209,600	1,349,336
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	(5,998)	-	-
4,833,707	1,476,053	3,041,711	(5,998)	2,209,600	1,349,336
\$ 5,921,857	\$ 1,520,135	\$ 3,437,011	\$ -	\$ 2,601,750	\$ 1,612,168

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Special Revenue Funds			
	Citywide RLF	Legacy Fund	Miles Lab	Employee Training
Assets				
Cash and investments in treasury	\$ 628,302	\$ 79,549	\$ 73,229	\$ 220,095
Restricted cash and investments	-	-	-	-
Receivables (net of allowance where applicable):				
Accounts receivable	-	-	252,000	-
Interest receivable	-	-	-	-
Taxes receivable	-	-	-	-
Special assessments	-	-	-	-
Subventions/grants	-	-	-	-
Due from other funds	-	-	-	-
Notes receivable	165,834	-	-	-
Other	-	-	-	-
Property held for resale	-	-	-	-
Prepaid items	-	-	-	-
Total assets	794,136	79,549	325,229	220,095
Liabilities				
Accounts payable	-	255	-	5,495
Accrued salaries and wages	-	-	-	21,702
Advances from other funds	-	-	-	-
Due to other funds	-	-	-	-
Deposits held	-	-	-	-
Unearned revenues	-	-	-	-
Taxes and revenue anticipation note	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	-	255	-	27,197
Deferred Inflows of Resources				
Unavailable revenue	-	-	252,000	-
Total deferred inflows of resources	-	-	252,000	-
Fund Balances				
Nonspendable	-	-	-	-
Restricted	-	-	-	-
Committed	794,136	79,294	73,229	192,898
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	794,136	79,294	73,229	192,898
Total liabilities, deferred inflows of resources, and fund balances	\$ 794,136	\$ 79,549	\$ 325,229	\$ 220,095

Special Revenue Funds

UC Settlement	Private Percent-Art Fund	Private Party Sidewalks	Public Art	Lillie B. Wall Memorial	Vital and Health Statistic
\$ 4,223,766	\$ 2,985,862	\$ 803,940	\$ -	\$ -	\$ 262,097
-	-	-	135,911	14,021	-
-	-	65,708	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,223,766</u>	<u>2,985,862</u>	<u>869,648</u>	<u>135,911</u>	<u>14,021</u>	<u>262,097</u>
22,083	9,100	-	1,359	-	-
29,119	5,281	-	2,191	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>51,202</u>	<u>14,381</u>	<u>-</u>	<u>3,550</u>	<u>-</u>	<u>-</u>
-	-	65,708	-	-	-
-	-	65,708	-	-	-
-	-	-	-	-	-
-	-	-	132,361	14,021	-
4,172,564	2,971,481	803,940	-	-	262,097
-	-	-	-	-	-
-	-	-	-	-	-
<u>4,172,564</u>	<u>2,971,481</u>	<u>803,940</u>	<u>132,361</u>	<u>14,021</u>	<u>262,097</u>
\$ 4,223,766	\$ 2,985,862	\$ 869,648	\$ 135,911	\$ 14,021	\$ 262,097

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Special Revenue Funds			
	East Bay Public Utilities Commission	PERS Savings	Other Special Deposits	Health State Aid Realignment
Assets				
Cash and investments in treasury	\$ -	\$ 407,748	\$ 76,242	\$ -
Restricted cash and investments	3,781	13,975,857	-	4,600,171
Receivables (net of allowance where applicable):				
Accounts receivable	-	-	-	-
Interest receivable	-	41,150	-	-
Taxes receivable	-	-	-	-
Special assessments	-	-	-	-
Subventions/grants	-	-	-	17,687
Due from other funds	-	-	-	-
Notes receivable	-	-	-	-
Other	-	-	-	-
Property held for resale	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>3,781</u>	<u>14,424,755</u>	<u>76,242</u>	<u>4,617,858</u>
Liabilities				
Accounts payable	-	-	-	-
Accrued salaries and wages	-	-	-	20,734
Advances from other funds	-	-	-	-
Due to other funds	-	-	-	-
Deposits held	-	-	76,242	-
Unearned revenues	-	-	-	-
Taxes and revenue anticipation note	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>76,242</u>	<u>20,734</u>
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	3,781	13,975,857	-	4,597,124
Committed	-	448,898	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>3,781</u>	<u>14,424,755</u>	<u>-</u>	<u>4,597,124</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,781</u>	<u>\$ 14,424,755</u>	<u>\$ 76,242</u>	<u>\$ 4,617,858</u>

Special Revenue Funds

Alameda County								Total Special Revenue Funds
Tobacco Control	Mental Health State Aid Realignment	City Opt. Public Safety	Fund for Impounded and Unneutered	Abandoned Vehicle Abatement Authority	Measure FF- Public Safety	Fair Elections		
\$ -	\$ -	\$ -	\$ 6,490	\$ -	\$ 9,144,680	\$ -	\$ 60,267,814	
65,800	6,077,300	762,333	-	275,988	-	921,739	66,450,068	
-	-	-	-	-	1,082	-	1,624,930	
-	-	-	-	-	-	-	93,103	
-	-	-	-	-	66,284	-	2,794,468	
-	100,212	-	-	-	-	-	2,860,450	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	20,197,928	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
<u>65,800</u>	<u>6,177,512</u>	<u>762,333</u>	<u>6,490</u>	<u>275,988</u>	<u>9,212,046</u>	<u>921,739</u>	<u>154,288,761</u>	
-	58,350	2,057	-	9	293,639	-	5,649,622	
13,160	116,986	-	-	2,419	139,197	4,641	2,221,637	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	5,581,667	
-	-	-	-	-	-	-	142,247	
-	-	-	-	-	-	-	340,781	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	16,251	
<u>13,160</u>	<u>175,336</u>	<u>2,057</u>	<u>-</u>	<u>2,428</u>	<u>432,836</u>	<u>4,641</u>	<u>13,952,205</u>	
-	-	-	-	-	1,082	-	2,307,170	
-	-	-	-	-	1,082	-	2,307,170	
-	-	-	-	-	-	-	-	
52,640	6,002,176	760,276	-	273,560	8,778,128	917,098	85,198,528	
-	-	-	6,490	-	-	-	55,540,205	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	(2,709,347)	
<u>52,640</u>	<u>6,002,176</u>	<u>760,276</u>	<u>6,490</u>	<u>273,560</u>	<u>8,778,128</u>	<u>917,098</u>	<u>138,029,386</u>	
<u>\$ 65,800</u>	<u>\$ 6,177,512</u>	<u>\$ 762,333</u>	<u>\$ 6,490</u>	<u>\$ 275,988</u>	<u>\$ 9,212,046</u>	<u>\$ 921,739</u>	<u>\$ 154,288,761</u>	

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Capital Project Funds			
	Infrastructure & Facilities Measure T1	Phone System Replacement	Fund\$ Replacement	Public, Education and Government Access Facilities
Assets				
Cash and investments in treasury	\$ -	\$ 871,998	\$ 2,091,435	\$ 2,236,388
Restricted cash and investments	37,264,700	-	-	-
Receivables (net of allowance where applicable):				
Accounts receivable	-	-	-	-
Interest receivable	2,533	-	-	-
Taxes receivable	-	-	-	32,182
Special assessments	-	-	-	-
Subventions/grants	-	-	-	-
Due from other funds	-	-	-	-
Notes receivable	-	-	-	-
Other	-	-	-	-
Property held for resale	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>37,267,233</u>	<u>871,998</u>	<u>2,091,435</u>	<u>2,268,570</u>
Liabilities				
Accounts payable	235,104	4,629	85,772	-
Accrued salaries and wages	88,417	-	67,033	-
Advances from other funds	-	-	-	-
Due to other funds	-	-	-	-
Deposits held	-	-	-	-
Unearned revenues	-	-	-	-
Taxes and revenue anticipation note	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>323,521</u>	<u>4,629</u>	<u>152,805</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	36,943,712	-	-	-
Committed	-	867,369	1,938,630	2,268,570
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>36,943,712</u>	<u>867,369</u>	<u>1,938,630</u>	<u>2,268,570</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 37,267,233</u>	<u>\$ 871,998</u>	<u>\$ 2,091,435</u>	<u>\$ 2,268,570</u>

Capital Project Funds

Measure G: Fire Seismic Projects	Measure M: Street and Watershed Improvements	Measure G: Public Safety Building	Street Improvement	Park Acquisition Development	Income Housing Fund: West Berkeley Improvement Project
\$ -	\$ -	\$ -	\$ 87,140	\$ 35,232	\$ -
58	925,634	6,115	-	-	40,567
-	-	-	-	2,250	-
-	-	-	-	-	475,277
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,266,263
-	-	-	-	-	-
-	-	-	-	-	713,313
-	-	-	-	-	-
<u>58</u>	<u>925,634</u>	<u>6,115</u>	<u>87,140</u>	<u>37,482</u>	<u>3,495,420</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	51,953
-	-	-	-	-	51,953
-	-	-	-	2,250	356,214
-	-	-	-	2,250	356,214
-	-	-	-	-	-
58	925,634	6,115	-	-	3,087,253
-	-	-	87,140	35,232	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>58</u>	<u>925,634</u>	<u>6,115</u>	<u>87,140</u>	<u>35,232</u>	<u>3,087,253</u>
\$ 58	\$ 925,634	\$ 6,115	\$ 87,140	\$ 37,482	\$ 3,495,420

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Capital Project Funds		Pension Refunding Bonds
	Income Housing Fund: Savo Island Project	Total Capital Project Funds	
Assets			
Cash and investments in treasury	\$ -	\$ 5,322,193	\$ -
Restricted cash and investments	-	38,237,074	128,660
Receivables (net of allowance where applicable):			
Accounts receivable	-	2,250	-
Interest receivable	-	477,810	-
Taxes receivable	-	32,182	-
Special assessments	-	-	-
Subventions/grants	-	-	-
Due from other funds	-	-	-
Notes receivable	441,140	2,707,403	-
Other	-	-	-
Property held for resale	-	713,313	-
Prepaid items	-	-	-
Total assets	<u>441,140</u>	<u>47,492,225</u>	<u>128,660</u>
Liabilities			
Accounts payable	-	325,505	-
Accrued salaries and wages	-	155,450	-
Advances from other funds	-	-	-
Due to other funds	-	-	-
Deposits held	-	-	-
Unearned revenues	-	-	-
Taxes and revenue anticipation note	-	-	-
Other liabilities	-	51,953	-
Total liabilities	<u>-</u>	<u>532,908</u>	<u>-</u>
Deferred Inflows of Resources			
Unavailable revenue	-	358,464	-
Total deferred inflows of resources	<u>-</u>	<u>358,464</u>	<u>-</u>
Fund Balances			
Nonspendable	-	-	-
Restricted	441,140	41,403,912	128,660
Committed	-	5,196,941	-
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	<u>441,140</u>	<u>46,600,853</u>	<u>128,660</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 441,140</u>	<u>\$ 47,492,225</u>	<u>\$ 128,660</u>

Debt Service Funds

09 Measure FF Library	GO 2015 Refunding Bonds for GO 2007 Refunding Bonds	Berkeley Repertory Theatre	GO 2015 Refunding Bonds for GO 2002 Refunding Bonds	GO 2015 Refunding Bonds for GO 2007 Refunding Bonds Series A	GO 2015 Refunding Bonds for GO 2008 Animal Shelter Measure I
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,415,984	2,081,977	1	1,245,848	440,329	411,042
-	-	-	-	-	-
-	-	-	-	-	-
13,398	20,665	-	3,861	1,363	4,769
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,429,382</u>	<u>2,102,642</u>	<u>1</u>	<u>1,249,709</u>	<u>441,692</u>	<u>415,811</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	10,380	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,429,382</u>	<u>2,102,642</u>	<u>-</u>	<u>1,249,709</u>	<u>441,692</u>	<u>415,811</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	(10,379)	-	-	-
<u>1,429,382</u>	<u>2,102,642</u>	<u>(10,379)</u>	<u>1,249,709</u>	<u>441,692</u>	<u>415,811</u>
\$ <u>1,429,382</u>	\$ <u>2,102,642</u>	\$ <u>1</u>	\$ <u>1,249,709</u>	\$ <u>441,692</u>	\$ <u>415,811</u>

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Debt Service Funds			
	2010 COP Animal Shelter	GO 2014 Measure M Street and Watershed Improvement	Infrastructure & Facilities Measure T1	Measure O Housing Bond
Assets				
Cash and investments in treasury	\$ -	\$ -	\$ -	\$ -
Restricted cash and investments	288,408	2,400,190	7,252,053	3,271,995
Receivables (net of allowance where applicable):				
Accounts receivable	-	-	-	-
Interest receivable	-	-	-	-
Taxes receivable	-	17,486	38,605	19,984
Special assessments	-	-	-	-
Subventions/grants	-	-	-	-
Due from other funds	-	-	-	-
Notes receivable	-	-	-	-
Other	-	-	-	-
Property held for resale	-	-	-	-
Prepaid items	-	-	-	-
Total assets	<u>288,408</u>	<u>2,417,676</u>	<u>7,290,658</u>	<u>3,291,979</u>
Liabilities				
Accounts payable	-	-	-	-
Accrued salaries and wages	-	-	-	-
Advances from other funds	-	-	-	-
Due to other funds	-	-	-	-
Deposits held	-	-	-	-
Unearned revenues	-	-	-	-
Taxes and revenue anticipation note	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances				
Nonspendable	-	-	-	-
Restricted	288,408	2,417,676	7,290,658	3,291,979
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>288,408</u>	<u>2,417,676</u>	<u>7,290,658</u>	<u>3,291,979</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 288,408</u>	<u>\$ 2,417,676</u>	<u>\$ 7,290,658</u>	<u>\$ 3,291,979</u>

Total Debt Service Funds	Total Nonmajor Governmental Funds
\$ -	\$ 65,590,007
18,936,487	123,623,629
-	1,627,180
-	570,913
120,131	2,946,781
-	-
-	2,860,450
-	-
-	22,905,331
-	-
-	713,313
-	-
<u>19,056,618</u>	<u>220,837,604</u>
-	5,975,127
-	2,377,087
-	-
10,380	5,592,047
-	142,247
-	340,781
-	-
-	68,204
<u>10,380</u>	<u>14,495,493</u>
-	2,665,634
-	2,665,634
-	-
19,056,617	145,659,057
-	60,737,146
-	-
(10,379)	(2,719,726)
<u>19,046,238</u>	<u>203,676,477</u>
<u>\$ 19,056,618</u>	<u>\$ 220,837,604</u>

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	Special Revenue Funds			
	Asset Forfeiture	Special Tax for Disabled	Workforce Investment Act	Community Workforce
Revenues:				
Taxes	\$ -	\$ 1,493,808	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for service	-	-	-	-
Fines and penalties	15	-	-	-
Rents and royalties	-	-	-	-
Franchise	-	-	-	-
Private contributions and donations	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>15</u>	<u>1,493,808</u>	<u>-</u>	<u>-</u>
Expenditures:				
Current:				
General government	-	20,240	-	-
Public safety	52,176	-	-	-
Highway and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture-recreation	-	-	-	-
Community development and housing	-	1,482,011	3,321	-
Economic development	-	-	-	-
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Highway and streets	-	-	-	-
Culture-recreation	-	-	-	-
Total expenditures	<u>52,175</u>	<u>1,502,251</u>	<u>3,321</u>	<u>-</u>
Revenues over/(under) expenditures	<u>(52,160)</u>	<u>(8,443)</u>	<u>(3,321)</u>	<u>-</u>
Other financing sources/(uses)				
Transfers in	-	-	42,911	-
Transfers out	-	-	-	-
Debt proceeds	-	-	-	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	-
Insurance Recoveries	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>42,911</u>	<u>-</u>
Net change in fund balance	(52,160)	(8,443)	39,590	-
Fund balance, July 1, 2021	330,813	215,111	28,850	10,074
Fund balance, June 30, 2022	<u>\$ 278,653</u>	<u>\$ 206,668</u>	<u>\$ 68,440</u>	<u>\$ 10,074</u>

Special Revenue Funds

Sec 108 Hud Loan Grant Assistance	Fund Raising Activities	California Housing Finance Agency	Gilman Sport Field	Gilman Fields Reserve	Animal Shelter
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	75,000	-
-	-	-	324,049	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	331,107	-	-	-	45,331
162,360	-	-	-	-	-
-	-	-	-	-	-
162,360	331,107	-	324,049	75,000	45,331
-	-	-	-	-	-
-	-	-	-	-	30,467
-	-	-	-	-	-
-	2,644	-	-	-	-
-	-	-	301,890	-	-
-	36,139	-	-	-	-
-	-	-	-	-	-
428,000	-	-	-	-	-
140,200	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
568,200	38,783	-	301,890	-	30,467
(405,840)	292,324	-	22,159	75,000	14,864
-	-	-	196,000	175,000	-
-	-	-	(175,000)	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	21,000	175,000	-
(405,840)	292,324	-	43,159	250,000	14,864
5,554,753	255,223	193,819	122,154	567,277	90,780
\$ 5,148,913	\$ 547,547	\$ 193,819	\$ 165,313	\$ 817,277	\$ 105,644

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	Special Revenue Funds			
	Paramedic Assessment District	California Energy Commission	Tieback Mitigation R-O-W	Domestic Violence Prevention Vital Statistics
Revenues:				
Taxes	\$ 3,430,608	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for service	-	-	435,225	21,627
Fines and penalties	-	-	-	-
Rents and royalties	-	-	-	-
Franchise	-	-	-	-
Private contributions and donations	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>3,430,608</u>	<u>-</u>	<u>435,225</u>	<u>21,627</u>
Expenditures:				
Current:				
General government	20,239	-	-	-
Public safety	5,380,316	-	-	-
Highway and streets	-	-	-	-
Health and welfare	-	-	-	22,596
Culture-recreation	-	-	-	-
Community development and housing	-	-	-	-
Economic development	-	-	-	-
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Highway and streets	-	-	-	-
Culture-recreation	-	-	-	-
Total expenditures	<u>5,400,555</u>	<u>-</u>	<u>-</u>	<u>22,596</u>
Revenues over/(under) expenditures	<u>(1,969,947)</u>	<u>-</u>	<u>435,225</u>	<u>(969)</u>
Other financing sources/(uses)				
Transfers in	757,925	-	-	-
Transfers out	(10,712)	-	-	-
Debt proceeds	-	-	-	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	-
Insurance Recoveries	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources/(uses)	<u>747,213</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(1,222,734)	-	435,225	(969)
Fund balance, July 1, 2021	(1,480,528)	(87)	822,079	29,661
Fund balance, June 30, 2022	<u>\$ (2,703,262)</u>	<u>\$ (87)</u>	<u>\$ 1,257,304</u>	<u>\$ 28,692</u>

Special Revenue Funds

Affordable Housing Mitigation Fee	Affordable Child Care	Inclusionary Housing Program	Condo Conversion Program	Parking In-Lieu Fee	Playground Camp
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	115,821
16,208,329	185,256	183,436	361,675	645,000	2,075,174
-	-	-	-	-	-
-	-	-	-	-	49,852
-	-	-	-	-	-
-	-	-	-	-	533,598
-	-	-	-	-	-
-	-	-	-	-	1
16,208,329	185,256	183,436	361,675	645,000	2,774,446
-	-	-	-	-	-
-	-	-	-	-	430,029
-	-	-	-	-	-
-	6,638	-	-	-	-
-	-	-	-	-	5,089,878
182,414	-	167,043	25,518	-	-
-	-	2,339	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	82,010	-
-	-	-	-	-	17,154,840
182,414	6,638	169,382	25,518	82,010	22,674,747
16,025,915	178,618	14,054	336,157	562,990	(19,900,301)
-	-	-	-	-	3,735,000
-	-	-	-	-	(3,000)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,876,076
-	-	-	-	-	-
-	-	-	-	-	10,608,076
16,025,915	178,618	14,054	336,157	562,990	(9,292,225)
15,583,462	247,140	1,968,534	3,421,662	727,010	10,103,997
\$ 31,609,377	\$ 425,758	\$ 1,982,588	\$ 3,757,819	\$ 1,290,000	\$ 811,772

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	Special Revenue Funds			
	State Proposition 172	Traffic Congestion Relief	State Transportation Tax	CDBG
Revenues:				
Taxes	\$ 1,180,452	\$ 12	\$ 5,130,141	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	2,240,912
Charges for service	-	-	578	-
Fines and penalties	-	-	-	-
Rents and royalties	-	-	-	496,671
Franchise	-	-	-	-
Private contributions and donations	-	-	-	-
Investment income	-	-	8,224	137,258
Miscellaneous	-	-	-	-
Total revenues	1,180,452	12	5,138,943	2,874,841
Expenditures:				
Current:				
General government	-	-	543,757	-
Public safety	908,528	-	-	-
Highway and streets	-	-	2,665,092	-
Health and welfare	-	-	-	-
Culture-recreation	-	-	-	-
Community development and housing	-	-	-	3,313,549
Economic development	-	-	-	47,164
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Highway and streets	-	-	2,133,196	-
Culture-recreation	-	-	-	-
Total expenditures	908,528	-	5,342,045	3,360,713
Revenues over/(under) expenditures	271,924	12	(203,102)	(485,872)
Other financing sources/(uses)				
Transfers in	-	-	22,500	-
Transfers out	-	-	-	-
Debt proceeds	-	-	-	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	-
Insurance Recoveries	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources/(uses)	-	-	22,500	-
Net change in fund balance	271,924	12	(180,602)	(485,872)
Fund balance, July 1, 2021	1,089,992	-	5,590,025	5,957,778
Fund balance, June 30, 2022	\$ 1,361,916	\$ 12	\$ 5,409,423	\$ 5,471,906

Special Revenue Funds

Rental Housing Safety Program	Measure B: Local Streets and Roads	Measure B: Bike and Pedestrian	Measure B: Paratransit	Measure F: Alameda County VRF Street and Road	Measure BB: Local Streets and Roads
\$ -	\$ 2,994,793	\$ 354,652	\$ 281,820	\$ 454,252	\$ 5,228,728
-	-	-	-	-	-
-	-	-	-	-	-
2,031,214	-	-	-	-	-
214,060	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	6,771	1,298	-	1,571	12,488
-	-	-	-	-	-
2,245,274	3,001,564	355,950	281,820	455,823	5,241,216
-	56,561	41,323	-	2,500	13,744
-	-	-	-	-	-
-	1,200,824	141,403	-	244,570	1,387,923
-	-	-	-	-	-
-	397,349	-	-	-	927,934
1,485,693	-	-	370,307	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	941,780	-	-	345,227	3,371,814
-	-	-	-	-	-
1,485,693	2,596,514	182,726	370,307	592,297	5,701,415
759,581	405,050	173,224	(88,487)	(136,474)	(460,199)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	7,677	-
-	-	-	-	7,677	-
759,581	405,050	173,224	(88,487)	(128,797)	(460,199)
2,166,432	4,340,807	695,607	3,918	1,202,749	10,134,961
\$ 2,926,013	\$ 4,745,857	\$ 868,831	\$ (84,569)	\$ 1,073,952	\$ 9,674,762

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	Special Revenue Funds			
	Measure BB: Bike and Pedestrian	Measure BB: Paratransit	Shelter Operations	One Time Funding
Revenues:				
Taxes	\$ 485,859	\$ 475,888	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for service	-	-	-	-
Fines and penalties	-	-	-	22,076
Rents and royalties	-	-	160,000	-
Franchise	-	-	-	-
Private contributions and donations	-	-	-	-
Investment income	17	1,285	-	-
Miscellaneous	-	-	-	-
Total revenues	485,876	477,173	160,000	22,076
Expenditures:				
Current:				
General government	15,670	-	20,953	-
Public safety	-	-	-	-
Highway and streets	297,317	-	-	-
Health and welfare	-	-	-	-
Culture-recreation	-	-	-	-
Community development and housing	-	296,139	150,000	-
Economic development	-	-	-	-
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Highway and streets	157,507	-	-	-
Culture-recreation	-	-	-	-
Total expenditures	470,494	296,139	170,953	-
Revenues over/(under) expenditures	15,382	181,034	(10,953)	22,076
Other financing sources/(uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Debt proceeds	-	-	-	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	-
Insurance Recoveries	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources/(uses)	-	-	-	-
Net change in fund balance	15,382	181,034	(10,953)	22,076
Fund balance, July 1, 2021	151,375	773,344	92,304	1,137,954
Fund balance, June 30, 2022	\$ 166,757	\$ 954,378	\$ 81,351	\$ 1,160,030

Special Revenue Funds

Park Tax	Street and Open Space Improvement	Measure GG: Fire Preparation Tax	1st Response Advanced Life Support (ALSFR)	Street Lighting	Business Economic Development
\$ 15,752,595	\$ -	\$ 5,420,450	\$ -	\$ 2,038,726	\$ -
191,092	74,160	-	-	-	-
-	-	-	-	-	551,168
4,000	492,833	-	-	459	-
-	-	-	-	-	-
29,432	-	-	-	-	-
-	-	-	-	-	-
71,042	-	-	-	-	-
9,743	-	-	-	3,997	8,752
616	-	-	-	-	-
<u>16,058,520</u>	<u>566,993</u>	<u>5,420,450</u>	<u>-</u>	<u>2,043,182</u>	<u>559,920</u>
-	-	645,560	-	52,736	-
-	-	4,508,315	-	-	-
-	-	-	-	1,482,523	-
-	-	78,911	-	-	-
13,393,178	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	6,168
-	-	-	-	358,318	-
-	-	-	-	12,133	-
-	-	-	-	-	-
-	1,702	-	-	-	-
1,335,471	-	-	-	-	-
<u>14,728,649</u>	<u>1,702</u>	<u>5,232,786</u>	<u>-</u>	<u>1,905,710</u>	<u>6,168</u>
<u>1,329,871</u>	<u>565,291</u>	<u>187,664</u>	<u>-</u>	<u>137,472</u>	<u>553,752</u>
-	-	-	-	-	-
(78,663)	-	-	-	(12,120)	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
922	-	-	-	-	-
<u>(77,741)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,120)</u>	<u>-</u>
1,252,130	565,291	187,664	-	125,352	553,752
3,581,577	910,762	2,854,047	(5,998)	2,084,248	795,584
<u>\$ 4,833,707</u>	<u>\$ 1,476,053</u>	<u>\$ 3,041,711</u>	<u>\$ (5,998)</u>	<u>\$ 2,209,600</u>	<u>\$ 1,349,336</u>

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	Special Revenue Funds			
	Citywide RLF	Legacy Fund	Miles Lab	Employee Training
Revenues:				
Taxes	\$ -	\$ 2,957	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for service	-	-	-	-
Fines and penalties	-	-	-	-
Rents and royalties	-	-	-	-
Franchise	-	-	-	-
Private contributions and donations	-	-	-	-
Investment income	1,251	-	-	-
Miscellaneous	-	-	-	-
Total revenues	1,251	2,957	-	-
Expenditures:				
Current:				
General government	-	-	-	650,802
Public safety	-	-	-	-
Highway and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture-recreation	-	-	513	-
Community development and housing	-	-	-	-
Economic development	-	-	-	-
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Highway and streets	-	-	-	-
Culture-recreation	-	-	-	-
Total expenditures	-	-	513	650,802
Revenues over/(under) expenditures	1,251	2,957	(513)	(650,802)
Other financing sources/(uses)				
Transfers in	-	-	-	750,000
Transfers out	-	-	-	-
Debt proceeds	-	-	-	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	-
Insurance Recoveries	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources/(uses)	-	-	-	750,000
Net change in fund balance	1,251	2,957	(513)	99,198
Fund balance, July 1, 2021	792,885	76,337	73,742	93,700
Fund balance, June 30, 2022	\$ 794,136	\$ 79,294	\$ 73,229	\$ 192,898

Special Revenue Funds

UC Settlement	Private Percent-Art Fund	Private Party Sidewalks	Public Art	Lillie B. Wall Memorial	Vital and Health Statistic
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	2,392,160	-	-	-	-
-	-	-	-	-	-
4,561,283	-	106,984	-	-	20,668
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	566	-
-	-	-	-	-	-
-	-	-	-	-	-
4,561,283	2,392,160	106,984	-	566	20,668
-	-	-	-	-	-
819,048	-	-	-	-	-
23,672	-	2,915	-	-	-
-	-	-	-	-	9,756
-	-	-	-	-	-
-	232,946	-	14,800	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	150,000	-	-	-
-	-	-	-	-	-
842,720	232,946	152,915	14,800	-	9,756
3,718,563	2,159,214	(45,931)	(14,800)	566	10,912
-	-	-	64,367	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	64,367	-	-
3,718,563	2,159,214	(45,931)	49,567	566	10,912
454,001	812,267	849,871	82,794	13,455	251,185
\$ 4,172,564	\$ 2,971,481	\$ 803,940	\$ 132,361	\$ 14,021	\$ 262,097

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	Special Revenue Funds			
	East Bay Public Utilities Commission	PERS Savings	Other Special Deposits	Health State Aid Realignment
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ 2,087,918
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for service	-	-	-	-
Fines and penalties	-	-	-	-
Rents and royalties	-	-	-	-
Franchise	-	-	-	-
Private contributions and donations	-	-	-	-
Investment income	6	(2,003,624)	-	-
Miscellaneous	-	-	-	-
Total revenues	6	(2,003,624)	-	2,087,918
Expenditures:				
Current:				
General government	-	35,466	-	-
Public safety	-	-	-	-
Highway and streets	-	-	-	-
Health and welfare	-	-	-	536,329
Culture-recreation	-	-	-	-
Community development and housing	-	-	-	-
Economic development	-	-	-	-
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Highway and streets	-	-	-	-
Culture-recreation	-	-	-	-
Total expenditures	-	35,466	-	536,329
Revenues over/(under) expenditures	6	(2,039,090)	-	1,551,589
Other financing sources/(uses)				
Transfers in	-	3,630,992	-	1,953,018
Transfers out	-	-	-	(2,643,280)
Debt proceeds	-	-	-	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	-
Insurance Recoveries	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources/(uses)	-	3,630,992	-	(690,262)
Net change in fund balance	6	1,591,902	-	861,327
Fund balance, July 1, 2021	3,775	12,832,853	-	3,735,797
Fund balance, June 30, 2022	\$ 3,781	\$ 14,424,755	\$ -	\$ 4,597,124

Special Revenue Funds

Tobacco Control	Mental Health State Aid	City Opt. Public	Fund for Impounded and Unneutered	Alameda County Abandoned		Measure FF- Public	Fair Elections	Total Special Revenue Funds
	Realignment	Safety		Vehicle Abatement Authority		Safety		
\$ 450,000	\$ 2,928,252	\$ -	\$ -	\$ -	\$ -	\$ 12,804,113	\$ -	\$ 62,996,024
-	-	-	-	-	-	-	-	2,657,412
-	-	292,991	-	-	-	-	-	3,275,892
-	-	-	505	78,282	-	-	-	27,736,577
-	-	-	-	-	-	-	-	236,151
-	-	-	-	-	-	-	-	735,955
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	981,644
111	-	1,260	-	-	-	-	-	(1,647,232)
-	-	-	-	-	-	-	-	617
450,111	2,928,252	294,251	505	78,282	12,804,113	-	-	96,973,040
-	-	-	-	-	-	-	167,086	2,286,637
-	-	137,440	-	-	3,268,060	-	-	15,534,379
-	-	-	-	-	-	-	-	7,446,239
359,009	2,767,578	-	-	61,582	-	-	-	3,845,043
-	-	-	-	-	-	-	-	20,110,742
-	-	-	-	-	-	-	-	7,512,134
-	-	-	-	-	-	-	-	303,417
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	786,318
-	-	-	-	-	-	-	-	152,333
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	7,183,236
-	-	-	-	-	-	-	-	18,490,311
359,009	2,767,578	137,440	-	61,582	3,268,060	167,086	-	83,650,788
91,102	160,674	156,811	505	16,700	9,536,053	(167,086)	-	13,322,252
-	-	-	-	-	-	-	505,002	11,832,715
-	-	-	-	-	-	(757,925)	-	(3,680,700)
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	6,876,076
-	-	-	-	-	-	-	-	8,599
-	-	-	-	-	(757,925)	505,002	-	15,036,690
91,102	160,674	156,811	505	16,700	8,778,128	337,916	-	28,358,942
(38,462)	5,841,502	603,465	5,985	256,860	-	579,182	-	109,670,444
\$ 52,640	\$ 6,002,176	\$ 760,276	\$ 6,490	\$ 273,560	\$ 8,778,128	\$ 917,098	\$ -	\$ 138,029,386

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	Capital Project Funds			Public, Education and Government Access Facilities
	Infrastructure & Facilities Measure T1	Phone System Replacement	Fund\$ Replacement	
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for service	-	-	-	-
Fines and penalties	-	-	-	-
Rents and royalties	-	-	-	-
Franchise	-	-	-	131,310
Private contributions and donations	-	-	-	-
Investment income	79,643	-	-	-
Miscellaneous	-	-	-	-
Total revenues	79,643	-	-	131,310
Expenditures:				
Current:				
General government	-	124,218	1,790,425	-
Public safety	24,162	-	-	-
Highway and streets	114,867	-	-	-
Health and welfare	-	-	-	-
Culture-recreation	3,502,056	-	-	-
Community development and housing	1,840,423	-	-	-
Economic development	168	-	-	-
Debt service:				
Principal repayment	-	-	-	-
Interest and fiscal charges	-	-	-	-
Debt issuance costs	-	-	-	-
Capital outlay:				
Highway and streets	145,163	-	-	-
Culture-recreation	799,525	-	-	-
Total expenditures	6,426,364	124,218	1,790,425	-
Revenues over/(under) expenditures	(6,346,721)	(124,218)	(1,790,425)	131,310
Other financing sources/(uses)				
Transfers in	-	449,408	-	-
Transfers out	(71,749)	-	-	-
Debt proceeds	-	-	-	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	-
Insurance Recoveries	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources/(uses)	(71,749)	449,408	-	-
Net change in fund balance	(6,418,470)	325,190	(1,790,425)	131,310
Fund balance, July 1, 2021	43,362,182	542,179	3,729,055	2,137,260
Fund balance, June 30, 2022	\$ 36,943,712	\$ 867,369	\$ 1,938,630	\$ 2,268,570

Capital Project Funds

Measure G: Fire Seismic Projects	Measure M: Street and Watershed Improvements	Measure G: Public Safety Building	Street Improvement	Park Acquisition Development	Income Housing Fund: West Berkeley Improvement Project
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	1,201	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,447	10	135	55	-
-	-	-	-	-	-
-	1,447	10	135	1,256	-
-	-	-	-	-	-
-	-	-	-	177	-
-	-	-	-	-	-
-	219	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	219	-	-	177	-
-	1,228	10	135	1,079	-
-	-	-	-	-	-
-	85,200	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	85,200	-	-	-	-
-	86,428	10	135	1,079	-
58	839,206	6,105	87,005	34,153	3,087,253
\$ 58	\$ 925,634	\$ 6,115	\$ 87,140	\$ 35,232	\$ 3,087,253

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	<u>Capital Project Funds</u>		
	<u>Income Housing Fund: Savo Island Project</u>	<u>Total Capital Project Funds</u>	<u>Pension Refunding Bonds</u>
Revenues:			
Taxes	\$ -	\$ -	\$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for service	-	-	-
Fines and penalties	-	-	-
Rents and royalties	-	1,201	-
Franchise	-	131,310	-
Private contributions and donations	-	-	-
Investment income	-	81,290	-
Miscellaneous	-	-	-
Total revenues	-	213,801	-
Expenditures:			
Current:			
General government	-	1,914,820	-
Public safety	-	24,162	-
Highway and streets	-	115,086	-
Health and welfare	-	-	-
Culture-recreation	-	3,502,056	-
Community development and housing	-	1,840,423	-
Economic development	-	168	-
Debt service:			
Principal repayment	-	-	-
Interest and fiscal charges	-	-	-
Debt issuance costs	-	-	-
Capital outlay:			
Highway and streets	-	145,163	-
Culture-recreation	-	799,525	-
Total expenditures	-	8,341,403	-
Revenues over/(under) expenditures	-	(8,127,602)	-
Other financing sources/(uses)			
Transfers in	-	534,608	-
Transfers out	-	(71,749)	-
Debt proceeds	-	-	-
Face value of refunding bonds issued	-	-	-
Payment to refunded bond escrow agent	-	-	-
Premium on bond issued	-	-	-
Insurance Recoveries	-	-	-
Sale of capital assets	-	-	-
Total other financing sources/(uses)	-	462,859	-
Net change in fund balance	-	(7,664,743)	-
Fund balance, July 1, 2021	441,140	54,265,596	128,660
Fund balance, June 30, 2022	\$ 441,140	\$ 46,600,853	\$ 128,660

Debt Service Funds

2009 Measure FF Library	GO 2015 Refunding Bonds for GO 2007 Refunding Bonds	Berkeley Repertory Theatre	GO 2015 Refunding Bonds for GO 2002 Refunding Bonds	GO 2015 Refunding Bonds for GO 2007 Refunding Bonds Series A	GO 2015 Refunding Bonds for GO 2008 Animal Shelter Measure I
\$ 1,426,498	\$ 2,200,193	\$ -	\$ 411,025	\$ 145,068	\$ 507,737
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	2	-	-	-
1,426,498	2,200,193	2	411,025	145,068	507,737
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
630,000	1,452,315	337,275	266,982	100,557	340,146
709,327	598,803	164,063	111,579	41,460	140,245
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,339,327	2,051,118	501,338	378,561	142,017	480,391
87,171	149,075	(501,336)	32,464	3,051	27,346
-	-	499,802	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	499,802	-	-	-
87,171	149,075	(1,534)	32,464	3,051	27,346
1,342,211	1,953,567	(8,845)	1,217,245	438,641	388,465
\$ 1,429,382	\$ 2,102,642	\$ (10,379)	\$ 1,249,709	\$ 441,692	\$ 415,811

City of Berkeley
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Government Fund
For the year ended June 30, 2022

	Debt Service Funds			
	2010 COP Animal Shelter	GO 2014 Measure M		
		Street and Watershed Improvement	Infrastructure & Facilities Measure T1	Measure O Housing Bond
Revenues:				
Taxes	\$ -	\$ 1,861,702	\$ 4,110,251	\$ 2,127,659
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for service	-	-	-	-
Fines and penalties	-	-	-	-
Rents and royalties	-	-	-	-
Franchise	-	-	-	-
Private contributions and donations	-	-	-	-
Investment income	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>1,861,702</u>	<u>4,110,251</u>	<u>2,127,659</u>
Expenditures:				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Highway and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture-recreation	-	-	-	-
Community development and housing	-	-	-	-
Economic development	-	-	-	-
Debt service:				
Principal repayment	-	655,000	695,000	715,000
Interest and fiscal charges	105,228	981,238	2,023,842	1,295,390
Debt issuance costs	-	-	-	-
Capital outlay:				
Highway and streets	-	-	-	-
Culture-recreation	-	-	-	-
Total expenditures	<u>105,228</u>	<u>1,636,238</u>	<u>2,718,842</u>	<u>2,010,390</u>
Revenues over/(under) expenditures	<u>(105,228)</u>	<u>225,464</u>	<u>1,391,409</u>	<u>117,269</u>
Other financing sources/(uses)				
Transfers in	402,613	-	-	-
Transfers out	-	-	-	-
Debt proceeds	-	-	-	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	833,479
Insurance Recoveries	-	-	-	-
Sale of capital assets	-	-	-	-
Total other financing sources/(uses)	<u>402,613</u>	<u>-</u>	<u>-</u>	<u>833,479</u>
Net change in fund balance	297,385	225,464	1,391,409	950,748
Fund balance, July 1, 2021	(8,977)	2,192,212	5,899,249	2,341,231
Fund balance, June 30, 2022	<u>\$ 288,408</u>	<u>\$ 2,417,676</u>	<u>\$ 7,290,658</u>	<u>\$ 3,291,979</u>

Total Debt Service Funds	Total Nonmajor Governmental Funds
\$ 12,790,133	\$ 75,786,157
-	2,657,412
-	3,275,892
-	27,736,577
-	236,151
-	737,156
-	131,310
-	981,644
-	(1,565,942)
2	619
<u>12,790,135</u>	<u>109,976,976</u>
-	4,201,457
-	15,558,541
-	7,561,325
-	3,845,043
-	23,612,798
-	9,352,557
-	303,585
5,192,275	5,978,593
6,171,175	6,323,508
-	-
-	7,328,399
-	19,289,836
<u>11,363,450</u>	<u>103,355,641</u>
<u>1,426,685</u>	<u>6,621,335</u>
902,415	13,269,738
-	(3,752,449)
-	-
-	-
-	-
833,479	833,479
-	6,876,076
-	8,599
<u>1,735,894</u>	<u>17,235,443</u>
3,162,579	23,856,778
15,883,659	179,819,699
<u>\$ 19,046,238</u>	<u>\$ 203,676,477</u>

City of Berkely
Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Asset Forfeiture Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and penalties	\$ 55,000	\$ 55,000	\$ 15	\$ (54,985)
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>15</u>	<u>(54,985)</u>
Expenditures:				
Public safety	201,000	364,165	52,175	311,990
Total expenditures	<u>201,000</u>	<u>364,165</u>	<u>52,175</u>	<u>311,990</u>
Revenues over/(under) expenditures	<u>(146,000)</u>	<u>(309,165)</u>	<u>(52,160)</u>	<u>257,005</u>
Net change in fund balance	(146,000)	(309,165)	(52,160)	257,005
Fund balance, July 1, 2021	330,813	330,813	330,813	-
Fund balance, June 30, 2022	<u>\$ 184,813</u>	<u>\$ 21,648</u>	<u>\$ 278,653</u>	<u>\$ 257,005</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Tax for Disabled - Budgetary Basis
For the year ended June 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 1,451,853	\$ 1,451,853	\$ 1,497,100	\$ 45,247
Total revenues	<u>1,451,853</u>	<u>1,451,853</u>	<u>1,497,100</u>	<u>45,247</u>
Expenditures:				
General government	19,842	19,842	20,240	(398)
Community development and housing	<u>1,432,011</u>	<u>1,532,011</u>	<u>1,482,011</u>	<u>50,000</u>
Total expenditures	<u>1,451,853</u>	<u>1,551,853</u>	<u>1,502,251</u>	<u>49,602</u>
Net change in fund balance	-	(100,000)	(5,151)	94,849
Fund balance, July 1, 2021	215,111	215,111	215,111	-
Fund balance, June 30, 2022	<u>\$ 215,111</u>	<u>\$ 115,111</u>	<u>\$ 209,960</u>	<u>\$ 94,849</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (5,151)
Receivable accrual	<u>(3,292)</u>
Net change in fund balances - GAAP basis	<u>\$ (8,443)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Workforce Investment Act Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:				
Community development and housing	46,675	46,675	3,321	43,354
Total expenditures	46,675	46,675	3,321	43,354
Revenues over/(under) expenditures	(46,675)	(46,675)	(3,321)	43,354
Other financing sources/(uses)				
Transfers in	42,911	42,911	42,911	-
Total other financing sources/(uses)	42,911	42,911	42,911	-
Net change in fund balance	(3,764)	(3,764)	39,590	43,354
Fund balance, July 1, 2021	28,850	28,850	28,850	-
Fund balance, June 30, 2022	<u>\$ 25,086</u>	<u>\$ 25,086</u>	<u>\$ 68,440</u>	<u>\$ 43,354</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Sec 108 Hud Loan Grant Assistance Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment income	626,723	626,723	630,569	3,846
Miscellaneous	-	-	-	-
Total revenues	<u>626,723</u>	<u>626,723</u>	<u>630,569</u>	<u>3,846</u>
Expenditures:				
Current:				
Economic Development	-	-	-	-
Debt service:				
Principal repayment	403,000	428,000	428,000	-
Interest and fiscal charges	150,108	140,200	140,200	-
Total expenditures	<u>553,108</u>	<u>568,200</u>	<u>568,200</u>	<u>-</u>
Net change in fund balance	73,615	58,523	62,369	3,846
Fund balance, July 1, 2021	1,253,778	1,253,778	1,253,778	-
Fund balance, June 30, 2022	<u>\$ 1,327,393</u>	<u>\$ 1,312,301</u>	<u>\$ 1,316,147</u>	<u>\$ 3,846</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 62,369
Notes accrual	<u>(468,209)</u>
Net change in fund balances - GAAP basis	<u>\$ (405,840)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Fund Raising Activities Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Private contribution and donations	\$ 43,000	\$ 43,000	\$ 331,107	\$ 288,107
Total revenues	<u>43,000</u>	<u>43,000</u>	<u>331,107</u>	<u>288,107</u>
Expenditures:				
Health and welfare	9,600	9,600	2,644	6,956
Community development and housing	44,275	118,483	36,139	82,344
Total expenditures	<u>53,875</u>	<u>128,083</u>	<u>38,783</u>	<u>89,300</u>
Net change in fund balance	(10,875)	(85,083)	292,324	377,407
Fund balance, July 1, 2021	255,223	255,223	255,223	-
Fund balance, June 30, 2022	<u>\$ 244,348</u>	<u>\$ 170,140</u>	<u>\$ 547,547</u>	<u>\$ 377,407</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Gilman Sport Field Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ 295,166	\$ 295,166	\$ 324,049	\$ 28,883
Miscellaneous	3,580	3,580	-	(3,580)
Total revenues	<u>298,746</u>	<u>298,746</u>	<u>324,049</u>	<u>25,303</u>
Expenditures:				
Culture-recreation	258,234	426,926	303,864	123,062
Total expenditures	<u>258,234</u>	<u>426,926</u>	<u>303,864</u>	<u>123,062</u>
Other financing sources/(uses)				
Transfers in	196,000	196,000	196,000	-
Transfers out	-	(175,000)	(175,000)	-
Total other financing sources/(uses)	<u>196,000</u>	<u>21,000</u>	<u>21,000</u>	<u>-</u>
Net change in fund balance	40,512	(128,180)	41,185	148,365
Fund balance, July 1, 2021	124,128	124,128	124,128	-
Fund balance, June 30, 2022	<u>\$ 164,640</u>	<u>\$ (4,052)</u>	<u>\$ 165,313</u>	<u>\$ 148,365</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 41,185
Payable accrual	<u>1,974</u>
Net change in fund balances - GAAP basis	<u>\$ 43,159</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Gilman Fields Reserve Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 75,000	\$ 75,000
Total revenues	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>75,000</u>
Expenditures:				
Culture-recreation	-	2,694	-	2,694
Total expenditures	<u>-</u>	<u>2,694</u>	<u>-</u>	<u>2,694</u>
Other financing sources/(uses)				
Transfers in	-	175,000	175,000	-
Transfers out	-	-	-	-
Total other financing sources/(uses)	<u>-</u>	<u>175,000</u>	<u>175,000</u>	<u>-</u>
Net change in fund balance	-	172,306	250,000	77,694
Fund balance, July 1, 2021	567,277	567,277	567,277	-
Fund balance, June 30, 2022	<u>\$ 567,277</u>	<u>\$ 739,583</u>	<u>\$ 817,277</u>	<u>\$ 77,694</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Animal Shelter Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Private contributions and donations	\$ 45,000	\$ 45,000	\$ 45,331	\$ 331
Total revenues	<u>45,000</u>	<u>45,000</u>	<u>45,331</u>	<u>331</u>
Expenditures:				
Public safety	52,480	47,395	30,467	16,928
Total expenditures	<u>52,480</u>	<u>47,395</u>	<u>30,467</u>	<u>16,928</u>
Net change in fund balance	(7,480)	(2,395)	14,864	17,259
Fund balance, July 1, 2021	90,780	90,780	90,780	-
Fund balance, June 30, 2022	<u>\$ 83,300</u>	<u>\$ 88,385</u>	<u>\$ 105,644</u>	<u>\$ 17,259</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Paramedic Assessment District Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,330,634	\$ 3,330,634	\$ 3,438,635	\$ 108,001
Total revenues	<u>3,330,634</u>	<u>3,330,634</u>	<u>3,438,635</u>	<u>108,001</u>
Expenditures:				
Current:				
General government	19,842	19,842	20,239	(397)
Public safety	4,886,111	4,882,516	5,380,316	(497,800)
Total expenditures	<u>4,905,953</u>	<u>4,902,358</u>	<u>5,400,555</u>	<u>(498,197)</u>
Revenues over/(under) expenditures	<u>(1,575,319)</u>	<u>(1,571,724)</u>	<u>(1,961,920)</u>	<u>(390,196)</u>
Other financing sources/(uses)				
Transfers in	757,925	757,925	757,925	-
Transfers out	(10,712)	(10,712)	(10,712)	-
Total other financing sources/(uses)	<u>747,213</u>	<u>747,213</u>	<u>747,213</u>	<u>-</u>
Net change in fund balance	(828,106)	(824,511)	(1,214,707)	(390,196)
Fund balance, July 1, 2021	(1,512,106)	(1,512,106)	(1,512,106)	-
Fund balance, June 30, 2022	<u>\$ (2,340,212)</u>	<u>\$ (2,336,617)</u>	<u>\$ (2,726,813)</u>	<u>\$ (390,196)</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (1,214,707)
Receivable accrual	(8,027)
Net change in fund balances - GAAP basis	<u>\$ (1,222,734)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Domestic Violence Prevention Vital Statistics Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ 25,000	\$ 25,000	\$ 21,627	\$ (3,373)
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>21,627</u>	<u>(3,373)</u>
Expenditures:				
Health and welfare	22,587	22,587	22,596	(9)
Total expenditures	<u>22,587</u>	<u>22,587</u>	<u>22,596</u>	<u>(9)</u>
Net change in fund balance	2,413	2,413	(969)	(3,382)
Fund balance, July 1, 2021	29,661	29,661	29,661	-
Fund balance, June 30, 2022	<u>\$ 32,074</u>	<u>\$ 32,074</u>	<u>\$ 28,692</u>	<u>\$ (3,382)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Affordable Housing Mitigation Fee Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ -	\$ -	\$ 16,208,329	\$ 16,208,329
Total revenues	<u>-</u>	<u>-</u>	<u>16,208,329</u>	<u>16,208,329</u>
Expenditures:				
Community development and housing	39,929	39,929	182,414	(142,485)
Economic development	2,676,249	965,275	965,275	-
Total expenditures	<u>2,716,178</u>	<u>1,005,204</u>	<u>1,147,689</u>	<u>(142,485)</u>
Net change in fund balance	(2,716,178)	(1,005,204)	15,060,640	16,065,844
Fund balance, July 1, 2021	11,876,141	11,876,141	11,876,141	-
Fund balance, June 30, 2022	<u>\$ 9,159,963</u>	<u>\$ 10,870,937</u>	<u>\$ 26,936,781</u>	<u>\$ 16,065,844</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 15,060,640
Notes receivable accrual	(965,275)
Net change in fund balances - GAAP basis	<u>\$ 16,025,915</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Affordable Child Care Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ 11,851	\$ 11,851	\$ 185,256	\$ 173,405
Total revenues	<u>11,851</u>	<u>11,851</u>	<u>185,256</u>	<u>173,405</u>
Expenditures:				
Current:				
Health and welfare	13,275	6,638	6,638	-
Total expenditures	<u>13,275</u>	<u>6,638</u>	<u>6,638</u>	<u>-</u>
Net change in fund balance	(1,424)	5,213	178,618	173,405
Fund balance, July 1, 2021	247,140	247,140	247,140	-
Fund balance, June 30, 2022	<u>\$ 245,716</u>	<u>\$ 252,353</u>	<u>\$ 425,758</u>	<u>\$ 173,405</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Inclusionary Housing Program Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ -	\$ -	\$ 183,436	\$ 183,436
Miscellaneous	-	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>183,436</u>	<u>183,436</u>
Expenditures:				
Health and Welfare	-	-	-	-
Community development and housing	155,835	156,451	167,043	(10,592)
Economic development	394,666	394,016	393,355	661
Total expenditures	<u>550,501</u>	<u>550,467</u>	<u>560,398</u>	<u>(9,931)</u>
Net change in fund balance	(550,501)	(550,467)	(376,962)	173,505
Fund balance, July 1, 2021	1,033,204	1,033,204	1,033,204	-
Fund balance, June 30, 2022	<u>\$ 482,703</u>	<u>\$ 482,737</u>	<u>\$ 656,242</u>	<u>\$ 173,505</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (376,962)
Notes receivable accrual	391,016
Net change in fund balances - GAAP basis	<u>\$ 14,054</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Condo Conversion Program Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ 196,000	\$ 196,000	\$ 361,675	\$ 165,675
Total revenues	<u>196,000</u>	<u>196,000</u>	<u>361,675</u>	<u>165,675</u>
Expenditures:				
Economic development	71,642	1,069,622	1,069,622	-
Community development and housing	37,975	37,975	25,518	12,457
Total expenditures	<u>109,617</u>	<u>1,107,597</u>	<u>1,095,140</u>	<u>12,457</u>
Net change in fund balance	86,383	(911,597)	(733,465)	178,132
Fund balance, July 1, 2021	2,070,181	2,070,181	2,070,181	-
Fund balance, June 30, 2022	<u>\$ 2,156,564</u>	<u>\$ 1,158,584</u>	<u>\$ 1,336,716</u>	<u>\$ 178,132</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (733,465)
Notes receivable accrual	<u>1,069,622</u>
Net change in fund balances - GAAP basis	<u>\$ 336,157</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Parking In-Lieu Fee Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ -	\$ -	\$ 645,000	\$ 645,000
Total revenues	-	-	645,000	645,000
Expenditures:				
Highway and streets	-	82,010	82,010	-
Total expenditures	-	82,010	82,010	-
Net change in fund balance	-	(82,010)	562,990	645,000
Fund balance, July 1, 2021	727,010	727,010	727,010	-
Fund balance, June 30, 2022	<u>\$ 727,010</u>	<u>\$ 645,000</u>	<u>\$ 1,290,000</u>	<u>\$ 645,000</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Playground Camp Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ 193,770	\$ 193,770
Charges for service	2,406,202	2,406,202	2,075,174	(331,028)
Rents and royalties	45,000	45,000	49,852	4,852
Private contributions and donations	-	-	533,598	533,598
Miscellaneous	-	-	1	1
Total revenues	<u>2,451,202</u>	<u>2,451,202</u>	<u>2,852,395</u>	<u>401,193</u>
Expenditures:				
General government	-	-	-	-
Culture-recreation	13,371,674	7,089,199	5,078,370	2,010,829
Public Safety	475,360	1,342,003	430,030	911,973
Culture-recreation (CO)	-	17,912,698	17,575,989	336,709
Total expenditures	<u>13,847,034</u>	<u>26,343,900</u>	<u>23,084,389</u>	<u>3,259,511</u>
Revenues over/(under) expenditures	<u>(11,395,832)</u>	<u>(23,892,698)</u>	<u>(20,231,994)</u>	<u>3,660,704</u>
Other financing sources/(uses)				
Transfer in	1,035,000	3,735,000	3,735,000	-
Transfer out	(3,000)	(3,000)	(3,000)	-
Insurance recoveries	9,317,653	9,317,653	6,876,076	16,193,729
Total other financing sources/(uses)	<u>10,349,653</u>	<u>13,049,653</u>	<u>10,608,076</u>	<u>16,193,729</u>
Net change in fund balance	(1,046,179)	(10,843,045)	(9,623,918)	19,854,433
Fund balance, July 1, 2021	13,648,383	13,648,383	13,648,383	-
Fund balance, June 30, 2022	<u>\$ 12,602,204</u>	<u>\$ 2,805,338</u>	<u>\$ 4,024,465</u>	<u>\$ 19,854,433</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (9,623,918)
Payable accrual	(331,693)
Net change in fund balances - GAAP basis	<u>\$ (9,292,225)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
State Proposition 172 Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 931,227	\$ 931,227	\$ 1,173,773	\$ 242,546
Total revenues	<u>931,227</u>	<u>931,227</u>	<u>1,173,773</u>	<u>242,546</u>
Expenditures:				
General government	77,833	77,833	-	77,833
Public safety	348,860	1,101,256	908,528	192,728
Total expenditures	<u>426,693</u>	<u>1,179,089</u>	<u>908,528</u>	<u>270,561</u>
Net change in fund balance	504,534	(247,862)	265,245	513,107
Fund balance, July 1, 2021	1,003,007	1,003,007	1,003,007	-
Fund balance, June 30, 2022	<u>\$ 1,507,541</u>	<u>\$ 755,145</u>	<u>\$ 1,268,252</u>	<u>\$ 513,107</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 265,245
Receivable accrual	6,679
Payable accrual	-
Net change in fund balances - GAAP basis	<u>\$ 271,924</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
State Transportation Tax Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 5,036,030	\$ 5,036,030	\$ 4,888,550	\$ (147,480)
Charges for service	34,544	34,544	578	(33,966)
Investment income	-	-	8,224	8,224
Miscellaneous	-	-	-	-
Total revenues	<u>5,070,574</u>	<u>5,070,574</u>	<u>4,897,352</u>	<u>(173,222)</u>
Expenditures:				
Current:				
General government	506,207	507,225	544,749	(37,524)
Highway and streets	5,152,990	3,739,402	2,651,497	1,087,905
Capital outlay:				
Highway and streets (CO)	350,000	5,227,872	2,110,696	3,117,176
Total expenditures	<u>6,009,197</u>	<u>9,474,499</u>	<u>5,306,942</u>	<u>4,167,557</u>
Net change in fund balance	(938,623)	(4,403,925)	(409,590)	3,994,335
Fund balance, July 1, 2021	5,369,769	5,369,769	5,369,769	-
Fund balance, June 30, 2022	<u>\$ 4,431,146</u>	<u>\$ 965,844</u>	<u>\$ 4,960,179</u>	<u>\$ 3,994,335</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (409,590)
Receivable accrual	241,591
Payable accrual	(12,603)
Net change in fund balances - GAAP basis	<u>\$ (180,602)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
CDBG Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 3,595,558	\$ 3,595,558	\$ 1,149,657	\$ (2,445,901)
Rents and royalties	-	-	496,671	496,671
Investment Income	441,667	441,667	590,284	148,617
Miscellaneous	400,518	400,518	-	(400,518)
Total revenues	<u>4,437,743</u>	<u>4,437,743</u>	<u>2,236,612</u>	<u>(2,201,131)</u>
Expenditures:				
Community development and housing	4,576,057	3,829,323	3,544,710	284,613
Economic Development	-	47,164	47,164	-
Total expenditures	<u>4,576,057</u>	<u>3,876,487</u>	<u>3,591,874</u>	<u>284,613</u>
Net change in fund balance	(138,314)	561,256	(1,355,262)	(1,916,518)
Fund balance, July 1, 2021	(1,475,655)	(1,475,655)	(1,475,655)	-
Fund balance, June 30, 2022	<u>\$ (1,613,969)</u>	<u>\$ (914,399)</u>	<u>\$ (2,830,917)</u>	<u>\$ (1,916,518)</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (1,355,262)
Notes receivable accrual	(453,027)
Payable accrual	1,322,417
Net change in fund balances - GAAP basis	<u>\$ (485,872)</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Rental Housing Safety Program Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ 1,697,000	\$ 1,697,000	\$ 2,024,156	\$ 327,156
Fines and penalties	86,780	86,780	214,060	127,280
Miscellaneous	-	-	-	-
Total revenues	<u>1,783,780</u>	<u>1,783,780</u>	<u>2,238,216</u>	<u>454,436</u>
Expenditures:				
Community development and housing	<u>2,230,164</u>	<u>2,185,257</u>	<u>1,485,693</u>	<u>699,564</u>
Total expenditures	<u>2,230,164</u>	<u>2,185,257</u>	<u>1,485,693</u>	<u>699,564</u>
Net change in fund balance	(446,384)	(401,477)	752,523	1,154,000
Fund balance, July 1, 2021	2,159,671	2,159,671	2,159,671	-
Fund balance, June 30, 2022	<u>\$ 1,713,287</u>	<u>\$ 1,758,194</u>	<u>\$ 2,912,194</u>	<u>\$ 1,154,000</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 752,523
Receivable accrual	<u>7,058</u>
Net change in fund balances - GAAP basis	<u>\$ 759,581</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure B: Local Streets and Roads Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,047,450	\$ 3,047,450	\$ 3,682,015	\$ 634,565
Charges for service	-	-	-	-
Investment income	-	-	6,771	6,771
Total revenues	<u>3,047,450</u>	<u>3,047,450</u>	<u>3,688,786</u>	<u>641,336</u>
Expenditures:				
Current:				
General government	434,655	431,642	56,561	375,081
Highway and streets	2,771,937	2,542,542	1,200,824	1,341,718
Culture-recreation	-	397,349	397,349	-
Capital Outlay:				
Highway and streets (CO)	330,000	2,011,869	1,274,312	737,557
Total expenditures	<u>3,536,592</u>	<u>5,383,402</u>	<u>2,929,046</u>	<u>2,454,356</u>
Net change in fund balance	(489,142)	(2,335,952)	759,740	3,095,692
Fund balance, July 1, 2021	3,968,366	3,968,366	3,968,366	-
Fund balance, June 30, 2022	<u>\$ 3,479,224</u>	<u>\$ 1,632,414</u>	<u>\$ 4,728,106</u>	<u>\$ 3,095,692</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 759,740
Receivable accrual	(687,223)
Payable accrual	332,532
Net change in fund balances - GAAP basis	<u>\$ 405,050</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure B: Bike and Pedestrian Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 371,444	\$ 371,444	\$ 438,563	\$ 67,119
Investment income	-	-	1,298	1,298
Total revenues	<u>371,444</u>	<u>371,444</u>	<u>439,861</u>	<u>68,417</u>
Expenditures:				
Current:				
General government	81,413	81,413	41,324	40,089
Highway and streets	139,584	176,925	141,402	35,523
Capital Outlay:				
Highway and streets (CO)	13,333	13,333	-	13,333
Total expenditures	<u>234,330</u>	<u>271,671</u>	<u>182,726</u>	<u>88,945</u>
Net change in fund balance	137,114	99,773	257,135	157,362
Fund balance, July 1, 2021	606,639	606,639	606,639	-
Fund balance, June 30, 2022	<u>\$ 743,753</u>	<u>\$ 706,412</u>	<u>\$ 863,774</u>	<u>\$ 157,362</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 257,135
Receivable accrual	(83,911)
Net change in fund balances - GAAP basis	<u>\$ 173,224</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure B: Paratransit Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 313,555	\$ 313,555	\$ 346,490	\$ 32,935
Investment income	-	-	(196)	(196)
Miscellaneous	-	-	-	-
Total revenues	<u>313,555</u>	<u>313,555</u>	<u>346,294</u>	<u>32,739</u>
Expenditures:				
Community development and housing	525,433	525,433	370,306	155,127
Total expenditures	<u>525,433</u>	<u>525,433</u>	<u>370,306</u>	<u>155,127</u>
Net change in fund balance	(211,878)	(211,878)	(24,012)	187,866
Fund balance, July 1, 2021	(64,577)	(64,577)	(64,577)	-
Fund balance, June 30, 2022	<u>\$ (276,455)</u>	<u>\$ (276,455)</u>	<u>\$ (88,589)</u>	<u>\$ 187,866</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (24,012)
Receivable accrual	(64,475)
Net change in fund balances - GAAP basis	<u>\$ (88,487)</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure F: Alameda County VRF Street and Road Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 445,077	\$ 445,077	\$ 460,363	\$ 15,286
Investment income	-	-	1,571	1,571
Total revenues	<u>445,077</u>	<u>445,077</u>	<u>461,934</u>	<u>16,857</u>
Expenditures:				
Current:				
General government	2,500	2,500	2,500	-
Highway and streets	261,745	329,197	241,956	87,241
Capital Outlay:				
Highway and streets (CO)	255,000	668,978	345,227	323,751
Total expenditures	<u>519,245</u>	<u>1,000,675</u>	<u>589,683</u>	<u>410,992</u>
Other Financing Sources/(uses):				
Sale of Capital Assets	-	-	7,675	(7,675)
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>7,675</u>	<u>(7,675)</u>
Net change in fund balance	(74,168)	(555,598)	(120,074)	(401,810)
Fund balance, July 1, 2021	1,119,000	1,119,000	1,119,000	-
Fund balance, June 30, 2022	<u>\$ 1,044,832</u>	<u>\$ 563,402</u>	<u>\$ 998,926</u>	<u>\$ (401,810)</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (120,074)
Receivable accrual	(6,111)
Payable accrual	(2,613)
Net change in fund balances - GAAP basis	<u>\$ (128,797)</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure BB: Local Streets and Roads Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 2,868,104	\$ 2,868,104	\$ 3,473,830	\$ 605,726
Charges for Service	-	-	-	-
Investment income	-	-	12,488	12,488
Total revenues	<u>2,868,104</u>	<u>2,868,104</u>	<u>3,486,318</u>	<u>618,214</u>
Expenditures:				
Current:				
Highway and streets	664,212	3,360,660	1,387,922	1,972,738
General Government	-	-	13,744	(13,744)
Culture-recreation	-	927,934	927,934	-
Capital Outlay:				
Highway and streets (CO)	3,650,430	7,689,238	2,793,089	4,896,149
Total expenditures	<u>4,314,642</u>	<u>11,977,832</u>	<u>5,122,689</u>	<u>6,855,143</u>
Net change in fund balance	(1,446,538)	(9,109,728)	(1,636,371)	7,473,357
Fund balance, July 1, 2021	9,448,516	9,448,516	9,448,516	-
Fund balance, June 30, 2022	<u>\$ 8,001,978</u>	<u>\$ 338,788</u>	<u>\$ 7,812,145</u>	<u>\$ 7,473,357</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (1,636,371)
Receivable accrual	1,754,897
Payable accrual	(578,726)
Net change in fund balances - GAAP basis	<u>\$ (460,199)</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure BB: Bike and Pedestrian Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 303,307	\$ 303,307	\$ 358,986	\$ 55,679
Investment income	-	-	17	17
Total revenues	<u>303,307</u>	<u>303,307</u>	<u>359,003</u>	<u>55,696</u>
Expenditures:				
Current:				
General Government	-	-	15,668	(15,668)
Highway and streets	2,000	562,974	297,318	265,656
Capital Outlay:				
Highway and streets (CO)	122,414	765,525	171,106	594,419
Total expenditures	<u>124,414</u>	<u>1,328,499</u>	<u>484,092</u>	<u>844,407</u>
Net change in fund balance	178,893	(1,025,192)	(125,089)	900,103
Fund balance, July 1, 2021	117,806	117,806	117,806	-
Fund balance, June 30, 2022	<u>\$ 296,699</u>	<u>\$ (907,386)</u>	<u>\$ (7,283)</u>	<u>\$ 900,103</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (125,089)
Receivable accrual	126,873
Payable accrual	13,599
Net change in fund balances - GAAP basis	<u>\$ 15,382</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure BB: Paratransit Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 319,014	\$ 319,014	\$ 349,137	\$ 30,123
Investment income	-	-	1,285	1,285
Total revenues	<u>319,014</u>	<u>319,014</u>	<u>350,422</u>	<u>31,408</u>
Expenditures:				
Community development and housing	447,741	499,844	296,139	203,705
Total expenditures	<u>447,741</u>	<u>499,844</u>	<u>296,139</u>	<u>203,705</u>
Net change in fund balance	(128,727)	(180,830)	54,283	235,113
Fund balance, July 1, 2021	704,723	704,723	704,723	-
Fund balance, June 30, 2022	<u>\$ 575,996</u>	<u>\$ 523,893</u>	<u>\$ 759,006</u>	<u>\$ 235,113</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 54,283
Receivable accrual	<u>126,751</u>
Net change in fund balances - GAAP basis	<u>\$ 181,034</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Shelter Operations Funds - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Rents and royalties	\$ -	\$ -	\$ 160,000	\$ 160,000
Total revenues	-	-	160,000	160,000
Expenditures:				
General Government	-	20,953	20,953	-
Community development and housing	-	150,000	150,000	-
Total expenditures	-	170,953	170,953	-
Net change in fund balance	-	(170,953)	(10,953)	160,000
Fund balance, July 1, 2021	92,304	92,304	92,304	-
Fund balance, June 30, 2022	<u>\$ 92,304</u>	<u>\$ (78,649)</u>	<u>\$ 81,351</u>	<u>\$ 160,000</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Park Tax Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 15,320,468	\$ 15,320,468	\$ 15,787,443	\$ 466,975
Licenses and permits	24,000	24,000	191,092	167,092
Charges for service	-	-	4,000	4,000
Rents and royalties	20,000	20,000	29,432	9,432
Private contribution and donations	-	-	71,042	71,042
Investment income	2,000	2,000	9,743	7,743
Miscellaneous	-	-	616	616
Total revenues	<u>15,366,468</u>	<u>15,366,468</u>	<u>16,093,368</u>	<u>726,900</u>
Expenditures:				
Current:				
Culture-recreation	12,630,167	14,718,638	13,459,968	1,258,670
Capital Outlay:				
Culture-recreation (CO)	1,693,800	2,814,166	2,083,606	730,560
Total expenditures	<u>14,323,967</u>	<u>17,532,804</u>	<u>15,543,574</u>	<u>1,989,230</u>
Revenues over/(under) expenditures	<u>1,042,501</u>	<u>(2,166,336)</u>	<u>549,794</u>	<u>2,716,130</u>
Other financing sources/(uses)				
Transfers out	(78,663)	(78,663)	(78,663)	-
Total other financing sources/(uses)	<u>(78,663)</u>	<u>(78,663)</u>	<u>(78,663)</u>	<u>-</u>
Net change in fund balance	963,838	(2,244,999)	471,131	2,716,130
Fund balance, July 1, 2021	4,394,403	4,394,403	4,394,403	-
Fund balance, June 30, 2022	<u>\$ 5,358,241</u>	<u>\$ 2,149,404</u>	<u>\$ 4,865,534</u>	<u>\$ 2,716,130</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 471,131
Tax receivable accrual	(33,927)
Payable accrual	814,926
Net change in fund balances - GAAP basis	<u>\$ 1,252,130</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Street and Open Space Improvement Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ -	\$ -	\$ 74,160	\$ 74,160
Charges for service	-	-	492,833	492,833
Total revenues	-	-	566,993	566,993
Expenditures:				
Capital Outlay:				
Highway and streets (CO)	-	1,702	1,702	-
Total expenditures	-	1,702	1,702	-
Net change in fund balance	-	(1,702)	565,291	566,993
Fund balance, July 1, 2021	1,565,361	910,762	910,762	-
Fund balance, June 30, 2022	<u>\$ 1,565,361</u>	<u>\$ 909,060</u>	<u>\$ 1,476,053</u>	<u>\$ 566,993</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure GG: Fire Preparation Tax Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 5,559,637	\$ 5,559,637	\$ 5,436,102	\$ (123,535)
Charges for service	46,000	46,000	1,019	(44,981)
Total revenues	<u>5,605,637</u>	<u>5,605,637</u>	<u>5,437,121</u>	<u>(168,516)</u>
Expenditures:				
General government	349,842	645,162	645,560	(398)
Public safety	4,304,901	4,888,816	4,508,315	380,501
Health and welfare	242,527	240,295	78,912	161,383
Total expenditures	<u>4,897,270</u>	<u>5,774,273</u>	<u>5,232,787</u>	<u>541,486</u>
Net change in fund balance	708,367	(168,636)	204,334	372,970
Fund balance, July 1, 2021	2,799,525	2,799,525	2,799,525	-
Fund balance, June 30, 2022	<u>\$ 3,507,892</u>	<u>\$ 2,630,889</u>	<u>\$ 3,003,859</u>	<u>\$ 372,970</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 204,334
Receivable accrual	(16,670)
Net change in fund balances - GAAP basis	<u>\$ 187,664</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Street Lighting Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 2,240,939	\$ 2,240,939	\$ 2,045,970	\$ (194,969)
Charges for service	-	-	459	459
Investment income	-	-	3,997	3,997
Total revenues	<u>2,240,939</u>	<u>2,240,939</u>	<u>2,050,426</u>	<u>(190,513)</u>
Expenditures:				
Current:				
General government	48,553	68,553	46,816	21,737
Highway and streets	2,240,364	2,352,677	1,308,629	1,044,048
Debt service:				
Principal repayment	354,761	355,884	358,318	(2,434)
Interest and fiscal charges	15,690	15,690	12,133	3,557
Total expenditures	<u>2,659,368</u>	<u>2,792,804</u>	<u>1,725,896</u>	<u>1,066,908</u>
Revenues over/(under) expenditures	<u>(418,429)</u>	<u>(551,865)</u>	<u>324,530</u>	<u>876,395</u>
Other financing sources/(uses)				
Transfers out	(12,120)	(12,120)	(12,120)	-
Total other financing sources/(uses)	<u>(12,120)</u>	<u>(12,120)</u>	<u>(12,120)</u>	<u>-</u>
Net change in fund balance	(430,549)	(563,985)	312,410	876,395
Fund balance, July 1, 2021	2,069,532	2,069,532	2,069,532	-
Fund balance, June 30, 2022	<u>\$ 1,638,983</u>	<u>\$ 1,505,547</u>	<u>\$ 2,381,942</u>	<u>\$ 876,395</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 312,410
Receivable accrual	(7,244)
Payable accrual	(179,814)
Net change in fund balances - GAAP basis	<u>\$ 125,352</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Business Economic Development Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Investment income	150,000	150,000	155,477	5,477
Miscellaneous	-	-	-	-
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>155,477</u>	<u>5,477</u>
Expenditures:				
Economic development	156,387	616,381	551,167	65,214
Total expenditures	<u>156,387</u>	<u>616,381</u>	<u>551,167</u>	<u>65,214</u>
Net change in fund balance	(6,387)	(466,381)	(395,690)	70,691
Fund balance, July 1, 2021	1,001,387	1,001,387	1,001,387	-
Fund balance, June 30, 2022	<u>\$ 995,000</u>	<u>\$ 535,006</u>	<u>\$ 605,697</u>	<u>\$ 70,691</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (395,690)
Notes receivable accrual	551,168
Loans payable accrual	(146,726)
Payable accrual	545,000
Net change in fund balances - GAAP basis	<u>\$ 553,752</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Miles Lab Fund - Budgetary Basis
For the year ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 8,500	\$ 8,500	\$ -	\$ (8,500)
Total revenues	<u>8,500</u>	<u>8,500</u>	<u>-</u>	<u>(8,500)</u>
Expenditures:				
Public Safety	-	-	-	-
Culture-recreation	8,500	8,500	513	7,987
Total expenditures	<u>8,500</u>	<u>8,500</u>	<u>513</u>	<u>7,987</u>
Net change in fund balance	-	-	(513)	(513)
Fund balance, July 1, 2021	73,742	73,742	73,742	-
Fund balance, June 30, 2022	<u>\$ 73,742</u>	<u>\$ 73,742</u>	<u>\$ 73,229</u>	<u>\$ (513)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Employee Training Fund - Budgetary Basis
For the year ended June 30, 2022**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
General government	\$ 807,304	\$ 847,358	\$ 650,802	\$ 196,556
Total expenditures	<u>807,304</u>	<u>847,358</u>	<u>650,802</u>	<u>196,556</u>
Revenues over/(under) expenditures	<u>(807,304)</u>	<u>(847,358)</u>	<u>(650,802)</u>	<u>196,556</u>
Other financing sources/(uses)				
Transfers in	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
Total other financing sources/(uses)	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
Net change in fund balance	(57,304)	(97,358)	99,198	196,556
Fund balance, July 1, 2021	93,700	93,700	93,700	-
Fund balance, June 30, 2022	<u>\$ 36,396</u>	<u>\$ (3,658)</u>	<u>\$ 192,898</u>	<u>\$ 196,556</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
UC Settlement Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ -	\$ -	\$ 4,561,283	\$ 4,561,283
Total revenues	-	-	4,561,283	4,561,283
Expenditures:				
Public Safety	-	2,358,260	819,048	1,539,212
Highway and streets	21,219	845,260	23,672	821,588
Total expenditures	21,219	3,203,520	842,720	2,360,800
Revenues over/(under) expenditures	(21,219)	(3,203,520)	3,718,563	6,922,083
Other financing sources/(uses)				
Transfers out	-	-	-	-
Total other financing sources/(uses)	-	-	-	-
Net change in fund balance	(21,219)	(3,203,520)	3,718,563	6,922,083
Fund balance, July 1, 2021	454,002	454,002	454,002	-
Fund balance, June 30, 2022	\$ 432,783	\$ (2,749,518)	\$ 4,172,565	\$ 6,922,083

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Private Percent Art Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ -	\$ -	\$ 2,392,160	\$ 2,392,160
Total revenues	<u>-</u>	<u>-</u>	<u>2,392,160</u>	<u>2,392,160</u>
Expenditures:				
General Government	-	-	-	-
Community development and housing	-	-	-	-
Economic development	20,646	825,178	243,159	582,019
Total expenditures	<u>20,646</u>	<u>825,178</u>	<u>243,159</u>	<u>582,019</u>
Net change in fund balance	(20,646)	(825,178)	2,149,001	2,974,179
Fund balance, July 1, 2021	822,480	822,480	822,480	-
Fund balance, June 30, 2022	<u>\$ 801,834</u>	<u>\$ (2,698)</u>	<u>\$ 2,971,481</u>	<u>\$ 2,974,179</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 2,149,001
Payable accrual	<u>10,213</u>
Net change in fund balances - GAAP basis	<u>\$ 2,159,214</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Private Party Sidewalks Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for service	\$ 100,000	\$ 100,000	\$ 106,984	\$ 6,984
Total revenues	<u>100,000</u>	<u>100,000</u>	<u>106,984</u>	<u>6,984</u>
Expenditures:				
Current				
Highway and streets	100,000	50,000	2,915	47,085
Capital outlay				
Highway and streets	-	300,000	150,000	150,000
Total expenditures	<u>100,000</u>	<u>350,000</u>	<u>152,915</u>	<u>197,085</u>
Net change in fund balance	-	(250,000)	(45,931)	204,069
Fund balance, July 1, 2021	849,870	849,870	849,870	-
Fund balance, June 30, 2022	<u>\$ 849,870</u>	<u>\$ 599,870</u>	<u>\$ 803,939</u>	<u>\$ 204,069</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Public Art Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Expenditures:				
General Government	\$ -	\$ -	\$ -	\$ -
Economic development	64,367	149,161	14,800	134,361
Total expenditures	<u>64,367</u>	<u>149,161</u>	<u>14,800</u>	<u>134,361</u>
Revenues over/(under) expenditures	<u>(64,367)</u>	<u>(149,161)</u>	<u>(14,800)</u>	<u>134,361</u>
Other financing sources/(uses)				
Transfers in	64,367	64,367	64,367	-
Total other financing sources/(uses)	<u>64,367</u>	<u>64,367</u>	<u>64,367</u>	<u>-</u>
Net change in fund balance	-	(84,794)	49,567	134,361
Fund balance, July 1, 2021	82,794	82,794	82,794	-
Fund balance, June 30, 2022	<u>\$ 82,794</u>	<u>\$ (2,000)</u>	<u>\$ 132,361</u>	<u>\$ 134,361</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Vital and Health Statistic Fund - Budgetary Basis
For the year ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges for service	\$ 30,000	\$ 30,000	\$ 20,668	\$ (9,332)
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>20,668</u>	<u>(9,332)</u>
Expenditures:				
Health and welfare	<u>29,813</u>	<u>29,813</u>	<u>9,756</u>	<u>20,057</u>
Total expenditures	<u>29,813</u>	<u>29,813</u>	<u>9,756</u>	<u>20,057</u>
Net change in fund balance	187	187	10,912	10,725
Fund balance, July 1, 2021	251,185	251,185	251,185	-
Fund balance, June 30, 2022	<u>\$ 251,372</u>	<u>\$ 251,372</u>	<u>\$ 262,097</u>	<u>\$ 10,725</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
PERS Savings Fund - Budgetary Basis
For the year ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Investment income	\$ -	\$ -	\$ 472,818	\$ 472,818
Total revenues	<u>-</u>	<u>-</u>	<u>472,818</u>	<u>472,818</u>
Expenditures:				
Current				
General Government	\$ -	\$ -	\$ 35,466	\$ (35,466)
Revenues over/(under) expenditures	-	-	(35,466)	(35,466)
Other financing sources/(uses)				
Transfers in	\$ 2,151,632	\$ 2,151,632	\$ 3,630,992	\$ 1,479,360
Total other financing sources/(uses)	<u>2,151,632</u>	<u>2,151,632</u>	<u>3,630,992</u>	<u>1,479,360</u>
Net change in fund balance	2,151,632	2,151,632	4,068,344	1,987,644
Fund balance, July 1, 2021	12,494,757	12,494,757	12,494,757	-
Fund balance, June 30, 2022	<u>\$ 14,646,389</u>	<u>\$ 14,646,389</u>	<u>\$ 16,563,101</u>	<u>\$ 1,987,644</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 4,068,344
Receivable accrual	<u>(2,476,442)</u>
Net change in fund balances - GAAP basis	<u>\$ 1,591,902</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Health State Aid Realignment Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,750,000	\$ 1,750,000	\$ 2,095,939	\$ 345,939
Intergovernmental	-	-	-	-
Total revenues	<u>1,750,000</u>	<u>1,750,000</u>	<u>2,095,939</u>	<u>345,939</u>
Expenditures:				
Health and welfare	1,162,925	1,162,925	536,329	626,596
Total expenditures	<u>1,162,925</u>	<u>1,162,925</u>	<u>536,329</u>	<u>626,596</u>
Revenues over/(under) expenditures	<u>587,075</u>	<u>587,075</u>	<u>1,559,610</u>	<u>972,535</u>
Other financing sources/(uses)				
Transfers in	1,953,018	1,953,018	1,953,018	-
Transfers out	(2,643,280)	(2,643,280)	(2,643,280)	-
Sale of capital assets	-	-	1,166	1,166
Total other financing sources/(uses)	<u>(690,262)</u>	<u>(690,262)</u>	<u>(689,096)</u>	<u>1,166</u>
Net change in fund balance	(103,187)	(103,187)	870,514	973,701
Fund balance, July 1, 2021	3,708,922	3,708,922	3,708,922	-
Fund balance, June 30, 2022	<u>\$ 3,605,735</u>	<u>\$ 3,605,735</u>	<u>\$ 4,579,436</u>	<u>\$ 973,701</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 870,514
Receivable accrual	<u>(9,187)</u>
Net change in fund balances - GAAP basis	<u>\$ 861,327</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Tobacco Control Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 300,000	\$ 300,000	\$ 450,000	\$ 150,000
Investment income	-	-	111	111
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>450,111</u>	<u>150,111</u>
Expenditures:				
Health and welfare	<u>352,325</u>	<u>444,388</u>	<u>359,009</u>	<u>85,379</u>
Total expenditures	<u>352,325</u>	<u>444,388</u>	<u>359,009</u>	<u>85,379</u>
Net change in fund balance	(52,325)	(144,388)	91,102	235,490
Fund balance, July 1, 2021	(38,462)	(38,462)	(38,462)	-
Fund balance, June 30, 2022	<u>\$ (90,787)</u>	<u>\$ (182,850)</u>	<u>\$ 52,640</u>	<u>\$ 235,490</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Mental Health State Aid Realignment Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 2,710,000	\$ 2,710,000	\$ 2,928,252	\$ 218,252
Total revenues	<u>2,710,000</u>	<u>2,710,000</u>	<u>2,928,252</u>	<u>218,252</u>
Expenditures:				
Health and welfare	3,182,564	3,298,967	2,744,159	554,808
Community development and housing	-	63,586	-	63,586
Total expenditures	<u>3,182,564</u>	<u>3,362,553</u>	<u>2,744,159</u>	<u>618,394</u>
Net change in fund balance	(472,564)	(652,553)	184,093	836,646
Fund balance, July 1, 2021	5,741,290	5,741,290	5,741,290	-
Fund balance, June 30, 2022	<u>\$ 5,268,726</u>	<u>\$ 5,088,737</u>	<u>\$ 5,925,383</u>	<u>\$ 836,646</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 184,093
Payable accrual	<u>(23,419)</u>
Net change in fund balances - GAAP basis	<u>\$ 160,674</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
City Opt. Public Safety Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 250,000	\$ 250,000	\$ 292,991	\$ 42,991
Investment income	-	-	1,260	1,260
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>294,251</u>	<u>44,251</u>
Expenditures:				
Public safety	<u>258,724</u>	<u>468,536</u>	<u>137,440</u>	<u>331,096</u>
Total expenditures	<u>258,724</u>	<u>468,536</u>	<u>137,440</u>	<u>331,096</u>
Net change in fund balance	(8,724)	(218,536)	156,811	375,347
Fund balance, July 1, 2021	603,465	603,465	603,465	-
Fund balance, June 30, 2022	<u>\$ 594,741</u>	<u>\$ 384,929</u>	<u>\$ 760,276</u>	<u>\$ 375,347</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Alameda County Abandoned Vehicle Abatement Authority Fund - Budgetary Basis
For the year ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Charges for service	\$ 98,000	\$ 98,000	\$ 78,282	\$ (19,718)
Total revenues	98,000	98,000	78,282	(19,718)
Expenditures:				
Health and welfare	96,449	97,334	61,582	35,752
Total expenditures	96,449	97,334	61,582	35,752
Net change in fund balance	1,551	666	16,700	16,034
Fund balance, July 1, 2021	256,860	256,860	256,860	-
Fund balance, June 30, 2022	<u>\$ 258,411</u>	<u>\$ 257,526</u>	<u>\$ 273,560</u>	<u>\$ 16,034</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure FF - Public Safety Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 12,750,000	\$ 12,750,000	\$ 12,737,829	\$ (12,171)
Total revenues	12,750,000	12,750,000	12,737,829	(12,171)
Expenditures:				
Public safety	11,992,075	8,804,137	3,268,061	5,536,076
Total expenditures	11,992,075	8,804,137	3,268,061	5,536,076
Revenues over/(under) expenditures	757,925	3,945,863	9,469,768	
Other financing sources/(uses)				
Transfers out	(757,925)	(757,925)	(757,925)	-
Total other financing sources/(uses)	(757,925)	(757,925)	(757,925)	-
Net change in fund balance	-	3,187,938	8,711,843	5,523,905
Fund balance, June 30, 2022	\$ -	\$ 3,187,938	\$ 8,711,843	\$ 5,523,905

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 8,711,843
Receivable accrual	66,285
Net change in fund balances - GAAP basis	\$ 8,778,128

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Fair Elections Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Private contribution and donations	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Current:				
General government	505,002	505,002	167,086	337,916
Total expenditures	505,002	505,002	167,086	337,916
Revenues over/(under) expenditures	(505,002)	(505,002)	(167,086)	337,916
Other financing sources/(uses)				
Transfers in	505,002	505,002	505,002	-
Total other financing sources/(uses)	505,002	505,002	505,002	-
Net change in fund balance	-	-	337,916	337,916
Fund balance, July 1, 2021	579,182	579,182	579,182	-
Fund balance, June 30, 2022	<u>\$ 579,182</u>	<u>\$ 579,182</u>	<u>\$ 917,098</u>	<u>\$ 337,916</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure TI - Infrastructure & Facilities Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ -	\$ -	\$ 83,627	\$ 83,627
Total revenues	<u>-</u>	<u>-</u>	<u>83,627</u>	<u>83,627</u>
Expenditures:				
Current:				
Public Safety	5,500	1,785,986	24,161	5,500
Highway and streets	164,275	335,275	114,867	220,408
Culture-recreation	746,316	4,466,182	3,442,574	1,023,608
Community development and housing	1,537,599	4,803,741	2,448,206	2,355,535
Economic development	-	33,440	29,668	3,772
Debt service:				
Capital outlay:				
Highway and streets	2,338,164	2,614,823	213,137	2,401,686
Community development and housing	8,025,000	3,405,938	917,929	2,488,009
Total expenditures	<u>12,816,854</u>	<u>17,445,385</u>	<u>7,190,542</u>	<u>8,498,518</u>
Revenues over/(under) expenditures	<u>(12,816,854)</u>	<u>(17,445,385)</u>	<u>(7,106,915)</u>	<u>8,582,145</u>
Net change in fund balance	(12,816,854)	(17,445,385)	(7,106,915)	8,582,145
Fund balance, July 1, 2021	44,205,758	44,205,758	44,205,758	-
Fund balance, June 30, 2022	<u>\$ 31,388,904</u>	<u>\$ 26,760,373</u>	<u>\$ 37,098,843</u>	<u>\$ 8,582,145</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (7,106,915)
Receivable accrual	(3,983)
Payable accrual	764,178
Interfund transfer accrual	(71,749)
Net change in fund balances - GAAP basis	<u>\$ (6,418,470)</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Phone System Replacement Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Licenses and permits	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
General government	449,408	423,530	124,218	299,312
Total expenditures	449,408	423,530	124,218	299,312
Revenue over/(under) expenditures	(449,408)	(423,530)	(124,218)	299,312
Other financing sources/(uses)				
Transfers in	449,408	449,408	449,408	-
Total other financing sources/(uses)	449,408	449,408	449,408	-
Net change in fund balance	-	25,878	325,190	299,312
Fund balance, July 1, 2021	542,179	542,179	542,179	-
Fund balance, June 30, 2022	<u>\$ 542,179</u>	<u>\$ 568,057</u>	<u>\$ 867,369</u>	<u>\$ 299,312</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Fund\$ Replacement Fund - Budgetary Basis
For the year ended June 30, 2022

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Expenditures:				
General government	\$ 3,571,725	\$ 3,968,016	\$ 2,078,541	\$ 1,889,475
Total expenditures	<u>3,571,725</u>	<u>3,968,016</u>	<u>2,078,541</u>	<u>1,889,475</u>
Revenues over/(under) expenditures	(3,571,725)	(3,968,016)	(2,078,541)	(1,889,475)
Other financing sources/(uses)				
Net change in fund balance	(3,571,725)	(3,968,016)	(2,078,541)	1,889,475
Fund balance, July 1, 2021	4,028,518	4,028,518	4,028,518	-
Fund balance, June 30, 2022	<u>\$ 456,793</u>	<u>\$ 60,502</u>	<u>\$ 1,949,977</u>	<u>\$ 1,889,475</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ (2,078,541)
Payable accrual	288,117
Net change in fund balances - GAAP basis	<u>\$ (1,790,425)</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Public, Education and Government Access Facilities Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Franchise	\$ -	\$ -	\$ 134,544	\$ 134,544
Total revenues	-	-	134,544	134,544
Expenditures:				
General government	100,000	100,000	-	100,000
Total expenditures	100,000	100,000	-	(100,000)
Net change in fund balance	(100,000)	(100,000)	134,544	234,544
Fund balance, July 1, 2021	1,858,034	1,858,034	2,101,844	243,810
Fund balance, June 30, 2022	<u>\$ 1,758,034</u>	<u>\$ 1,758,034</u>	<u>\$ 2,236,388</u>	<u>\$ 478,354</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 134,544
Receivable accrual	(3,234)
Net change in fund balances - GAAP basis	<u>\$ 131,310</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure M: Street and Watershed Improvements Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ -	\$ -	\$ 1,447	\$ 1,447
Total revenues	-	-	1,447	1,447
Expenditures:				
Current:				
Highway and streets	-	-	219	(219)
Capital outlay:				
Highway and streets	-	18,119	-	18,119
Total expenditures	-	18,119	219	17,900
Revenues over/(under) expenditures	-	(18,119)	1,228	(16,453)
Other financing sources/(uses)				
Transfers in (OFS)	-	-	85,200	85,200
Total other financing sources/(uses)	-	-	85,200	85,200
Net change in fund balance	-	(18,119)	86,428	104,547
Fund balance, July 1, 2021	839,206	839,206	839,206	-
Fund balance, June 30, 2022	\$ 839,206	\$ 821,087	\$ 925,634	\$ 104,547

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Park Acquisition Development Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Fines and penalties	\$ 192	\$ 192	\$ -	\$ (192)
Rents and royalties	-	-	1,201	1,201
Investment income	-	-	55	55
Total revenues	<u>192</u>	<u>192</u>	<u>1,256</u>	<u>1,064</u>
Expenditures:				
General government	-	-	177	(177)
Total expenditures	<u>-</u>	<u>-</u>	<u>177</u>	<u>(177)</u>
Net change in fund balance	192	192	1,079	887
Fund balance, July 1, 2021	33,099	33,099	33,099	-
Fund balance, June 30, 2022	<u>\$ 33,291</u>	<u>\$ 33,291</u>	<u>\$ 34,178</u>	<u>\$ 887</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
09 Measure FF Library Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ 1,431,718	\$ 1,431,718
Total revenues	<u>-</u>	<u>-</u>	<u>1,431,718</u>	<u>1,431,718</u>
Expenditures:				
Debt Service:				
Principal repayment	630,000	630,000	630,000	-
Interest and fiscal charges	713,638	713,638	709,328	4,310
Total expenditures	<u>1,343,638</u>	<u>1,343,638</u>	<u>1,339,328</u>	<u>2,867,746</u>
Net change in fund balance	(1,343,638)	(1,343,638)	92,390	4,299,464
Fund balance, July 1, 2021	1,323,592	1,323,592	1,323,592	-
Fund balance, June 30, 2022	<u>\$ (20,046)</u>	<u>\$ (20,046)</u>	<u>\$ 1,415,982</u>	<u>\$ 4,299,464</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 92,390
Receivable accrual	(5,219)
Net change in fund balances - GAAP basis	<u>\$ 87,171</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
GO 2015 Refunding Bonds for GO 2007 Refunding Bonds Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 3,309,864	\$ 3,309,864	\$ 2,204,529	\$ (1,105,335)
Total revenues	<u>3,309,864</u>	<u>3,309,864</u>	<u>2,204,529</u>	<u>(1,105,335)</u>
Expenditures:				
Principal repayment	1,452,315	1,452,315	1,452,315	-
Interest and fiscal charges	599,651	599,651	598,803	848
Total expenditures	<u>2,051,966</u>	<u>2,051,966</u>	<u>2,051,118</u>	<u>848</u>
Net change in fund balance	1,257,898	1,257,898	153,411	(1,104,487)
Fund balance, July 1, 2021	3,116,961	3,116,961	1,928,566	(1,188,395)
Fund balance, June 30, 2022	<u>\$ 4,374,859</u>	<u>\$ 4,374,859</u>	<u>\$ 2,081,977</u>	<u>\$ (2,292,882)</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 153,411
Receivable accrual	<u>(4,336)</u>
Net change in fund balances - GAAP basis	<u>\$ 149,075</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Berkeley Repertory Theatre Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	2	2
Total revenues	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>
Expenditures:				
Principal repayment	337,275	337,275	337,275	-
Interest and fiscal charges	164,963	164,963	164,063	900
Total expenditures	<u>502,238</u>	<u>502,238</u>	<u>501,338</u>	<u>900</u>
Revenues over/(under) expenditures	<u>(502,238)</u>	<u>(502,238)</u>	<u>(501,336)</u>	<u>902</u>
Other financing sources/(uses)				
Transfers in	499,802	499,802	499,802	-
Total other financing sources/(uses)	<u>499,802</u>	<u>499,802</u>	<u>499,802</u>	<u>-</u>
Net change in fund balance	(2,436)	(2,436)	(1,534)	902
Fund balance, July 1, 2021	(8,845)	(8,845)	(8,845)	-
Fund balance, June 30, 2022	<u>\$ (11,281)</u>	<u>\$ (11,281)</u>	<u>\$ (10,379)</u>	<u>\$ 902</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
GO 2015 Refunding Bonds for GO 2002 Refunding Bonds Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 1,463,321	\$ 1,463,321	\$ 411,686	\$ (1,051,635)
Total revenues	<u>1,463,321</u>	<u>1,463,321</u>	<u>411,686</u>	<u>(1,051,635)</u>
Expenditures:				
Principal repayment	266,982	266,982	266,982	-
Interest and fiscal charges	112,579	112,579	111,579	1,000
Debt issuance costs	-	-	-	-
Total expenditures	<u>379,561</u>	<u>379,561</u>	<u>378,561</u>	<u>1,000</u>
Revenues over/(under) expenditures	<u>1,083,760</u>	<u>1,083,760</u>	<u>33,125</u>	<u>(1,050,635)</u>
Net change in fund balance	1,083,760	1,083,760	33,125	(1,050,635)
Fund balance, July 1, 2021	1,212,724	1,212,724	1,212,724	-
Fund balance, June 30, 2022	<u>\$ 2,296,484</u>	<u>\$ 2,296,484</u>	<u>\$ 1,245,849</u>	<u>\$ (1,050,635)</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 33,125
Receivable accrual	(661)
Net change in fund balances - GAAP basis	<u>\$ 32,464</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
GO 2015 Refunding Bonds for GO 2007 Refunding Bonds Series A Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ 256,987	\$ 256,987	\$ 145,567	\$ (111,420)
Total revenues	<u>256,987</u>	<u>256,987</u>	<u>145,567</u>	<u>(111,420)</u>
Expenditures:				
Principal repayment	100,557	100,557	100,557	-
Interest and fiscal charges	42,308	42,308	41,460	848
Total expenditures	<u>142,865</u>	<u>142,865</u>	<u>142,017</u>	<u>848</u>
Net change in fund balance	114,122	114,122	3,550	(110,572)
Fund balance, July 1, 2021	436,779	436,779	436,779	-
Fund balance, June 30, 2022	<u>\$ 550,901</u>	<u>\$ 550,901</u>	<u>\$ 440,329</u>	<u>\$ (110,572)</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 3,550
Receivable accrual	(499)
Net change in fund balances - GAAP basis	<u>\$ 3,051</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
GO 2015 Refunding Bonds for GO 2008 Animal Shelter Measure I Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ 508,819	\$ 508,819
Total revenues	-	-	508,819	508,819
Expenditures:				
Principal repayment	340,146	340,146	340,146	-
Interest and fiscal charges	141,140	141,140	140,245	895
Total expenditures	481,286	481,286	480,391	895
Net change in fund balance	(481,286)	(481,286)	28,428	509,714
Fund balance, July 1, 2021	382,614	382,614	382,614	-
Fund balance, June 30, 2022	<u>\$ (98,672)</u>	<u>\$ (98,672)</u>	<u>\$ 411,042</u>	<u>\$ 509,714</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 28,428
Receivable accrual	(1,082)
Net change in fund balances - GAAP basis	<u>\$ 27,346</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
2010 COP Animal Shelter Fund - Budgetary Basis
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Investment income	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
Expenditures:				
Principal repayment	135,000	135,000	-	135,000
Interest and fiscal charges	271,991	271,991	105,228	166,763
Debt issuance costs	-	-	-	-
Total expenditures	406,991	406,991	105,228	301,763
Revenues over/(under) expenditures	(406,991)	(406,991)	(105,228)	301,763
Other financing sources/(uses)				
Transfers in	402,613	402,613	402,613	-
Face value of refunding bonds issued	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
Premium on bond issued	-	-	-	-
Total other financing sources/(uses)	402,613	402,613	402,613	-
Net change in fund balance	(4,378)	(4,378)	297,385	301,763
Fund balance, July 1, 2021	(8,977)	(8,977)	(8,977)	-
Fund balance, June 30, 2022	\$ (13,355)	\$ (13,355)	\$ 288,408	\$ 301,763

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
GO 2014 Measure M Street and Watershed Improvement - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ 1,865,493	\$ 1,865,493
Total revenues	-	-	1,865,493	1,865,493
Expenditures:				
Principal repayment	305,000	305,000	655,000	(350,000)
Interest and fiscal charges	435,738	435,738	981,238	(545,500)
Total expenditures	740,738	740,738	1,636,238	(895,500)
Revenues over/(under) expenditures	(740,738)	(740,738)	229,255	969,993
Net change in fund balance	(740,738)	(740,738)	229,255	969,993
Fund balance, July 1, 2021	2,170,934	2,170,934	2,170,934	-
Fund balance, June 30, 2022	<u>\$ 1,430,196</u>	<u>\$ 1,430,196</u>	<u>\$ 2,400,189</u>	<u>\$ 969,993</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 229,255
Receivable accrual	(3,791)
Net change in fund balances - GAAP basis	<u>\$ 225,464</u>

**Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure TI - Infrastructure & Facilities Fund - Budgetary Basis
For the year ended June 30, 2022**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ 4,114,200	\$ 4,114,200
Total revenues	<u>-</u>	<u>-</u>	<u>4,114,200</u>	<u>4,114,200</u>
Expenditures:				
Principal repayment	695,000	695,000	695,000	-
Interest and fiscal charges	1,036,181	1,036,181	2,023,840	(987,659)
Total expenditures	<u>1,731,181</u>	<u>1,731,181</u>	<u>2,718,840</u>	<u>(987,659)</u>
Revenues over/(under) expenditures	<u>(1,731,181)</u>	<u>(1,731,181)</u>	<u>1,395,360</u>	<u>3,126,541</u>
Other financing sources/(uses)				
Net change in fund balance	(1,731,181)	(1,731,181)	1,395,360	3,126,541
Fund balance, July 1, 2021	5,856,693	5,856,693	5,856,693	-
Fund balance, June 30, 2022	<u>\$ 4,125,512</u>	<u>\$ 4,125,512</u>	<u>\$ 7,252,053</u>	<u>\$ 3,126,541</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 1,395,360
Receivable accrual	(3,951)
Net change in fund balances - GAAP basis	<u>\$ 1,391,409</u>

Schedule of Revenue, Expenditures, and Changes in Fund Balances - Budget and Actual
Measure O Housing Bond Debt Service
For the year ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Taxes	\$ -	\$ -	\$ 2,131,612	\$ 2,131,612
Total revenues	<u>-</u>	<u>-</u>	<u>2,131,612</u>	<u>2,131,612</u>
Expenditures:				
Principal repayment	715,000	715,000	715,000	-
Debt issuance costs	1,308,940	1,308,940	1,295,390	13,550
Total expenditures	<u>2,023,940</u>	<u>2,023,940</u>	<u>2,010,390</u>	<u>13,550</u>
Other financing sources/(uses)				
Premium on bond issued	-	-	833,479	(833,479)
Total other financing sources/(uses)	<u>-</u>	<u>-</u>	<u>833,479</u>	<u>(833,479)</u>
Net change in fund balance	(2,023,940)	(2,023,940)	954,701	2,978,641
Fund balance, July 1, 2021	2,317,294	2,317,294	2,317,294	-
Fund balance, June 30, 2022	<u>\$ 293,354</u>	<u>\$ 293,354</u>	<u>\$ 3,271,995</u>	<u>\$ 2,978,641</u>

Explanation of differences between budgetary basis to modified accrual basis:

Net change in fund balances - budgetary basis	\$ 954,701
Receivable accrual	(3,953)
Net change in fund balances - GAAP basis	<u>\$ 950,748</u>



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INTERNAL SERVICE FUNDS

The **Equipment Maintenance and Replacement Fund** accounts for rental fees that are used to maintain and replace equipment in the Corporation yard.

The **Building Maintenance Fund** accounts for charges for services by the Public Works Building Maintenance Division for the maintenance of City buildings.

The **Supply Warehouse Fund** was established for maintaining an inventory of office materials and supplies in the City's warehouse facility. Departmental budgets are charged for this service.

The **Computer Replacement Fund** accounts for the charges to departments to systematically modernize the Citywide PC infrastructure and safeguard the efficiency of the Citywide network operations.

The **Workers' Compensation Self-Insurance Fund** accounts for the cost of providing workers' compensation coverage on a Citywide basis.

The **Sick Leave & Vacation Payouts Fund** accounts for unused sick and vacation benefits.

The **Public Liability Fund** was established to pay any expenditures related to public liability claims. This fund is reimbursed by the General Fund.

The **Catastrophic Loss Fund** was established to fund any public liability judgement against the City in excess of \$250,000.

The **IT Cost Allocation Fund** was established to replace the existing financial system of the City.

Combining Statement of Net Position
All Internal Service Funds
June 30, 2022

	Equipment Maintenance Replacement	Building Maintenance	Central Services	Computer Replacement
Assets				
Current assets:				
Cash and investments in treasury	\$ 13,004,827	\$ 3,373,536	\$ 166,400	\$ 618
Accounts receivable	22,741	7,089	-	-
Accrued interest	48,646	10,944	-	2
Inventory	-	-	14,012	-
Total current assets	13,076,214	3,391,569	180,412	620
Noncurrent assets:				
Advances to other funds	-	-	-	-
Capital assets:				
Building	1,162,882	11,848	-	-
Improvements other than buildings	171,524	-	-	-
Machinery and equipment	52,203,797	128,999	-	1,137,034
Construction in progress	952,011	-	-	-
Less accumulated depreciation	(29,758,908)	(117,863)	-	(1,114,237)
Total noncurrent assets	24,731,306	22,984	-	22,797
Total assets	37,807,520	3,414,553	180,412	23,417
Deferred outflows of resources:				
Deferred pension items	881,125	587,544	15,261	-
Deferred OPEB items	412,095	239,869	11,168	-
Total deferred outflows of resources	1,293,220	827,413	26,429	-
Liabilities				
Current liabilities				
Accounts payable	812,620	16,122	-	-
Accrued salaries and wages	193,664	153,287	6,017	-
Accrued interest payable	13,696	-	-	-
Due to other funds	-	-	-	-
Compensated absences	28,048	9,394	182	-
Claims and judgments payable	-	-	-	-
Capital lease payable	911,654	-	-	-
Total current liabilities	1,959,682	178,803	6,199	-
Noncurrent liabilities				
Compensated absences	341,647	114,428	2,219	-
Claims and judgments payable	-	-	-	-
Capital lease payable	2,547,162	-	-	-
Net pension liabilities	5,565,820	3,618,488	101,410	-
Net OPEB liabilities	563,383	418,150	17,529	-
Total noncurrent liabilities	9,018,012	4,151,066	121,158	-
Total liabilities	10,977,694	4,329,869	127,357	-
Deferred inflows of resources:				
Deferred OPEB items	907,072	534,006	24,476	-
Total deferred inflows of resources	2,872,857	1,585,603	68,281	-
Net position				
Net investment in capital assets	21,272,490	22,984	-	22,797
Unrestricted	3,977,699	(1,696,490)	11,203	620
Total net position	\$ 25,250,189	\$ (1,673,506)	\$ 11,203	\$ 23,417

Workers' Compensation	Sick Leave & Vacation Payouts	Public Liability	Catastrophic Loss	IT Cost Allocation Plan	Total
\$ 49,514,896	\$ 7,356,337	\$ 773,126	\$ -	\$ 8,631,944	\$ 82,821,684
49,191	-	-	-	-	79,021
170,183	24,377	1,805	-	-	255,957
-	-	-	-	-	14,012
49,734,270	7,380,714	774,931	-	8,631,944	83,170,674
813,779	-	-	-	-	813,779
-	-	-	-	-	1,174,730
-	-	-	-	-	171,524
2,642	-	-	-	79,122	53,551,594
-	-	-	-	-	952,011
(2,642)	-	-	-	(47,777)	(31,041,427)
813,779	-	-	-	31,345	25,622,211
50,548,049	7,380,714	774,931	-	8,663,289	108,792,885
174,777	-	77,986	-	1,226,403	2,963,096
120,907	-	45,675	-	703,630	1,533,344
295,684	-	123,661	-	1,930,033	4,496,440
49,664	-	80,018	-	1,417,792	2,376,216
56,646	197,726	29,632	-	-	636,972
-	-	-	-	-	13,696
-	-	-	464,755	-	464,755
5,236	-	1,335	-	50,984	95,179
8,406,000	-	6,084,219	-	-	14,490,219
-	-	-	-	-	911,654
8,517,546	197,726	6,195,204	464,755	1,468,776	18,988,691
63,786	-	16,264	-	621,030	1,159,374
28,705,000	-	-	-	-	28,705,000
-	-	-	-	-	2,547,162
1,305,117	-	690,409	-	8,106,057	19,387,301
139,653	-	72,114	-	1,311,401	2,522,230
30,213,556	-	778,787	-	10,038,488	54,321,067
38,731,102	197,726	6,973,991	464,755	11,507,264	73,309,758
266,413	-	105,383	-	1,569,390	3,406,740
728,193	-	199,399	-	5,493,113	10,947,446
-	-	-	-	31,345	21,349,616
11,384,438	7,182,988	(6,274,798)	(464,755)	(6,438,400)	7,682,505
\$ 11,384,438	\$ 7,182,988	\$ (6,274,798)	\$ (464,755)	\$ (6,407,055)	\$ 29,032,121

**Combining Statement of Revenues, Expenses, and Changes in Net Position
All Internal Service Funds
For the year ended June 30, 2022**

	Equipment Maintenance Replacement	Building Maintenance	Central Services	Computer Replacement
Operating revenues:				
Equipment rentals service charge	\$ 15,685,017	\$ -	\$ -	\$ -
Building maintenance	-	3,893,508	-	-
Central store service charge	-	-	302,068	-
Workers' compensation fees	-	-	-	-
IT service fee	-	-	-	-
Other revenues	-	3,781	-	-
Total operating revenues	<u>15,685,017</u>	<u>3,897,289</u>	<u>302,068</u>	<u>-</u>
Operating expenses:				
Personnel services	2,168,849	1,443,625	64,710	-
Employee benefits	925,538	818,152	27,459	-
Transportation	292,775	187,426	17,598	-
Repairs and maintenance	115,445	218,184	-	-
Materials and supplies	4,262,489	416,286	124,069	-
Utilities	46,370	4,093	-	-
Insurance	8,839	-	-	-
Specialized and professional services	662,474	106,041	58,882	-
Depreciation	4,365,333	18,573	-	30,396
Judgments and claims	-	-	-	-
Communication	4,738	39,422	68	-
General administration	175,254	62,510	7,056	-
Total operating expenses	<u>13,028,104</u>	<u>3,314,312</u>	<u>299,842</u>	<u>30,396</u>
Operating income (loss)	2,656,913	582,977	2,226	(30,396)
Nonoperating revenues (expenses):				
Interest expense	(53,306)	-	-	-
Gain (loss) on disposal of capital assets	250,780	-	-	-
Total nonoperating revenues (expenses)	<u>(720,210)</u>	<u>(190,916)</u>	<u>-</u>	<u>(35)</u>
Income (loss) before transfers	1,936,703	392,061	2,226	(30,431)
Transfers in	1,081,700	-	-	-
Transfers out	-	-	-	-
Change in net position	3,018,403	392,061	2,226	(30,431)
Total net position - beginning balance	<u>22,231,786</u>	<u>(2,065,567)</u>	<u>8,977</u>	<u>53,848</u>
Total net position - ending	<u>\$ 25,250,189</u>	<u>\$ (1,673,506)</u>	<u>\$ 11,203</u>	<u>\$ 23,417</u>

Workers' Compensation	Sick Leave & Vacation Payouts	Public Liability	Catastrophic Loss	IT Cost Allocation Plan	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,685,017
-	-	-	-	-	3,893,508
-	-	-	-	-	302,068
10,225,778	-	-	-	-	10,225,778
-	-	-	-	14,654,320	14,654,320
-	3,415,621	-	-	-	3,419,402
<u>10,225,778</u>	<u>3,415,621</u>	<u>-</u>	<u>-</u>	<u>14,654,320</u>	<u>48,180,093</u>
498,365	2,667,603	237,517	-	4,477,443	11,558,112
191,457	(29,639)	90,973	-	1,614,731	3,638,671
-	-	-	-	-	497,799
-	-	-	-	-	333,629
-	-	-	-	416,612	5,219,456
-	-	-	-	-	50,463
-	-	-	-	-	8,839
617,118	-	31,738	-	4,288,923	5,765,176
-	-	-	-	15,824	4,430,126
5,902,503	-	4,124,924	4,195,725	-	14,223,152
1,044	-	-	-	66,695	111,967
-	-	-	-	798,340	1,043,160
<u>7,210,487</u>	<u>2,637,964</u>	<u>4,485,152</u>	<u>4,195,725</u>	<u>11,678,568</u>	<u>46,880,550</u>
3,015,291	777,657	(4,485,152)	(4,195,725)	2,975,752	1,299,543
-	-	-	-	-	(53,306)
-	-	-	-	-	250,780
<u>(3,012,947)</u>	<u>(429,965)</u>	<u>(31,137)</u>	<u>(7,061)</u>	<u>-</u>	<u>(4,392,271)</u>
2,344	347,692	(4,516,289)	(4,202,786)	2,975,752	(3,092,728)
-	-	3,895,888	3,525,956	71,335	8,574,879
-	-	-	-	-	-
2,344	347,692	(620,401)	(676,830)	3,047,087	5,482,151
<u>11,382,094</u>	<u>6,835,296</u>	<u>(5,654,397)</u>	<u>212,075</u>	<u>(9,454,142)</u>	<u>23,549,970</u>
\$ <u>11,384,438</u>	\$ <u>7,182,988</u>	\$ <u>(6,274,798)</u>	\$ <u>(464,755)</u>	\$ <u>(6,407,055)</u>	\$ <u>29,032,121</u>

Statement of Cash Flows
All Internal Service Funds
For the year ended June 30, 2022

	Equipment Maintenance Replacement	Building Maintenance	Central Services	Computer Replacement
Cash flows from operating activities:				
Cash received from customers	\$ 15,684,558	\$ 3,896,097	\$ 302,068	\$ -
Cash paid for goods and services	(5,726,674)	(1,078,030)	(210,096)	-
Cash paid for employee services	(3,595,910)	(2,502,356)	(104,199)	-
Claims and judgments paid	-	-	-	-
Net cash provided (used) by operating activities	<u>6,361,974</u>	<u>315,711</u>	<u>(12,227)</u>	<u>-</u>
Cash flows from noncapital financing activities:				
Transfers in	1,081,700	-	-	-
Transfers out	-	-	-	-
Advances repayment from other funds	-	-	-	-
Due to other funds	-	-	-	-
Net cash provided (used) from noncapital financing activities	<u>1,081,700</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:				
Interest paid	(76,059)	-	-	-
Purchases of capital assets	(8,224,293)	-	(789)	(1)
Loan proceeds for equipment purchase	-	-	-	-
Lease payments	(1,105,451)	-	-	-
Proceeds from disposal of capital assets	250,780	-	789	-
Net cash provided (used) from capital and related financing activities	<u>(9,155,023)</u>	<u>-</u>	<u>-</u>	<u>(1)</u>
Cash flows from investing activities:				
Interest received	(916,354)	(192,998)	-	(35)
Net cash provided (used) from investing activities	<u>(916,354)</u>	<u>(192,998)</u>	<u>-</u>	<u>(35)</u>
Net increase (decrease) in cash and cash equivalents	(2,627,703)	122,713	(12,227)	(36)
Cash and cash equivalents, July 1, 2021	15,632,530	3,250,823	178,627	654
Cash and cash equivalents, June 30, 2022	<u>\$ 13,004,827</u>	<u>\$ 3,373,536</u>	<u>\$ 166,400</u>	<u>\$ 618</u>
Financial statement presentation:				
Cash and investments	13,004,827	3,373,536	166,400	618
Total	<u>\$ 13,004,827</u>	<u>\$ 3,373,536</u>	<u>\$ 166,400</u>	<u>\$ 618</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Income (loss) from operations	\$ 2,656,913	\$ 582,977	\$ 2,226	\$ (30,396)
Adjustments to reconcile income (loss) from operations to net cash provided (used) by operating activities:				
Depreciation	4,365,333	18,573	-	30,396
Change in:				
Accounts receivable	(459)	(1,192)	-	-
Deferred outflow	254,252	137,654	5,841	-
Inventory	-	-	526	-
Accounts payable	(158,290)	(44,068)	(2,949)	-
Accrued salaries and wages	(6,551)	28,698	503	-
Compensated absences	34,402	13,922	(737)	-
Other liabilities	-	-	-	-
Unearned revenue	-	-	-	-
Claims and judgments payable	-	-	-	-
Net pension liabilities	(2,713,249)	(1,451,453)	(60,462)	-
Net OPEB liability	(324,838)	(188,607)	(8,812)	-
Deferred inflows	2,254,461	1,219,207	51,637	-
Net cash provided (used) by operating activities	<u>\$ 6,361,974</u>	<u>\$ 315,711</u>	<u>\$ (12,227)</u>	<u>\$ -</u>

Workers' Compensation	Sick Leave & Vacation Payouts	Public Liability	Catastrophic Loss	IT Cost Allocation Plan	Total
\$ 10,225,778	\$ 3,415,621	\$ -	\$ -	\$ 14,654,320	\$ 48,178,442
(7,971,670)	-	(5,228,427)	-	(5,437,798)	(25,652,695)
(811,173)	(2,708,061)	(348,788)	-	(7,155,230)	(17,225,717)
2,015,497	-	1,959,295	(4,195,725)	-	(220,933)
<u>3,458,432</u>	<u>707,560</u>	<u>(3,617,920)</u>	<u>(4,195,725)</u>	<u>2,061,292</u>	<u>5,079,097</u>
-	-	3,895,888	3,525,956	71,335	8,574,879
-	-	-	-	-	-
946,163	-	-	-	-	946,163
-	-	-	464,755	-	464,755
<u>946,163</u>	<u>-</u>	<u>3,895,888</u>	<u>3,990,711</u>	<u>71,335</u>	<u>9,985,797</u>
-	-	-	(1)	-	(76,060)
-	-	-	-	-	(8,225,083)
-	-	-	-	-	-
-	-	-	-	-	(1,105,451)
-	-	-	-	-	251,569
<u>-</u>	<u>-</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>(9,155,025)</u>
(3,038,530)	(433,877)	(31,533)	(5,979)	-	(4,619,306)
<u>(3,038,530)</u>	<u>(433,877)</u>	<u>(31,533)</u>	<u>(5,979)</u>	<u>-</u>	<u>(4,619,306)</u>
1,366,065	273,683	246,435	(210,994)	2,132,627	1,290,563
48,148,831	7,082,654	526,691	210,994	6,499,317	81,531,121
<u>\$ 49,514,896</u>	<u>\$ 7,356,337</u>	<u>\$ 773,126</u>	<u>\$ -</u>	<u>\$ 8,631,944</u>	<u>\$ 82,821,684</u>
49,514,896	7,356,337	773,126	-	8,631,944	82,821,684
<u>\$ 49,514,896</u>	<u>\$ 7,356,337</u>	<u>\$ 773,126</u>	<u>\$ -</u>	<u>\$ 8,631,944</u>	<u>\$ 82,821,684</u>
\$ 3,015,291	\$ 777,657	\$ (4,485,152)	\$ (4,195,725)	\$ 2,975,752	\$ 1,299,543
-	-	-	-	15,824	4,430,126
-	-	-	-	-	(1,651)
61,826	-	14,384	-	496,935	970,892
-	-	-	-	-	526
(8,508)	-	(273,148)	-	132,772	(354,191)
12,726	(70,097)	12,042	-	-	(22,679)
(9,709)	-	(7,009)	-	(6,481)	24,388
(7,345,000)	-	(4,923,541)	-	-	(12,268,541)
-	-	-	-	-	-
7,918,000	-	6,084,219	-	-	14,002,219
(637,366)	-	(129,765)	-	(5,415,667)	(10,407,962)
(95,284)	-	(35,623)	-	(553,024)	(1,206,188)
546,456	-	125,673	-	4,415,181	8,612,615
<u>\$ 3,458,432</u>	<u>\$ 707,560</u>	<u>\$ (3,617,920)</u>	<u>\$ (4,195,725)</u>	<u>\$ 2,061,292</u>	<u>\$ 5,079,097</u>

FIDUCIARY FUNDS

The ***Safety Member Pension Fund/Pension Annuity Fund*** accounts for the single-employer defined benefit pension plan for fire and police officers that retired before March 1973.

The ***Police Retirement Fund*** accounts for the single-employer income benefits pension plan for Berkeley police officers that retired on or after July 1, 1989, but before September 19, 2012.

The ***Miscellaneous Retiree Medical Fund*** accounts for the single-employer defined benefit medical plan for retirees and their spouse or domestic partner.

The ***Fire Medical Fund*** accounts for the single-employer defined benefit medical plan for sworn fire officers that retired on or after July 1, 1997.

The ***Police Medical Fund*** accounts for the single-employer defined benefit medical plan for sworn police officers that retired on or after September 19, 2012



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**Statement of Fiduciary Net Position
Pension and OPEB Trust Funds
June 30, 2022**

	Pension Trust Funds		Other Post- Employment Benefits Trust Funds
	Safety Members Pension Annuity Fund	Police Retirement Income Benefit Plan	Miscellaneous Retiree Health Premium Assistance Plan
Assets			
Restricted cash and cash equivalents	\$ 31,116	\$ 2,022,894	\$ 18,274,581
Investments, at fair value:			
Medium term notes	-	508,020	-
US agency securities	-	1,320,211	2,568,696
Municipal bonds	-	-	5,439,550
Preferred Securities	-	763,563	4,468,365
Savo Island loan	-	-	193,000
Guaranteed investment contracts	-	-	-
Interest receivable	-	14,998	207,350
Total assets	<u>31,116</u>	<u>4,629,686</u>	<u>31,151,542</u>
Liabilities			
Accounts payable	31,116	-	888,681
Accrued interest payable	-	-	-
Accrued salaries and wages	-	-	-
Bonds payable - noncurrent	-	-	-
Net pension liabilities	-	-	-
Total liabilities	<u>31,116</u>	<u>-</u>	<u>888,681</u>
Net position restricted for:			
Employee pension benefits held in trust	-	4,629,686	-
Employee OPEB benefits held in trust	-	-	30,262,861
Held in trust City of Berkeley Successor Agency assets	-	-	-
Total net position	<u>\$ -</u>	<u>\$ 4,629,686</u>	<u>\$ 30,262,861</u>

**Other Post-Employment Benefits
Trust Funds**

Police Retiree Premium Assistance Plan	Fire Employees Retiree Health Plan	Total
\$ 858,758	\$ 5,820,985	\$ 27,008,334
-	2,032,080	2,540,100
952,097	2,272,308	7,113,312
-	-	5,439,550
513,091	1,914,981	7,660,000
-	-	193,000
-	-	-
6,263	35,268	263,879
<u>2,330,209</u>	<u>12,075,622</u>	<u>50,218,175</u>
181,246	306,681	1,407,724
-	-	-
-	-	-
-	-	-
<u>181,246</u>	<u>306,681</u>	<u>1,407,724</u>
-	-	4,629,686
2,148,963	11,768,941	44,180,765
-	-	-
<u>\$ 2,148,963</u>	<u>\$ 11,768,941</u>	<u>\$ 48,810,451</u>

**Statement of Changes in Fiduciary Net Position
Pension and OPEB Trust Funds
For the year ended June 30, 2022**

	Pension Trust Funds		Other Post- Employment Benefits Trust Funds
	Safety Members Pension Annuity Fund	Police Retirement Income Benefit Plan	Miscellaneous Retiree Health Premium Assistance Plan
Additions:			
Tax increment income	\$ -	\$ -	\$ -
Contributions: employer	493,937	2,147,614	2,348,038
Investment income	-	(379,204)	(2,023,505)
Total additions	<u>493,937</u>	<u>1,768,410</u>	<u>324,533</u>
Deductions:			
Community development	-	-	-
Benefits payment for service	493,937	2,762,477	2,107,738
Administrative expenses	-	-	757
Investment expense	-	-	-
Total deductions	<u>493,937</u>	<u>2,762,477</u>	<u>2,108,495</u>
Change in net position	-	(994,067)	(1,783,962)
Total net position - beginning	<u>-</u>	<u>5,623,753</u>	<u>32,046,822</u>
Total net position - ending	<u>\$ -</u>	<u>\$ 4,629,686</u>	<u>\$ 30,262,860</u>

**Other Post-Employment Benefits
Trust Funds**

Police Retiree Premium Assistance Plan	Fire Employees Retiree Health Plan	Total
\$ -	\$ -	\$ -
400,136	817,508	6,207,233
(228,216)	(937,466)	(3,568,390)
171,920	(119,958)	2,638,843
-	-	-
604,145	769,042	6,737,339
-	-	757
-	-	-
604,145	769,042	6,738,096
(432,225)	(889,000)	(4,099,253)
2,581,188	12,657,941	52,909,704
\$ 2,148,963	\$ 11,768,941	\$ 48,810,451



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CUSTODIAL FUNDS

The ***District 47 Underground/Miller Fund*** accounts for property tax collected, and bond proceeds, for the District 47 residents for the underground utility.

The ***Sustainable Energy Fund*** accounts for property tax collected, and bond proceeds, for the renewable solar system for Berkeley citizens.

The ***Solano Avenue Bid Fund*** accounts for the revenue assessed from the Solano Avenue's business district to be used for expenses related for cleaning, repairing and advertising improvement for the district in order to general aggressive sales benefit as a long term goal.

The ***Telegraph Business Improvement District Fund*** is used to receive special real property assessments monies, which is used to improve the commercial business district of Telegraph area. The management district provides maintenance, revitalization and marketing services above and beyond those provided by the City of Berkeley.

The ***Thousand Oaks Undergrounding Fund*** accounts for property tax collected, and bond proceeds, for the Thousand Oaks District residents for the underground utility.

The ***Measure H School Tax Fund*** accounts for property tax collected under Measure H for the Berkeley Unified School District.

The ***CFD No. 1 Disaster Fire Protection Mello-Roos Fund*** accounts for property tax collected, and bond proceeds, for the Community Fire District Mello-Roos.

The ***Sick Leave Entitlement Fund*** accounts for unused sick leave balances for retirees.

The ***Berkeley Tourism BID Fund*** accounts for Business Improvement District Taxes collect for the purpose of business and economic development in the city.

The ***Elmwood Business Improvement District Fund*** accounts for assessment fee collected for the Elmwood Business District for improvement purposes.

The ***North Shattuck Business Improvement District Fund*** established for the purpose of collecting and accounting for bid revenues.

The ***Downtown Berkeley Property and Improvement District Fund*** accounts for the revenue assessed from the Downtown Berkeley's business district to be used for expenses related for cleaning, repairing and advertising improvement for the district in order to general aggressive sales benefit as a long term goal.

**Combining Statement of Net Position
Custodial Funds
June 30, 2022**

	District 47 Underground/ Miller	Sustainable Energy	Solano Avenue Bid	Telegraph Business Improvement District	Thousand Oaks Undergrounding
Assets					
Restricted cash and cash equivalents	\$ 124,312	\$ 22,163	\$ 10,081	\$ -	\$ 297,993
Taxes receivable	-	-	-	9,024	-
Other accounts receivable	-	-	(1,500)	-	-
Total assets	<u>124,312</u>	<u>22,163</u>	<u>8,581</u>	<u>9,024</u>	<u>297,993</u>
Liabilities					
Accounts payable	-	-	-	-	-
Accrued salaries and wages	-	-	-	-	-
Deposits held	-	14,490	-	-	-
Other liabilities	-	-	-	4,618	-
Total liabilities	<u>-</u>	<u>14,490</u>	<u>-</u>	<u>4,618</u>	<u>-</u>
Deferred Inflows of Resources					
Unearned revenues	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position restricted for:					
Individuals, organizations, and other governments	124,312	7,673	8,581	4,406	297,993
Total net position	<u>\$ 124,312</u>	<u>\$ 7,673</u>	<u>\$ 8,581</u>	<u>\$ 4,406</u>	<u>\$ 297,993</u>

Measure H School Tax	CFD No. 1 Disaster Fire Protection Mello-Roos	Sick Leave Entitlement	Berkeley Tourism BID	Elmwood Business Improvement District	North Shattuck Business Improvement District	DT Berkeley Property and Improvement District	Total
\$ 43,132	\$ 2,856,383	\$ -	\$ 216,037	\$ 33,518	\$ -	\$ 234,307	\$ 3,837,926
-	2,353	-	-	-	1,122	8,453	20,952
15,271	-	-	-	-	-	-	13,771
<u>58,403</u>	<u>2,858,736</u>	<u>-</u>	<u>216,037</u>	<u>33,518</u>	<u>1,122</u>	<u>242,760</u>	<u>3,872,649</u>
-	16,635	210,414	95,905	-	-	-	322,954
-	38,072	-	-	-	-	-	38,072
-	-	-	-	-	-	-	14,490
-	712	157,831	-	-	3,469	-	166,630
-	<u>55,419</u>	<u>368,245</u>	<u>95,905</u>	<u>-</u>	<u>3,469</u>	<u>-</u>	<u>542,146</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
58,403	2,803,317	(368,245)	120,132	33,518	(2,347)	242,760	3,330,503
<u>\$ 58,403</u>	<u>\$ 2,803,317</u>	<u>\$ (368,245)</u>	<u>\$ 120,132</u>	<u>\$ 33,518</u>	<u>\$ (2,347)</u>	<u>\$ 242,760</u>	<u>\$ 3,330,503</u>

**Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the year ended June 30, 2022**

	District 47 Underground/ Miller	Sustainable Energy	Solano Avenue Bid	Telegraph Business Improvement District	Thousand Oaks Undergrounding
Additions:					
Property tax collections for other entities	\$ -	\$ 35,299	\$ 30,790	\$ 516,263	\$ 109,914
Investment income	-	-	-	-	-
Total additions	<u>-</u>	<u>35,299</u>	<u>30,790</u>	<u>516,263</u>	<u>109,914</u>
Deductions:					
Personnel services	-	-	-	-	-
Employee benefits	-	-	-	-	-
Payments of property tax to other entities	-	-	30,014	562,129	-
Payments to others	-	36,384	-	-	101,106
Total deductions	<u>-</u>	<u>36,384</u>	<u>30,014</u>	<u>562,129</u>	<u>101,106</u>
Change in net position	-	(1,085)	776	(45,866)	8,808
Total net position	<u>124,312</u>	<u>8,758</u>	<u>7,805</u>	<u>50,272</u>	<u>289,185</u>
Total net position	<u>\$ 124,312</u>	<u>\$ 7,673</u>	<u>\$ 8,581</u>	<u>\$ 4,406</u>	<u>\$ 297,993</u>

Measure H School Tax	CFD No. 1 Disaster Fire Protection Mello-Roos	Sick Leave Entitlement	Berkeley Tourism BID	Elmwood Business Improvement District	North Shattuck Business Improvement District	DT Berkeley Property and Improvement District	Total
\$ 291,229	\$ 20,363	\$ 201,501	\$ 485,557	\$ 31,130	\$ 103,662	\$ 1,305,006	\$ 3,130,714
-	87	-	-	-	-	-	87
291,229	20,450	201,501	485,557	31,130	103,662	1,305,006	3,130,801
-	181,986	-	-	-	-	-	181,986
-	112,847	-	-	-	-	-	112,847
232,826	168,983	-	429,025	30,000	-	690,115	2,143,092
-	757,338	289,525	-	-	-	-	1,184,353
232,826	1,221,154	289,525	429,025	30,000	-	690,115	3,622,278
58,403	(1,200,704)	(88,024)	56,532	1,130	103,662	614,891	\$ (491,477)
-	4,004,021	(280,221)	63,600	32,388	(106,009)	(372,131)	3,821,980
\$ 58,403	\$ 2,803,317	\$ (368,245)	\$ 120,132	\$ 33,518	\$ (2,347)	\$ 242,760	\$ 3,330,503



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STATISTICAL SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA





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INDEX TO STATISTICAL SECTION

ANNUAL COMPREHENSIVE FINANCIAL REPORT / CITY OF BERKELEY, CALIFORNIA

This part of the 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 health.

Contents	Page
Financial Trends (Schedules I-IV)	295
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 (Schedules V-VIII)	305
These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property tax.	
Debt Capacity (Schedules IX-XII)	309
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	
Demographic and Economic Information (Schedules XIII – XV)	315
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparisons over time with other governments.	
Operating Information (Schedules XVI-XVII)	319
These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.	

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

Schedule I
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Governmental activities				
Net investment in capital assets	\$ 152,332,997	\$ 153,321,028	\$ 144,121,755	\$ 141,589,468
Restricted for debt services	8,586,832	9,879,916	10,252,532	14,108,873
Restricted for special purpose	79,924,244 ⁽¹⁾	98,125,716 ⁽⁴⁾	103,118,112 ⁽⁴⁾	115,277,370
Restricted for capital project	19,015,248 ⁽²⁾	14,927,978 ⁽⁴⁾	11,955,810 ⁽⁴⁾	13,173,675
Unrestricted	(7,839,453) ⁽³⁾	(391,884,379) ⁽⁵⁾	(387,079,250) ⁽⁴⁾	(383,255,676) ⁽⁷⁾
Total governmental activities net position (as restated)	<u>\$ 252,019,869</u>	<u>\$ (115,629,741)</u>	<u>\$ (117,631,041)</u>	<u>\$ (99,106,290)</u>
Business-type activities				
Net investment in capital assets	\$ 144,532,319	\$ 141,101,726	\$ 148,835,892	\$ 159,340,573
Restricted for debt services	-	3,564,661	-	-
Unrestricted	19,443,910	(37,326,378) ⁽⁶⁾	(25,344,187)	(16,664,516)
Total business-type activities net position (as restated)	<u>\$ 163,976,229</u>	<u>\$ 107,340,009</u>	<u>\$ 123,491,705</u>	<u>\$ 142,676,057</u>
Primary government				
Net investment in capital assets	\$ 296,865,316	\$ 294,422,754	\$ 292,957,647	\$ 300,930,041
Restricted	107,526,325	126,498,271	125,326,454	142,559,917
Unrestricted	11,604,457	(429,210,756)	(412,423,438)	(399,920,192) ⁽⁷⁾
Total primary government net position (as restated)	<u>\$ 415,996,098</u>	<u>\$ (8,289,731)</u>	<u>\$ 5,860,663</u>	<u>\$ 43,569,766</u>

Notes:

Prior to GASB54, restricted net position is that portion of net position that has been restricted for general use by external parties or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position consist of all net position do not meet the definition of either of the other two components.

- (1) components.
- (2) The city began to separate "Restricted assets" into different categories in FY2009 and FY2010
- (3) Restated 2009
- (4) The City implemented GASB 54 in FY2011 and restated FY2010. GASB54 requires fund balances to be broken down into 5 categories: (i). non-spendable; (ii).Restricted; (iii) Committed; (iv) Assigned; and (v) Unassigned
- (5) Restated 2010 due to look back adjustment
- (6) Restated 2010 due to landfill liabilities & look back adjustment
- (7) Restated due to implementation of GASB 63 and 65 in FY2013 and a prior period adjustment for fixed assets
- (8) Restated due to implementation of GASB 68 Accounting and Financial Reporting for Pension
- (9) Restated due to implementation of GASB 62 changing the amortization of bond premium from straight line (SL) to interest method (IM).

Source: City of Berkeley, Finance Department

2017	2018	2019	2020	2021	2022
\$ 155,083,001	\$ 163,655,234	\$ 148,963,344	\$ 161,393,048	\$ 182,328,842	\$ 217,483,591
8,514,072	11,633,006	11,493,670	12,604,209	15,901,481	19,056,617
160,127,390	196,956,720	157,015,284	183,188,081	225,221,791	299,306,026
8,019,032	7,986,845	7,929,263	8,079,264	8,100,475	-
(394,429,659) ⁽⁷⁾	(502,673,152) ⁽⁸⁾	(428,454,001)	(484,103,854)	(533,226,565)	(486,958,799)
<u>\$ (62,686,164)</u>	<u>\$ (122,441,347)</u>	<u>\$ (103,052,440)</u>	<u>\$ (118,839,252)</u>	<u>\$ (101,673,976)</u>	<u>\$ 48,887,435</u>
\$ 163,478,626	\$ 171,499,174	\$ 178,421,303	\$ 189,800,731	\$ 185,554,832	\$ 193,099,462
-	-	-	-	-	-
(6,500,826)	(4,300,338) ⁽⁸⁾	(1,651,335)	5,456,014	24,868,148	46,770,459
<u>\$ 156,977,800</u>	<u>\$ 167,198,836</u>	<u>\$ 176,769,968</u>	<u>\$ 195,256,745</u>	<u>\$ 210,422,980</u>	<u>\$ 239,869,921</u>
\$ 318,561,627	\$ 335,154,408	\$ 327,384,647	\$ 351,193,779	\$ 367,883,674	\$ 410,583,053
176,660,494	216,576,571	176,438,217	203,871,554	249,223,747	318,362,643
(400,930,485) ⁽⁷⁾	(506,973,490) ⁽⁸⁾⁽⁹⁾	(430,105,336)	(478,647,840)	(508,358,418)	(440,188,340)
<u>\$ 94,291,636</u>	<u>\$ 44,757,489</u>	<u>\$ 73,717,528</u>	<u>\$ 76,417,492</u>	<u>\$ 108,749,004</u>	<u>\$ 288,757,356</u>

Schedule II
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Expenses					
Governmental activities:					
General government	\$ 30,692,445	\$ 30,139,123	\$ 31,486,649	\$ 31,344,033	\$ 36,177,528
Public safety	94,011,336	95,581,595	106,809,311	114,150,343 ⁽²⁾	101,655,408
Highways and streets	13,460,624	14,732,355	19,738,696	17,611,249 ⁽²⁾	16,051,208
Health and welfare	19,700,947	20,035,232	19,422,959	19,734,011	23,806,106
Culture and recreation	36,489,886	36,753,573	35,475,983	34,749,031 ⁽²⁾	37,190,348
Community development/housing	16,040,026	17,793,785	17,752,712	17,593,646 ⁽²⁾	20,571,263
Economic development	3,506,704	3,112,661	3,850,278	4,183,775	2,311,510
Interest on long-term debt	4,455,553	5,458,242	3,886,382	4,778,074	4,595,099
Total governmental activities	<u>218,357,521</u>	<u>223,606,566</u>	<u>238,422,970</u>	<u>244,144,162</u>	<u>242,358,470</u>
Business-type activities:					
Parking related	8,468,678	8,420,892	8,915,668	8,482,161	10,701,956
Marina operations and maintenance	5,648,421	5,648,254	5,067,986	5,075,974	6,027,251
Sewer services	12,400,758	13,223,132	13,545,934	12,061,833	13,143,481
Clean storm water	2,447,033	3,081,135	2,902,288	2,857,423	2,975,238
Refuse services	33,142,494	31,936,126	32,611,968	30,939,532	36,964,948
Permit service center	9,581,029	10,247,574	12,069,245	14,887,645	14,667,858
Building purchase and management	3,392,344	2,932,886	2,749,275	2,440,891	2,814,061
Total business-type activities	<u>75,080,757</u>	<u>75,489,999</u>	<u>77,862,364</u>	<u>76,745,459</u>	<u>87,294,793</u>
Total primary government expenses	<u>\$ 293,438,278</u>	<u>\$ 299,096,565</u>	<u>\$ 316,285,334</u>	<u>\$ 320,889,621</u>	<u>\$ 329,653,263</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 3,774,777	\$ 3,794,993	\$ 3,584,077	\$ 3,915,028	\$ 5,236,680
Public safety	18,684,450	14,294,277	7,440,233	14,535,669	14,387,253
Highways and streets	2,015,313	2,507,375	2,320,608	1,666,472	1,355,297
Health and welfare	1,471,882	1,612,417	1,582,411	1,633,130	1,958,225
Culture and recreation	3,319,845	2,268,394	2,182,771	2,298,241	2,154,058
Community development/housing	2,176,943	3,049,266	2,319,125	5,226,574	5,267,951
Economic development	518,561	639,700	691,350	629,397	43,321
Operating grants and contributions	29,551,902	33,064,026	33,379,186	35,167,186	42,894,135
Capital grants and contributions	3,413,791	2,421,781	2,000,063	2,194,454	2,609,542
Total governmental activities program revenues	<u>64,927,464</u>	<u>63,652,229</u>	<u>55,499,824</u>	<u>67,266,151</u>	<u>75,906,462</u>
Business-type activities:					
Charges for services:					
Parking related	10,274,629	11,717,962	13,062,773	13,349,457	12,396,672
Marina operations and maintenance	5,242,568	5,477,565	6,242,357	6,709,274	6,435,644
Sewer services	13,271,175	13,394,617	13,090,534	14,880,418	19,868,359
Clean storm water	2,070,413	2,067,572	2,068,847	2,087,827	2,064,770
Refuse services	33,346,812	34,246,485	38,923,942	40,529,067	41,846,007
Permit service center	9,995,079	14,848,940	17,911,716	15,774,949	18,579,481
Building purchase and management	2,632,538	2,212,217	2,216,349	2,256,349	1,978,447
Operating and capital grants and contributions	109,224	41,575	383,930	99,845	5,250
Total business-type activities program revenues	<u>76,942,438</u>	<u>84,006,933</u>	<u>93,900,448</u>	<u>95,687,186</u>	<u>103,174,630</u>
Total primary government revenues	<u>\$ 141,869,902</u>	<u>\$ 147,659,162</u>	<u>\$ 149,400,272</u>	<u>\$ 162,953,337</u>	<u>\$ 179,081,092</u>
Net (Expense)/Revenue					
Governmental activities	\$ (153,430,057)	\$ (159,954,337)	\$ (182,923,146)	\$ (176,878,011)	\$ (166,452,008)
Business-type activities	786,268	786,268	16,038,085	18,941,727	15,879,837
Total primary government net (expense)/revenue	<u>\$ (152,643,789)</u>	<u>\$ (159,168,069)</u>	<u>\$ (166,885,061)</u>	<u>\$ (157,936,284)</u>	<u>\$ (150,572,171)</u>

2018	2019	2020	2021	2022
\$ 47,539,559	\$ 39,612,843	\$ 36,361,812	\$ 37,969,856	\$ 32,819,873
123,171,811	133,992,694	157,090,127	149,237,352	111,224,119
18,628,805	22,246,641	24,788,042	16,721,534	20,097,032
28,183,652	35,370,732	40,673,233	41,577,559	37,029,496
42,996,852	52,589,537	45,695,251	51,985,738	42,017,875
25,125,419	27,346,388	34,523,756	32,758,249	37,658,556
2,719,990	5,459,483	6,704,853	5,627,518	6,376,040
5,287,052 ⁽³⁾	4,970,955	5,336,107	5,527,301	6,196,846
<u>293,653,140</u>	<u>321,589,272</u>	<u>351,173,181</u>	<u>341,405,107</u>	<u>293,419,837</u>
10,736,569	15,166,461	15,216,074	10,744,575	14,285,865
7,046,873	6,893,836	6,822,452	7,234,475	6,102,667
13,018,315	17,774,981	16,210,405	17,247,422	16,748,645
2,938,401	2,318,716	2,290,427	2,631,714	2,750,543
40,242,431	43,117,310	44,402,312	44,269,653	43,158,125
16,915,058	17,491,552	20,565,515	19,589,787	17,184,988
2,666,087 ⁽³⁾	2,629,827	2,819,469	2,468,796	2,491,713
<u>93,563,734</u>	<u>105,392,683</u>	<u>108,326,654</u>	<u>104,186,422</u>	<u>102,722,546</u>
<u>\$ 387,216,874</u>	<u>\$ 426,981,955</u>	<u>\$ 459,499,835</u>	<u>\$ 445,591,529</u>	<u>\$ 396,142,383</u>
\$ 5,720,397	\$ 4,313,273	\$ 3,131,573	\$ 4,397,955	\$ 8,330,119
11,168,764	11,145,339	9,067,824	10,187,676	10,912,787
1,909,139	1,413,973	2,722,787	1,400,964	3,699,746
1,494,988	1,479,103	1,163,819	1,087,713	2,713,528
2,628,060	2,291,989	1,202,687	2,317,382	4,087,107
3,451,491	5,165,907	7,074,535	6,298,729	20,312,417
186,584	463,045	-	-	-
25,099,244	27,032,700	30,366,687	37,789,826	78,791,428
4,806,465	3,363,352	7,037,595	17,948,256	11,585,728
<u>56,465,132</u>	<u>56,668,681</u>	<u>61,767,507</u>	<u>81,428,501</u>	<u>140,432,860</u>
12,332,740	14,215,039	48,721,810	5,866,541	11,034,615
5,793,447	6,934,118	6,304,333	8,933,581	6,113,093
23,979,787	24,344,044	23,533,991	26,495,328	25,558,093
2,061,279	3,949,602	4,062,103	4,135,134	4,328,800
45,004,548	48,524,914	21,413,637	47,254,269	49,557,551
17,803,610	16,685,852	11,268,937	21,999,153	30,544,861
2,841,172	2,734,674	2,810,620	2,768,005	2,860,859
535,569	-	-	-	-
<u>110,352,152</u>	<u>117,388,243</u>	<u>118,115,431</u>	<u>117,452,011</u>	<u>129,997,872</u>
<u>\$ 166,817,284</u>	<u>\$ 174,056,924</u>	<u>\$ 179,882,938</u>	<u>\$ 198,880,512</u>	<u>\$ 270,430,732</u>
\$ (237,188,008)	\$ (264,920,595)	\$ (289,405,674)	\$ (259,976,606)	\$ (152,986,977)
16,788,418	11,995,560	9,788,777	13,265,589	27,275,326
<u>\$ (220,399,590)</u>	<u>\$ (252,925,035)</u>	<u>\$ (279,616,897)</u>	<u>\$ (246,711,017)</u>	<u>\$ (125,711,651)</u>

Continued

Schedule II
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes, levied for general purposes	\$ 60,233,049	\$ 65,118,610	\$ 70,348,949	\$ 73,726,035	\$ 80,791,426
Property taxes, levied for debt service	7,115,652	6,479,721	7,684,617	7,822,325	7,231,134
Property taxes for special purposes:					
Library	14,581,791	15,273,714	15,971,859	16,454,651	17,316,575
Parks	9,186,260	9,483,390	9,652,446	9,951,462	11,704,798
Paramedic	2,454,762	2,537,917	2,586,719	2,665,478	2,759,600
Fire	3,741,157	3,926,460	4,119,965	4,201,668	4,431,198
Sales taxes	14,844,945	15,925,900	16,583,124	17,111,938	20,577,996
Utility users taxes	14,091,347	14,363,898	14,387,874	14,337,343	14,186,649
Transient occupancy taxes	4,609,048	555,601	6,245,833	7,131,568	7,879,633
Business license tax	15,645,975	15,266,649	15,370,377	16,102,328	18,773,158
Other taxes	2,853,421	3,995,492	3,135,412	3,860,198	3,582,337
Unrestricted motor vehicle fees	-	-	-	-	-
Other unrestricted state subventions	399,476	397,143	400,987	389,343	389,424
Contributions not restricted to specific programs	1,036,535	751,041	1,226,855	221,637	195,733
Interest and investment earnings	2,760,171	2,273,001	4,125,873	2,506,398	3,415,952
Insurance reimbursement	-	-	-	-	-
Miscellaneous	1,972,376	1,448,935	6,924,698	3,445,882	2,169,816
Gain/loss on sale of capital assets	464,093	74,922	1,156,367	90,971	71,608
Extraordinary gain/(loss)	(259,613)	-	-	988,313	-
Transfers	671,173	1,484,222	1,249,232	(85,691)	(74,271)
Total governmental activities	<u>156,401,618</u>	<u>159,356,616</u>	<u>181,171,187</u>	<u>180,921,847</u>	<u>195,402,766</u>
Business-type activities					
Interest and investment earnings	176,551	126,400	387,021	27,918	168,021
Miscellaneous	-	-	-	-	-
Gain on sale of capital assets	2,068	2,006	3,293	-	332
Transfers	(671,173)	(1,484,222)	(1,249,232)	85,691	74,271
Total business-type activities	<u>(492,554)</u>	<u>(1,355,816)</u>	<u>(858,918)</u>	<u>113,609</u>	<u>242,624</u>
Total primary government	<u>\$ 155,909,064</u>	<u>\$ 158,000,800</u>	<u>\$ 180,312,269</u>	<u>\$ 181,035,456</u>	<u>\$ 195,645,390</u>
Change in Net Position					
Governmental activities	\$ 1,090,074 ⁽¹⁾	\$ 10,926,558	\$ 21,216,848 ⁽²⁾	\$ (2,001,301)	\$ 18,524,751
Business-type activities	293,715 ⁽¹⁾	505,863	7,658,016	16,151,695	19,184,352
Total primary government	<u>\$ 1,383,789</u>	<u>\$ 11,432,421</u>	<u>\$ 28,874,864</u>	<u>\$ 14,150,394</u>	<u>\$ 37,709,103</u>

Notes:

⁽¹⁾ Restated due to "look back adjustments" in FY2011⁽²⁾ Restated due to implementation of GASB 63 and 65 in FY2013⁽³⁾ Restated due to implementation GASB 62 changing the amortization of bond premium from straight line (SL) to interest method (IM).

Source: City of Berkeley, Finance Department

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
				Continued
\$ 85,758,114	\$ 92,655,664	\$ 114,315,762	\$ 126,973,349	\$ 153,440,402
7,803,416	9,334,683	9,462,115	12,183,689	\$ 12,790,133
18,125,394	19,086,897	20,375,089	20,710,050	22,351,009
12,307,839	12,960,911	13,865,074	14,582,521	15,737,217
2,822,459	2,964,822	3,156,883	3,237,447	3,426,681
4,643,707	4,889,292	5,218,308	5,298,142	18,224,563
17,944,285	18,857,882	18,253,632	17,619,492	19,976,288
15,199,534	14,688,225	13,557,384	13,876,525	15,001,999
7,753,933	8,754,269	7,040,883	3,114,546	6,976,513
19,500,558	25,805,130	28,763,018	25,363,297	28,322,034
7,617,254	22,144,726	22,962,304	23,384,480	27,160,604
-	-	-	-	-
387,332	390,434	388,062	385,644	384,008
362,374	265,286	443,939	653,399	1,031,485
1,821,527	3,282,904	13,099,214	7,887,837	(15,823,184)
-	-	3,597,947	-	-
4,671,918	2,871,625	1,564,914	890,427	1,975,103
-	-	17,825	447,058	263,857
-	-	-	-	-
92,978	1,030,495	(526,148)	(1,296,542)	(7,690,324)
<u>206,812,622</u>	<u>239,983,245</u>	<u>275,556,205</u>	<u>275,311,361</u>	<u>303,548,388</u>
123,865	280,816	3,592,813	47,274	(5,518,709)
-	323,866	-	-	-
-	-	11,434	(10)	-
(92,978)	(1,030,495)	526,148	1,296,542	7,690,324
<u>30,887</u>	<u>(425,813)</u>	<u>4,130,395</u>	<u>1,343,806</u>	<u>2,171,615</u>
<u>\$ 206,843,509</u>	<u>\$ 239,557,432</u>	<u>\$ 279,686,599</u>	<u>\$ 276,655,167</u>	<u>\$ 305,720,003</u>
\$ 40,360,614	\$ 2,795,237	\$ (13,849,470)	\$ 15,334,756	\$ 150,561,411
15,910,724	16,362,605	13,919,172	14,609,395	29,446,941
<u>\$ 56,271,338</u>	<u>\$ 19,157,842</u>	<u>\$ 69,702</u>	<u>\$ 29,944,151</u>	<u>\$ 180,008,352</u>
				Concluded

Schedule III
Fund Balance, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Restricted	3,648,330	3,648,330	3,648,330	3,595,304	4,255,304
Committed	-	-	-	-	-
Assigned	2,002,369	2,829,511	3,830,670	3,686,427	3,015,329
Unassigned	<u>35,261,429</u>	<u>39,213,698</u>	<u>45,810,050</u>	<u>57,742,775</u>	<u>56,312,803</u>
Total general fund	<u>\$ 40,912,129</u> ⁽²⁾	<u>\$ 45,691,539</u> ⁽³⁾	<u>\$ 53,289,050</u>	<u>\$ 65,024,506</u> ⁽⁴⁾	<u>\$ 63,658,436</u>
All Other Governmental Funds					
Nonspendable	\$ 1,991,263	\$ 1,991,263	\$ 3,024,783	\$ -	\$ 894,467
Restricted	105,535,062	137,830,132	135,592,436	146,652,555	171,561,176
Committed	2,761,737	-	-	-	-
Assigned	8,449,018	10,524,900	12,140,810	13,741,138	9,654,440
Unassigned	<u>(6,737,953)</u>	<u>(7,689,049)</u>	<u>(5,111,970)</u>	<u>(4,055,850)</u>	<u>(6,003,579)</u>
Total all other governmental funds	<u>\$ 111,999,128</u> ⁽²⁾	<u>\$ 142,657,246</u> ⁽³⁾	<u>\$ 145,646,063</u>	<u>\$ 156,337,845</u> ⁽⁴⁾	<u>\$ 176,106,504</u>

⁽¹⁾ Restated in 2009 due an adjustment in receivables in Capital Project funds

⁽²⁾ Restated in 2010 due to implementation of GASB54 in FY2011 for new fund balances definition

⁽³⁾ The City began to implement GASB 54 in FY2011. GASB 54 requires fund balances to be broken down into 5 categories:
(i). non-spendable; (ii).Restricted; (iii) Committed; (iv) Assigned; and (v) Unassigned

⁽⁴⁾ Implementation of GASB 63 and 65 adding "Deferred Inflows of Resources" on the Balance Sheet in Governmental Funds.

2018	2019	2020	2021	2022
\$ 142,342	\$ -	\$ -	\$ -	\$ -
3,755,304	3,696,971	4,820,212	6,196,569	13,817,991
-	-	-	29,744,146	46,879,379
33,373,367	42,666,449	44,704,796	19,577,650	12,162,510
46,614,130	46,872,247	48,544,061	56,363,765	75,183,598
<u>\$ 83,885,143</u>	<u>\$ 93,235,667</u>	<u>\$ 98,069,069</u>	<u>\$ 111,882,130</u>	<u>\$ 148,043,478</u>
\$ -	\$ 485,140	\$ 485,140	\$ 1,127,417	\$ 485,140
213,078,230	172,741,247	199,051,339	243,027,178	317,877,501
-	56,528,083	51,007,441	47,508,039	107,616,525
9,098,207	14,406,925	12,830,506	9,544,337	19,293,607
(5,458,232)	(144,666)	(385,951)	(6,579,910)	67,047,881
<u>\$ 216,718,205</u>	<u>\$ 244,016,729</u>	<u>\$ 262,988,475</u>	<u>\$ 294,627,061</u>	<u>\$ 512,320,654</u>

Schedule IV
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2013	2014	2015	2016	2017
Revenues:					
Taxes	\$ 152,544,937	\$ 160,511,002	\$ 167,926,924	\$ 182,816,853	\$ 202,424,662
Licenses and permits	647,812	815,336	747,408	322,629	556,331
Intergovernmental	43,322,094	45,047,739	43,545,804	49,367,193	38,700,204
Charges for service	12,979,187	12,920,362	13,462,066	15,763,295	18,690,214
Fines and penalties	8,614,439	8,946,415	6,458,690	6,761,750	6,664,490
Rents and royalties	362,188	318,261	790,282	1,024,276	575,071
Franchise	1,810,323	1,833,646	1,820,785	1,880,847	2,458,817
Private contribution and donations	751,041	1,226,855	221,637	195,733	362,374
Investment income/ (loss)	2,024,116	3,638,309	2,546,848	3,329,771	1,821,528
Miscellaneous	1,086,747	6,606,437	2,655,600	1,445,540	4,144,140
Total revenues	224,142,884	241,864,362	240,176,044	262,907,887	276,397,831
Expenditures:					
Current:					
General government	28,716,311	28,157,099	29,951,904	29,742,445	42,974,661
Public safety	87,446,217	90,210,207	92,726,601	98,101,003	104,685,885
Highway and streets	8,212,026	9,460,612	14,417,722	12,762,905	13,933,075
Health and welfare	19,393,251	19,727,071	19,390,326	21,140,809	24,536,400
Culture-recreation	34,240,614	34,221,596	32,825,401	34,226,586	39,520,665
Community development and housing	14,461,464	16,151,191	16,204,711	16,626,123	19,820,452
Economic development	3,469,891	3,125,734	3,845,172	4,252,971	2,341,947
Capital outlay	19,047,781	10,740,356	7,027,752	14,020,367	7,660,615
Debt service:					
Principal repayment	4,090,000	4,204,770	8,370,956	2,160,325	10,964,272
Interest and fiscal charges	4,154,700	4,294,180	4,461,272	4,893,120	4,761,036
Debt issuance costs	-	-	-	-	-
Bonds issuance costs	126,959	55,750	57,500	428,417	214,700
TRAN issuance costs	-	-	-	-	-
Capital outlay:					
Highway and streets	-	-	-	-	-
Culture-recreation	-	-	-	-	-
Total expenditures	223,359,214	220,348,566	229,279,317	238,355,071	271,413,708
Excess (deficiency) of revenues over/(under) expenditures	783,670	21,515,796	10,896,727	24,552,816	4,984,123
Other financing sources(uses):					
Transfers in	19,331,429	20,541,117	18,483,505	20,583,750	22,965,817
Transfers out	(20,093,967)	(23,213,656)	(22,527,217)	(24,464,333)	(25,159,093)
Bonds issued	5,693,852	15,000,000	2,700,000	-	15,000,000
Premium on notes and loans issued	542,791	445,272	-	-	608,059
Face value of refunding bonds issued	-	-	-	36,680,000	-
Call Premium on refunding bonds	-	-	-	4,144,029	-
Payment to refunded bond escrow agent	(6,770,000)	-	-	(38,480,000)	-
Premium on debt issuance	-	-	-	(604,600)	-
Insurance recoveries	-	-	-	-	-
Sale of capital assets	8,007	1,149,000	45,000	15,574	3,679
Total other financing sources(uses)	(1,287,888)	13,921,733	(1,298,712)	(2,125,580)	13,418,462
Extraordinary gain/ (loss)	-	-	988,313	-	-
Net change in fund balances	\$ (504,218)	\$ 35,437,529	\$ 9,598,015	\$ 22,427,236	\$ 18,402,585
Debt service as a percentage of noncapital expenditures	4.04%	4.06%	5.78%	3.15%	5.97%

Source: City of Berkeley, Finance Department

	2018	2019	2020	2021	2022
\$	232,141,241	\$ 248,703,772	\$ 256,872,153	\$ 266,202,704	\$ 323,260,132
	1,112,474	1,901,597	2,456,015	1,925,603	4,237,356
	32,196,279	28,956,505	31,476,921	46,370,352	81,435,381
	17,369,445	16,925,097	19,070,459	16,280,893	38,087,197
	7,250,933	5,722,785	4,381,944	3,761,031	5,219,760
	1,167,208	1,149,890	799,983	638,628	1,031,485
	2,188,386	1,980,538	1,972,164	1,854,994	1,843,962
	265,287	462,613	443,939	653,399	1,308,004
	3,282,923	8,973,164	10,891,239	9,527,497	(11,233,433)
	1,591,740	1,768,486	763,226	251,799	667,099
	298,565,916	334,471,702	332,725,990	347,466,900	445,856,943
	35,642,792	33,491,216	29,437,616	32,485,673	34,440,650
	104,307,579	113,030,306	128,803,063	132,465,784	140,823,054
	12,214,301	19,110,976	14,087,561	10,471,435	11,940,764
	26,518,050	30,807,652	36,690,027	39,020,384	40,166,088
	38,347,719	43,279,764	47,141,184	47,763,608	51,189,624
	22,547,249	23,682,683	39,276,468	33,448,395	38,154,847
	2,633,706	5,022,535	6,444,578	5,448,693	6,331,876
	17,383,694	-	-	-	-
	5,295,707	6,734,693	6,476,012	7,113,637	5,978,593
	5,181,299	5,477,207	5,704,625	5,637,022	6,353,083
	-	-	-	-	432,800
	243,954	-	1,029,749	750,846	-
	-	64,800	71,181	70,517	68,576
	-	4,460,002	17,900,178	11,265,763	16,477,971
	-	2,295,544	7,269,574	31,040,969	19,606,683
	270,316,050	287,457,378	340,331,816	356,982,726	371,964,609
	28,249,866	47,014,324	(7,605,826)	(9,515,826)	73,892,334
	61,850,103	28,993,415	23,073,587	18,579,336	45,575,565
	(65,103,257)	(39,358,689)	(31,089,237)	(25,093,830)	(61,840,769)
	35,000,000	-	38,000,000	45,000,000	40,000,000
	841,306	-	-	-	-
	-	-	19,480,000	3,975,000	-
	-	-	-	-	-
	-	-	(21,185,000)	(4,765,000)	-
	-	-	3,422,838	3,485,747	1,266,279
	-	17,927,255	3,597,947	13,601,625	6,904,976
	7,145	-	204	-	13,077
	32,595,297	(10,365,274)	31,702,392	54,782,878	31,919,128
	-	-	-	-	-
\$	60,845,163	\$ 36,649,050	\$ 24,096,566	\$ 45,267,052	\$ 105,811,463
	4.15%	4.35%	3.88%	4.06%	3.68%

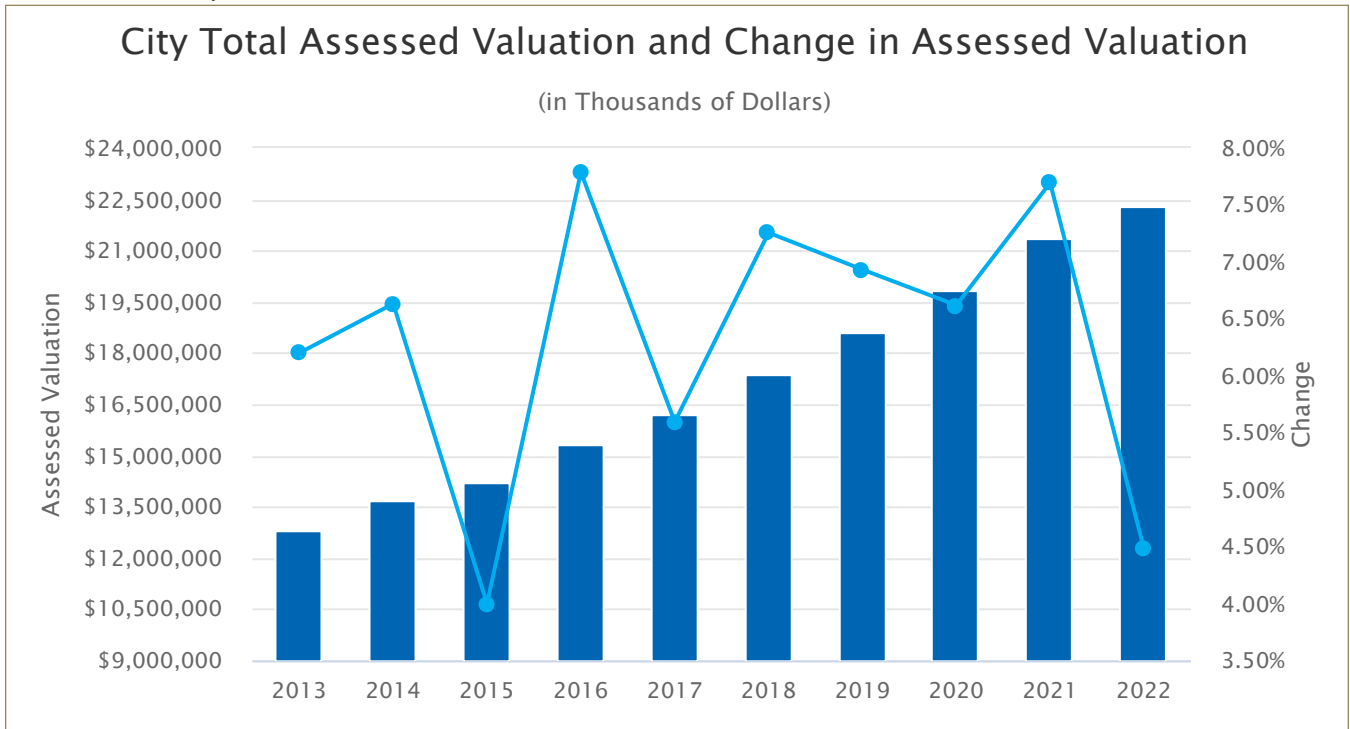
Schedule V
Assessed Value and Estimated Actual Values of Taxable Property
Last Ten Fiscal Years
(In Thousands of Dollars)

Fiscal Year	Residential Property	Utility Property	Commercial and Industrial Property			Less Exemptions:	Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value
			Commercial Property	Industrial Property	Institutional Property				
2013	\$ 10,578,918	\$ 556	\$ 2,662,165	\$ 280,230	\$ (686,387)	\$ 12,835,482	10.47	\$ 12,835,482	
2014	11,213,456	556	2,969,778	297,649	(794,624)	13,686,815	10.54	13,686,815	
2015	11,914,464	631	2,788,276	305,922	(775,326)	14,233,968	10.51	14,233,968	
2016	12,776,968	389	2,912,034	328,366	(675,233)	15,342,524	10.43	15,342,524	
2017	13,647,543	389	3,081,314	329,444	(857,818)	16,200,872	10.45	16,200,872	
2018	14,668,956	444	3,168,968	351,338	(813,189)	17,376,517	10.49	17,376,517	
2019	15,708,398	444	3,303,496	387,419	(818,602)	18,581,155	10.44	18,581,155	
2020	16,815,887	425	3,532,715	382,314	(920,145)	19,811,196	10.54	19,811,196	
2021	18,152,371	425	3,705,511	378,658	(901,353)	21,335,612	10.54	21,335,612	
2022	19,139,720	513	3,731,891	375,106	(955,797)	22,291,433	10.62	22,291,433	

Note:

In 1978, the voters of the State of California passed Proposition 13 which limited 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 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.

Source: Alameda County Auditor - Controller's Office



Schedule VI
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate Per \$1,000 of Assessed Value)

Fiscal Year	City Direct Rates			Overlapping Rates					Total Rate
	Basic Rate ⁽¹⁾	General Obligation Debt Service	Total Direct Rate	Berkeley Unified School	Peralta Community College	East Bay Municipal Utility Dist 1	East Bay Regional Park Dist	Bay Area Rapid Transit	
2013	10.00	0.47	10.47	1.41	0.43	0.07	0.05	0.04	12.47
2014	10.00	0.54	10.54	1.54	0.42	0.07	0.08	0.08	12.72
2015	10.00	0.51	10.51	1.35	0.41	0.09	0.05	0.05	12.45
2016	10.00	0.43	10.43	1.32	0.34	0.07	0.03	0.03	12.22
2017	10.00	0.45	10.45	1.33	0.26	0.03	0.03	0.08	12.17
2018	10.00	0.49	10.49	1.22	0.31	0.01	0.02	0.08	12.14
2019	10.00	0.44	10.44	1.20	0.26	0.11	0.06	0.12	12.19
2020	10.00	0.54	10.54	1.00	0.45	0.04	0.01	0.14	12.18
2021	10.00	0.53	10.53	1.45	0.41	0.04	0.02	0.06	12.51
2022	10.00	0.62	10.62	0.84	0.41	0.10	0.06	0.14	12.17

Note:

⁽¹⁾ In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% (or \$10 per \$1,000 of assessed value) fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of City, school, and other Districts' bonds.

Source: Alameda County Auditor - Controller's Office

Schedule VII
Principal Property Tax Payers
Current Year and Ten Years Ago
(In Thousands of Dollars)

Assessee Name	2012		2022	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
742 Grayson Owver LLC			219,985	0.99%
Bayer Healthcare LLC	268,343	2.14%	154,394	0.69%
Berkeley Downtown Hotel Owner Llc			136,572	0.61%
Foundry31 Owner De Llc			132,051	0.59%
Mark At Berkeley Llc			145,814	0.65%
Kaiser Foundation Health Plan Inc			136,481	0.61%
Mcref Acheson Llc			128,760	0.58%
Berkeley Multifamily I Property Owner Llc			104,581	0.47%
Ca Ag Logan Park Property Owner Llc			86,418	0.39%
1500 San Pablo Llc			96,357	0.43%
Granite Library Gardens LP	60,308	0.48%		
SC Hillside Berkeley, INC	44,849	0.36%		
EQR Action Berkeley LP	111,057	0.89%		
Reddy Hanumandla R & Hanumandla J TRS	34,133	0.27%		
SNK Captec Arpeggio LLC LLC	85,126	0.68%		
Essex Berkeley 4th Street LP	45,064	0.36%		
920 Heinz LP	35,825	0.29%		
1950 MLK LLC	35,569	0.28%		
Ed Roberts Campus	34,516	0.28%		
Total - Principal taxpayers	\$ 754,790	6.03%	\$ 1,341,413	6.01%
Total - All real properties assessed by the City (1)	\$ 12,526,485		\$ 22,291,434	

Note:

(1) Assessed value includes only real properties.

Source: California Municipal Statistics, Inc.

**Schedule VIII
Property Tax Levies and Collections,
Last Ten Fiscal Years
(In Thousands of Dollars)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year ⁽¹⁾	Collected within the Fiscal Year of the Levy		Collection in Subsequent Years ⁽²⁾		
		Amount	Percentage of Levy	Secured	Unsecured	Total
2013	\$ 43,522	\$ 42,724	98.16%	\$ 589	\$ 210	\$ 799
2014	46,122	45,464	98.57%	491	166	658
2015	48,135	47,523	98.73%	478	134	611
2016	51,764	51,028	98.58%	607	128	736
2017	52,097	51,535	98.92%	787	-	787
2018	59,191	58,534	98.89%	489	168	657
2019	62,757	62,109	98.97%	512	135	647
2020	67,163	66,315	98.74%	664	184	848
2021	72,200	71,317	98.78%	647	236	883
2022	75,505	74,497	98.67%	816	191	1,008

Note:

⁽¹⁾ Levies include Secured and Unsecured Property.

⁽²⁾ Collection in subsequent years is reported based on revenue received from the County for the fiscal year end shown. The City does not receive information from the County that specifies how much of the subsequent collection received belongs to each fiscal year. Subsequent collections for both tax types include penalties and interest assessed on the previously unpaid amounts. As a result, total collections for each levy year are not presented.

Source: Alameda County Auditor - Controller Agency

Schedule IX
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Dollars in Thousands, Except Per Capita)

Governmental Activities (long-term debt instruments only)						
Fiscal Year Ended	General Obligation Bonds	General Obligation Bonds (premiums)	Total G.O. Bonds + Premiums	Lease Revenue Bonds	Lease Revenue Bonds (premiums)	Total Revenue Bonds + Premiums
June 30,						
2013	\$ 75,905	\$ 385	\$ 76,290	\$ 7,179	\$ 519	\$ 7,698
2014 ⁽²⁾	87,565	771	88,336	6,625	530	7,155
2015	83,900	708	84,608	6,052	508	6,560
2016	81,125	4,636	85,761	5,495	479	5,974
2017	86,465	5,030	91,495	4,953	443	5,396
2018	117,520	5,596	123,116	4,420	406	4,826
2019	111,920	5,331	117,251	4,126	370	4,496
2020	142,905	8,276	151,181	3,819	334	4,153
2021	181,995	10,677	192,672	7,473	973	8,446
2022	217,140	11,426	228,566	7,136	900	8,036

Business-type Activities (long-term debt instruments only)						
Fiscal Year Ended	Lease Revenue Bonds	Lease Revenue Bonds (premiums)	Total Revenue Bonds + Premiums	Notes/Loans Payable	Certificates of Participation (Net of premiums)	Total Business-Type Activities
June 30,						
2013	24,911	1,975	26,886	9,826	-	36,712
2014 ⁽²⁾	23,925	2,006	25,931	9,200	-	35,131
2015	20,073	1,922	21,995	8,549	-	30,544
2016	19,215	1,813	21,028	7,872	-	28,900
2017	52,297	1,698	53,995	6,967	-	60,962
2018	51,370	3,339	54,709	6,802	-	61,511
2019	50,409	3,161	53,570	6,629	-	60,199
2020	48,646	2,983	51,629	6,449	-	58,078
2021	46,817	2,805	49,622	6,261	-	55,883
2022	44,909	2,627	47,536	6,063	-	53,599

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

Tax allocation Bonds belong to Berkeley Redevelopment Agency, which was dissolved on January 31, 2012, due to AB 1X 26. All the outstanding amounts were transferred to the Successor Agency as Private Trust funds.

The City refunded over \$27 million to defease 1999 Lease Revenue Bonds and 2003 COP during the year, with the proceeds from a new Refunding Lease Revenue Bond.

See Schedule XIII for personal income and population data.

Source: City of Berkeley, Finance Department

Governmental Activities (long-term debt instruments only)

Tax Allocation Bonds ⁽¹⁾	Capital Lease	Certificates of Participation (Net of premiums)	Certificates of Participation (premiums)	Total Certificates of Participation	Notes/Loans Payable	Total Governmental Activities
\$ -	\$ 2,891	\$ 5,650	\$ 362	\$ 6,012	\$ 11,551	\$ 104,442
-	2,460	5,550	390	5,940	11,340	115,230
-	2,009	5,445	378	5,823	10,312	109,312
-	4,141	5,345	374	5,719	9,784	111,379
-	3,271	5,235	359	5,594	9,131	114,888
-	2,372	5,125	343	5,468	8,424	144,206
-	1,442	5,010	327	5,337	7,698	136,224
-	5,650	4,890	312	5,202	6,959	173,145
-	4,564	-	-	-	6,201	211,883
-	3,459	-	-	-	5,415	245,476

Total Primary Government	Percentage of Personal Income ⁽³⁾	Per Capita ⁽³⁾
151,942	3.14%	1,220
144,443	3.16%	1,281
141,923	2.82%	1,177
143,788	2.74%	1,170
205,168	3.40%	1,450
197,735	3.78%	1,688
233,344	3.48%	1,688
231,223	3.91%	1,886
267,430	4.52%	2,290
299,075	4.51%	2,401

Schedule X
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(Dollars in Thousands, Except Per Capita)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding					Net General Bonds Debt as a Percentage of Actual Taxable Value of Property ⁽³⁾	Outstanding Debt Per Capita ⁽³⁾
	General Obligation Bonds ⁽¹⁾	Pension Refunding Bonds	Tax Allocation Bonds ⁽²⁾	Certificates of Participation	Total		
2013	\$ 76,290	\$ 1,485	\$ -	\$ 6,012	\$ 83,787	0.65%	\$ 724
2014	88,336	1,135	-	5,940	95,411	0.70%	813
2015	84,608	815	-	5,823	91,246	0.64%	768
2016	85,761	520	-	5,719	92,000	0.60%	767
2017	91,495	250	-	5,594	97,339	0.60%	803
2018	117,520	-	-	5,125	122,645	0.71%	1,006
2019	111,920	-	-	5,010	116,930	0.63%	948
2020	142,905	-	-	4,890	147,795	0.75%	1,206
2021	181,995	-	-	-	181,995	0.85%	1,593
2022	217,140	-	-	-	217,140	0.97%	1,743

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

⁽¹⁾ Net of resources restricted for the repayment of the principal of debt.

⁽²⁾ Tax allocation Bonds belong to Berkeley Redevelopment Agency, which was dissolved on January 31, 2012, due to AB 1X 26. All the outstanding amounts were transferred to the Successor Agency as Private Trust funds.

⁽³⁾ See Schedule XIII for personal income and population data.

Source: Finance Department, City of Berkeley

Schedule XI
Direct and Overlapping Governmental Activities Debt
As of June 30, 2022
(In Thousands of Dollars, except assessed valuation)

2021-2022 Assessed Valuation: \$ 22,291,433

	Debt Outstanding 6/30/2022	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt 6/30/2022
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:			
Alameda County	\$ 189,312	6.54%	\$ 12,381
Bay Area Rapid Transit District	2,516,768	2.63%	66,191
Peralta Community College District	399,284	18.30%	73,069
Berkeley Unified School District	332,355	100.00%	332,345
City of Berkeley (GO bonds net of premium)	217,140	100.00%	217,140
City of Berkeley (GO bonds premium)	11,426	100.00%	11,426
City of Berkeley Community Facilities District No. 1	-	100.00%	0
East Bay Regional Park District	184,678	4.19%	7,738
City of Berkeley Thousand Oaks Heights AFUU Assessment District	910	100.00%	910
Subtotal overlapping tax and assessment debt			721,200
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Alameda County and Coliseum Obligations	\$ 742,463	6.74%	\$ 50,042
Alameda-Contra Costa Transit District Certificates of Participation	11,654	7.98%	930
Peralta Community College District Pension Obligations	128,027	18.30%	23,429
City of Berkeley Revenue bonds (Governmental activities)	7,136	100.00%	7,136 ⁽¹⁾
City of Berkeley Revenue bonds premium (Governmental activities)	900	100.00%	900 ⁽¹⁾
City of Berkeley Certificates of Participation (Governmental activities)	-	100.00%	0 ⁽¹⁾
City of Berkeley Certificates of Participation premium (Governmental activities)	-	100.00%	0 ⁽¹⁾
City of Berkeley Capital Leases (Governmental activities)	3,459	100.00%	3,459 ⁽¹⁾
City of Berkeley Notes and Loans Payable (Governmental activities)	5,415	100.00%	5,415 ⁽¹⁾
Subtotal overlapping General Fund debt			\$ 91,311
Overlapping tax increment debt:	-	100.00%	-
TOTAL DIRECT DEBT			245,476
TOTAL OVERLAPPING DEBT			567,035
COMBINED TOTAL DIRECT AND OVERLAPPING DEBT			\$ 812,511 ⁽²⁾

For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

⁽¹⁾ Excludes issue to be sold.

⁽²⁾ Excludes tax and revenue anticipation notes, and business-type activities.

Source: California Municipal Statistics, Inc.

Schedule XII
Legal Debt Margin Information,
Last Ten Fiscal Years
(In Thousands of Dollars)

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit	\$ 1,925,322	\$ 2,053,022	\$ 2,135,095	\$ 2,301,379	\$ 2,430,131
Debt applicable to limit	76,290	88,336	84,608	85,761	91,495
Legal debt margin	<u>\$ 1,849,032</u>	<u>\$ 1,964,686</u>	<u>\$ 2,050,487</u>	<u>\$ 2,215,618</u>	<u>\$ 2,338,636</u>
Total net debt applicable to the limit as a percentage of debt limit	4.13%	4.50%	4.13%	3.87%	3.91%

Note: The City of Berkeley is a charter city and, as such, does not have a debt limit. However, the debt limit computation is calculated using the 15% limit that would be in effect if the city were a general law city.

Source: City of Berkeley, Finance Department

Legal Debt Margin Calculation for Fiscal Year 2022

Assessed Value	\$ 22,291,433
Debt limit	3,343,715
Debt applicable to limit:	<u>217,140</u>
Legal Debt Margin	<u>\$ 3,126,575</u>

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$ 2,606,477	\$ 2,787,173	\$ 2,971,679	\$ 3,200,342	\$ 3,343,715
<u>117,520</u>	<u>111,920</u>	<u>142,905</u>	<u>181,995</u>	<u>217,140</u>
<u>\$ 2,696,853</u>	<u>\$ 2,675,253</u>	<u>\$ 2,828,774</u>	<u>\$ 3,018,347</u>	<u>\$ 3,126,575</u>
4.36%	4.18%	5.05%	6.03%	6.94%

Schedule XIII
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Population (1)	Personal Income (thousands of dollars) (2)	Per Capita Personal Income (3)	Median Age (4)	Public School Enrollment (5)	University of California Enrollment (6)	City Unemployment Rate (7)
2013	115,716	4,500,890	38,896 ⁽⁸⁾	33 ⁽⁸⁾	9,385	35,899	7.0%
2014	117,372	4,758,965	40,546 ⁽⁸⁾	32 ⁽⁸⁾	9,410	36,204	5.8%
2015	118,853	4,950,941	41,656	32 ⁽⁸⁾	9,410	37,581	4.0%
2016	119,915	5,111,617	42,627 ⁽⁸⁾	31	9,785	38,204	3.8%
2017	121,238	5,168,012	42,627 ⁽⁸⁾	31	9,410	40,173	3.4%
2018	121,874	5,436,921	44,611 ⁽⁸⁾	31	10,340	41,910	2.7%
2019	123,328	5,640,776	45,738 ⁽⁸⁾	31	10,194	42,501	3.1%
2020	122,580	5,911,911	48,229 ⁽⁸⁾	31	9,844	43,185	13.5%
2021	116,761	5,910,325	50,619 ⁽⁸⁾	31	9,409	42,327	6.7%
2022	124,563	6,624,385	53,181 ⁽⁸⁾	32	9,177	45,036	3.10%

Source:

- (1) California State Dept. of Finance - Population Research Unit (as of January 1)
- (2) Association of Bay Area Governments, U.S. Census
- (3) From www.bayareacensus.ca.gov/cities/Berkeley.htm
- (4) Association of Bay Area Governments, Bay Area Census
- (5) Berkeley Unified School District from California Department of Education
- (6) University of California
- (7) From State of California Employment Development Department - Labor market Information Division
- (8) From U.S. Census Bureau

**Schedule XIV
Principal Employers
Current Year and Ten Years Ago**

Employer	2012			2022		
	Employees	Rank	Percentage Of Total City Employment	Employees	Rank	Percentage Of Total City Employment
University of California Berkeley	13,882	1	19.77%	12,944	1	19.95%
Lawrence Berkeley National Laboratory	4,200	2	5.98%	3,469	2	5.35%
Sutter East Bay Medical Foundation/Hospitals			0.00%	1,898	3	2.93%
Berkeley Unified School District	1,166	6	1.66%	1,697	4	2.62%
City of Berkeley	1,486	4	2.12%	1,510	5	2.33%
Bayer Coporation	1,300	5	1.85%	1,099	6	1.69%
Kaiser Permanente Medical Group	668	7	0.95%	886	7	1.37%
Touchstone Golf LLC			0.00%	782	8	1.21%
Siemens Corporation/Healthcare Diagnostics, Inc.			0.00%	628	9	0.97%
Lifelong Medical Care			0.00%	501	10	0.77%
Alta Bates Medical Center	2,665	3	3.80%			0.00%
Pacific Steel Casting Company	470	8	0.67%			0.00%
Berkley Bowl Produce	442	9	0.63%			0.00%
State of California Department of Health	371	10	0.53%			0.00%
Total	26,650		37.96%	25,414		39.17%

Source: City of Berkeley, Office of Economic Development

Schedule XV
Full-time-Equivalent City Governmental Employees by Function/Program
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2013⁽²⁾</u>	<u>2014⁽²⁾</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Government	182.30	175.00	172.00	175.78	172.28
Police	289.20	275.00	273.00	273.00	272.00
Fire	139.75	139.75	139.00	140.00	140.00
Health Services ⁽³⁾	142.35	123.95	122.95	121.05	130.25
Culture and Recreation	157.33	101.73	98.88	98.88	96.50
Community Development/Housing ⁽¹⁾⁽³⁾	85.64	48.45	41.05	41.05	43.55
Economic Development	5.85	5.85	5.85	5.85	5.85
Library	109.70	97.66	101.33	105.95	107.95
Planning	58.55	53.05	61.30	65.00	71.50
Public Works/Transportation	296.25	287.60	285.60	289.60	292.60
Rent Board	19.45	19.45	21.95	19.75	20.60
Total	<u><u>1,486.37</u></u>	<u><u>1,327.49</u></u>	<u><u>1,322.91</u></u>	<u><u>1,335.91</u></u>	<u><u>1,353.08</u></u>

Notes:

Full-time equivalent employment is calculated as one or more employee positions totaling one full year of service or approximately 2,080 hours a year

⁽¹⁾ In FY2010 & 2011, some divisions in Health services, Planning were moved to Community development/housing

⁽²⁾ Information is based on FY2012 and 2013 adopted biennial budget from Budget Office

⁽³⁾ During FY12, Housing Department and Health Services Department were consolidated into one department: "Health, Housing & Community Services"

Source: City Manager - Budget Office

2018	2019	2020	2021	2022
186.72	197.25	205.75	207.00	214.00
272.00	283.20	288.20	288.20	292.20
148.00	149.00	153.00	153.00	153.00
145.85	145.85	145.85	145.85	145.85
101.50	156.12	155.37	155.37	159.87
38.05	87.33	100.33	100.33	114.73
3.00	7.00	7.00	7.00	7.00
110.15	116.10	116.05	116.05	115.60
82.08	94.80	103.40	103.40	110.33
295.60	300.60	320.50	320.50	323.00
22.75	22.55	22.35	22.35	24.55
1,405.70	1,559.80	1,617.80	1,619.05	1,660.13

Schedule XVI
Operating Indicators
Last three fiscal years

FUNCTION/PROGRAM	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
General government			
Building Permits Issued			
Residential Permits Issued	2,800	2,832	3,310
Residential Permits Value	\$ 107,652,761	\$ 110,395,311	\$ 139,594,705
Mixed Use Issued	\$ 27	\$ 38 ⁽¹⁾	\$ 27 ⁽¹⁾
Mixed Use Value	\$ 99,332,466	\$ 128,851,722 ⁽¹⁾	\$ 78,653,762 ⁽¹⁾
Commercial Permits Issued	289	199	267
Commercial Permits Value	\$ 80,330,835	\$ 82,680,149	\$ 205,439,402
Residential Parking Permits			
Number of Daily Permits Issued	23,582	1,770	12,118
Number of 14 Day Permits Issued	734	94	1,109
Number of Annual Permits Issued	12,671	12,277	13,076
City Clerk			
Number of Council Resolutions Passed	389	465	482
Number of Ordinances Passed	42	57	50
Number of Contracts Passed	580	471	511
General Services			
Number of Purchase Orders Issued	4,977	4,142	4,534
Police			
Physical Arrests	2,855	2,248	2,144
Parking Violations	100,492	85,259	128,271
Traffic (moving) Violations	3,431	1,838	1,351
DUI Arrests	175	87	111
Fire			
Structure Fires	74	58	73
Vehicle Fire	34	44	29
Other Fires	228	301	238
Medical Calls	9,041	7,843	9,562
Haz-mat Calls	204	569	663
Other Calls	5,214	4,259	4,622
Out of City	59	51	38
Department of Health Services			
Health Inspections and Permits	3,007	1,528	1,811
Public Health Services Encounters	57,148	73,891	128,812
Mobile Crisis Visits	917	1,304	1,184
Housing and Community Services Department			
Home Delivered Meal	65,287	86,670	81,520
Summer and year-round jobs provided for youth	330	113	137
Library			
Number of visits made to Library Branches	794,696	20,471	564,021
Number of people that are registered library card holders	111,985	144,041	143,372
Number of times materials from the library circulated (items checked out)	2,107,269	1,646,675	1,397,939

(Continued)

Notes

- ⁽¹⁾ Mixed Use previously categorized between residential and commercial based on dominate property use.
- ⁽²⁾ "Customers" are all paying customers regardless of the town they come from.
Landfilled and recycled tons are all tons going through the transfer station. It includes SWMD collection trucks, as well as paying customers.
- ⁽³⁾ Outside tons not included in transfer station tons:
- a) Tons collected by private haulers and taken to other landfills
 - b) Tons delivered by members of the public to other landfills or transfer stations
 - c) Berkeley tons recycled by the private sector

FUNCTION/PROGRAM	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
		(2)	(2)
Solid Waste Management			
Transfer Station Customers	131,051	132,397	132,296
Total incoming tons at transfer station			
Refuse and C&D	89,248	85,848	90,217
Organics	32,382	28,667 ⁽³⁾	29,336 ⁽³⁾
Total incoming tons	121,630	114,515 ⁽³⁾	119,553 ⁽³⁾
Landfilled Tons	72,814	67,651	74,833
Recycled /Composted Tons	46,943	44,294	43,742
Total tons exiting transfer station	119,757	113,945	118,575
Recycling Method			
Recycled/Composted tons:			
Organics collection to compost facility	21,660	19,834	20,102
Organics - public to compost facility	9,779	8,833	9,234
Transfer Station Salvage	697	797	780
C&D Diverted at sorting facility	13,829	14,118	12,831
Add 'I' TS Diversion Programs	978	712	795
TOTAL TRANSFER STATION DIVERSION	46,943	44,294	43,742
Buyback drop-off	2,315	2,382	2,607
Residential Curbside	8,408	8,939	7,996
Commercial recycling	4,608	4,085	4,849
TOTAL RECYLING COLLECTION at CCC (Not at transfer station)	15,331	15,406	15,452
TOTAL CITY CONTROLLED DIVERSION	62,274	59,700	59,194
Other Public Works			
Street Resurfacing/Overlay/Reconstruction (miles)	5	5	3
ADA Compliance: New Curb Ramps	127	107	42
Traffic Circles - Cumulative	57	57	57
Street Poles with Lights - Cumulative	8,036	8,036	7,960
Marina			
Number of Berths	1,032	1,032	1,032
Number of Occupied Berths	836	838	850
Number of new berthers	145	207	172
Number of paid launchers	7,971	7,319	5,927
Launch Ramp Total Revenue	\$ 127,908	\$ 120,436	\$ 94,832
Parking			
Number of Pay and Display Meters Operating	225	218	230
Number of Single Space Meters Operating	2,106	2,057	2,017
Planning and Development Department			
Customers Served	28,200	27,087	31,427
Building & Safety Inspections Performed	27,675	28,697	25,339
Toxics: CUPA Inspections	249	474	495
Sanitary Sewer			
Number of Customer Accounts Billed	32,897	33,243	33,548
			(Concluded)

Schedule XVII
Capital Asset Statistics by Function/Program
Last three fiscal years

Function/Program	Fiscal Year 2020	Fiscal Year 2021	Fiscal Year 2022
Police			
Number of Stations	2	2	2
Parking Enforcement Vehicles	48	48	48
Fire			
Number of Stations	7	7	7
Number of Fire Trucks	13	7*	14
Library			
Central Library	1	1	1
Branch Libraries	4	4	4
Solid Waste Management			
Collection Vehicles	38	37	37
Support Vehicles	20	20	20
Transfer Tractors	8	8	8
Transfer Trailers	9	8	8
Other Public Works			
Streets (miles)	216	215	215
Streetlights	8,036	8,036	7,960
Traffic Signals	142	142	143
Sidewalks (miles)	300	300	400
Parks and Recreation			
Number of Parks	54	54	54
Public Swimming Pools	2	2	2
Over night Summer Camps	3	3	3
Number of Community Centers	7	7	7
Number of Club Houses	2	2	2
Community Gardens	6	6	6
Nature Center	1	1	1
Adventure Playground	1	1	1
Sanitary Sewer			
Public Sanitary Sewer Mains (miles)	254	254	254
Public Sewer Laterals (miles)	130	130	130
Parking ⁽¹⁾			
Number of Parking Garages	3	3	3
Number of Parking Lots	2	2	2
Number of Off Street Parking Meter Spaces	35	35	35
Number of Off Street Parking Garage Spaces	1,249	580	1,249

Source: Operating indicators were provided by the various operating departments

* On March 2, 2015 as part of pilot program, Fire added a part-time "Truck", 10 hours a day; weekdays only. This addition affected a fraction of 85 days, which calculated out to be approximately 0.10. However, the fractional numbers did not show up towards the total for this report.

**CITY OF BERKELEY
GENERAL OBLIGATION AND GENERAL FUND OBLIGATIONS
CONTINUING DISCLOSURE ANNUAL REPORT INFORMATION**

\$15,000,000
City of Berkeley
2014 General Obligation Bonds
(Street and Integrated Watershed Improvements)

\$15,000,000
City of Berkeley
2016 General Obligation Bonds
(Street and Integrated Watershed Improvements)

\$38,000,000
City of Berkeley
2020 General Obligation Bonds
(2018 Election Measure O: Affordable Housing)
(Federally Taxable)
(Sustainability Bonds)

\$11,690,000
City of Berkeley
2020 Refunding General Obligation Bonds, Series B
(2008 Election Measure FF: Neighborhood Branch
Library Improvements Project)
(Green Bonds)

\$27,260,000
Berkeley Joint Powers Financing Authority
2012 Refunding Lease Revenue Bonds
(1999 and 2003 Refinancing)

\$36,680,000
City of Berkeley
2015 General Obligation Refunding Bonds

\$35,000,000
City of Berkeley
2017 General Obligation Bonds
(2016 Election: Infrastructure and Facilities
Improvements)

\$7,790,000
City of Berkeley
2020 Refunding General Obligation Bonds, Series A
(2008 Election Measure FF: Neighborhood Branch
Library Improvements Project)
(Green Bonds)

\$45,000,000
City of Berkeley
2022 General Obligation Bonds
(2016 Election: Infrastructure and Facilities
Improvements)

\$3,975,000
Berkeley Joint Powers Financing Authority
2021 Refunding Lease Revenue Bonds
(2010 Animal Shelter COP Refinancing)

Content of Annual Reports

1. Audited financial statements:
This exhibit is attached to the City's audited financial statements.

2. Summary of investments held in the City's investment portfolio for the most recently-completed fiscal year, including market value, book value and a description of any investments that do not comply with the City's investment policies:

**City of Berkeley
Investment Portfolio
as of June 30, 2022**

Security Type	Market Value	Book Value
U.S. agency securities	\$ 321,642,302	340,269,558
Municipal bonds	4,996,700	5,040,370
Medium term notes	119,295,403	121,589,216
Certificates of deposit	502,127	500,000
Mutual Funds	13,975,857	16,155,353
Total	460,412,389	483,554,497

All of the City's investments comply with its investment policies.

3. General fund budget for the fiscal year during which the annual report is filed (only required for the 2021 Refunding Lease Revenue Bonds and 2012 Refunding Lease Revenue Bonds):
The City's current budget will be provided separately from this report.
4. General fund balance sheet for the most recently-completed fiscal year:
Please see information in the audited financial statements.
5. General fund summary of revenues and expenditures for the most recently-completed fiscal year:
Please see information in the audited financial statements.
6. General fund tax revenues by source for the most recently-completed fiscal year:
Please see information in the audited financial statements.
7. Assessed valuation of property in the City for the most recently-completed fiscal year and, to the extent the City is no longer on the Teeter Plan (or its equivalent) and such information is available from the County, information about property tax levies and collections for the most recently completed fiscal year:
Please see information in the audited financial statements.
8. Summary of property tax rates for all taxing entities within the City expressed as a percentage of assessed valuation:
Please see information in the audited financial statements.
9. Top ten property tax assesses for current fiscal year, taxable value and percentage of total assessed value:
Please see information in the audited financial statements.
10. Summary of property tax rates for all taxing entities within the City expressed as a percentage of assessed valuation:
11. Taxable transactions in the City for the most recently-completed fiscal year (only required for the 2021 Refunding Lease Revenue Bonds and 2012 Refunding Lease Revenue Bonds):
The most currently available taxable transaction data for the City will be provided separately from this report.
12. Description of the City's outstanding general fund debt and lease obligations as of the end of the most recently-completed fiscal year, including long-term general fund obligations:
Please see information in the audited financial statements.
13. A schedule of aggregate annual debt service on tax-supported indebtedness of the City:
Please see information in the audited financial statements.
14. Summary of outstanding and authorized but unissued tax-supported indebtedness of the City:

REPORT INFORMATION

Election	Authorized Amount	Unissued (as of 6/30/2022)	Bond Issue	Outstanding (as of 6/30/2022)
1992	\$55,000,000	\$0*	2015 Bonds (Refunded 2002 Bonds, 2007 A Bonds, 2007 B Bonds, 2008 Bonds)	\$20,950,000
1996	\$49,000,000	\$0		
2002	\$7,200,000	\$0		
2008	\$26,000,000	\$0	2020A Bonds (Refunded 2009 Bonds)	\$7,195,000
			2020B Bonds (Refunded 2010 Bonds)	\$10,730,000
2012	\$30,000,000	\$0	2014 Bonds	\$12,695,000
			2016 Bonds	\$13,650,000
2016	\$100,000,000	\$20,000,000	2017 Bonds	\$30,480,000
			2021 Bonds	\$45,000,000
2018	\$135,000,000	\$57,000,000	2020 Bonds	\$37,155,000
			2022 Bonds	\$40,000,000
Total	\$402,200,000	\$77,000,000		\$217,855,000

* \$32,500,000 of this authorization was unissued but canceled

15. Amount of all general obligation debt of the City outstanding, and total scheduled debt service on such general obligation debt (as of June 30, 2022).

Fiscal Year	2014	2015	2016	2017	2020	2020	2020	2021	2022	Total
	G.O.Bonds	G.O.Bonds	G.O.Bonds	G.O.Bonds	G.O.Bonds (Measure O)	G.O.Bonds (Series A)	G.O.Bonds (Series B)	G.O. Bonds	G.O. Bonds	
2022-23	896,000.00	3,049,837.50	740,112.50	1,730,556.26	2,005,540.00	537,075.00	804,312.50	2,758,325.00	1,601,268.00	14,123,026.76
2023-24	892,125.00	3,043,587.50	738,737.50	1,728,181.26	2,007,265.00	533,575.00	804,062.50	2,927,075.00	2,861,920.00	15,536,528.76
2024-25	896,425.00	3,036,712.50	736,612.50	1,728,931.26	2,009,790.00	529,575.00	802,812.50	2,030,325.00	2,595,370.00	14,366,553.76
2025-26	898,787.50	3,038,712.50	740,462.50	1,727,681.26	2,006,352.50	529,950.00	800,562.50	2,028,200.00	2,594,520.00	14,365,228.76
2026-27	895,237.50	3,066,687.50	740,362.50	1,728,856.26	2,006,952.50	529,575.00	807,062.50	2,023,825.00	2,591,570.00	14,390,128.76
2027-28	894,350.00	3,062,687.50	744,562.50	1,727,756.26	2,006,502.50	533,325.00	802,312.50	2,026,950.00	2,591,370.00	14,389,816.26
2028-29	896,150.00	2,110,687.50	747,962.50	1,739,156.26	2,005,002.50	536,075.00	801,437.50	2,022,450.00	2,588,770.00	13,447,691.26
2029-30	892,250.00	988,087.50	757,712.50	1,737,931.26	2,007,365.00	532,950.00	799,312.50	2,020,325.00	2,588,620.00	12,324,553.76
2030-31	892,650.00	394,931.25	763,912.50	1,731,906.26	2,003,590.00	538,825.00	800,812.50	2,026,475.00	2,589,870.00	11,742,972.51
2031-32	892,250.00	394,856.25	764,587.50	1,731,456.26	2,004,946.25	535,750.00	803,887.50	2,032,675.00	2,583,570.00	11,743,978.76
2032-33	890,712.50	394,253.13	764,812.50	1,730,106.26	2,006,390.00	538,950.00	803,787.50	2,033,675.00	2,585,320.00	11,748,006.89
2033-34	892,921.88	392,906.26	765,875.00	1,732,781.26	2,006,696.25	544,725.00	802,687.50	2,028,550.00	2,578,920.00	11,746,063.15
2034-35	894,100.01	391,006.26	767,812.50	1,729,481.26	2,005,865.00	542,200.00	804,037.50	2,032,225.00	2,579,220.00	11,745,947.53
2035-36	888,587.51	393,668.76	773,968.75	1,730,206.26	2,003,896.25	548,700.00	810,643.75	2,036,825.00	2,578,633.00	11,765,129.28
2036-37	891,243.76	390,662.51	779,268.75	1,729,881.26	1,997,815.00	549,675.00	806,650.00	2,037,725.00	2,580,170.00	11,763,091.28
2037-38	887,696.88	391,978.13	783,675.00	1,727,737.51	1,997,346.25	549,600.00	806,325.00	2,038,025.00	2,581,420.00	11,763,803.77
2038-39	887,946.88		787,175.00	1,728,675.01	2,000,096.25	549,075.00	805,400.00	2,037,725.00	2,580,619.00	11,376,712.14
2039-40	886,884.38		790,125.00	1,728,362.51	1,996,065.00	548,100.00	806,925.00	2,036,825.00	2,577,811.00	11,371,097.89
2040-41	888,925.00		797,456.25	1,725,956.26	1,995,252.50			2,035,325.00	2,576,973.00	10,019,888.01
2041-42	884,050.00		804,100.00	1,726,350.01	1,997,471.25			2,033,225.00	2,577,860.00	10,023,056.26
2042-43	887,600.00		809,175.00	1,725,281.26	1,992,721.25			2,035,475.00	2,575,353.00	10,025,605.51
2043-44	884,462.50		817,575.00	1,722,750.01	1,995,908.75			2,032,075.00	2,573,125.00	10,025,896.26
2044-45			825,075.00	1,723,675.01	1,994,740.00			2,031,950.00	2,570,875.00	9,146,315.01
2045-46			831,675.00	1,722,975.01	1,994,405.00			2,034,975.00	2,564,625.00	9,148,655.01
2046-47			837,375.00	1,719,628.13	1,992,200.00			2,031,081.25	2,564,125.00	9,144,409.38
2047-48				1,718,518.75	1,993,040.00			2,030,243.75	2,564,000.00	8,305,802.50
2048-49					1,991,840.00			2,028,506.25	2,559,125.00	6,579,471.25
2049-50					1,988,600.00			2,030,812.50	2,559,250.00	6,578,662.50
2050-51					1,988,235.00			2,027,162.50	2,554,125.00	6,569,522.50
2051-52								2,027,556.25	2,553,500.00	4,581,056.25
									2,547,125.00	2,547,125.00
Total	\$ 19,611,356	\$ 24,541,263	\$ 19,410,169	\$ 44,934,778	\$ 58,001,890	\$ 9,707,700	\$ 14,473,031	\$ 62,556,588	\$ 79,169,022	\$ 332,405,797

Below are the amounts total outstanding principal and remaining interest of each above general obligation debt (as of June 30, 2022).

	2014	2015	2016	2017	2020	2020	2020	2021	2022	Total
	G.O.Bonds	G.O.Bonds	G.O.Bonds	G.O.Bonds	G.O.Bonds (Measure O)	G.O.Bonds (Series A)	G.O.Bonds (Series B)	G.O. Bonds	G.O. Bonds	
Remaining Principal	12,695,000.00	20,950,000.00	13,650,000.00	30,480,000.00	36,440,000.00	7,195,000.00	10,730,000.00	45,000,000.00	40,000,000.00	217,140,000.00
Remaining Interest	6,916,356.00	3,591,263.00	5,760,169.00	14,454,778.00	21,561,890.00	2,512,700.00	3,743,031.00	17,556,588.00	39,169,020.00	115,265,795.00
Total	\$ 19,611,356	\$ 24,541,263	\$ 19,410,169	\$ 44,934,778	\$ 58,001,890	\$ 9,707,700	\$ 14,473,031	\$ 62,556,588	\$ 79,169,020	\$ 332,405,795

16. Additional material information:

The City is not aware of any additional material information.

**CITY OF BERKELEY
 LAND-SECURED OBLIGATIONS
 CONTINUING DISCLOSURE ANNUAL REPORT INFORMATION**

\$1,490,000
City of Berkeley
Thousand Oaks Heights Applicant Funded Utility
Undergrounding Assessment District
Limited Obligation Improvement Bonds

Content of Annual Reports

1. Audited financial statements:

This exhibit is attached to the City’s audited financial statements.

2. The following information:

A. Principal amount of Bonds outstanding (as of June 30, 2022): \$910,000

B. Balance in the Acquisition and Improvement Account: \$0

C. The amount of any advances made by the City pursuant to Section 8769(a) of the Improvement Bond Act of 1915, to cure any deficiency in the Redemption Account, or, if a reserve account has been established for the Bonds, the balance in reserve account and a statement of projected reserve fund draw, if any: There are no deficiencies in the Redemption Account and no reserve account was established for the bonds.

D. The delinquency rate, total amount of delinquencies, number of parcels delinquent in payment of the Assessment:

**Assessment Levy and Delinquency Information
 Fiscal Year 2021-2022**

Total Levy	Amount Delinquent	Number of Delinquent Parcels	Delinquency Rate
\$112,314	\$1,586	1	1.41%

**CITY OF BERKELEY
PARKING ENTERPRISE OBLIGATIONS
CONTINUING DISCLOSURE ANNUAL REPORT INFORMATION**

**\$33,970,000
Berkeley Joint Powers Financing Authority
Parking Revenue Bonds, Series 2016**

Content of Annual Reports

1. Audited financial statements:

This exhibit is attached to the City's audited financial statements.

2. Other financial information and operating data:

A. Principal amount of Bonds outstanding: \$31,625,000

B. Balance in funds and accounts held by the Authority, the City or the Trustee relating to the Bonds as of June 30, 2022

Project Fund:	\$0.00
Capitalized Interest Subaccount:	\$0.00

C. A description of any event of default under the Installment Sale Agreement:

No events of default have occurred to date.

D. Changes, if any, to the rate structure of the Center Street Garage, Oxford Way Garage or Telegraph Channing Garage:

No changes have been made to the rate structure since the issuance of the bonds

E. Occupancy rates, in substantially the form provided in Table 1 of the Official Statement (to be provided within nine months of the close of the most recently completed fiscal year):

No changes have been made to the rate structure since the issuance of the bonds.

**TABLE 1
CITY OF BERKELEY PARKING GARAGES
HISTORICAL OCCUPANCY LEVELS
(Weekday Peak Parking⁽¹⁾)**

Year	Center Street Garage		Telegraph Channing Garage		Oxford Street Garage	
	Short-term ⁽²⁾	Overall ⁽³⁾	Short-Term ⁽²⁾	Overall ⁽³⁾	Short-term ⁽²⁾	Overall ⁽³⁾
2017	0% ⁽⁴⁾	0% ⁽⁴⁾	49%	70%	60%	75%
2018	0.3	0.4	61%	66%	84%	87%
2019 ⁽⁵⁾	32%	39%	22%	29%	0%	0%
2020 ⁽⁶⁾	35%	44%	77%	80%	90%	93%
2020 - Pandemic ⁽⁷⁾	5%	12%	5%	9%	0%	0%
2021 - Pandemic ⁽⁸⁾	32%	39%	22%	29%	0%	0%
2022 ⁽⁹⁾	38%	47%	61%	66%	32%	39%

⁽¹⁾ Weekday peak parking – Tuesday through Thursday 10 a.m. to 2 p.m.

⁽²⁾ Represents hourly parkers.

⁽³⁾ Represents hourly parkers and monthly permit parkers.

⁽⁴⁾ Reflects demolition and reconstruction of a new Center Street Garage.

⁽⁵⁾ May 2019 data.

⁽⁶⁾ September 2019 data.

⁽⁷⁾ May 2020 data. Please note: In Q4 FY2020 (3/16/20), shelter-in-place orders due to the COVID-19 pandemic significantly affected City parking facilities. Due to safety concerns and reduced customer demand, the City closed the Oxford Garage and reduced hours at the Center Street and Telegraph Channing Garages. These remained in place through the end of the fiscal year.

⁽⁸⁾ April 2021. Residual impacts of the COVID-19 pandemic resulted in lower parking occupancy rates compared to previous years. As of April 2021, the Oxford Garage remained closed and the Center Street and Telegraph Channing Garages had reduced hours and capacity.

⁽⁹⁾ April 2022 data. All garages open at full capacity.

Source: City's Garage Parking Access and Control System (PARCS) SKIDATA.

F. Revenues, expenses and changes in net position and statement of net position for each of the Off Street Parking Enterprise and the Parking Meter Enterprise, in substantially the form provided in Tables 2 through 5, respectively, of the Official Statement. (The City does not need to provide projected results for future years.):

Table 2
CITY OF BERKELEY
Off Street Parking Fund
Statement of Net Position

Fiscal Year Ended June 30:	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Assets					
Current Assets:					
Cash and investments in treasury	\$ 11,587,202	\$ 4,819,762	\$ 1,395,917	\$ 34,277	\$ 1,145,652
Accounts receivables, net	217,851	197,933	376,247	348,562	379,048
Current portion of lease receivable					228,741
Total current assets	11,805,053	5,017,695	1,772,164	382,839	1,753,442
Noncurrent Assets:					
Lease receivable					1,032,739
Restricted cash and cash equivalents	2,371,256	175,269	-	-	-
Capital Assets:					
Land	1,291,709	1,291,709	1,291,709	1,291,709	1,291,709
Construction in Progress	41,880,706	-	-	-	-
Buildings, property, equip. and infrastructure	3,353,993	49,444,647	48,771,160	46,876,972	44,941,841
Total capital assets, net	46,526,408	50,736,356	50,062,869	48,168,681	46,233,550
Total noncurrent assets	48,897,664	50,911,625	50,062,869	48,168,681	47,266,289
Total assets	60,702,717	55,929,320	51,835,033	48,551,520	49,019,730
Deferred outflows of resources					
Deferred pension items ⁽¹⁾	198,645	117,644	186,454	188,917	97,302
Deferred OPEB items	-	-	-	-	59,567
Total Deferred outflows of resources	198,645	117,644	186,454	188,917	156,868
Liabilities					
Current liabilities:					
Accounts payable	2,977,538	1,900,761	1,199,138	221,479	40,208
Accrued salaries and wages	26,101	19,334	20,297	21,004	33,404
Accrued interest payable	91,362	91,362	89,555	179,063	85,150
Due to other funds	-	-	-	474,894	474,893
Compensated absences	4,038	3,532	4,308	3,709	-
Deposits held	5,566	5,566	5,566	5,566	5,559
Revenue bonds payable	-	760,000	760,000	760,000	840,000
Total current liabilities	3,104,605	2,780,555	2,078,864	1,665,715	1,479,214
Noncurrent liabilities:					
Compensated absences	21,189	18,534	22,601	19,459	-
Revenue bonds payable	35,725,946	34,903,047	34,143,046	33,237,246	32,289,347
Net pension liability ⁽¹⁾	930,291	906,988	995,024	1,073,567	739,465
Net OPEB liabilities	71,214	82,503	170,590	100,075	53,383
Total noncurrent liabilities:	36,748,640	35,911,072	35,331,261	34,430,347	33,082,195
Total liabilities	39,853,245	38,691,627	37,410,125	35,621,168	34,561,409
Deferred inflows of resources					
Deferred pension items ⁽¹⁾	32,982	54,214	47,836	92,961	242,061
Deferred OPEB items	-	-	-	-	134,455
Deferred lease revenue	-	-	-	-	1,246,876
Total Deferred inflows of resources	32,982	54,214	47,836	92,961	1,623,392
Net Position					
Net investment in capital assets	10,800,462	15,073,309	15,159,823	15,738,682	13,104,202
Unrestricted (deficit)	10,193,369	2,227,814	(596,297)	(3,187,268)	(112,405)
Total Net Position	\$ 20,993,831	\$ 17,391,123	\$ 14,563,526	\$ 12,551,414	\$ 12,991,797

⁽¹⁾ Reflects implementation of GASB 68 in FY2014-15.

Source: City of Berkeley, Department of Finance

Table 3
CITY OF BERKELEY
Off Street Parking Fund
Statement of Revenues, Expenses and Changes in Net Position

Fiscal Year Ended June 30:	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Revenues:					
Center Street Garage	\$ 74,225	\$ 1,651,401	\$ 2,273,066	\$ 1,043,093	\$ 2,089,031
Oxford Garage	751,608	666,667	444,237	870	203,835
Telegraph Garage	1,324,060	1,093,389	884,430	344,194	1,184,198
Others	318,593	422,197	315,028	223,427	37,960
Total revenues ⁽¹⁾	<u>2,468,486</u>	<u>3,833,654</u>	<u>3,916,761</u>	<u>1,611,584</u>	<u>3,515,024</u>
Operating Expenses:					
Personnel services	385,259	336,859	286,275	272,937	292,772
Employee benefits	269,545	257,438	256,254	206,868	72,190
Transportation	5,703	3,728	4,792	3,282	305
Repairs and maintenance	561,060	635,281	622,118	551,965	530,661
Materials and supplies	783	285,262	34,557	4,533	648
Utilities	174,679	240,831	265,501	232,946	247,044
Specialized and professional services	1,448,880	3,032,607	2,402,218	1,704,273	2,606,407
Depreciation	332,229	1,634,582	1,926,168	1,931,983	1,935,132
Communication	14,545	59,940	36,999	50,787	67,416
General administration	12,205	10,171	9,485	1,557	183,598
Total operating expenses	<u>3,204,888</u>	<u>6,496,699</u>	<u>5,844,367</u>	<u>4,961,131</u>	<u>5,936,173</u>
Operating Income (Loss)	<u>(736,402)</u>	<u>(2,663,045)</u>	<u>(1,927,599)</u>	<u>(3,349,547)</u>	<u>(2,421,149)</u>
Non-operating revenues (expenses):					
Other Financing Sources (uses):					
Investment earnings ⁽²⁾	46,757	81,889	-	-	(120,510)
Interest expense	39,110	(1,090,150)	(1,157,646)	(1,121,735)	(950,038)
Gain (loss) on disposal of capital assets	-	-	-	-	-
Total non-operating revenue (expenses)	<u>85,867</u>	<u>(1,008,261)</u>	<u>(1,157,646)</u>	<u>(1,121,735)</u>	<u>(1,070,548)</u>
Net income (loss) before contributions and transfers	<u>(650,535)</u>	<u>(3,671,306)</u>	<u>(3,085,245)</u>	<u>(4,471,282)</u>	<u>(3,491,697)</u>
Transfer in	2,967,509	-	-	1,910,250	3,940,000
Transfer out	(7,920)	(21,395)	(7,920)	(7,920)	(7,920)
Change in net position	<u>2,309,054</u>	<u>(3,692,701)</u>	<u>(3,093,165)</u>	<u>(2,568,952)</u>	<u>440,383</u>
Total Net Position - Beginning ⁽³⁾	18,684,777	20,993,831	17,656,691	15,120,366	12,551,414
Total Net Position - Ending	<u>\$ 20,993,831</u>	<u>\$ 17,301,129</u>	<u>\$ 14,563,526</u>	<u>\$ 12,551,414</u>	<u>\$ 12,991,797</u>

⁽¹⁾ Total revenues reflect audited figures prepared on a full accrual basis. Garage figures provided on a cash basis.

⁽²⁾ GASB 31 requires the City to record the unrecognized loss of investments to reflect the fair market value.

⁽³⁾ Prior period adjustment in FY 2017-18 due to implementation of GASB 72.

Source: City of Berkeley, Department of Finance

Table 4
CITY OF BERKELEY
Parking Meter Fund
Statement of Net Position

Fiscal Year Ended June 30:	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Assets					
Current Assets:					
Cash and cash equivalents	\$ 3,614,954	\$ 5,343,662	\$ 3,884,015	\$ 2,311,101	\$ 3,947,180
Accounts receivables, net	41,168	13,844	27,054	11,957	15,523
Total current assets	3,656,122	5,357,506	3,911,069	2,323,058	3,962,703
Noncurrent Assets:					
Capital Assets:					
Land	-	-	-	-	-
Construction in Progress	3,421	-	-	-	-
Buildings, property, equip. & infrastructure, net	1,500,874	1,094,602	773,347	437,132	563,544
Improvements other than buildings	-	-	-	-	215,701
Total capital assets, net	1,504,295	1,094,602	773,347	437,132	779,245
Total noncurrent assets	1,504,295	1,094,602	773,347	437,132	779,245
Total assets	5,160,417	6,452,108	4,684,416	2,760,190	4,741,948
Deferred outflows of resources					
Deferred pension items ⁽¹⁾	1,602,768	945,420	1,211,280	1,283,582	864,262
Deferred OPEB items	-	-	-	-	237,433
Total Deferred outflows of resources	1,602,768	945,420	1,211,280	1,283,582	1,101,695
Liabilities					
Current liabilities:					
Accounts payable	205,165	95,498	304,379	288,625	199,771
Accrued salaries and wages	183,710	200,051	250,144	274,396	270,762
Accrued interest payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Compensated absences - due within one year	44,093	43,929	51,581	47,838	75,096
Deposits held	-	-	-	-	-
Notes payable - due within one year	-	-	-	-	-
Capital lease payable - due within one year	-	-	-	-	-
Revenue bonds payable - due within one year	-	-	-	-	-
Total current liabilities	432,968	339,478	606,104	610,859	545,629
Noncurrent liabilities:					
Compensated absences - due in more than one year	-	-	-	-	394,015
Revenue bonds payable - due in more than one year	231,345	230,488	270,636	-	-
Net pension liability ⁽¹⁾	7,449,784	7,269,261	7,269,261	9,580,057	6,550,216
Net OPEB liabilities	656,501	700,654	8,996,404	8,559,686	586,764
Total noncurrent liabilities:	8,337,630	8,200,403	9,267,040	18,139,743	7,530,995
Total liabilities	8,770,598	8,539,881	9,873,144	18,750,602	8,076,624
Deferred inflows of resources					
Deferred pension items	-	-	-	-	1,455,888
Deferred OPEB items	266,721	390,874	341,213	418,226	580,507
Deferred lease revenue	-	-	-	-	-
Total Deferred inflows of resources	266,721	390,874	341,213	418,226	2,036,395
Net Position					
Net investment in capital assets	1,504,295	1,094,602	773,347	437,132	779,245
Unrestricted (deficit)	(3,911,936)	(2,627,829)	(5,092,008)	(7,002,502)	(5,048,621)
Total Net Position	\$ (2,407,641)	\$ (1,533,227)	\$ (4,318,661)	\$ (6,565,370)	\$ (4,269,376)

⁽¹⁾ Reflects implementation of GASB 68 in FY 2014-15.

Source: City of Berkeley, Department of Finance.

Table 5
CITY OF BERKELEY
Parking Meter Fund
Statement of Revenues, Expenses and Changes in Net Position

Fiscal Year Ended June 30:	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022
Operating Revenues:					
Parking meter revenues	\$ 10,170,358	\$ 10,381,385	\$ 7,352,176	\$ 4,254,957	\$ 7,519,591
Total Revenues	10,170,358	10,381,385	7,352,176	4,254,957	7,519,591
Operating Expenses:					
Personnel services	2,543,643	2,746,985	2,979,846	1,459,398	3,317,793
Employee benefits	2,189,173	2,419,282	2,798,124	1,463,511	1,914,678
Transportation	412,685	408,485	495,479	135,409	521,459
Repairs and maintenance	102,956	95,061	131,280	65,420	141,470
Materials and supplies	300,554	238,090	205,923	119,754	161,932
Utilities	16,234	12,370	12,195	10,630	9,259
Specialized and professional services	1,667,755	1,379,317	1,253,135	809,583	1,357,172
Depreciation	319,996	436,448	438,305	394,025	185,037
Communication	10,887	77,106	188,559	152,087	20,624
General administration	-	-	-	-	16,334
Total Operating Expenses	7,563,883	7,813,144	8,502,846	4,609,817	7,645,758
Operating Income (Loss)	2,606,475	2,568,241	(1,150,670)	(354,860)	(126,167)
Non-operating Revenues (Expenses):					
Investment earnings ⁽¹⁾	(17,178)	96,473	116,174	-	(166,901)
Interest expense				(149,551)	-
Gain(loss) of dispos. capital assets	(4)	-	-	(10)	-
Total non-operating revenue (expenses)	(17,182)	96,473	116,174	(149,561)	(166,901)
Net income (loss) before contributions and transfers	2,589,293	2,664,714	(1,034,496)	(504,421)	(293,068)
Transfers in ⁽²⁾	223,965	-	-	-	4,340,000
Transfers out	(4,713,262)	(1,790,299)	(1,750,938)	(1,742,288)	(1,750,938)
Change in net position	(2,123,969)	874,415	(2,785,434)	(2,246,709)	2,295,994
Total Net Position - Beginning	(130,934)	(2,407,641)	(4,318,661)	(4,318,661)	(6,565,370)
Total Net Position - Ending	\$ (2,254,903)	\$ (1,533,226)	\$ (7,104,095)	\$ (6,565,370)	\$ (4,269,376)

⁽¹⁾ GASB 31 requires the City to record the unrecognized loss of investments to reflect the fair market value.

⁽²⁾ Transfers in reflect public works engineering fees collected in the Permit Service Center Fund transferred to Parking Meter Fund in lieu of lost parking meter revenues.

Source: City of Berkeley, Department of Finance.

- G. Coverage ratio calculation for the Bonds, in substantially the form provided in Table 6 of the Official Statement. (The City does not need to provide projected results for future years.):

Table 6
CITY OF BERKELEY
Off Street Parking Fund and Parking Meter Fund
Summary of statement of revenues, expenses and debt service coverage

Fiscal year ended June 30:	2021-2022
Off street parking enterprise operating revenues	
Center street garage	\$ 2,089,031
Oxford garage	203,835
Telegraph/Channing garage	897,405
Telegraph/Channing mall rents	286,793
Other	37,960
Rent stabilization fund draws	-
Total off street parking enterprise revenues	3,515,024
Off street parking enterprise operating expenses	
Personnel	453,321
Non-personnel	3,730,357
Property and business interruption insurance for Center street garage	-
Parking management services	-
Total off street parking enterprise expenses	4,183,678
NET OFF STREET PARKING REVENUES FOR COVERAGE	\$ (668,654)
Parking meter enterprise operating revenues	
Various lots	\$ 7,518,152
PSC transfer	-
Rent stabilization fund draws	-
Total parking meter enterprise revenues	7,518,152
Parking Meter Enterprise Operating Expenses	
Personnel	5,454,220
Non-personnel	2,729,633
Total Parking Meter Enterprise Expenses	8,183,853
NET PARKING METER REVENUES FOR COVERAGE	(665,701)
Draws from Rate Stabilization fund	-
TOTAL NET REVENUES FOR COVERAGE	(665,701)
2016 Revenue bonds debt service	1,911,850
Coverage ratio (Off street parking fund only)	(0.35)
Coverage ratio (Off street parking fund and parking meter fund)	(0.70)

(1) Excludes non-cash items and capital expenses

(2) The Parking enterprises received \$8.28 million American Rescue Plan Act stimulus funds in fiscal year 2021-2022 that are excluded in this coverage calculation.

Source: City of Berkeley



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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Independent Auditors Report

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Berkeley, California (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated December 15, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

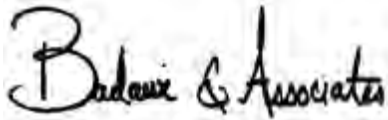
Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Honorable Mayor and Members of the City Council
of the City of Berkeley
Berkeley, California
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Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

Badawi & Associates, CPAS
Berkeley, California
December 15, 2022

