



City of **BRISBANE** California



Annual Comprehensive Financial Report

For the
Fiscal Year Ended
June 30, 2021



CITY OF BRISBANE
CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021

Prepared by:
City of Brisbane, Finance Department
Carolina Yuen, Finance Director

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City of Brisbane
Annual Comprehensive Financial Report
For the Year Ended June 30, 2021
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February 10, 2022

To the Honorable Mayor and City Council, and Citizens of the City of Brisbane:

We are pleased to submit the Annual Comprehensive Financial Report (Annual Report) for the City of Brisbane (the City) for the fiscal year ended June 30, 2021. This report is published to fulfill the California state law requirement for an annual report prepared strictly in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report was prepared under the direction of the City's Administrative Services Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with management. We believe the data, as presented, is accurate in all material aspects; that it is presented 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; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

Maze & Associates, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City 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 independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified ("clean") opinion that the City's financial statements for the fiscal year that ended June 30, 2021, were fairly presented in accordance with GAAP.

The Annual Report is organized and presented in three major sections:

- The **Introductory Section** includes this transmittal letter, the City's organizational chart and a list of the City's principal officials. This section is intended to familiarize the reader with the organizational structure of the City, the nature and scope of services it provides, and the specifics of its legal operating environment.
- The **Financial Section** includes the independent auditor's report, management's discussion and analysis, basic financial statements, notes to the basic financial statements, required supplementary information and supplementary information on non-major funds. The basic financial statements include the government-wide financials that present an overview of the City's entire financial operations and the fund financial statements that present the financial information for each of the City's major funds, non-major governmental and other funds.

Providing for Today, Preparing for Tomorrow

- The **Statistics Section**, which is unaudited, includes selected financial and demographic information.

The notes to the financial statements are provided in the financial section and are considered essential to fair presentation and adequate disclosure. The notes include the summary of significant accounting policies for the City and other necessary disclosures of important matters relating to the financial position of the City. The notes are treated as an integral part of the financial statements and should be read in conjunction with them.

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

PROFILE OF THE CITY

The City of Brisbane is a community of 4,851 residents (2020 census) situated in Northern San Mateo County on the west side of San Francisco Bay. Brisbane borders the cities of San Francisco, Daly City and South San Francisco. The San Bruno Mountain range surrounds Brisbane to the west and the San Francisco Bay is the easterly border of the city. Due to the natural topography, there is no standard lot size or share for much of the city and thus the housing in Brisbane is much more individualistic, free from the multiple housing tracts seen in many cities. There is intense town spirit and pride and friendliness that would be expected of a small community within sight of the San Francisco skyline. The Council and community prides itself on being environmentally-progressive, for which it has received many awards, and respecting and caring for all individuals in the community.

The City has operated under the Council-Manager form of municipal government since it incorporated in 1961. Policy-making and legislative authority is vested in the City Council which is comprised of five members elected at-large to four-year terms. Terms are staggered with two council members elected in one election period and three in another. Since November 2017, the City's general municipal elections have been consolidated with the statewide election to hold elections on even-numbered years. The Council selects the Mayor and Vice-Mayor from its members to serve one-year terms. The City Manager is appointed by and serves at the pleasure of the City Council. The City Manager is responsible for implementing the policy decisions of the City Council and supervising all operations of city government.

The City of Brisbane provides a wide range of municipal services, including police and fire protection, water and sewer utilities, street maintenance, parks and recreation, planning, building and safety, marina and other general government services.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is best understood within the specific environment in which the City operates.

Providing for Today, Preparing for Tomorrow

COVID-19 Impact

In March 2020, the City and the rest of the world, experienced an unprecedented event with the declaration of the worldwide pandemic of a novel coronavirus (COVID-19). As a result, On March 9, 2020, the City confirmed and ratified the Proclamation of the Existence of a Local Emergency as recommended by the City Manager, acting as Director of Emergency Services.

The COVID-19 pandemic impacted every section of the state and local economy. Mandated closures of restaurants, services deemed as non-essential, event spaces and tourist sites led to record-high unemployment and loss of income across the state.

The City conducted business with the public mostly online throughout fiscal year 2020-2021. Activities of the General Fund, the primary operating fund of the City used to account for most day-to-day activities, experienced revenues for FY2020-21 higher than budgeted by \$5.8 million, primarily due to increases in sales and property taxes. Also, actual expenditures for the same period came in lower than budgeted by \$40 thousand, primarily due to savings through hiring freezes and postponements in planned promotions in response to COVID-19. After other transfers, the City's General Fund had a positive net change in Fund Balance of \$5 million.

The biggest loss in revenue to the City was in its Transient Occupancy Tax generated by two hotels. However, due to the make-up of the revenue streams (referenced in the accompanying Management Discussion and Analysis and following in the Local Economy section), the City expects it's in a good position to rebound and continue to maintain strong revenues.

Local Economy

The City is part of the general San Francisco/Silicon Valley area with a largely commuter workforce. The City's primary business is wholesale building materials. Brisbane sees most of its sales tax revenue from construction operations. A handful of businesses make up a sizable portion of City revenues; the five largest Sales Tax producers are slightly over 77 % of all Sales Tax collected.

Property taxes remain strong as the City is located in an area that enjoys median home prices exceeding the national average. According to the Zillow Home Value Index, the median sales price for a home in Brisbane in June 2021 was \$1.2 million, a growth of 9% from previous year. Also, with increased commercial developments within city limits, the City saw an increase in assessed overall secured property tax value of 6.2% from June 2020.

A business license tax for a large recycling firm that wants to expand within the city limits was approved by the voters in November 2011. In November 2017, voters passed an increase to the business license tax on recycling establishments. The vote increased the maximum tax to \$4 million per year, with increases thereafter based on an inflationary formula.

Another business license tax for liquid storage tanks was enacted November 2013. Subsequent to June 2018, the City reached a settlement with SFPP doing business as Kinder Morgan in regard to a lawsuit brought on to challenge the methodology of this business tax. In November 2019, voters passed a proposition to change the basis for the tax from a cubic feet of storage space to the basis of per gallon of delivered fuel and adding an annual cap.

In November 2017, voters passed a new business license tax to include soils processing businesses. The measure authorizes a tax of a minimum of 20% of gross receipts or \$200,000. The minimum is set to increase by CPI each year.

In addition, the City's room tax revenues are generated by the two hotels located at Sierra Point. In November 2019, voters passed an increase in the Transient Occupancy Tax (TOT) rate.

In November 2019, voters passed a proposition establishing a business license tax on the gross receipts of cannabis businesses.

Located within the limits of the City of Brisbane is the "Baylands" -- one of the largest (over 500 acres) undeveloped commercial parcels of land within San Mateo County. This parcel is contiguous with the boundaries of the City/County of San Francisco and is located within seven minutes of the San Francisco International Airport. The development of this parcel is expected to take place over the next 30 years. In November 2018, Brisbane voters decided to amend the City's General Plan related to the Baylands to allow for a range of 1,800 to 2,200 residential units and up to 7 million square feet of new commercial development. The Amendment also requires the preparation of a Specific Plan for the entire site to address several policies, including: requiring the future development be revenue positive for the City; comply with the highest remediation standard for ground level residential uses; secure an adequate water supply; and incorporate sustainability principles. Next steps are for the developer to prepare and submit the Specific Plan to the City for consideration. The Specific Plan will be subject to extensive review and public hearings before the City's Planning Commission and City Council. The City will also be developing a Development Agreement between the Developer and the City to ensure all City's needs are met.

Healthpeak Properties is nearing completion of "The Shore," a five-building life science development on Sierra Point. Four of the buildings have been completed and three are occupied with tenants. The final building is expected to be completed in March 2022, and the developer anticipates full life science occupancy by spring 2023. The project also includes some retail space and the developer is actively negotiating with prospective tenants.

Phase 3 Real Estate Partners has begun construction on The Genesis Marina life science development. This three-building campus is expected to be ready for occupancy in Q4-2023.

Other potential new development at Sierra Point is in the early planning stages. Healthpeak has bought additional sites and is proposing to construct additional buildings for life science. The City's environmental review process has been initiated and it is expected the proposal will be reviewed by the City Planning Commission and City Council in 2023. Universal Paragon Corporation (UPC) owns the last undeveloped site at Sierra Point, and they have been in contact with the City about making a formal application to construct a hotel/life sciences complex. It is anticipated that UPC will submit a formal proposal in Q1-2022, which would be subject to environmental review and public hearings in 2023.

The City has recovered from the recession of the late 2000s as seen by the increase in revenues. This has allowed the City to create a vehicle replacement fund, a facility maintenance fund, set money aside in a Trust for its Other Post-Employment Benefits, and set aside additional monies in a rate stabilization Trust for its Pension Benefits unfunded liabilities.

Although the City expects possible reduced sales tax and transient occupancy tax revenues over the next few years as the local area recovers from the COVID-19 economic impact, the City is well-positioned to tap into rainy day or unassigned reserves as needed.

Long-term Financial Planning

The City has taken great strides in long-term financial planning. Staff continuously works on a five-year forecast. This provides Council and the community greater information on projects and issues that will be affecting the community in the near future.

After moving away from a two-year budget process during the recession in the late 2000s, the City has returned to a two-year budget process commencing with fiscal years 2016-2017.

In 2017, the City Council updated its Fund Balance policy for the General Fund. The adopted policy requires a certain amount of funds be available for economic uncertainty, an additional amount in cases of natural disasters, and a final amount to cover for one time revenue or expenditure issues. In June 2019, the City Council agreed to also set aside 50% of any available General Fund, Fund Balance in excess of needed reserves per the existing policy into the Pension Trust with a goal of \$5 million, which represents approximately two years of the City's current unfunded liability.

In February 2018 the City Council adopted a Drought Reserve Rate to charge customers an additional rate for water usage to build a reserve within the Utility Fund to stabilize rates during a drought.

Also, with strong revenues, the City was able to revisit a variety of capital improvement projects. One major initiative is the construction of a new library in the downtown area which broke ground in July 2018 and expected to be finalized in the fall of 2021.

The City continues to work on the winding down of the former Redevelopment Agency. The City is the Housing Authority and although it no longer receives 20% of all tax increment, all other rules must still be adhered to. Without a revenue stream, no new housing is being planned. In May 2018, the Successor Agency to the City of the Brisbane was granted its Last and Final Recognized Obligation Payment Schedule (ROPS) going forward into the year 2029.

Cash Management Policies and Practices

The City's investment management plan addresses a wide variety of investment practices, including primary investment objectives, investment authority, allowable investment vehicles, investment maturity terms, eligible financial institutions, capital preservation, and cash flow management. Under the City's policies, investments in the City's portfolio are intended to be held until maturity, and accordingly, investment terms are selected for consistency with the City's cash flow needs. Reports are issued monthly to the City Council by the Administrative Services Department providing detailed information regarding the City's investments and compliance with City policy. Under the City's investment policies, the City's primary investment objective is to ensure the principal of its capital while striving to achieve a reasonable rate of return. For the past year, overall rates have been incredibly low so our portfolio is weighted a bit to a shorter maturity (one to three years).

Risk Management

Risk management activities are the coordinated effort of all city management staff. The City is self-insured for Workers' Compensation and participates in Bay Cities for excess insurance above \$150,000. Additionally, the City is a member of Bay Cities Joint Powers Insurance Group which provides coverage for liability, auto and property damage. This entity operates in accordance with joint powers authority agreements between member cities to provide the various programs. Staffs of the two pools provide services to the City of risk identification, evaluation, and treatment; workers compensation and liability claims administration; safety training and special events coverage.

Debt Administration

The City updated its debt policy in July 2017 to further comply with California SB 1209 enacted in September 2016 which mandates tracking of borrowings and bond proceed spending in an effort to increase transparency and improve public knowledge. As a debt issuer, the City must annually report to the state on its proposed and outstanding debt, and its policy must include specific guidelines including purpose of debt, types of debt allowed, relationship of the debt to capital improvement programs or its budget, policy goals, and internal controls surrounding debt administration. The City's practice is that debt should be used as part of a long-term strategy to match the expected life of capital projects with its financing or to reduce the current costs of the City allowing more flexibility in City decision making.

Internal Accounting Controls

Internal accounting controls are designed by the City to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss and the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived. It is the City's responsibility to evaluate the costs and benefits of the controls it implements to adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions. As the number of employees has decreased, maintaining separation of duties has become more challenging. The City is implementing compensating controls where needed.

AWARDS & ACKNOWLEDGEMENTS

For many years, the City received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). Although the City discontinued applying for the award in the late 2000s due to budgetary constraints, we continue to maintain the same quality in this year's report.

The preparation and development of this report would not have been possible without the year-round efficiency of the Department of Finance staff and their special efforts, working in conjunction with the City's independent auditors, to produce this document. We would like to take this opportunity to compliment all those staff members of both the City and our independent auditors who were associated with the preparation of this report.

We would also like to thank the City Council for their continued support and interest in maintaining the highest professional standards in the planning and management of the City's finances.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Clayton L. Holstine', written over a horizontal line.

Clayton L. Holstine
City Manager

A handwritten signature in blue ink, appearing to read 'Carolina Yuen', written over a horizontal line.

Carolina Yuen
Finance Director

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CITY OF BRISBANE

**Principal Officials of the City of Brisbane, California
Successor Agency to the Brisbane Redevelopment Agency
Guadalupe Valley Municipal Improvement District
and
Brisbane Public Financing Authority
For the Year Ended June 30, 2021**

CITY COUNCIL/BOARD MEMBERS

Coleen Mackin, Council Member / Board Member
Karen S. Cunningham, Mayor / Board Chairperson
Madison Davis, Council Member / Board Member
Cliff R. Lentz, Mayor Pro Tempore / Board Vice-Chairperson
Terry O'Connell, Council Member / Board Member

STAFF MEMBERS

Clayton L. Holstine
City Manager, Agency Executive Director, District Manager

Thomas McMorrow
City Attorney, Agency / District Legal Counsel

Stuart Schillinger
Assistant City Manager

Carolina Yuen
Finance Director / Treasurer

John A. Swiecki
Community Development Director

Lisa Macias
Police Chief

Randy Breault
Public Works Director / City Engineer

Ingrid Padilla
City Clerk

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the City Council
City of Brisbane, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principles

Management adopted the provisions of Governmental Accounting Standards Board Statement No. 84 – *Fiduciary Activities*, which became effective during the year ended June 30, 2021 and required the restatements of Governmental Activities and Fiduciary net positions as discussed in Note 1N to the financial statements. In addition, the Statement established the new fund type, Custodial Funds, and eliminated the fund type of Agency Funds.

Management early adopted the provisions of Governmental Accounting Standards Board Statement No. 98 – *The Annual Comprehensive Financial Report* which changes the name of the Comprehensive Annual Financial Report to Annual Comprehensive Financial Report.

The emphasis of these matters does not constitute a modification to our opinions.

Other Matters

Required Supplementary Information

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

Other Information

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

The Supplemental Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 Supplemental Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 10, 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 the City's internal control over financial reporting and compliance.

Maze & Associates

Pleasant Hill, California
February 10, 2022

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Management's Discussion and Analysis

As management of the City of Brisbane, we offer readers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2021. Readers are encouraged to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, which can be found on pages v-xi of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City of Brisbane increased by \$6.5 million, or 4.5%, to \$150.4 million, of which \$103.3 million represents governmental assets and deferred outflows and \$47.1 million represents business-type assets and deferred outflows.
- As of June 30, 2021, the City's total liabilities and deferred inflows increased by \$1.7 million, or 3.0%, to \$59.9 million, of which \$46.4 million represents governmental liabilities and deferred inflows and \$13.4 million represents business-type liabilities and deferred inflows.
- The assets and deferred outflows of the City exceed its liabilities and deferred inflows by \$90.5 million (net position). Of this amount, (\$3.6) million represents unrestricted net position which may be used to meet the government's ongoing obligations to constituents through programs, creditors or to make payments towards unfunded retirement liabilities.
- The total net position increased by \$4.8 million which shows the City's performance was steady.
- At the close of the current fiscal year, the City of Brisbane's governmental funds reported combined fund balances of \$23.1 million. Approximately 21% of this amount, \$4.9 million is available for spending at the government's discretion (unassigned fund balance).
- City-wide revenue increased by \$4.2 million, or 12.1%, to \$39.4 million, of which \$31.6 million was generated by governmental activities and \$7.8 million was generated by business-type activities.
- City-wide expenses increased by \$171.9 thousand, or 0.5%, to \$34.6 million, of which \$26.6 million were generated by governmental activities and \$8 million were generated by business-type activities.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-Wide financial statements. The *government-wide financial statements* provide a corporate-like long-term view of the City's activities as a whole, and include the Statement of Net Position and the Statement of Activities. They are presented using the accrual basis of accounting.

The *statement of net position* is designed to show bottom line results for the City and its governmental activities. This statement uses full-accrual basis and combines and consolidates governmental funds' current financial resources (short-term spendable assets) with capital assets and long-term obligations.

The *statement of activities* is focused on both the gross and net cost of various activities that are supported by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government (City Council, City Manager, City Attorney, City Clerk, Human Resources, Finance, and Community Development), public safety (Police and Fire), and Public Works. These services are supported by general City revenues such as sales taxes, property taxes, hotel taxes, and by specific program revenues such as fees.

Business-type activities include the Utility Fund (Water, Sewer, and GVMID) and the Marina Fund. Unlike governmental services, these services are supported by charges paid by users for the amount of service they use.

The government-wide financial statements can be found on pages 16 to 17 of this document.

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

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the *near-term inflows and outflow 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 fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains individual governmental funds. Information is presented separately in the Fund Financials by major funds. The General Fund is always considered a major fund while other major funds are determined by formula and may change from year to year. Data from the non-major governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the required supplementary information section of this report.

The basic governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary funds. The City of Brisbane maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide statements. The City uses enterprise funds to account for its Water and Sewer Utility Services and for its Marina. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for the management of its employee's health and retirement benefits (health, dental, fringe & OPEB), cost allocation of city-wide assets (vehicles and facility maintenance) and risk management (workers compensation and liability insurance).

Proprietary funds statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Utility and the Marina Funds which are both considered major funds.

Since the City's Internal Service Funds provide goods and services only to the City's Governmental and Business-type Activities, their activities are reported only in total at the Fund level. Internal Service Funds may not be Major Funds because their revenues are derived from other City funds. These revenues are eliminated in the Government-Wide Financial Statements and any related profits or losses are returned to the activities that created them, along with any residual net assets of the Internal Service Funds. Individual fund data for the internal service funds are provided in the form of combining statements in the required supplementary information section of this report.

The basic proprietary fund financial statements can be found on pages 26-28 of this report.

Comparison of Budget and Actual financial information is presented for the General Fund and Major Special Revenue Funds in the Required Supplementary Information. Budget and Actual financial information for non-major funds is presented in the Supplementary Information.

Fiduciary Statements. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. While these Funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. Therefore, these assets are not presented as part of the government-wide financial statements. The accounting for these funds is similar to that used for proprietary funds.

The City maintains two types of Fiduciary Funds. The Private Purpose Trust Fund is used to report resources held in trust for the Successor Agency of the Redevelopment Agency. The Agency funds report resources held by the City in a custodial capacity for individuals, private organizations and other governments.

The fiduciary fund financials can be found on pages 30-31 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 33-88 of this report.

Other supplemental information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 106-137 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table reflects a condensed Statement of Net position compared to the prior year.

Government-Wide Statement of Net Position As of June 30, (in thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current Assets	\$ 29,917	\$ 24,237	\$ 10,500	\$ 11,839	\$ 40,417	\$ 36,076
Capital assets	62,574	61,274	33,661	32,878	96,235	94,152
Other non-current assets	3,475	3,944	2,325	2,352	5,800	6,296
Total assets	<u>\$ 95,966</u>	<u>\$ 89,454</u>	<u>\$ 46,486</u>	<u>\$ 47,069</u>	<u>\$ 142,452</u>	<u>\$ 136,523</u>
Deferred Outflows	\$ 7,304	\$ 6,697	\$ 601	\$ 597	\$ 7,905	\$ 7,294
Current liabilities	\$ 6,709	\$ 5,347	\$ 2,632	\$ 1,818	\$ 9,341	\$ 7,164
Non-current liabilities	37,167	35,682	10,539	11,599	47,706	47,281
Total liabilities	<u>\$ 43,876</u>	<u>\$ 41,029</u>	<u>\$ 13,171</u>	<u>\$ 13,417</u>	<u>\$ 57,047</u>	<u>\$ 54,445</u>
Deferred Inflows	\$ 2,542	\$ 3,273	\$ 268	\$ 399	\$ 2,810	\$ 3,672
Net position:						
Net investment in capital assets,	\$ 55,503	\$ 54,100	\$ 27,156	\$ 27,898	\$ 82,659	\$ 81,998
Restricted	10,688	10,470	759	759	11,447	11,229
Unrestricted	(9,339)	(12,721)	5,733	5,194	(3,605)	(7,527)
Total net position	<u>\$ 56,853</u>	<u>\$ 51,850</u>	<u>\$ 33,648</u>	<u>\$ 33,850</u>	<u>\$ 90,501</u>	<u>\$ 85,700</u>

For more detailed information see the Statement of Net Position (page 16).

Over time, net position may serve as a useful indicator of a government's financial position. In the case of the City of Brisbane, assets and deferred outflows exceeded liabilities and deferred inflows by \$90.5 million at the close of the most recent fiscal year.

By far the largest portion of the City's net position, \$82.7 million, reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, \$11.4 million, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

As of June 30, 2021, the City is reporting a negative balance in Unrestricted net position of governmental activities as a result of the Capital Projects Fund and several Non-Major funds having a negative balance. City-wide however, there is a positive net position.

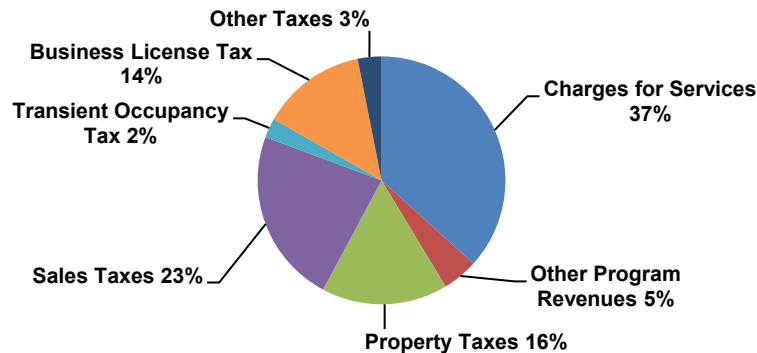
Government-wide Statement of Activities As of June 30, (in thousands)						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	\$ 12,284	\$ 10,063	\$ 8,020	\$ 8,341	\$ 20,304	\$ 18,403
Operating contributions and grants	1,054	332	-	-	1,054	332
Capital contributions and grants	507	225	-	-	507	225
Total program revenues	13,845	10,620	8,020	8,341	21,865	18,961
General revenues:						
Property taxes	5,513	4,711	34	32	5,547	4,743
Sales taxes	7,652	6,640			7,652	6,640
Transient occupancy tax	850	2,072			850	2,072
Other taxes	1,626	1,713			1,626	1,713
Total taxes	15,641	15,136	34	32	15,675	15,168
Investment earnings (loss)	288	356	(334)	(135)	(46)	221
Other revenue	1,730	756	60	60	1,790	816
Gain from sale of land held	131				131	-
Total revenues	\$ 31,636	\$ 26,868	\$ 7,780	\$ 8,298	\$ 39,416	\$ 35,166
Expenses:						
General government	\$ 11,358	\$ 9,780	\$ -	\$ -	\$ 11,358	\$ 9,780
Public safety - police	4,789	5,313	-	-	4,789	5,313
Public safety - fire	3,838	3,629	-	-	3,838	3,629
Public works	4,776	5,061	-	-	4,776	5,061
Parks and recreation	1,622	2,699	-	-	1,622	2,699
Interest on long-term debt	248	294	-	-	248	294
Water			2,235	1,975	2,235	1,975
Sewer			2,044	1,760	2,044	1,760
Guadalupe Valley Municipal Improvement District			2,388	2,217	2,388	2,217
Marina			1,317	1,715	1,317	1,715
Total expenses	\$ 26,631	\$ 26,776	\$ 7,984	\$ 7,667	\$ 34,615	\$ 34,443
Increase/decrease in net position before transfers	\$ 5,005	\$ 92	\$ (204)	\$ 630	\$ 4,801	\$ 723
Transfers	(2)	111	2	(111)	-	-
Special items			-	-	-	-
Increase/decrease in net position	5,002	203	(202)	519	4,801	723
Net position - beginning of year	51,850	51,647	33,850	33,331	85,700	84,977
Net position - end of year	\$ 56,853	\$ 51,850	\$ 33,648	\$ 33,850	\$ 90,501	\$ 85,700

Governmental activities. Program revenues generated 44% of the City's governmental revenues. The major sources of these revenues are providing services to outside agencies, redistributing the cost of governmental services to the operating departments through a cost allocation plan, and capital contribution and grants. The City's property tax revenues increased by 17%. The City will continue to receive property tax from the former redevelopment agency when the property tax is greater than the amount needed to pay recognized obligations and pass-through payments. The Sales Tax revenue increased by 15% over the prior year. Hotel taxes (transient occupancy) stayed relatively flat reflecting another year of a healthy business climate.

As would be anticipated in a government, those areas which provide the least private-good oriented services have the highest net cost. Police and Fire services are provided to the whole community and

City Council has made the decision that these services should be paid for by the community as a whole through its general taxes (Property, Sales, and others).

Resources by Source - Governmental Activities



Business-type Activities. Business-type net position accounts for 37% of the City's total net position and showed an increase over prior year.

- Program revenues decreased by 4% primarily due to the decrease in water connections and less sewer usage charges due to decrease in commercial accounts.
- Expenses increased by 4% primarily due to the increase in cost for purchase of water and sewer treatment processing, emergency repairs and increase in salary and benefit-related costs for additional Utility positions.

FINANCIAL ANALYSIS OF GOVERNMENTAL AND PROPRIETARY FUNDS

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

Governmental Funds. The focus of the City of Brisbane's governmental funds is to provide information on near-term inflow, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary uses as they represent the portion of the fund balance which has not yet been limited to use for a particular purpose by either an external party, the City itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the City Council.

At June 30, 2021, the City's Governmental Funds reported combined Fund Balances of \$23.1 million, an increase of \$4.71 million compared to last year.

Revenues from Governmental Funds increased by \$4.7 million, or 17.5%, from the prior year for a total of \$31.5 million, whereas Governmental Fund expenditures decreased by \$1.3 million for a total of \$26.7 million.

General Fund – The General Fund ended the year with a fund balance of \$17.5 million. Of this amount, \$3.9 million is nonspendable including: Encumbrances, Advances to Other Funds, and Loans

Receivables. The Unassigned portion of the Fund Balance is \$11.4 million. The General Fund's reserves still exceed the Council's policy of 50% of its expenditures in reserves.

The City's tax revenues increased by \$508 thousand, or 3.35%, over prior year, including an increase of \$802 thousand in property taxes and an increase in \$1 million in sales taxes. This was a result of increases in the number of property added at the Sierra Point Parkway, along with the healthy economy for construction and online retail continuing to increase sales tax collections, and a one-time increase in the City's allocation of the County pool of sales taxes. The transient occupancy tax continued to decrease over the year due to COVID-19 in the amount of \$1.2 million. There also was a decrease of licenses, permits and fees of \$87 thousand, over the prior year primarily due to the previous year having an increase in permits for development projects, prior year increase in recycling business license fees and collections on the liquid storage business tax after the resolution of the related legal matter, and cancellation of many park and recreation activities due to COVID-19.

General Fund expenditures decreased by \$529 thousand primarily due to a reset from increased Planning activity and support increased due to the commercial developments at Sierra Point and unexpected costs incurred due to COVID-19 in the prior year. Part of the increase was due to additional legal fees not budgeted for state matters, increases in health insurance premiums.

Low/Mod Income Housing Asset Special Revenue Fund –The City elected to become the Successor Housing Agency effective February 1, 2012. This fund represents the loans receivable for the First Time Home Buyers program, as well as a loan for the Senior Housing. At this time, income is limited for this fund. The loans from the Successor Agency may now be paid, but the amount is determined by a formula applied after all other required obligations have been paid.

Proprietary funds. The City of Brisbane's statements on proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Utility Fund – The Unrestricted net position of the Utility Fund at year end was \$5.5 million. This was a decrease of \$448 thousand as a combination of previous year's one-time charges for installation services by one of the Sierra Point developments, and the decrease in demand for water purchases and sewer treatment due to commercial temporary closures in response to COVID-19.

Marina Fund – FY20/21 saw operating income increase by \$47 thousand as berth rentals continue to pick up after the completion of the marina dredging project and the introduction of live-aboard fees for an increase of charges for services of 2%. Operating expenses dropped by 23% to \$398 thousand primarily due to change in pension and retiree cost allocations.

GENERAL FUND BUDGETARY HIGHLIGHTS

At mid-year, revenue estimates were adjusted by \$2.7 million for anticipated increases in sales taxes as the first two quarters of taxes came in higher than projected; licenses, permits and fees and charges for services were also increased as the impact of COVID-19 better understood. At mid-year, expense estimates were increased \$434 thousand to reflect the anticipated increase in plan checking and building permit work, and unexpected legal expenses related to the federal high-speed rail project. Originally, we projected the use of \$3.1 million from reserves (fund balance) to balance the budget. The estimated reduction to fund balance was reduced to \$1.2 million at mid-year. The actual revenue came in \$5.8 million over the final budget and expenses came in \$40 thousand less than budget leaving an increase to fund balance of \$5 million.

CAPITAL ASSETS

The City of Brisbane's investment in capital assets for its governmental and business-type activities as of June 30, 2021, amounts to \$96 million (net of accumulated depreciation). This investment in capital assets includes land, improvements, buildings and structures, machinery and equipment, infrastructure (streets, lighting, traffic signals), park facilities, sewer and water infrastructure (water tanks, sewer lift stations, pipes, force mains), and the marina. The total increase in the investment in capital assets for the current fiscal year was \$2.1 million. This reflects the increase of construction in progress for the library and various utility projects.

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

- Significant additions to the new Library construction project
- Improvements to local streets as part of the Safe Routes to School and Green Infrastructure Program
- Design and construction of Retaining Wall for an approximate 100-foot length of failing hillside
- Installation of Childcare Modular for recreational programs
- Significant additions to Fire Main Replacement project

Capital Assets As of June 30, (in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Non-depreciable assets:						
Land and artwork	\$ 14,488	\$ 14,443	\$ 648	\$ 648	\$ 15,135	\$ 15,090
Construction in progress	10,436	7,744	3,902	2,405	14,338	10,149
Total non-depreciable assets	24,923	22,186	4,550	3,053	29,473	25,239
Depreciable assets:						
Land improvements	6,333	6,333	12,309	12,309	18,642	18,642
Buildings and structures	17,538	17,538	9,527	9,527	27,065	27,065
Machinery and equipment	4,929	5,005	859	859	5,788	5,864
Infrastructure	31,758	31,758	32,245	32,245	64,003	64,003
Total depreciable assets	60,557	60,634	54,940	54,940	115,498	115,574
Less accumulated depreciation	(22,906)	(21,546)	(25,829)	(25,115)	(48,736)	(46,662)
Total depreciable assets, net	37,651	39,088	29,111	29,825	66,762	68,913
Total capital assets	\$ 62,574	\$ 61,274	\$ 33,661	\$ 32,878	\$ 96,235	\$ 94,152

Additional information on the City of Brisbane's capital assets can be found in Note 6 on pages 51-54 of this report.

DEBT ADMINISTRATION

Long-term debt. At the end of the current fiscal year, the City had total debt outstanding of \$16.5 million. Of this amount, \$799 thousand comprises debt backed by the full faith and credit of the government. The remaining debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

	Long-Term Debt at June 30, (in thousands)					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Pension obligation bonds	\$ 736	\$ 1,106	\$ -	\$ -	\$ 736	\$ 1,106
Revenue bonds	6,626	7,125	9,130	9,881	15,756	17,006
Energy conservation loan	63	85			63	85
Capital lease	-	-	2	30	2	30
Total	\$ 7,425	\$ 8,315	\$ 9,132	\$ 9,911	\$ 16,557	\$ 18,226

The total debt decreased by \$1.7 million during the current fiscal year. The City did not take on any new debt during this current fiscal year.

The City of Brisbane maintained an "A+" rating from Standard & Poor's.

Additional information on the City's long-term debt can be found in Note 7 pages 54-62.

ECONOMIC OUTLOOK

The City is part of the general San Francisco/Silicon Valley area which continues to see rising property values. There are a handful of businesses that make up a sizable portion of City revenues.

In addition, the City's room tax revenues are generated by the two hotels located at Sierra Point. The City works together with the Chamber of Commerce on economic development.

Brisbane has one of the largest (over 500 acres) undeveloped commercial parcels of land remaining in San Mateo County. This parcel is contiguous with the boundaries of the City/County of San Francisco and is located within seven minutes of the San Francisco International Airport. The development of this parcel is expected to take place over the next 30 years. In November 2018, Brisbane voters passed a measure that would amend the City's General Plan to allow for a range of 1,800 to 2,200 residential units and up to 7 million square feet of new commercial development. Next steps include the developer to prepare and submit the Specific Plan for the site to the City for consideration. The City will also be forming a Development Agreement between the Developer and the City. While the related economic benefits to the City from the development of this parcel cannot be estimated at this time, it is anticipated to be significant, possibly capable of providing the City with future revenues.

There are sites within City limits at Sierra Point that have been purchased by developers and developments are at different stages. One site will contain a five-building life science complex -- construction began in FY17/18 and is expected to be completed by March 2022. A second site will contain a three-building life science campus scheduled to complete construction by the end of 2023. Several additional sites were purchased by a developer who is proposing to construct additional buildings for life science. The environmental review process has been initiated and the related proposal is expected to be reviewed by the City Planning Commission and City Council in 2023. The City has been contacted by the owner of the last undeveloped site at Sierra Point with plans to construct a hotel/life science complex. With a formal proposal expected in early 2022, an environmental review and public hearings would commence in 2023.

In the November 2019 election, the City voters approved an increase in its business license tax collections with several initiatives including a tax on the cannabis industry based on gross receipts, changing methodology for the basis of tax on liquid storage tanks, and an increase on tax on recycling establishments. In January 2020, City Council established business license tax rates to be imposed on cannabis businesses in anticipation of growth in this industry within City limits.

The City made strategic decisions in response to the recession of the late 2000s that should help the City manage through the economic impact of COVID-19. This included establishing several reserves to set aside funds for specific long-term programs and unexpected expenditures to avoid significant impact to the General Fund for one-time or emergency events. Although the COVID-19 pandemic impacted every section of the state and local economy, the City continues to see increases in revenues, including sales taxes and property taxes, and is well-positioned to tap into established reserves as needed.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

The Annual Comprehensive Financial Report is intended to provide residents, taxpayers, investors, and creditors with a general overview of the City's finances. Questions about this report should be directed to the Finance Department, at 50 Park Place, Brisbane, California 94005.

<p>STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES</p>

The Statement of Net Position reports the excess of the City's total assets and deferred outflows of resources over the City's total liabilities and deferred inflows of resources, including all the City's capital assets and all its long-term debt. The Statement of Net Position summarizes the financial position of all of the City's Governmental Activities in a single column, and the financial position of all of the City's Business-Type Activities in a single column; these are followed by a total column which presents the financial position of the entire City.

The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Capital Projects and Debt Service Funds. The City's Business-Type Activities include all its Enterprise Fund activities, which includes the Utility Fund (Water, Sewer, and GVMID) and Marina Enterprise Fund.

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

CITY OF BRISBANE
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments available for operations (Note 3)	\$21,948,011	\$9,718,163	\$31,666,174
Restricted cash and investments (Note 3)	1,587,313		1,587,313
Accounts receivable	3,965,736	1,147,012	5,112,748
Taxes receivable	2,025,395	536	2,025,931
Internal balance (Note 4D)	371,320	(371,320)	
Accrued interest	13,440	5,937	19,377
Prepays	5,858		5,858
Noncurrent assets:			
Loans receivable, net (Note 5)	3,401,692	2,324,787	5,726,479
Net pension asset (Note 9)	73,251		73,251
Capital assets (Note 6):			
Non-depreciable	24,923,392	4,549,873	29,473,265
Depreciable, net	37,651,080	29,111,000	66,762,080
Total Assets	95,966,488	46,485,988	142,452,476
DEFERRED OUTFLOWS OF RESOURCES			
Pension related deferred outflows (Note 9)	5,398,388	280,082	5,678,470
OPEB related deferred outflows (Note 10)	1,905,848	320,928	2,226,776
Total Deferred Outflows of Resources	7,304,236	601,010	7,905,246
LIABILITIES			
Current liabilities:			
Accounts payable	2,790,686	731,764	3,522,450
Accrued payroll	412,869	53,232	466,101
Interest payable	48,411	97,079	145,490
Deposits	1,721,902	217,559	1,939,461
Claims payable - due within one year (Note 11)	255,596		255,596
Compensated absences - due within one year (Note 1F)	332,852	23,857	356,709
Long-term debt - due within one year (Note 7)	846,627	792,326	1,638,953
Unearned revenue	300,000	716,346	1,016,346
Noncurrent liabilities:			
Claims payable - due in more than one year (Note 11)	568,758		568,758
Compensated absences - due in more than one year (Note 1F)	998,554	71,572	1,070,126
Net pension liability (Note 9)	23,736,012	1,237,469	24,973,481
Net OPEB liability (Note 10)	5,285,271	889,992	6,175,263
Long-term debt - due in more than one year (Note 7)	6,578,398	8,340,000	14,918,398
Total Liabilities	43,875,936	13,171,196	57,047,132
DEFERRED INFLOWS OF RESOURCES			
Pension related deferred inflows (Note 9)	1,106,281	25,846	1,132,127
OPEB related deferred inflows (Note 10)	1,435,895	241,794	1,677,689
Total Deferred Inflows of Resources	2,542,176	267,640	2,809,816
NET POSITION (Note 8)			
Net investment in capital assets	55,503,447	27,155,873	82,659,320
Restricted for:			
Pension and employee benefits program	1,414,176		1,414,176
Capital projects	3,629,616	758,885	4,388,501
Debt service	1,320,548		1,320,548
Specific projects and programs	4,323,768		4,323,768
Total Restricted Net Position	10,688,108	758,885	11,446,993
Unrestricted	(9,338,943)	5,733,404	(3,605,539)
Total Net Position	\$56,852,612	\$33,648,162	\$90,500,774

See accompanying notes to financial statements

CITY OF BRISBANE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental Activities:							
General government	\$11,357,923	\$9,515,285	\$225,498		(\$1,617,140)		(\$1,617,140)
Public safety - police	4,789,177	46,127	828,882		(3,914,168)		(3,914,168)
Public safety - fire	3,837,697	1,452,954			(2,384,743)		(2,384,743)
Public works	4,776,062	952,246		\$507,247	(3,316,569)		(3,316,569)
Parks and recreation	1,621,789	317,212			(1,304,577)		(1,304,577)
Interest on long-term debt	248,480				(248,480)		(248,480)
Total Governmental Activities	26,631,128	12,283,824	1,054,380	507,247	(12,785,677)		(12,785,677)
Business-type Activities:							
Water	2,235,419	1,976,462				(\$258,957)	(258,957)
Sewer	2,043,519	1,103,897				(939,622)	(939,622)
Guadalupe Valley Municipal Improvement District	2,387,841	2,600,284				212,443	212,443
Marina	1,317,224	2,339,295				1,022,071	1,022,071
Total Business-type Activities	7,984,003	8,019,938				35,935	35,935
Total Primary Government	\$34,615,131	\$20,303,762	\$1,054,380	\$507,247	(\$12,785,677)	\$35,935	(\$12,749,742)
General revenues:							
Taxes:							
Property taxes					\$5,513,306	\$34,164	\$5,547,470
Sales taxes					7,652,028		7,652,028
Transient occupancy tax					849,788		849,788
Other taxes					1,625,964		1,625,964
Miscellaneous revenues					1,730,173		1,730,173
Investment earnings					288,367	(334,303)	(45,936)
Developer Contributions						60,000	60,000
Gain from sale of land held					130,976		130,976
Transfers (Note 4C)					(2,426)	2,426	
Total general revenues and transfers					17,788,176	(237,713)	17,550,463
Change in Net Position					5,002,499	(201,778)	4,800,721
Net Position-Beginning					51,850,113	33,849,940	85,700,053
Net Position-Ending					\$56,852,612	\$33,648,162	\$90,500,774

See accompanying notes to financial statements

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FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The funds described below were determined to be Major Funds by the City in fiscal year 2021. Individual non-major funds may be found in the Supplemental Section.

General Fund

This fund is the City's primary operating fund. It accounts for all financial resources of the general government, except for those accounted for in another fund.

Low/Mod Income Housing Assets Special Revenue Fund

This fund accounts for the activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes.

Capital Projects Fund

This fund was established to track all non-major construction and capital projects. Project budgets carryover year to year until completed.

CITY OF BRISBANE
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021

	General Fund	Low/Mod Income Housing Asset Special Revenue Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments (Note 3)	\$6,960,372	\$2,488,917		\$10,006,875	\$19,456,164
Restricted cash and investments (Note 3)	1,414,176				1,414,176
Accounts receivable, net	3,806,940			43,120	3,850,060
Interest receivable	6,413	1,348		4,626	12,387
Taxes receivable	2,001,634			23,761	2,025,395
Prepays	5,858				5,858
Due from other funds (Note 4A)	3,793,501				3,793,501
Loans receivable (Note 5)	518,750	2,882,942			3,401,692
Advances to other funds (Note 4B)	3,319,284				3,319,284
Total Assets	<u>\$21,826,928</u>	<u>\$5,373,207</u>		<u>\$10,078,382</u>	<u>\$37,278,517</u>
LIABILITIES					
Accounts payable	\$2,282,697		\$78,160	\$196,217	\$2,557,074
Accrued payroll	356,100			14,137	370,237
Due to other funds (Note 4A)			3,334,962	24,718	3,359,680
Deposits payable	1,651,993		14,395	55,514	1,721,902
Interest payable			3,881		3,881
Advances from other funds (Note 4B)			2,947,964		2,947,964
Unearned revenue				300,000	300,000
Total Liabilities	<u>4,290,790</u>		<u>6,379,362</u>	<u>590,586</u>	<u>11,260,738</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - loan receivable		\$2,882,942			2,882,942
Total Deferred Inflows of Resources		<u>2,882,942</u>			<u>2,882,942</u>
FUND BALANCES (Note 8)					
Nonspendable	3,843,892				3,843,892
Restricted	1,414,176	2,490,265		4,286,317	8,190,758
Assigned	841,666			5,325,116	6,166,782
Unassigned	11,436,404		(6,379,362)	(123,637)	4,933,405
Total Fund Balances (Deficit)	<u>17,536,138</u>	<u>2,490,265</u>	<u>(6,379,362)</u>	<u>9,487,796</u>	<u>23,134,837</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$21,826,928</u>	<u>\$5,373,207</u>		<u>\$10,078,382</u>	<u>\$37,278,517</u>

See accompanying notes to financial statements

CITY OF BRISBANE
Reconciliation of the
GOVERNMENTAL FUNDS -- BALANCE SHEET
with the
STATEMENT OF NET POSITION
JUNE 30, 2021

Total fund balances reported on the Governmental Funds Balance Sheet	\$23,134,837
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Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds	62,574,472
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ALLOCATION OF INTERNAL SERVICE FUND NET POSITION

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

Cash and investments	2,664,984
Accounts and interest receivable	116,729
Accounts payable and accrued liabilities	(233,612)
Accrued payroll	(42,632)
Due to other funds	(433,821)
Accrued claims payable	(824,354)

ACCRUAL OF NON-CURRENT REVENUES AND EXPENSES

Revenues which are unavailable on the Fund Balance Sheets because they are not available currently are taken into revenue in the Statement of Activities.	2,882,942
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LONG-TERM ASSETS AND LIABILITIES

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

Net pension asset, liability, deferred outflows and deferred inflows	(19,370,654)
Long-term debt	(7,425,025)
Net OPEB liability, deferred outflows and deferred inflows	(4,815,318)
Compensated absences	(1,331,406)
Interest payable	(44,530)

NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$56,852,612</u></u>
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See accompanying notes to financial statements

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

	General Fund	Low/Mod Income Housing Asset Special Revenue Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Taxes and special assessments	\$14,862,570			\$881,231	\$15,743,801
Intergovernmental	768,728		\$507,247	349,942	1,625,917
Licenses, permits and fees	6,655,210		330,801	2,235	6,988,246
Charges for services	3,460,765				3,460,765
Fines and forfeitures	31,264				31,264
Use of money and property	345,653	\$18,160	(22,357)	10,806	352,262
Other revenues	1,311,656		10,000	1,985,177	3,306,833
Total Revenues	27,435,846	18,160	825,691	3,229,391	31,509,088
EXPENDITURES					
Current:					
General government	7,728,274				7,728,274
Public safety - police	4,804,121				4,804,121
Public safety - fire	3,829,059				3,829,059
Public works	2,489,743	153,965		1,203,973	3,847,681
Parks and recreation	1,621,789				1,621,789
Capital outlay	88,189		3,438,566	180,190	3,706,945
Debt service:					
Principal	13,479			844,477	857,956
Interest and fiscal charges	725		5,139	247,263	253,127
Total Expenditures	20,575,379	153,965	3,443,705	2,475,903	26,648,952
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,860,467	(135,805)	(2,618,014)	753,488	4,860,136
OTHER FINANCING SOURCES (USES)					
Gain on sale of land held		130,976			130,976
Transfers in (Note 4C)	157,197		825,378	1,435,841	2,418,416
Transfers (out) (Note 4C)	(1,918,087)			(766,575)	(2,684,662)
Total Other Financing Sources (Uses)	(1,760,890)	130,976	825,378	669,266	(135,270)
NET CHANGES IN FUND BALANCES	5,099,577	(4,829)	(1,792,636)	1,422,754	4,724,866
BEGINNING FUND BALANCES	12,436,561	2,495,094	(4,586,726)	8,065,042	18,409,971
ENDING FUND BALANCES	\$17,536,138	\$2,490,265	(\$6,379,362)	\$9,487,796	\$23,134,837

See accompanying notes to financial statements

CITY OF BRISBANE
Reconciliation of the
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
with the Statement of Activities
FOR THE YEAR ENDED JUNE 30, 2021

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$4,724,866
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Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

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

The capital outlay and other capitalized expenditures are therefore added back to fund balance	2,737,211
Net retirements are deducted from the fund balance	(76,324)
Depreciation expense is deducted from the fund balance	(1,360,204)

LONG-TERM LIABILITIES

Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.

Repayments of debt principal and interest are added back to fund balance	857,956
Pension related expenses	(1,790,342)
OPEB related expenses	937,150

ACCRUAL OF NON-CURRENT ITEMS

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

Amortization of bond discount	(3,446)
Accrued interest on long-term debt	8,093
Compensated absences	(173,979)

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds.

The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Position - All Internal Service Funds	<u>(858,482)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$5,002,499</u></u>
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See accompanying notes to financial statements

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PROPRIETARY FUNDS

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

The concept of major funds established by GASB Statement 34 extends to Proprietary Funds. The City has identified the funds below as major enterprise funds in fiscal 2021.

GASB 34 does not provide for the disclosure of budget vs. actual comparison regarding proprietary funds that are major funds.

Utility Fund is comprised of the following services:

Water

Represents expenses incurred in the purchase and distribution of water to City residents and businesses; water users support this activity through payment of water billings which are rendered based on read meters.

Sewer

Represents expenses incurred in the collection and pumping of sewage waste to the City of San Francisco Sewer Treatment Plant where it is treated and discharged to the bay; sewer users support this activity through payment of sewer service billings.

Guadalupe Valley Municipal Improvement District

Represents expenses related to providing water, sewer, and other municipal services to businesses and residents located within the district boundaries. Revenues to support this activity are derived from property taxes, water, and sewer billings and special assessments.

Marina Enterprise Fund

This fund accounts for expenses incurred in the operation and maintenance of a boat harbor and marina; berth rentals provide the source of revenue to support this activity.

Internal Service Funds

These funds are used to account for interdepartmental operations where it is the stated intent that costs of providing services to the departments of the City on a continuing basis be financed or recovered primarily by charges to the user departments.

CITY OF BRISBANE
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2021

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Utility	Marina	Totals	
ASSETS				
Current Assets:				
Cash and investments (Note 3)	\$7,656,890	\$2,061,273	\$9,718,163	\$2,491,847
Restricted cash and investments (Note 3)				173,137
Accounts receivable, net	1,076,741	70,271	1,147,012	115,676
Taxes receivable	536		536	
Interest receivable	3,660	2,277	5,937	1,053
Total Current Assets	8,737,827	2,133,821	10,871,648	2,781,713
Noncurrent Assets:				
Loans receivable (Note 5)		2,324,787	2,324,787	
Capital assets (Note 6):				
Non-depreciable	4,549,823	50	4,549,873	
Depreciable, net	23,389,739	5,721,261	29,111,000	
Total Noncurrent Assets	27,939,562	8,046,098	35,985,660	
Total Assets	36,677,389	10,179,919	46,857,308	2,781,713
DEFERRED OUTFLOWS				
Deferred outflows related to pensions (Note 9)	196,057	84,025	280,082	
Deferred outflows related to OPEB (Note 10)	72,975	247,953	320,928	
Total Deferred Outflows	269,032	331,978	601,010	
LIABILITIES				
Current Liabilities:				
Accounts payable	699,185	32,579	731,764	233,612
Due to other funds (Note 4A)				433,821
Accrued payroll	36,601	16,631	53,232	42,632
Interest payable	82,296	14,783	97,079	
Accrued claims payable (Note 11)				255,596
Compensated absences (Note 1F)	17,621	6,236	23,857	
Bonds payable due within one year (Note 7)	385,000	407,326	792,326	
Deposits	22,679	194,880	217,559	
Unearned revenue	716,346		716,346	
Total Current Liabilities	1,959,728	672,435	2,632,163	965,661
Noncurrent Liabilities:				
Compensated absences due in more than one year (Note 1F)	52,863	18,709	71,572	
Accrued claims payable (Note 11)				568,758
Advances from other funds (Note 4B)		371,320	371,320	
Bonds payable due in more than one year (Note 7)	6,120,000	2,220,000	8,340,000	
Net pension liability (Note 9)	866,229	371,240	1,237,469	
Net OPEB liability (Note 10)	202,366	687,626	889,992	
Total Noncurrent Liabilities	7,241,458	3,668,895	10,910,353	568,758
Total Liabilities	9,201,186	4,341,330	13,542,516	1,534,419
DEFERRED INFLOWS				
Deferred inflows related to pensions (Note 9)	18,092	7,754	25,846	
Deferred inflows related to OPEB (Note 10)	54,979	186,815	241,794	
Total Deferred Inflows	73,071	194,569	267,640	
NET POSITION (Note 8)				
Net investment in capital assets	21,434,562	5,721,311	27,155,873	
Restricted for capital projects	758,885		758,885	
Unrestricted	5,478,717	254,687	5,733,404	1,247,294
Total Net Position	\$27,672,164	\$5,975,998	\$33,648,162	\$1,247,294

See accompanying notes to financial statements

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

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Utility	Marina	Totals	
OPERATING REVENUES				
Charges for services	\$5,680,643	\$2,328,640	\$8,009,283	\$1,381,547
Other revenues		10,655	10,655	50,678
Total Operating Revenues	5,680,643	2,339,295	8,019,938	1,432,225
OPERATING EXPENSES				
Cost of sales and services	3,363,436	557,525	3,920,961	23,364
General and administrative	2,704,896	644,241	3,349,137	1,618,524
Depreciation	598,447	115,458	713,905	
Other expenses				908,628
Total Operating Expenses	6,666,779	1,317,224	7,984,003	2,550,516
Operating Income (Loss)	(986,136)	1,022,071	35,935	(1,118,291)
NONOPERATING REVENUES (EXPENSES)				
Taxes and assessments	34,164		34,164	
Investment income	5,666	4,819	10,485	(4,011)
Interest expense	(255,649)	(89,139)	(344,788)	
Total Nonoperating Revenues (Expenses)	(215,819)	(84,320)	(300,139)	(4,011)
Income (Loss) Before Contributions and Transfers	(1,201,955)	937,751	(264,204)	(1,122,302)
Developer Contributions	60,000		60,000	
Transfers in (Note 4C)	66,246		66,246	263,820
Transfers out (Note 4C)	(58,228)	(5,592)	(63,820)	
Net transfers	68,018	(5,592)	62,426	263,820
Change in net position	(1,133,937)	932,159	(201,778)	(858,482)
BEGINNING NET POSITION	28,806,101	5,043,839	33,849,940	2,105,776
ENDING NET POSITION	\$27,672,164	\$5,975,998	\$33,648,162	\$1,247,294

See accompanying notes to financial statements

CITY OF BRISBANE
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2021

	Business-type Activities-Enterprise Funds			Governmental Activities- Internal Service Funds
	Utility	Marina	Totals	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$6,417,977	\$2,321,820	\$8,739,797	\$1,501,580
Cash payments to suppliers	(6,024,132)	(1,551,217)	(7,575,349)	(2,582,072)
Cash Flows from Operating Activities	393,845	770,603	1,164,448	(1,080,492)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Taxes and assessments	34,874		34,874	
Due to other funds				45,475
Advances from other funds		27,013	27,013	
Transfers in	66,246		66,246	263,820
Transfers (out)	(58,228)	(5,592)	(63,820)	
Cash Flows from Noncapital Financing Activities	42,892	21,421	64,313	309,295
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of property, plant and equipment	(1,496,723)		(1,496,723)	
Principal payment of debt	(360,000)	(418,913)	(778,913)	
Interest paid	(262,395)	(95,429)	(357,824)	
Developer contributions	60,000		60,000	
Cash Flows from Capital and Related Financing Activities	(2,059,118)	(514,342)	(2,573,460)	
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest paid				(2,782)
Investment income receipts	15,895	11,215	27,110	2,596
Cash Flows from Investing Activities	15,895	11,215	27,110	(186)
Net Cash Flows	(1,606,486)	288,897	(1,317,589)	(771,383)
Cash and investments at beginning of period	9,263,376	1,772,376	11,035,752	3,436,367
Cash and investments at end of period	\$7,656,890	\$2,061,273	\$9,718,163	\$2,664,984
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:				
Operating income (Loss)	(\$986,136)	\$1,022,071	\$35,935	(\$1,118,291)
Adjustments to reconcile operating income (Loss) to cash flows from operating activities:				
Depreciation	598,447	115,458	713,905	
Change in assets, deferred outflows, liabilities and deferred inflows:				
Accounts receivable	20,988	(17,475)	3,513	(70,654)
Accounts payable and accrued liabilities	89,525	(8,791)	80,734	191,846
Accrued payroll	7,069	3,771	10,840	(32,224)
Accrued claims payable				(51,169)
Compensated absences	(6,356)	1,938	(4,418)	
Deposits	8,340	(1,124)	7,216	
Deferred revenue	716,346		716,346	
Net pension liability, deferred inflows and deferred outflows	(18,495)	(223,320)	(241,815)	
Net OPEB liability, deferred inflows and deferred outflows	(35,883)	(121,925)	(157,808)	
Cash Flows from Operating Activities	\$393,845	\$770,603	\$1,164,448	(\$1,080,492)

See accompanying notes to financial statements

FIDUCIARY FUNDS

Fiduciary funds are presented separately from the Government-wide and Fund financial statements. The City had the following types of fiduciary funds in fiscal year 2021:

Private Purpose Trust Fund

This fund is used to account for resources legally held in trust for special purposes.

Custodial Funds

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

CITY OF BRISBANE
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2021

	Successor Agency Private-Purpose Trust Fund	Custodial Funds
ASSETS		
Cash and investments (Note 3)		\$1,117,514
Restricted cash and investments with fiscal agents (Note 3)	\$527,740	
Accounts receivable, net		88,811
Interest receivable		62
Taxes receivable	1,438,277	
	<u>1,966,017</u>	<u>1,206,387</u>
Total Assets	<u>1,966,017</u>	<u>1,206,387</u>
DEFERRED OUTFLOW OF RESOURCES		
Deferred charges on refunding (Note 14)	1,474,677	
	<u>1,474,677</u>	
Total Deferred Outflow of Resources	<u>1,474,677</u>	
LIABILITIES		
Accounts payable	11,891	150,654
Deposits payable		2,220,627
Interest payable	139,121	
Loans payable to City (Note 14B)	2,295,996	
Long Term Debt (Note 14B):		
Due within one year	1,450,000	
Due in more than one year	6,615,000	
	<u>10,512,008</u>	<u>2,371,281</u>
Total Liabilities	<u>10,512,008</u>	<u>2,371,281</u>
NET POSITION		
Restricted for:		
Held in trust for private-purpose	(7,071,314)	
Organizations and other governments		(1,164,894)
	<u>(7,071,314)</u>	<u>(1,164,894)</u>
Total Net Position	<u><u>(\$7,071,314)</u></u>	<u><u>(\$1,164,894)</u></u>

See accompanying notes to financial statements

CITY OF BRISBANE
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

	Successor Agency Private-Purpose Trust Fund	Custodial Funds
	<hr/>	<hr/>
ADDITIONS		
Charges for services	\$2,325,582	
Investment income	(237)	(\$2,456)
Other revenue		163,388
	<hr/>	<hr/>
Total additions	2,325,345	160,932
	<hr/>	<hr/>
DEDUCTIONS		
General government	22,000	
Interest and fiscal charges	621,300	
Professional services		443,354
Administrative charges		174,992
Payments to bondholders		539,261
	<hr/>	<hr/>
Total deductions	643,300	1,157,607
	<hr/>	<hr/>
CHANGES IN NET POSITION	1,682,045	(996,675)
	<hr/>	<hr/>
BEGINNING NET POSITION (DEFICIT), AS RESTATE (NOTE 1N)	(8,753,359)	(168,219)
	<hr/>	<hr/>
ENDING NET POSITION (DEFICIT)	(\$7,071,314)	(\$1,164,894)
	<hr/>	<hr/>

See accompanying notes to financial statements

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CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
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The City was incorporated on November 27, 1961, under the General Laws of the State of California and enjoys all the rights and privileges pertaining to such “General Law” cities. The City uses the City Council/Manager form of government. The financial reporting entity consists of (a) the primary government, the City, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

The financial statements and accounting policies of the City conform with generally accepted accounting principles applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. *Reporting Entity*

The accompanying basic financial statements present the financial activity of the City, which is the primary government presented, along with the financial activities of its component units, which are entities for which the City is financially accountable. Although they are separate legal entities, blended component units are in substance part of the City’s operations and are reported as an integral part of the City’s financial statements. The term City, as used in this report, refers to the City and its component units as a consolidated entity. The City’s component units, which are described below, are all blended.

- Brisbane Public Financing Authority (Authority)
- Guadalupe Valley Municipal Improvement District (District)
- Brisbane – Guadalupe Valley Municipal Improvement District Finance Authority (B/GVM District)

Brisbane Public Financing Authority was formed on April 8, 1991, by and between the City and the former Redevelopment Agency (Agency) of the City. The Authority was created for the purpose of providing financing of public capital improvements for the City and the Former Agency. The Authority has the power to issue bonds to pay the cost of any public capital improvement. The Authority has no independent staff and consequently is dependent upon the City’s officers and employees. The Governing Board of the Authority is comprised of the members of the City Council of the City and the members of the Board of the Former Agency.

Guadalupe Valley Municipal Improvement District was formed as an enterprise activity in May 1990. The purpose of the District is to provide capital and infrastructure improvements to residents of the area. The members of the City Council act as the governing body of the District.

Brisbane – Guadalupe Valley Municipal Improvement District Finance Authority was formed as a financing activity in September 2014. The purpose of the B/GVM District is to provide a financing mechanism for residents of the area. The members of the City Council act as the governing body of the B/GVM District.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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B. Basis of Presentation

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

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

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

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

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

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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C. Major Funds

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

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

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

General Fund - The General Fund is established to account for the revenues and expenditures to carry out basic governmental activities of the City such as general government, public safety, parks and recreation and public works. This fund accounts for all financial transactions not accounted for in the other funds.

Low/Mod Income Housing Assets Special Revenue Fund - This fund accounts for the activities related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes.

Capital Projects Fund - This fund was established to track all non-major construction and capital projects. Project budgets carryover year to year until completed.

The City reported all of its enterprise funds as major funds:

Utility Enterprise Fund - This fund accounts for revenues and expenses incurred for the water, sewer and Guadalupe Valley Municipal Improvement District.

Marina Enterprise Fund - This fund accounts for expenses incurred in the operation and maintenance of a boat harbor and marina; berth rentals provide the source of revenue to support this activity.

Internal Service Funds account for activities related to dental self-insurance, fringe benefits, flexible benefits, workers' compensation, general liability, vehicle replacement, facilities maintenance and other post-employment benefits (OPEB).

Fiduciary Funds financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent custodial funds and private-purpose trust funds and are accounted for using the "economic resources" measurement focus. The private-purpose trust funds are used to account for resources legally held in trust for special purposes. The Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Both types of the funds are accounted for using accrual basis of accounting.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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D. *Basis of Accounting*

The government-wide and proprietary fund financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental acquisitions are reported as *expenditures* in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are property, sales, transient occupancy and franchise taxes, special assessments, licenses for services and interest revenue. Fines, permits, and charges for services are not susceptible to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which the City gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The City may fund programs with a combination of cost-reimbursement grants, categorical block grants, and general revenues. Thus, both restricted and unrestricted net position may be available to finance program expenditures. The City's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

Certain indirect costs are included in program expenses reported for individual functions and activities.

E. *Interest Payable*

In the Government-Wide Financial Statements, interest payable of long-term debt is recognized as the liability is incurred.

In the fund financial statements, proprietary fund types recognize the interest payable when the liability is incurred.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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F. *Compensated Absences*

The City's compensated absences include regular vacation, compensatory time-off, and personal leave. Employees earn varying amounts of vacation depending upon continuous tenure with the City. Use of vacation may be deferred to the following year, but the total amount of vacation may not exceed two years annual accrual without City Manager approval. Vested compensated absence amounts are payable upon the employee's separation from employment. Compensated absences for governmental activities are recorded as current and non-current in the Government-Wide Financial Statements. For proprietary funds, current and non-current liabilities for compensated absences are recorded as expenses in the Government-Wide Financial Statements and the Fund Financial Statements.

The change in compensated absences was as follows at June 30, 2021:

	Governmental Activities	Business-Type Activities	Total
Beginning Balance	\$1,157,427	\$99,847	\$1,257,274
Additions	694,413	70,252	764,665
Payments	(520,434)	(74,670)	(595,104)
Ending Balance	<u>\$1,331,406</u>	<u>\$95,429</u>	<u>\$1,426,835</u>
Current Portion	<u>\$332,852</u>	<u>\$23,857</u>	<u>\$356,709</u>
Non-current Portion	<u>\$998,554</u>	<u>\$71,572</u>	<u>\$1,070,126</u>

G. *Property Taxes*

Under California law, secured property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the cities based on complex formulas.

Lien Date	January 1
Levy Date	July 1
Due Date	November 1 and February 1
Collection Date	December 10 and April 10

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the "alternate method of property tax distribution," known as the Teeter Plan, by the City and the County of San Mateo. The Teeter Plan authorizes the Auditor/Controller of the County of San Mateo to allocate 100% of the secured property taxes billed, but not yet paid.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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H. *Use of Estimates*

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenses. Actual results could differ from these estimates and assumptions.

I. *Deferred Outflows/Inflows of Resources*

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

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

J. *Pensions*

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

K. *Other Post-Employment Benefits Other than Pensions*

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense and information about the fiduciary net position of the City Retiree Benefits Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefits payments when due and payable in accordance with benefit terms. Investments are reported at fair value.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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L. Fair Value Measurements

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

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

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

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

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

M. New Funds

During fiscal year ended June 30, 2021, the City created the Habitat Conservation and SB1 Road Maintenance and Rehabilitation Special Revenue Funds.

N. New Governmental Accounting Standards Board Statement Implementation

GASB 84 – *Fiduciary Activities* - In January 2017, GASB issued GASB Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. The provisions of this Statement were implemented during fiscal year 2021.

As part of the implementation of this Statement, it was determined that the activities of the Other Post-Employment Benefit Trust should no longer be reported in the OPEB Trust Fund, since the City does not have control of the assets of the PARS OPEB Plan as a whole. Therefore, the OPEB Trust Fund is no longer reported in the financial statements as of July 1, 2020. In addition, it was determined that the Agency Funds be accounted for and reported as Custodial Funds, which required the restatements of beginning net position of the funds as follows:

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Funds	Restatement Amount
Custodial Funds:	
Developer Deposits Fund	(\$747,966)
Other Custodial Funds	1,635
Northeast Ridge Assessment District 2013 Refunding Bonds Fund	576,199
Peninsula Corridor Electrification Project Fund	1,660
San Mateo County Training Consortium Fund	253

In addition, the City early implemented GASB Statement No. 98 – *The Annual Comprehensive Financial Report*, which changed the name of the Comprehensive Annual Financial Report to Annual Comprehensive Financial Report.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

A. Budgeting Procedures

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. A City Council goal setting session is scheduled to determine the major objectives of the City's financial plan for the year. Goals are approved by the Council and incorporated into a detailed preliminary budget, which is issued for public comment. After a series of public hearings, the budget is adopted by the City Council prior to the beginning of the ensuing fiscal year (July 1).
2. The Administrative Services Director is authorized to transfer budgetary amounts within a single fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
3. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for the General Fund, certain special revenue funds, and the debt service funds. The Fire Training, Contract Employees, Tree Plant and Habitat Conservation Special Revenue Funds are special revenue funds with single focus purpose that when needed are approved by City Council or part of an existing contract and therefore did not have adopted budgets for the fiscal year. The capital projects funds did not have adopted budgets for the fiscal year, but all capital projects are approved by City Council prior to commitment. The legal level of budgetary control is the fund level.
4. Budgets for those governmental funds budgeted are adopted on a basis consistent with GAAP.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING (Continued)

5. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2021, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
6. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and reappropriated amounts for prior year encumbrances. These necessary supplemental appropriations were immaterial in relation to the budget as originally adopted. The Administrative Services Director must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications.
7. Appropriations lapse at the end of the fiscal year to the extent they have not been expended or encumbered and then are rebudgeted for the coming year.

B. *Encumbrances*

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders and contracts) outstanding at year-end are recorded. The commitments will be reappropriated and honored in the subsequent year.

C. *Expenditures in Excess of Appropriations*

The following funds had expenditures in excess of appropriations:

Fund	Amount
Special Revenue Funds:	
Low and Moderate Income Housing Asset	\$153,965
NPDES	12,281
Debt Service Fund:	
2006 Pension Obligation Bonds	2,562
Brisbane-Guadalupe Valley Municipal Improvement	
District Public Financing Authority	2,423

The funds had sufficient fund balances or revenues to finance these expenditures.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 3 – CASH & INVESTMENTS

The City invests all funds, except cash with fiscal agents, in investment pools. The goal is to invest at the maximum yield, consistent with safety and liquidity, while individual funds can process payments for expenditures at any time. The City's investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

A. *Classification*

Cash and investments as of June 30, 2021, are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or agency agreements.

Cash and investments available for operations	\$31,666,174
Restricted cash and investments with fiscal agent	<u>1,587,313</u>
Total City Cash and Investments	<u>33,253,487</u>
Cash and investments in Fiduciary Funds	1,117,514
Restricted cash and investments in Fiduciary Funds	<u>527,740</u>
Total Fiduciary Cash and Investments	<u>1,645,254</u>
Total Cash and Investments	<u><u>\$34,898,741</u></u>

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

B. *Authorized Investments by the City*

The City's Investment Policy and the California Government Code allow the City to invest in the following, provided the credit ratings are acceptable of the issuers are acceptable to the City. The following also identifies certain provisions of the City and California Government Code that address interest rate risk, credit risk, and concentration of credit risk. This does not address the City's investments of debt proceeds held by fiscal agents that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the Entity's investment policy.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum Allowed in Portfolio	Maximum Investment in One Issuer
California Local Agency Investment Fund	N/A	None	None	\$75 million
Negotiable Certificates of Deposit	5 years	None	30%	15%
Time Certificates of Deposit	N/A	None	30%	15%
Bankers Acceptances	180 days	None	40%	15%
Commercial Paper	270 days	A-1	25%	15%
Government Agency Securities	5 years	None	None	None
Treasury Bonds, Bills, and Notes	5 years	None	None	None
Medium-Term Corporate Notes	5 years	A	30%	15%
Mutual Funds	5 years	None	20%	15%

C. Authorized Investments by Debt Agreements

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City ordinances, bond indentures or State statutes. The following identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain permitted investments of these debt agreements:

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
Treasury Bonds, Bills, and Notes	5 years	None
Government Agency Securities	5 years	None
Bankers Acceptances	180 days	None
Repurchase Agreements	30 days	N/A
Money Market Mutual Funds	N/A	AAAm
Commercial Paper	270 days	A-1
Negotiable Certificates of Deposit	5 years	None
California Local Agency Investment Fund	N/A	None
Time Certificates of Deposit	N/A	None
Medium-Term Corporate Notes	5 years	AA
Mutual Funds	5 years	None

There are no restrictions on the maximum amount invested in each security type or a maximum that can be invested in any one issuer.

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates.

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

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)

Investment Type	Investment Maturities		Total
	12 months or less	13 to 48 months	
Time Certificates of Deposit:			
Goldman Sachs Bank		\$261,619	\$261,619
Comenity Bank		258,739	258,739
Capital One Bank	\$251,905		251,905
Morgan Stanley Bank	250,389	255,632	506,021
Sallie Mae Bank	249,994		249,994
Wells Fargo Bank	251,986		251,986
Money Market Mutual Funds	9,318,908		9,318,908
Local Agency Investment Fund	14,042,196		14,042,196
Total Investments	<u>\$24,365,378</u>	<u>\$775,990</u>	25,141,368
		Cash in banks and on hand	<u>9,757,373</u>
		Total Cash and Investments	<u>\$34,898,741</u>

E. 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 policy, or debt agreements and the actual rating as of June 30, 2021, for each investment type:

Investment Type	Aaa/AAAm	Not Rated	Total
Money Market Mutual Funds	\$9,318,908		\$9,318,908
Local Agency Investment Fund		\$14,042,196	14,042,196
Time Certificates of Deposit		1,780,264	1,780,264
Total Investments	<u>\$9,318,908</u>	<u>\$15,822,460</u>	25,141,368
		Cash in banks and on hand	<u>9,757,373</u>
		Total Cash and Investments	<u>\$34,898,741</u>

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)
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F. Custodial Credit Risk

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 or will not be able to recover collateral securities that are in the possession of an outside party. Under California Government Code Section 53651, depending on specific types of eligible securities, a bank must deposit eligible securities posted as collateral with its Agent having a fair value of 105% to 150% of the City's cash on deposit. All of the City's deposits are either insured by the Federal Depository Insurance Corporation (FDIC) or collateralized with pledged securities held in the trust department of the financial institutions in the City's name.

G. Local Agency Investment Fund

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the fair value amount provided by LAIF. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligation, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, and corporations. At June 30, 2021, these investments matured in an average of 291 days.

H. Cash, Cash Equivalents, and Investments

Each proprietary fund's portion of Cash and Investments is in substance a demand deposit available to finance operations and is considered a cash equivalent in preparing the statement of cash flows.

In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

Market value is used as fair value for those securities for which market quotations are readily available.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)

I. Fair Value Hierarchy

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

The following is a summary of the fair value hierarchy of the fair value of investments of the City as of June 30, 2021:

	Level 2	Total
Investments by Fair Value Level:		
Time Certificates of Deposit	\$1,780,264	\$1,780,264
Total	<u>\$1,780,264</u>	1,780,264
Investments Measured at Amortized Cost:		
Money Market Mutual Funds		7,904,731
Held by Trustee:		
Money Market Mutual Funds		1,414,177
Investments Exempt from Fair Value Hierarchy:		
Local Agency Investment Fund		<u>14,042,196</u>
Total Investments		<u>\$25,141,368</u>

The Time Certificates of Deposits totaling \$1.8 million is classified in Level 2 of the fair value hierarchy, are valued using quoted prices for a non-active market portfolio at fiscal year-end. Fair value is defined as the quoted market value on the last trading day of the period. These prices are obtained from various pricing sources by the custodian bank.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 4 – INTERFUND TRANSACTIONS

A. Due To/From Other Funds

All due to/from other funds represent temporary loans from the General Fund to cover cash flow shortfalls and are expected to be repaid shortly after the end of the fiscal year.

At June 30, 2021, the City had the following due to/from other funds:

Due from Fund:	Due to Fund:			Amount
	Capital Projects Fund	Non-Major Governmental Funds	Internal Service Funds	
General Fund	\$3,334,962	\$24,718	\$433,821	\$3,793,501
Total	\$3,334,962	\$24,718	\$433,821	\$3,793,501

B. Advances To/From Other Funds

At June 30, 2021, the City had the following advances to/from other funds:

From Fund:	To Fund:		Amount
	Capital Projects Fund	Marina Enterprise Fund	
General Fund	\$2,947,964	\$371,320	\$3,319,284
Total	\$2,947,964	\$371,320	\$3,319,284

In March 2013, the City approved an advance from the General Fund to the Capital Improvement Fund in the amount of \$850,000. It was issued for the purpose of financing a property purchase from the Brisbane Housing Authority. The term of the advance is ten years. It bears interest at 1.89% annually and payments are due each March 1 in the amount of \$94,084. In fiscal year 2018, the City approved another advance from the General Fund to the Capital Improvement Fund in the amount of \$3,615,000. It was issued for the purpose of financing a new public library. The balance of the advance as of June 30, 2021 was \$2,947,964.

In fiscal year 2015 and 2018, the City approved an advance of \$117,929 and \$253,391 respectively, from the General Fund to the Marina Enterprise Fund for dredging. The balance of the advance as of June 30, 2021 was \$371,320.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 4 – INTERFUND TRANSACTIONS (Continued)

C. Transfers In/Out

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

	Transfers In					Total
	General Fund	Capital Projects Fund	Non-Major Governmental Funds	Utility Enterprise Fund	Internal Service Fund	
Transfers Out						
General Fund		\$216,000	\$1,435,841	\$66,246	\$200,000	\$1,918,087
Non-Major Governmental Funds	\$157,197	609,378				766,575
Enterprise Fund:						
Utility					58,228	58,228
Marina					5,592	5,592
Total	\$157,197	\$825,378	\$1,435,841	\$66,246	\$263,820	\$2,748,482

Transfers out from the General Fund, Special Revenue Funds, Utility Enterprise Fund, and the Marina Enterprise Fund were for debt service payments.

Transfers into the Internal Service funds were for reimbursement of retirement payments and to initiate the Facilities Maintenance Fund.

Transfers out from the Internal Service funds were for the unused portion of flexible benefits that returned to the General Fund at the end of the year.

D. Internal Balances

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

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 5 – LOANS RECEIVABLE

At June 30, 2021, the City had the following loans receivable:

	Balance June 30, 2020	Deletions	Balance June 30, 2021
Governmental Funds:			
Loan to Administrative Services Director	\$318,750		\$318,750
Loan to City Manager	200,000		200,000
Bridge Housing Corporation Loan	2,336,086		2,336,086
First Time Home Buyers	546,856		546,856
Loans to Successor Agency	33,108	(\$33,108)	
	<u>3,434,800</u>	<u>(33,108)</u>	<u>3,401,692</u>
Proprietary Funds:			
Loan to City Engineer/Director of Public Works	55,804	(27,013)	28,791
Loan to Successor Agency	2,295,996		2,295,996
	<u>2,351,800</u>	<u>(27,013)</u>	<u>2,324,787</u>
Total	<u>\$5,786,600</u>	<u>(\$60,121)</u>	<u>\$5,726,479</u>

- A.** On April 1, 2002, the City made a loan to the Administrative Services Director in the amount of \$318,750 for the purchase of a home. The entire principal balance together with payment of the “equity sharing amount” is due and payable immediately upon any sale or transfer of the property, except for a transfer of legal title for estate planning purposes to a revocable living trust for which the borrower is trust or and trustee. The loan is secured by the deed of trust.
- B.** On September 10, 2008, the City modified the City Manager loan agreement for an additional \$200,000. The additional amount, together with the payment of the “equity sharing amount” is due and payable upon any sale or transfer of the property without the prior written consent of the City (except for the transfer of legal title for estate planning purposes to a revocable living trust of which borrowers are the trustors and trustee), or eighteen months after the effective date of termination of City Manager’s employment with the City.
- C.** In 1999, the Bridge Housing Corporation entered into a loan agreement with the former Redevelopment Agency (now housing successor) for an amount not to exceed \$2,500,000. The obligation to repay the loan is evidenced by a promissory note. The terms of the note provide that Bridge Housing Corporation make repayments to the extent of surplus cash. Annual payments are due and payable in arrears no later than June 1 each year with respect to the previous calendar year, and shall be accompanied by the developer’s report of surplus cash. As of June 30, 2021, the balance of the loan was \$2,336,086.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 5 – LOANS RECEIVABLES (Continued)

D. The former Agency (now housing successor) has provided various loan programs for First Time Homebuyers. In general, they provide secondary financing for low and moderate buyers in the City. The loans have deferred payments in order to allow the buyers to maximize their purchasing capacity. Payment of principal and interest is due upon sale of property. Units are sold at market value and the former Agency also receives as payment a share of the appreciation based on the percentage of the former Agency loan to original purchase price. The former Agency has first right of refusal to purchase unit to roll over to new eligible buyer.

E. *City Loans to Successor Agency*

General Fund - During the fiscal year ending June 30, 2000, the former Agency approved an interfund advance authorizing the Community Redevelopment Special Revenue Fund to borrow \$1,293,108 from the Low and Moderate Income Housing Fund to cover the operating shortfall of RDA #2 through fiscal year 2000. The loan bears no interest rate and is repayable as a Recognized Obligation of the Successor Agency. The loan was repaid in fiscal year 2021.

The Marina Enterprise Fund had recorded a loan receivable in the amount of \$2,295,996 from the Successor Agency Private Purpose Trust Fund. The loan will be paid from future redevelopment property tax trust fund (RPTTF) distribution revenue from the County. The loan comprises of the following:

On March 1, 2001, the former Agency issued \$15,000,000 of Brisbane Community Redevelopment Project Area #1 2001 Tax Allocation Bonds (2001 Tax Allocation Bonds) to refund the 1984 Tax Allocation Bonds and to satisfy the former Agency's obligation under the 1984 Lease/Leaseback agreement (Deferred Rent Payable). A portion of the proceeds of the 1984 Tax Allocation Bonds were used to build the Marina.

Concurrently, the former Agency and the Authority also entered into a bond purchase contract (Contract) on March 1, 2001. According to the Contract, the Authority issued Brisbane Public Financing Authority (BPFA) 2001 Revenue Bonds, Series A in the amount of \$26,300,000 to acquire the Bonds.

As part of the funding for this debt, the former Agency provided an equity contribution of \$295,996 to be placed in an Escrow Fund along with the proceeds of the former Agency Bonds. The City contributed \$2,000,000 towards the purchase of the 2001 Tax Allocation Bonds.

Therefore, prior to fiscal 2015, a total of \$2,295,996 was recorded as an advance from the Marina Fund to the BPFA 2001 Revenue Bonds Series A Debt Service Fund which in turn advanced the amount to the former Agency. The advance was to be paid from future tax increment of the former Agency after the bonds have matured. With the dissolution of the Agency effective February 1, 2012, the Successor Agency assumed the obligation to repay the advance above.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 5 – LOANS RECEIVABLE (Continued)

In fiscal year 2014, the City unwound the advance from the Marina Fund (formerly the Parks and Recreations Enterprise Fund) to the BPFA 2001 Revenue Bonds Series A Debt Service Fund and the loan receivable from the BPFA 2001 Revenue Bonds Series A Debt Service Fund to the former Agency. As of June 30, 2021, the Successor Agency recorded a loan payable in the amount of \$2,295,996 and the City Marina Enterprise Fund recorded a loan receivable in the amount of \$2,295,996.

- F.* On October 22, 2001, the City made a loan to the City Engineer/Director of Public Works in the amount of \$320,000 for the purchase of a home. The entire principal balance together with payment of the “equity sharing amount” is due and payable immediately upon any sale or transfer of the property, except for a transfer of legal title for estate planning purposes to a revocable living trust for which borrower is trustor and trustee. The loan is secured by the Deed of Trust. On October 1, 2005, the City modified the agreement to include interest in the amount of \$45,479. As of June 30, 2021, the balance of the loan was \$28,791.

NOTE 6 – CAPITAL ASSETS

Capital assets, which include land, buildings, improvements, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities in the Government-Wide Financial Statements. Capital assets are recorded at historical cost or estimated historical cost if actual cost is not available. Gifts or contributions of capital assets are recorded at fair market value when received. City policy has set the capitalization threshold for reporting capital assets at the following:

General Capital Assets	\$5,000
Infrastructure Capital Assets	25,000

Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Buildings and structures	65 years
Machinery and equipment	5 – 20 years
Infrastructure	50 – 65 years
Improvements other than buildings	20 – 59 years
Water distribution and sewer collection	65 years

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 6 – CAPITAL ASSETS (Continued)

Changes in capital assets during the year ended June 30, 2021 comprise of the following:

	Balance at June 30, 2020	Additions	Retirements	Balance at June 30, 2021
Governmental activities				
Non-depreciable capital assets:				
Land	\$14,437,157	\$45,000		\$14,482,157
Artwork	5,500			5,500
Construction in progress	7,743,524	2,692,211		10,435,735
Total non-depreciable capital assets	22,186,181	2,737,211		24,923,392
Capital assets being depreciated:				
Land Improvements	6,332,993			6,332,993
Building and Structures	17,537,741			17,537,741
Machinery and Equipment	5,005,011		(\$76,324)	4,928,687
Infrastructure	31,758,104			31,758,104
Total capital assets, depreciable	60,633,849		(76,324)	60,557,525
Less accumulated depreciation:				
Capital assets being depreciated:				
Land Improvements	(2,326,705)	(160,967)		(2,487,672)
Building and Structures	(5,832,073)	(343,715)		(6,175,788)
Machinery and Equipment	(2,964,817)	(303,569)		(3,268,386)
Infrastructure	(10,422,646)	(551,953)		(10,974,599)
Total accumulated depreciation	(21,546,241)	(1,360,204)		(22,906,445)
Depreciable capital assets	39,087,608	(1,360,204)	(76,324)	37,651,080
Governmental activity capital assets, net	\$61,273,789	\$1,377,007	(\$76,324)	\$62,574,472

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 6 – CAPITAL ASSETS (Continued)

	Balance at June 30, 2020	Additions	Balance at June 30, 2021
Business-type activities			
Capital assets not being depreciated:			
Land	\$647,815		\$647,815
Construction in Progress	2,405,335	\$1,496,723	3,902,058
Total capital assets not being depreciated	3,053,150	1,496,723	4,549,873
Capital assets, being depreciated:			
Land Improvements	12,309,095		12,309,095
Building and Structures	9,526,843		9,526,843
Machinery and Equipment	859,161		859,161
Infrastructure	32,245,204		32,245,204
Total capital assets being depreciated	54,940,303		54,940,303
Less accumulated depreciation for:			
Land Improvements	(6,539,996)	(83,205)	(6,623,201)
Building and Structures	(2,865,153)	(162,426)	(3,027,579)
Machinery and Equipment	(556,840)	(31,533)	(588,373)
Infrastructure	(15,153,409)	(436,741)	(15,590,150)
Total accumulated depreciation	(25,115,398)	(713,905)	(25,829,303)
Depreciable capital assets	29,824,905	(713,905)	29,111,000
Business-type activity capital assets, net	\$32,878,055	\$782,818	\$33,660,873

A. Capital Asset Contributions

Some capital assets may be acquired using federal and State grant funds, or they may be contributed by developers or other governments. GASB Statement 34 requires that these contributions be accounted for as revenues at the time the capital assets are contributed.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 6 – CAPITAL ASSETS (Continued)

B. Depreciation Allocation

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

Governmental Activities	
General Government	\$368,906
Public Safety	256,092
Public Works	541,794
Parks and Recreation	193,412
Total Governmental Activities	\$1,360,204
Business-Type Activities	
Water	\$175,728
Sewer	84,483
Guadalupe Valley Municipal Improvement District	338,236
Marina	115,458
Total Business-Type Activities	\$713,905

NOTE 7 – LONG-TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets which will have useful lives equal to or greater than the related debt.

The following is a summary of long-term debt transactions for the year ended June 30, 2021:

	Balance June 30, 2020	Retirements	Balance at June 30, 2021	Current Portion	Non-Current Portion
Governmental Activities					
2006 Pension Obligation Refunding Bonds	\$150,000	(\$150,000)			
2013 Pension Side Fund Bank Loan (Direct Borrowing)	956,000	(220,000)	\$736,000	\$354,000	\$382,000
2014 Lease Revenue Refunding Bonds	4,370,000	(225,000)	4,145,000	235,000	3,910,000
2017 Lease Revenue Refunding Bonds (Direct Placement)	1,249,000	(128,000)	1,121,000	130,000	991,000
2018 San Mateo County Library Loan (Direct Borrowing)	1,473,333	(113,333)	1,360,000	113,334	1,246,666
Unamortized discount on bonds	(3,446)	3,446			
Energy Conservation Loan (Direct Borrowing)	75,823	(13,479)	62,344	13,612	48,732
Energy Efficiency Loan (Direct Borrowing)	8,825	(8,144)	681	681	
Workers' compensation deficit assessment payable	35,648	(35,648)			
Total Governmental Long-Term Debt	\$8,315,183	(\$890,158)	\$7,425,025	\$846,627	\$6,578,398
Business-type Activities					
2015 Utility Revenue Bonds	\$6,865,000	(\$360,000)	\$6,505,000	\$385,000	\$6,120,000
2015 Installment Sale Agreement (Direct Placement)	3,016,000	(391,000)	2,625,000	405,000	2,220,000
2017 Marina Wi-Fi Capital Lease (Direct Borrowing)	29,594	(27,268)	2,326	2,326	
Premium on Capital Lease	645	(645)			
Total Business-Type Long-Term Debt	\$9,911,239	(\$778,913)	\$9,132,326	\$792,326	\$8,340,000

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7 – LONG-TERM DEBT (Continued)
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A. 2006 Taxable Pension Obligation Refunding Bonds

On August 8, 2006, the City issued \$4,745,000 principal amount of 2006 Taxable Pension Obligation Refunding Bonds (2006 Pension Bonds) with an interest rate of 5.0%. The proceeds were used to refund a portion of the City's obligations to PERS evidenced by the PERS contract and representing the unamortized, unfunded actuarial accrued liability with respect to the pension benefits. Interest is payable semiannually on January 1 and July 1. The principal is payable annually. The bonds are subject to optional and mandatory redemption prior to maturity. The 2006 Pension Bonds are obligations of the City imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The City is obligated to make appropriations to pay the bonds from any source of legally available funds of the City for each fiscal year. At June 30, 2021, the City has fully paid off the Bonds.

B. 2013 Pension Side Fund Bank Loan (Direct Borrowing)

On June 26, 2013, the City, through the Brisbane Public Financing Authority, entered into a loan agreement with a bank in the amount of \$1,611,000. Proceeds in amount of \$1,533,433 were wire transferred to CalPERS to pay off the City's Miscellaneous Pension Side Fund. The remaining proceeds were used for issuance financing costs. Principal and interest payments are due semiannually on June 1 and December 1, with an interest rate of 3.98% per annum.

Repayments made by the City are payable from any revenues lawfully available to the City. The loan agreement contains events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City.

Year ending June 30:	Principal	Interest	Total
2022	\$354,000	\$25,771	\$379,771
2023	382,000	11,403	393,403
Total	\$736,000	\$37,174	\$773,174

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7 – LONG-TERM DEBT (Continued)

C. 2014 Lease Revenue Refunding Bonds, Series 2014

On December 1, 2014, the Brisbane/Guadalupe Valley Municipal Improvement District Financing Authority issued \$5,470,000 principal amount Lease Revenue Refunding Bonds, Series 2014. The Bonds being issued are to refund the outstanding Brisbane Public Financing Authority Lease Revenue Bonds, Series 2005B (City Hall Renovation and Expansion Project).

Repayments made by the City are payable from any revenues lawfully available to the City. The City intends to make all payments from proceeds of its transient occupancy tax, but such tax proceeds are not pledged as security for the repayment of the Bonds. The bond covenant contains events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City.

The bonds mature annually through April 1, 2035, in amounts ranging from \$108,152 to \$379,380. The interest on the bonds is payable semiannually on each April 1 and October 1, with rates ranging from 2.00% to 4.00%. The bonds are subject to optional and mandatory redemption prior to maturity.

The annual debt service requirements on the bonds are as follows:

Year ending June 30:	Principal	Interest	Total
2022	\$235,000	\$143,580	\$378,580
2023	245,000	134,180	379,180
2024	255,000	124,380	379,380
2025	265,000	114,180	379,180
2026	270,000	106,230	376,230
2027-2031	1,490,000	399,741	1,889,741
2032-2035	1,385,000	126,338	1,511,338
Total	\$4,145,000	\$1,148,629	\$5,293,629

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7 – LONG-TERM DEBT (Continued)

D. 2017 Lease Revenue Refunding Bonds, Series 2017 (Direct Placement)

On August 1, 2017, the City issued \$1,630,000 in Lease Revenue Refunding Bonds. The proceeds of the bonds were used to refund the 2009 Brisbane Public Financing Authority Lease Revenue Bonds. The refunding was completed to realize net present value savings related to the leases securing the prior bonds. Principal payment will be due each April 1, commencing in April 2018. Interest will be payable semiannually on April and October 1 each year. The bonds mature in 2029 and bear an annual interest percentage rate in the range from 4.5% to 6.0%.

The refunding resulted in an overall debt service savings of \$212,054, and the net present value of the debt service savings, called an economic gain, amounted to \$164,575.

Repayments made by the City are payable from any revenues lawfully available to the City. The loan agreement contains events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City.

On August 1, 2017, the City deposited \$1,741,405 for the 2009 Brisbane Public Financing Authority Lease Revenue Bonds in an irrevocable trust with an escrow agent to provide funds for the future debt service on the refunded bonds. As a result, the bonds are considered defeased and the liability for those bonds have been removed from the statement of net position.

The annual debt service requirements on the bonds are as follows:

Year ending June 30:	Principal	Interest	Total
2022	\$130,000	\$24,774	\$154,774
2023	131,000	21,902	152,902
2024	138,000	19,006	157,006
2025	138,000	15,956	153,956
2026	143,000	12,906	155,906
2027-2029	441,000	19,536	460,536
Total	\$1,121,000	\$114,080	\$1,235,080

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7 – LONG-TERM DEBT (Continued)

E. 2018 San Mateo County Library Construction Loan (Direct Borrowing)

During the fiscal year ended June 30, 2018, the City entered into a loan agreement with the County of San Mateo in the amount of \$1.7 million to ensure completion of the Library Project. The Project currently includes construction and construction management of the new library. Principal payment will be due each April and December 15, commencing in December 2018. Interest will be payable semiannually on April and December 15 each year. With an annual interest percentage rate of 1.2%. Final payment shall be made no later than April 15, 2033.

Repayments made by the City are payable from secured property tax revenues lawfully available to the City. In the event that there are insufficient property tax revenues due to the City on any given payment due date, the County shall take from any other available tax apportionments otherwise due to the City to fulfill the balance of the payment. In the event the Library changes use or the construction of the Library is delayed, the County has the option to require that the City immediately repay to the County all funds disbursed to the City pursuant to the loan agreement, including interest accrued at 1.2% annually.

The annual payment requirements on the loan are as follows:

Year ending June 30:	Principal	Interest	Total
2022	\$113,334	\$16,095	\$129,429
2023	113,334	14,735	128,069
2024	113,334	13,399	126,733
2025	113,334	11,992	125,326
2026	113,334	10,654	123,988
2027-2031	566,670	32,874	599,544
2032-2033	226,660	3,629	230,289
Total	\$1,360,000	\$103,378	\$1,463,378

F. Energy Conservation Loan (Direct Borrowing)

On October 8, 2010, the City received a loan from the California Energy Resources Conservation and Development Commission for project costs associated with the installation of LED street lighting. Principal and interest payments are due semiannually on June 22 and December 22, with an interest rate of 1%.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7 – LONG-TERM DEBT (Continued)

The annual payment requirements on the loan are as follows:

Year ending June 30:	Principal	Interest	Total
2022	\$13,612	\$590	\$14,202
2023	13,751	453	14,204
2024	13,888	316	14,204
2025	14,029	176	14,205
2026	7,064	35	7,099
Total	\$62,344	\$1,570	\$63,914

G. *Energy Efficiency Retrofit Loan (Direct Borrowing)*

On November 13, 2013, the City received a loan from the Pacific Gas & Electric Company (PG&E) for project costs associated with the installation of LED street lighting. This is an interest free loan, and principal payments are due monthly.

The loan agreement contains events of default that require the loan balance to become immediately due and payable as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City.

The annual payment requirements on the loan are as follows:

Year ending June 30:	Principal	Total
2022	\$681	\$681
Total	\$681	\$681

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7 – LONG-TERM DEBT (Continued)

H. 2015 Utility Revenue Bonds

On June 3, 2015, the Brisbane Guadalupe Valley Municipal Improvement District Financing Authority and the City issued utility revenue bonds of \$8,310,000 which repaid in full the outstanding principal of the 2012 Brisbane Installment Sale Agreement. The interest on the 2015 bonds is payable semiannually on each March 1 and September 1, with interest rate of 3.11% per annum. Principal payments are due annually on September 1 from September 1, 2015 to September 1, 2035.

The bond covenant contains events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City.

The bonds repayments are payable and secured by a pledge of the net revenues of the Utility Enterprise Fund as defined under the bond indenture, which must be equal to at least 125% of the current annual debt service requirements. In accordance with the revenue bond covenant, if pledged revenues during the year are less than 125% of maximum annual debt service coverage due at the end of the fiscal year, the outstanding amounts of the bonds become immediately due. Total debt service paid in the current year was \$621,650 and Utility Enterprise Fund net revenue was (\$223,393).

The annual payment requirements on the loan are as follows:

Year ending June 30:	Principal	Interest	Total
2022	\$385,000	\$243,025	\$628,025
2023	400,000	223,400	623,400
2024	415,000	203,025	618,025
2025	440,000	181,650	621,650
2026	455,000	159,275	614,275
2027-2031	2,545,000	547,107	3,092,107
2032-2036	1,865,000	154,231	2,019,231
Total	\$6,505,000	\$1,711,713	\$8,216,713

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7 – LONG-TERM DEBT (Continued)

I. 2015 Installment Sale Agreement (Direct Placement)

On June 5, 2015, the Brisbane Guadalupe Valley Municipal Improvement District Financing Authority and the City entered into an installment sale agreement in the amount of \$4,174,000 which paid for the dredging of the Marina. The interest on the agreement is payable semiannually on each May 1 and November 1, with interest rate of 3.12% per annum. Principal payments are due semiannually on May 1 and November 1 from November 1, 2016 to May 1, 2027.

The agreement contains events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City.

The repayments are payable and secured by a pledge of the net revenues of the Marina Enterprise Fund as defined under the agreement, which must be equal to at least 125% of the current annual debt service requirements. In accordance with the agreement, if pledged revenues during the year are less than 125% of maximum annual debt service coverage due at the end of the fiscal year, the outstanding amounts of the bonds become immediately due. Total debt service paid in the current year was \$482,073 and Marina Enterprise Fund net operating income was \$1,190,082.

The annual payment requirements on the installment sale agreement are as follows:

Year ending June 30:	Principal	Interest	Total
2022	\$405,000	\$78,764	\$483,764
2023	417,000	66,035	483,035
2024	430,000	52,931	482,931
2025	443,000	39,406	482,406
2026	458,000	25,475	483,475
2027	472,000	11,076	483,076
Total	\$2,625,000	\$273,687	\$2,898,687

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 7 – LONG-TERM DEBT (Continued)
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J. 2017 Marina Wi-Fi Capital Lease (Direct Borrowing)

On July 5, 2017, the City entered into a lease purchase agreement with KS State Bank for Wi-Fi equipment. The cost of the lease equipment was \$102,750. The City makes monthly payments of \$2,334 over a lease period of four years, including interest payments at a rate of 4.3%. At the end of the term, the equipment becomes the property of the City.

The agreement contains events of default that require the revenue of the City to be applied by the lessor as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the City; or if any court or competent jurisdiction shall assume custody or control of the City.

The annual payment requirements on the Capital Lease are as follows:

Year ending June 30:	Principal	Interest	Total
2022	\$2,326	\$25	\$2,351
Total	<u>2,326</u>	<u>25</u>	<u>2,351</u>

K. Non-City Obligation

The following bond issue is not reported in the City's financial statements, because it is considered special obligations payable solely from and secured by specific revenue sources described in the resolutions and official statements of the respective issues. Neither the faith and credit nor the taxing power of the City, the County of San Mateo, the State of California, or any political subdivision thereof, is pledged for payment of these bonds. At June 30, 2021, the Northeast Ridge Development District 2013 Reassessment and Refunding District Bonds were fully paid off.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 8 – NET POSITION AND FUND BALANCES
--

A. *Net Position*

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

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

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

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

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

B. *Fund Balance*

The City's fund balances are classified based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendables represents balances set aside to indicate items that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, and assets not expected to be converted to cash, such as prepaids, notes receivable, and advances to other funds are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

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

Committed fund balances have constraints imposed by formal action of the City Council which may be altered only by formal action of the City Council. Encumbrances and nonspendable amounts subject to council commitments are included along with spendable resources.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 8 – NET POSITION AND FUND BALANCES (Continued)

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

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

C. *PARS Trust for Pension program*

The City established an irrevocable trust with Public Agency Retirements Services (PARS) to set aside funds for pension liability.

At June 30, 2021, the cash and investment balance in the trust was \$1,414,176. The City Council reserves the authority to review and amend this funding policy from time to time, in order to ensure the funding policy continues to best suit the circumstances of the City.

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

Fund Balance Classifications	General Fund	Low/Mod Income Housing Asset Special Revenue Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
Nonspendables:					
Loans receivable	\$518,750				\$518,750
Prepays	5,858				5,858
Advances to other funds	3,319,284				3,319,284
Total Nonspendable Fund Balances	3,843,892				3,843,892
Restricted for:					
PARS pension trust	1,414,176				1,414,176
Low and moderate income housing projects		\$2,490,265			2,490,265
Debt service				\$1,332,139	1,332,139
Transportation and street improvements				274,409	274,409
Grant activities				368,452	368,452
Special revenue activities				52,376	52,376
				2,258,941	2,258,941
Total Restricted Fund Balances	1,414,176	2,490,265		4,286,317	8,190,758
Assigned to:					
Capital projects				5,325,116	5,325,116
Encumbrances	620,798				620,798
Fire sinking fund	220,868				220,868
Total Assigned Fund Balances	841,666			5,325,116	6,166,782
Unassigned	11,436,404		(\$6,379,362)	(123,637)	4,933,405
Total Fund Balances	\$17,536,138	\$2,490,265	(\$6,379,362)	\$9,487,796	\$23,134,837

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 8 – NET POSITION AND FUND BALANCES (Continued)
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D. Minimum Fund Balance Policies

The City is required to maintain a General Fund reserve balance that responds to the following criteria:

1. Emergency or disaster circumstances, which is reviewed every three years and modified as appropriate. For fiscal year 2021, the amount, at minimum, is \$3,500,000.
2. Recession circumstances, such as revenue reductions caused by an economic downturn comparable to the Great Recession of 2008/2009. If the amount is drawn down by recessionary shortfalls in the budget, a plan will need to be established to replenish the balance as the economy recovers. For fiscal year 2021, the amount, at minimum, is \$2,500,000.
3. Annual fluctuation circumstances, estimated to compensate for unexpected fluctuations of 5% in expenditures beyond the budget and 5% in revenues below the budget. The amount will be recalculated every year as the budget changes. For fiscal year 2021, the minimum amount is approximately \$2,000,000.

For fiscal year 2021, the total amount to be set aside for emergency or disaster circumstances, recession circumstances and annual fluctuation circumstances is set at \$8,000,000. As of June 30, 2021, the actual total amount of fund balance of the General Fund was \$17,535,978, with an unassigned fund balance of \$11,436,244.

The City is required to maintain fund or working capital balances of at least 20% of operating expenditures in the Utility and Marina Enterprise Funds. This is considered the minimum level necessary to maintain the City's credit worthiness and to adequately provide for:

- a. Economic uncertainties, local disasters, and other financial hardships, or downturns in the local or national economy.
- b. Contingencies for unseen operating or capital needs.
- c. Cash flow requirements.

At June 30, 2021, the Utility Enterprise Fund's required work capital balance is \$1,213,666. The fund's actual unrestricted net position at June 30, 2021 was \$5,478,717. At June 30, 2021, the Marina Enterprise Fund's required work capital balance is \$240,353. The fund's actual unrestricted net position at June 30, 2021 was \$254,289.

For General Fund assets, the City is required to establish and maintain an Equipment Replacement Fund to provide for the timely replacement of vehicles and capital equipment with an individual replacement cost of \$15,000 or more. The City is also required to maintain a minimum fund balance in the Equipment Replacement Fund of at least 20% of the original purchase cost of the items accounted for in this fund. The annual contribution to this fund will generally be based on the annual use allowance, which is determined based on the estimated life of the vehicle or equipment and its cost of replacement. Interest earnings and sales of surplus equipment as well as any related damage or insurance recoveries will be credited to the Equipment Replacement fund.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 8 – NET POSITION AND FUND BALANCES (Continued)

The Council may designate specific fund balance levels for future development of capital projects, which it has determined to be in the best long-term interests of the City. In addition to the designations noted above, fund balance levels will be sufficient to meet funding requirements for projects approved in prior years which are carried forward into the new year; debt service reserve requirements, reserves for encumbrances; and other reserves or designations required by contractual obligations, state law, or generally accepted accounting principles.

E. Deficit Fund Balances/Net Position

The following funds had deficit fund balances, which will be eliminated through the reduction in expenditures and/or the use of new funding sources:

Funds	Deficit Fund Balances/ Net Position
Major Governmental Fund:	
Capital Projects Fund	\$6,369,862
Non-Major Governmental Funds:	
NPDES Special Revenue Fund	9,903
SB1 Road Maintenance and Rehabilitation Special Revenue Fund	4,762
2006 Pension Obligation Bonds Debt Service Fund	7,485
2013 Pension Side Fund Bonds Debt Service Fund	1,010
Brisbane- Guadalupe Valley Municipal Improvement District Public Financing Authority Debt Service Fund	3,096
Internal Service Funds:	
Dental Self-Insurance	124,591
Flexible Benefits	1,672
General Liability	366,330

NOTE 9 – PENSION PLANS

A. General Information about the Pension Plan

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

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

Plans Description – All qualified permanent and probationary employees are eligible to participate in the City’s separate Safety (police and fire) and Miscellaneous (all other) Employee Pension Rate Plans. The City’s Miscellaneous and Safety Rate Plans are part of the public agency cost-sharing multiple-employer defined benefit pension plan (PERF C), which is administered by the California Public Employees’ Retirement System (CalPERS). PERF C consists of a miscellaneous pool and a safety pool (also referred to as “risk pools”), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. The employer participates in one cost-sharing multiple-employer defined benefit pension plan regardless of the number of rate plans the employer sponsors. The City sponsors six rate plans (three miscellaneous and three safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan 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, 2021, are summarized as follows:

	Miscellaneous		
	Prior to July 1, 2008	Prior to January 1, 2013	On or after January 1, 2013
Hire date	Prior to July 1, 2008	Prior to January 1, 2013	On or after January 1, 2013
Benefit formula	2.7% @ 55	2.0% @ 60	2.0% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50-67+	50 - 67+	52 - 67+
Monthly benefits, as a % of eligible compensation	2.0% - 2.7%	1.092%-2.418%	1.0%-2.5%
Required employee contribution rates	8.0%	7.0%	6.75%
Required employer contribution rates	14.194%	9.281%	7.732%

	Safety		
	Prior to January 1, 2013	On or after January 1, 2013 (Fire)	On or after January 1, 2013 (Police)
Hire date	Prior to January 1, 2013	On or after January 1, 2013 (Fire)	On or after January 1, 2013 (Police)
Benefit formula	3% @ 55	2.7% @ 57	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55+	50 - 57+	50 - 57+
Monthly benefits, as a % of eligible compensation	2.4%-3.0%	2.0%-2.7%	2.0%-2.7%
Required employee contribution rates	9.0%	13.0%	13.0%
Required employer contribution rates	21.746%	13.044%	13.044%

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability and side fund. The dollar amounts are billed on a monthly basis. The City's required contribution for the unfunded liability and side fund was \$1,580,331 in fiscal year 2021.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the contributions to the Plan were as follows:

	<u>Miscellaneous</u>
Contributions - employer	\$1,485,149
	<u>Safety</u>
Contributions - employer	\$1,400,561

B. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2021, the City reported the following balances:

	<u>Deferred outflows of resources</u>	<u>Net Pension Liability (Asset)</u>	<u>Deferred inflows of resources</u>
Miscellaneous	\$2,800,820	\$12,374,693	\$258,450
Safety	2,877,650	12,598,788	873,677
PARS		(73,251)	66,222
Total	<u>\$5,678,470</u>	<u>\$24,900,230</u>	<u>\$1,132,127</u>

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

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

The City's proportionate share of the net pension liability for the Plan as of June 30, 2019 and 2020 was as follows:

	Miscellaneous
Proportion - June 30, 2019	0.28626%
Proportion - June 30, 2020	0.29337%
Change - Increase (Decrease)	0.00711%

	Safety
Proportion - June 30, 2019	0.18250%
Proportion - June 30, 2020	0.18910%
Change - Increase (Decrease)	0.00660%

For the year ended June 30, 2021, the City recognized pension expense of \$4,526,295. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Safety Plan		Miscellaneous Plan		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$1,400,561		\$1,485,149		\$2,885,710	
Differences between actual and expected experience	976,972		637,705		1,614,677	
Changes in assumptions		(\$41,967)		(\$88,261)		(\$130,228)
Net differences between actual and proportional contribution		(712,441)	94,407	(148,946)	94,407	(861,387)
Net differences between projected and actual earnings on plan investments	273,825		367,610		641,435	
Adjustment due to differences in proportion	226,292	(119,269)	215,949	(21,243)	442,241	(140,512)
Total	\$2,877,650	(\$873,677)	\$2,800,820	(\$258,450)	\$5,678,470	(\$1,132,127)

\$2,885,710 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Safety Plan		Miscellaneous Plan	
Year Ended June 30	Annual Amortization	Year Ended June 30	Annual Amortization
2022	\$77,285	2022	\$148,651
2023	228,941	2023	406,578
2024	159,984	2024	325,675
2025	137,201	2025	176,318
Total	\$603,411	Total	\$1,057,222

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

Actuarial Assumptions – For the measurement period ended June 30, 2020, the total pension liability was determined by rolling forward the June 30, 2019 total pension liability. The June 30, 2019 total pension liability was based on the following actuarial methods and assumptions:

	All CalPERS Plans
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	3.0%
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15% (1)
Mortality Rate Table	Derived using CalPers Membership Data for all Funds (2)

(1) Net of Pension plan investment and administrative expenses, including inflation.

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

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

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

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

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

The table below reflects the long-term expected real rate of return by asset class.

Asset Class (a)	New Strategic Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	1.00%	2.62%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
Total	100%		

(a) In the CalPERS Comprehensive Annual Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

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

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

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

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	\$18,472,166	\$19,036,421
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$12,374,693	\$12,598,788
1% Increase	8.15%	8.15%
Net Pension Liability	\$7,336,541	\$7,316,102

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

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

C. Public Agency Retirement System Retirement Enhancement Plan

Plans Description – The City established a Public Agency Retirement System Retirement Enhancement Plan (PARS), Agent multiple-employer plan, effective October 2005 for an executive employee of the City. PARS is a defined benefit 401(a) tax-qualified multiple agency trust. It meets the requirements of a pension trust under California Government code. The plan provides supplemental retirement benefits in addition to PERS. Phase II Systems is the PARS Trust Administrator. PARS issues a separate annual comprehensive financial report. Copies of PARS annual financial report may be obtained from the PARS Executive Office, 3961 MacArthur Boulevard, Suite 200, Newport Beach, CA 92660.

Benefits Provided – The PARS Plan provides a 1% enhancement to the current CalPERS benefit formula. Benefit service includes all full-time continuous service with the City from date of hire. The participant is eligible to receive the benefit at age 63 after 10 years of full-time continuous service and concurrent termination of employment from the City and retirement under CalPERS.

At June 30, 2021, the PARS Plan had one active employee covered by the benefit.

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the PARS Plan are determined annually on an actuarial basis as of June 30. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of the employee.

For the year ended June 30, 2021, the contributions to the PARS Plan were as follows:

	PARS
Contributions - employer	\$37,400

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

Discount Rate – The discount rate used to measure the total pension liability for the PARS Plan was 6.50%. The pension trust is projected to have sufficient assets to pay benefits per the Plan's current contribution policy.

	PARS
Valuation Date	June 30, 2019
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.50%
Inflation	2.50%
Payroll Growth	2.0%
Projected Salary Increase	2.0%
Investment Rate of Return	6.50%
Mortality Rate Table	Pre-retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous Public Agency CalPERS Pension Plans.
	Post-retirement: CalPERS 1997-2011 Healthy Retiree Tables (sex-distinct) with an assumed base year of 2008 and full generational projections using Scale AA.

Discount Rate – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the PARS Plan are determined annually on an actuarial basis as of June 30. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of the employee.

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

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	0.96%	-0.32%	-0.32%
US Core Fixed Income	46.51%	1.37%	1.26%
US Equity Market	39.28%	5.33%	3.70%
Foreign Developed Equity	6.82%	6.27%	4.52%
Emerging Markets Equity	4.62%	8.64%	4.95%
US REITs	1.81%	5.75%	3.57%
Total	100%		

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

Pension Liabilities, Pensions Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions – The City’s net pension liability (asset) is measured as the total pension liability less the pension plan’s fiduciary net position. The net pension liability (asset) of the PARS Plan is measured as of June 30, 2021, and the total pension liability for the PARS Plan used to calculate the net pension liability (asset) was determined by an actuarial valuation as of June 30, 2019.

The following table shows the net pension liability (asset) for the PARS Plan and the respective changes in the net pension liability (asset) recognized over the measurement period.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
Balance at June 30, 2020	\$651,853	\$613,679	\$38,174
Changes for the year:			
Service cost	17,525		17,525
Interest on the total pension liability	43,510		43,510
Effect of economic/demographic gains or losses			
Effect of assumption changes or inputs			
Employer contributions		37,400	(37,400)
Net investment income		138,590	(138,590)
Administrative expenses		(3,530)	3,530
Net changes during 2020-2021	61,035	172,460	(111,425)
Balance at June 30, 2021	<u>\$712,888</u>	<u>\$786,139</u>	<u>(\$73,251)</u>

For the year ended June 30, 2021, the City recognized pension expense of (\$20,234) for the PARS Plan. At June 30, 2021, the City reported deferred inflows of resources related to pensions from the net differences between projected and actual earnings on plan investments of the Miscellaneous PARS plan in the amount of \$66,222.

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

Year Ended June 30	Miscellaneous PARS Annual Amortization
2022	(\$15,289)
2023	(15,694)
2024	(15,714)
2025	(19,525)
Total	<u>(\$66,222)</u>

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 9 – PENSION PLANS (Continued)

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate – The following presents the net pension liability (asset) of the PARS Plan as of the measurement date, calculate using the discount rate of 6.50%, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (5.50%) or 1 percentage-point higher (7.50%) than the current rate:

	Miscellaneous - PARS
1% Decrease	5.50%
Net Pension Liability (Asset)	(\$8,107)
Current Discount Rate	6.50%
Net Pension Liability (Asset)	(\$73,251)
1% Increase	7.50%
Net Pension Liability (Asset)	(\$129,663)

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. Plan Description and Funding Policy

The City administers a single-employer defined benefit post-employment healthcare plan. Employees hired prior to July 1, 2008, have the stipulated years of service, and retire directly from the City, are eligible to receive up to the Kaiser rate (family or single, depending on MOU) and the Medicare eligible rate after reaching the age of 65. This same benefit may continue to a surviving spouse depending on the retirement plan election. Currently there are 43 retirees receiving post-employment health care benefits from the City.

	Exec Mgmt, HR Admin, Conf Mgmt, Police Chief	Conf, Mid-Mgmt, Police Commanders	General, Firefighters, Police Officers								
▪ Eligibility	Hired < 7/1/08 and Retire Directly from the City										
	• 10 years of Municipal Government Service	• 15 years of Municipal Government service	• 15 years of City service								
▪ Cash Stipend	• Up to Kaiser family • Medicare eligible rate ≥ 65	• Up to Kaiser family • Medicare eligible rate ≥ 65	• Up to Kaiser single • Medicare eligible rate ≥ 65								
▪ PEMHCA minimum	• Retirees not eligible for Cash Stipend • Includes hourly employees and City Council <table><tr><td><u>Year</u></td><td><u>Monthly Amount</u></td></tr><tr><td>2018</td><td>\$133</td></tr><tr><td>2019</td><td>136</td></tr><tr><td>2020</td><td>139</td></tr></table>			<u>Year</u>	<u>Monthly Amount</u>	2018	\$133	2019	136	2020	139
<u>Year</u>	<u>Monthly Amount</u>										
2018	\$133										
2019	136										
2020	139										
▪ Surviving Spouse Benefit	• Retirement plan election • PEMHCA minimum benefit continues to surviving spouses • No Cash Stipend for surviving spouses										
▪ Dental, Vision & Life	• None										

As of June 30, 2021, approximately 55 participants were eligible to receive benefits.

B. Employees Covered by Benefit Terms

At June 30, 2021, the benefit terms covered the following employees:

	Number of Covered Employees
Retirees and beneficiaries receiving benefits	55
Active employees	71
	126

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)
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C. *Net OPEB Liability*

The City's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019.

D. *Actuarial Assumptions*

The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified:

Measurement Date	June 30, 2020
Funding Policy	Annual actuarial determined contributions.
Salary Increases	Aggregate salary increases, 2.75%. Individual salary increased based on CalPERS
Healthcare Cost Trend Rate	Pre-Medicare 6.5%, Medicare 4.0% Trending down to 3.84% over 56 years.
Inflation	0.75%
Actuarial Assumptions:	
Discount Rate	5.89%
Investment Rate of Return	5.89%
Mortality	Based on CalPERS tables

The discount rate used to measure the total OPEB liability was 5.89%. The projection of cash flows used to determine the discount rate assumed that the City contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

E. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at Fiscal Year Ending 6/30/2020: (Measurement Date 6/30/19)	\$8,444,061	\$2,189,421	\$6,254,640
Changes Recognized for the Measurement Period:			
Service cost	192,805		192,805
Interest	534,815		534,815
Effect of Liability Gains or Losses	(131,962)		(131,962)
Changes of assumptions	392,074		392,074
Contributions:			
Employer - City's contribution		853,735	(853,735)
Employer - Implicit subsidy		122,211	(122,211)
Net investment income		105,672	(105,672)
Benefit payments	(253,735)	(253,735)	
Implicit rate subsidy fulfilled	(122,211)	(122,211)	
Administrative expenses		(14,509)	14,509
Net Changes during Fiscal Year 2021	611,786	691,163	(79,377)
Balance at Fiscal Year Ending 6/30/2021:	\$9,055,847	\$2,880,584	\$6,175,263

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

The net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (4.89%) or one percentage point higher (6.89%), as follows:

	Discount Rate		
	1% Decrease (4.89%)	Current (5.89%)	1% Increase (6.89%)
Net OPEB Liability	\$7,183,241	\$6,175,263	\$5,323,437

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.50%) or one percentage point higher (7.50%) than current healthcare cost trend rates, as follows:

	Trend Rate		
	1% Decrease 5.50% decreasing to 2.84%	Current 6.50% decreasing to 3.84%	1% Increase 7.50% decreasing to 4.84%
Net OPEB Liability	\$5,155,632	\$6,175,263	\$7,402,755

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (OPEB) (Continued)

H. OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of \$(208,007). At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$886,951	
Differences between actual and expected experience	958,780	(\$499,524)
Net difference between projected and actual on OPEB plan investments	39,971	
Changes of assumptions	341,074	(1,178,165)
Total	<u>\$2,226,776</u>	<u>(\$1,677,689)</u>

A total of \$886,951 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30	Annual Amortization
2022	(\$203,937)
2023	(203,945)
2024	(206,772)
2025	161,329
2026	95,457
Thereafter	20,004
Total	<u>(\$337,864)</u>

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 11 – RISK MANAGEMENT

The City is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; natural disasters and employee health insurance claims. The City participates in the following public entity risk pools.

A. *General Liability Insurance*

The City is a member of Bay Cities Joint Powers Insurance Authority (BCJPIA). The BCJPIA is a public agency created in 1986 by and among various municipalities in Northern California to provide a pooled approach to liability insurance pursuant to the California Government Code. The BCJPIA is governed by a Board of Directors which is comprised of appointed officials from the member entities. The purpose of the pool is to provide certain levels of liability coverage, claims administration, and loss control support to member agencies. Annually, each member pays an actuarially determined premium based on a formula which takes into account the prior three years' loss experience, annual payroll, and population.

The City self-insures the first \$25,000 of each liability loss. The BCJPIA pools the layer from \$25,001 and purchases excess insurance from \$1,000,000 per year.

B. *Workers' Compensation*

On July 1, 2000, the City became a member of Workers' Compensation from Local Agency Workers' Compensation Excess Joint Powers Authority (LAWCX). The City is self-insured for the first \$150,000 of a claim. The LAWCX covers claims from \$150,001 to \$1,000,000 and purchases excess insurance from \$1,000,000 up to statutory limit. Prior to July 1, 2000 the City was a member of the San Mateo County Cities Group (Cities Group). When the City left the Cities Group it took on the responsibility for all current and future claims which would have been covered by the Cities Group.

The LAWCX is a public agency created in 1992 by and among self-insured workers' compensation joint power authorities, individual public entities, and special districts throughout California to provide a pooled approach to excess workers' compensation insurance pursuant to the California Government Code. The LAWCX is governed by a Board of Directors which is comprised of appointed officials from its member entities. The purpose of the pool is to provide excess workers' compensation insurance to its member agencies. Annually each member pays an actuarially determined premium based on a formula approved by the Board of Directors.

C. *Long-Term Disability and Other Benefit Insurance*

Other coverage provided to the City's workers, such as long-term disability, and unemployment insurance are covered by purchased insurance.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 11 – RISK MANAGEMENT (Continued)

As of June 30, 2021, the estimated claims payable for general liability and workers' compensation included claims incurred but not reported (IBNR). There were no reductions in insurance coverage from the prior year and no insurance settlement exceeded coverage in each of the past three years.

Beginning balance of claims payable	\$839,875
Changes to estimated claims liability	509,857
Claims paid	<u>(525,378)</u>
Ending balance of claims payable	<u><u>\$824,354</u></u>
Current Portion	<u><u>\$255,596</u></u>

NOTE 12 – COMMITMENTS AND CONTINGENT LIABILITIES

A. Lawsuits

The City is a defendant in a number of lawsuits which have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions, when finally adjudicated, will not have a material adverse effect on the financial condition of the City.

B. Federal and State Grant Programs

The City participates in a number of Federal, State and County programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grantor program regulations, the City may be required to reimburse the grantor government.

C. Operating Leases

The City leased four copiers from Caltronics Business Systems, one from KBA Docusys, three copiers and one folder and inserter from Pacific Office Automation for the operations of the City and the Marina. The total amount of the outstanding lease at June 30, 2021 amounted to \$77,207. The City does not intend to capitalize the equipment at the end of the lease. Payments were expenditures from the General and Marina funds. The rental cost for the year ended June 30, 2021 was \$33,611 for the General Fund and \$4,018 for the Marina Fund, as the latter included a contract buyout for replaced equipment.

D. Encumbrances

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

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 12 – COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

Outstanding encumbrances at year-end are automatically reappropriated for the following year. Unencumbered and unexpended appropriations lapse at year-end. Encumbrances outstanding as of June 30, 2021 were as listed below:

	Amount
General Fund	\$620,798
Capital Projects Fund	15,800
NPDES Special Revenue Fund	97,381
Grant Special Revenue Fund	1,734

E. Bay Area Water Supply and Conservation Agency Revenue Bonds Surcharge

The City contracts with the City and County of San Francisco for the purchase of water from the Hetch Hetchy System operated by the San Francisco Public Utilities Commission (SFPUC). The City is also a member of the Bay Area Water Supply and Conservation Agency (BAWSCA) which represents the interests of all the 24 cities and water districts, as well as two private utilities, that purchase wholesale water from the SFPUC.

In 2009 the City entered into a new 25 year agreement with the SFPUC that includes a minimum water delivery level of 0.98 MGD. One of the ways that the new agreement differs from the old is in how facilities constructed by the SFPUC that benefit the regional customers are treated from a rate and financial perspective. Under the old agreement, facilities were built, capitalized, and added to the rate base with a rate of return (interest), and then paid for over their useful lives through wholesale rates. Under the new agreement, the SFPUC issues revenue bonds and the debt service (which also includes an interest component) is paid for through rates over the life of the bonds.

During the transition from the old to the new contracts, one of the issues addressed was how to deal with the \$370 million in assets that were still being paid for by the wholesale customers under the old agreement. The assets were transferred to the new agreement, assigned a life with an agreed upon rate of return of 5.13%. Also negotiated was a provision to allow the wholesale customers to prepay any remaining existing assets' unpaid principal balance without penalty or premium. This prepayment was executed through the issuance of bonds by BAWSCA which provide a better interest rate given the favorable rate environment.

BAWSCA issued Revenue Bonds in the principal amount of \$335,780,000 in January 2013 to prepay the capital cost recovery payment obligation and fund a stabilization fund. The Bonds mature in October 2034 and are secured by surcharges to the monthly water purchase charges imposed upon the participating members. The Bonds are not a debt obligation of any member, and BAWSCA's failure to pay its Bonds would not constitute a default by any participating member.

Should any participating member fail to pay its share, BAWSCA will rely on the stabilization fund and will pursue all legal remedies to collect the shortfall from the delinquent member. In the interim, other participating members may have their portion adjusted to insure the continued payment of the debt service surcharge.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 12 – COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

The risk of bearing the debt service expense of a defaulting member is not significantly different than the risk each member assumes currently for fluctuations in water purchase charges. Under the Bond indenture, BAWSCA maintains a stabilization fund. If surcharge revenues collected are less than needed (due to a member's failure to pay timely), BAWSCA uses the stabilization fund to fund the debt service deficiency, and increases the surcharge in the subsequent year to make up for the prior year shortfall and reimburse the stabilization fund account. Also, given that each participating agency's governing body adopted a Resolution to participate in the Bond issue, Management believes that default is generally very unlikely.

The annual debt service surcharges are a fixed amount for each participant and are calculated by taking the subsequent fiscal year's debt service, multiplied by each participant's actual water purchase as a percent of total wholesale customer water purchases from the prior fiscal year. One-twelfth of the annual surcharge is included in the monthly bill from SFPUC. Because each participant's share of the debt service surcharge is proportional to the amount of water purchased during the prior fiscal year, the City's share of the debt service will fluctuate from year to year.

The City paid its surcharge of \$141,720 during fiscal year 2021 which is included as a component of purchased water expenses in the Utility Enterprise Fund. The surcharge for fiscal year 2022 is estimated to be \$103,884.

F. *San Mateo County Animal Shelter*

Since 1951, cities in San Mateo County have contracted with the County to manage animal control field and sheltering services. In September 2014, all the municipalities signed an agreement to share in the construction costs for a new animal control center by repaying the County through a 30-year, interest-free lease agreement. Construction of the new animal shelter building was completed in 2020, and certificate of occupancy was issued. The municipalities' final shared responsibility was determined to be \$25.7 million. Each municipalities' share of the annual lease payment is based on a methodology of a three-year average of shelter use and percentage of population, and is due each July 31st. The City's annual lease payment for FY2021-2022 is \$6,697.

NOTE 13 – SEGMENT INFORMATION

The City issued utility revenue bonds to finance the repayment of the 2012 Brisbane Installment Sale Agreement. The water, sewer and Guadalupe Valley Municipal Improvement District activities are accounted for in the Utility Enterprise Fund. Segment information is presented below:

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 13 – SEGMENT INFORMATION (CONTINUED)

Utility Fund Statement of Net Position

	Water	Sewer	Guadalupe Valley Municipal Improvement District	Total Utility
ASSETS				
Current assets:				
Cash and investments	\$639,039	(\$645,915)	\$7,663,766	\$7,656,890
Restricted cash				
Accounts receivable, net	397,452	341,837	337,452	1,076,741
Taxes receivable			536	536
Interest receivable	1,273	712	1,675	3,660
Total current assets	<u>1,037,764</u>	<u>(303,366)</u>	<u>8,003,429</u>	<u>8,737,827</u>
Noncurrent assets:				
Capital assets:				
Non-depreciable	1,649,735	390,156	2,509,932	4,549,823
Depreciable, net	7,452,341	3,958,520	11,978,878	23,389,739
Total capital assets	<u>9,102,076</u>	<u>4,348,676</u>	<u>14,488,810</u>	<u>27,939,562</u>
Total noncurrent assets	<u>9,102,076</u>	<u>4,348,676</u>	<u>14,488,810</u>	<u>27,939,562</u>
Total assets	<u>10,139,840</u>	<u>4,045,310</u>	<u>22,492,239</u>	<u>36,677,389</u>
DEFERRED OUTFLOWS				
Deferred outflows related to pension	65,352	65,353	65,352	196,057
Deferred outflows related to OPEB	<u>24,325</u>	<u>24,325</u>	<u>24,325</u>	<u>72,975</u>
Total Deferred Outflows	<u>89,677</u>	<u>89,678</u>	<u>89,677</u>	<u>269,032</u>
LIABILITIES				
Current liabilities:				
Accounts payable	233,062	233,061	233,062	699,185
Accrued payroll	12,200	12,201	12,200	36,601
Interest payable	27,432	27,432	27,432	82,296
Compensated absences	9,324	4,884	3,413	17,621
Deposits	7,560	7,559	7,560	22,679
Bonds payable due within one year	128,333	128,334	128,333	385,000
Unearned revenue	<u>238,782</u>	<u>238,782</u>	<u>238,782</u>	<u>716,346</u>
Total current liabilities	<u>656,693</u>	<u>652,253</u>	<u>650,782</u>	<u>1,959,728</u>
Noncurrent liabilities:				
Compensated absences	27,972	14,652	10,239	52,863
Advances from other funds				
Bonds payable due in more than one year	2,040,000	2,040,000	2,040,000	6,120,000
Net pension liability	288,743	288,743	288,743	866,229
Net OPEB liability	<u>67,455</u>	<u>67,456</u>	<u>67,455</u>	<u>202,366</u>
Total noncurrent liabilities	<u>2,424,170</u>	<u>2,410,851</u>	<u>2,406,437</u>	<u>7,241,458</u>
Total liabilities	<u>3,080,863</u>	<u>3,063,104</u>	<u>3,057,219</u>	<u>9,201,186</u>
DEFERRED INFLOWS				
Deferred inflows related to pension	6,031	6,030	6,031	18,092
Deferred inflows related to OPEB	<u>18,326</u>	<u>18,327</u>	<u>18,326</u>	<u>54,979</u>
Total Deferred Inflows	<u>24,357</u>	<u>24,357</u>	<u>24,357</u>	<u>73,071</u>
NET POSITION				
Invested in capital assets, net of related debt	6,933,743	2,180,342	12,320,477	21,434,562
Restricted for:				
Capital projects	717,978	40,907		758,885
Unrestricted	<u>(527,424)</u>	<u>(1,173,722)</u>	<u>7,179,863</u>	<u>5,478,717</u>
Total net position	<u>\$7,124,297</u>	<u>\$1,047,527</u>	<u>\$19,500,340</u>	<u>\$27,672,164</u>

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 13 – SEGMENT INFORMATION (Continued)

Utility Fund Statement of Activities

	Water	Sewer	Guadalupe Valley Municipal Improvement District	Total Utility
OPERATING REVENUES:				
Charges for services	\$1,976,462	\$1,103,897	\$2,600,284	\$5,680,643
Total operating revenues	<u>1,976,462</u>	<u>1,103,897</u>	<u>2,600,284</u>	<u>5,680,643</u>
OPERATING EXPENSES:				
Costs of sales and services	1,135,081	1,120,195	1,108,160	3,363,436
General and administrative	924,610	838,841	941,445	2,704,896
Depreciation	175,728	84,483	338,236	598,447
Total operating expenses	<u>2,235,419</u>	<u>2,043,519</u>	<u>2,387,841</u>	<u>6,666,779</u>
OPERATING INCOME (LOSS)	<u>(258,957)</u>	<u>(939,622)</u>	<u>212,443</u>	<u>(986,136)</u>
NONOPERATING REVENUES (EXPENSES):				
Taxes and assessments			34,164	34,164
Investment income	2,261	1,130	2,275	5,666
Interest expense	(102,260)	(25,565)	(127,824)	(255,649)
Total nonoperating revenues (expenses)	<u>(99,999)</u>	<u>(24,435)</u>	<u>(91,385)</u>	<u>(215,819)</u>
INCOME (LOSS) BEFORE TRANSFERS	<u>(358,956)</u>	<u>(964,057)</u>	<u>121,058</u>	<u>(1,201,955)</u>
Developer Contributions	60,000			60,000
Transfers in	22,082	22,082	22,082	66,246
Transfers out	(28,404)		(29,824)	(58,228)
Total transfers in and out	<u>53,678</u>	<u>22,082</u>	<u>(7,742)</u>	<u>68,018</u>
Change in net positions	(305,278)	(941,975)	113,316	(1,133,937)
NET POSITIONS:				
Beginning of year	7,429,575	1,989,502	19,387,024	28,806,101
End of year	<u>\$7,124,297</u>	<u>\$1,047,527</u>	<u>\$19,500,340</u>	<u>\$27,672,164</u>

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 13 – SEGMENT INFORMATION (Continued)

Utility Fund Statement of Cash Flows

	Water	Sewer	Guadalupe Valley Municipal Improvement District	Total Utility
CASH FLOWS FROM OPERATING ACTIVITIES:				
Cash received from customers	\$2,222,240	\$1,349,675	\$2,846,062	\$6,417,977
Cash payments to suppliers	(2,047,558)	(1,943,766)	(2,032,808)	(6,024,132)
Net cash provided (used) by operating activities	174,682	(594,091)	813,254	393,845
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Taxes and assessments			34,874	34,874
Transfers in	22,082	22,082	22,082	66,246
Transfers out	(28,404)		(29,824)	(58,228)
Net cash provided (used) by noncapital financing activities	(6,322)	22,082	27,132	42,892
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of property, plant and equipment	(598,707)	(149,629)	(748,387)	(1,496,723)
Principal payment of debt	(120,000)	(120,000)	(120,000)	(360,000)
Interest paid	(104,508)	(27,814)	(130,073)	(262,395)
Developer contributions	60,000			60,000
Net cash provided (used) by capital and related financing activities	(763,215)	(297,443)	(998,460)	(2,059,118)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment income received	5,176	3,309	7,410	15,895
Net cash provided (used) by investing activities	5,176	3,309	7,410	15,895
Net increase (decrease) in cash and cash equivalents	(589,679)	(866,143)	(150,664)	(1,606,486)
CASH AND CASH EQUIVALENTS:				
Beginning of year	1,228,718	220,228	7,814,430	9,263,376
End of year	<u>\$639,039</u>	<u>(\$645,915)</u>	<u>\$7,663,766</u>	<u>\$7,656,890</u>
FINANCIAL STATEMENT PRESENTATION:				
Cash and cash equivalents	<u>\$639,039</u>	<u>(\$645,915)</u>	<u>\$7,663,766</u>	<u>\$7,656,890</u>
Total cash and cash equivalents	<u>\$639,039</u>	<u>(\$645,915)</u>	<u>\$7,663,766</u>	<u>\$7,656,890</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating income (loss)	(\$258,957)	(\$939,622)	\$212,443	(\$986,136)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	175,728	84,483	338,236	598,447
Changes in current assets and liabilities:				
Accounts receivable	6,996	6,996	6,996	20,988
Accounts payable and accrued liabilities	29,842	29,841	29,842	89,525
Accrued payroll	2,356	2,357	2,356	7,069
Compensated absences	(4,720)	(1,581)	(55)	(6,356)
Deposits	2,781	2,779	2,780	8,340
Unearned revenue	238,782	238,782	238,782	716,346
Net pension liability, deferred inflows and deferred outflows	(6,165)	(6,165)	(6,165)	(18,495)
Net OPEB liability, deferred inflows and deferred outflows	(11,961)	(11,961)	(11,961)	(35,883)
Total adjustments	433,639	345,531	600,811	1,379,981
Net cash provided (used) by operating activities	<u>\$174,682</u>	<u>(\$594,091)</u>	<u>\$813,254</u>	<u>\$393,845</u>

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 14 – REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES

A. Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund

The activities of the Successor Agency are reported in the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund as the activities are under the control of the Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency.

Cash and investments of the Successor Agency as of June 30, 2021 are discussed in Note 3 above.

B. Long-Term Obligations

Description	Balance June 30, 2020	Retirements	Balance June 30, 2021	Current Portion	Non-current Portion
2013 Tax Allocation Bonds	\$9,455,000	(\$1,390,000)	\$8,065,000	\$1,450,000	\$6,615,000
Total long-term debt	<u>\$9,455,000</u>	<u>(\$1,390,000)</u>	<u>\$8,065,000</u>	<u>\$1,450,000</u>	<u>\$6,615,000</u>
Loans payable to the City of Brisbane					
City General Fund	\$33,108	(\$33,108)			
City Marina Enterprise Fund	2,295,996		\$2,295,996		
Total loans payable to the City	<u>\$2,329,104</u>	<u>(\$33,108)</u>	<u>\$2,295,996</u>		

1. 2013 Tax Allocation Bonds

On December 27, 2013, the Successor Agency issued \$17,470,000 principal amount of 2013 Tax Allocation Bonds to refund the 1998 Housing Set Aside Revenue Bonds and the 2001 Tax Allocation Bonds. Net proceeds of \$19,380,905 were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds. As a result, the 1998 Housing Set Aside Revenue Bonds and the 2001 Tax Allocation Bonds are considered defeased and the liability for those bonds has been removed from the Successor Agency's Statement of Net Position. The reacquisition price was less than the net carrying value of the refunded bonds by \$3,485,599, which is recorded as a Deferred Outflow – Deferred Charges on Refunding. The balance of the Deferred Outflow as of June 30, 2021 was \$1,474,677.

The 2013 Tax Allocation Bonds mature annually through May 2028, in amounts ranging from \$90,000 to \$1,710,000. Principal and interest on the bonds are payable semiannually on each February 1 and August 1, and the Bonds bear interest 4.14% per annum. The Bonds are payable from and secured by tax revenue distributed from the county's Redevelopment Property Tax Trust Fund. The bond covenant contains events of default that require the revenue of the Successor Agency to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the Successor Agency to observe or perform the conditions, covenants, or agreement terms of the debt; bankruptcy filing by the Successor Agency; or if any court or competent jurisdiction shall assume custody or control of the Successor Agency.

Total principal and interest remaining to be paid on the bonds is \$9,035,515. Principal and interest paid for the current year was \$1,767,155.

CITY OF BRISBANE
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2021

NOTE 14 – REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES (Continued)

The annual debt service requirements on the bonds were as follows:

Year ending June 30:	Principal	Interest	Total
2022	\$1,450,000	\$318,884	\$1,768,884
2023	1,510,000	258,337	1,768,337
2024	1,570,000	195,098	1,765,098
2025	1,645,000	129,272	1,774,272
2026	1,710,000	60,547	1,770,547
2027-2028	180,000	8,377	188,377
Total	\$8,065,000	\$970,515	\$9,035,515

C. Commitments and Contingencies

State Approval of Enforceable Obligations

The Successor Agency prepares a Recognized Obligation Payment Schedule (ROPS) semi-annually that contains all proposed expenditures for the subsequent six-month period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. The Successor Agency submitted its last and final ROPS which was approved by the State Department of Finance in May 2018.

NOTE 15 – CONCENTRATION RISK

In November 2011, the City placed a special business license tax on the ballot for recycling firms handling more than 100,000 tons of material. For the year ended June 30, 2021, more than 13.5% of the City's General Fund's total revenues were derived from a single company.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BRISBANE
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Taxes and special assessments	\$11,384,140	\$13,177,406	\$14,862,570	\$1,685,164
Intergovernmental	17,000	17,000	768,728	751,728
Licenses, permits and fees	4,899,800	5,278,200	6,655,210	1,377,010
Charges for services	1,978,500	2,507,500	3,460,765	953,265
Fines and forfeitures	52,000	52,000	31,264	(20,736)
Use of money and property	70,000	70,000	345,653	275,653
Other revenues	445,604	445,604	1,311,656	866,052
Total Revenues	18,847,044	21,547,710	27,435,846	5,888,136
EXPENDITURES:				
Current:				
General government	6,867,529	7,301,737	7,728,274	(426,537)
Public safety - police	4,822,884	4,822,884	4,804,121	18,763
Public safety - fire	3,916,193	3,916,193	3,829,059	87,134
Public works	2,438,096	2,438,096	2,489,743	(51,647)
Parks and recreation	2,089,899	2,089,899	1,621,789	468,110
Capital outlay	46,640	46,640	88,189	(41,549)
Debt service:				
Principal			13,479	(13,479)
Interest and fiscal charges			725	(725)
Total Expenditures	20,181,241	20,615,449	20,575,379	40,070
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,334,197)	932,261	6,860,467	5,928,206
OTHER FINANCING SOURCES (USES)				
Transfers in			157,197	157,197
Transfers (out)	(1,835,245)	(2,171,245)	(1,918,087)	253,158
Total other financing sources (uses)	(1,835,245)	(2,171,245)	(1,760,890)	410,355
NET CHANGE IN FUND BALANCE	(\$3,169,442)	(\$1,238,984)	5,099,577	\$6,338,561
BEGINNING FUND BALANCE			12,436,561	
ENDING FUND BALANCE			\$17,536,138	

CITY OF BRISBANE
LOW AND MODERATE INCOME HOUSING ASSET
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2021

	<u>Budgeted Amounts</u>		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
REVENUES:			
Use of money and property		\$18,160	\$18,160
Total Revenues		18,160	18,160
EXPENDITURES:			
Current:			
Public works		153,965	(153,965)
Total Expenditures		153,965	(153,965)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES		(135,805)	(135,805)
OTHER FINANCING SOURCES (USES)			
Gain on sale of land held		130,976	
Total Other Financing Sources (Uses)		130,976	
NET CHANGE IN FUND BALANCE		(4,829)	(\$135,805)
BEGINNING FUND BALANCE		2,495,094	
ENDING FUND BALANCE		\$2,490,265	

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

CalPERS Miscellaneous Cost-Sharing Defined Benefit Pension Plan

As of fiscal year ending June 30, 2021

Last 10 Years*

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS

Measurement Date	Miscellaneous Plan						
	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020
Plan's Proportion of the Net Pension Liability/Asset	0.08842%	0.26367%	0.26663%	0.27216%	0.27979%	0.28626%	0.29337%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$5,501,793	\$7,233,676	\$8,890,553	\$10,728,646	\$10,544,479	\$11,463,436	\$12,374,693
Plan's Covered Payroll	\$3,483,585	\$3,911,732	\$4,105,895	\$4,485,437	\$4,822,422	\$5,116,913	\$5,681,738
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of it's Covered Payroll	157.93%	184.92%	216.53%	239.19%	218.66%	224.03%	217.80%
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of the Plan's Total Pension Liability	83.03%	21.65%	25.24%	27.18%	25.57%	26.21%	27.01%

* Fiscal year 2015 was the 1st year of implementation, additional years will be presented as they become available.

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

Cost-Sharing Defined Benefit Pension Plan
As of fiscal year ending June 30, 2021
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

	Miscellaneous Plan						
	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contribution	\$608,408	\$414,697	\$867,272	\$956,571	\$1,116,863	\$1,321,787	\$1,485,149
Contributions in relation to the actuarially determined contributions	(608,408)	(414,697)	(867,272)	(956,571)	(1,116,863)	(1,321,787)	(1,485,149)
Contribution deficiency (excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Covered payroll	\$3,911,732	\$4,105,895	\$4,485,437	\$4,822,422	\$5,116,913	\$5,681,738	\$6,036,451
Contributions as a percentage of covered payroll	15.55%	10.10%	19.34%	19.84%	21.83%	23.26%	24.60%
Notes to Schedule							
Valuation date:	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2017	6/30/2018	6/30/2019
Methods and assumptions used to determine contribution rates:							
Actuarial cost method	Entry age						
Amortization method	Level percentage of payroll, closed						
Remaining amortization period	15 years as of the valuation date						
Asset valuation method	5-year smoothed market						
Inflation	2.75%						
Salary increases	3.30% to 14.20% depending on Age, Service and type of employment						
Investment rate of return	7.5%, net of pension plan investment and administrative expenses, including inflation	7.65%, net of pension plan investment and administrative expenses, including inflation		7.15%, net of pension plan investment and administrative expenses, including inflation			
Retirement age	55 yrs. Misc., 60 years Tier 2, 62 yrs. Tier 3						
Mortality	The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2017 CalPERS Experience Study. The table includes 15 years of mortality improvements using the Society of Actuaries Scale BB.						

* Fiscal year 2015 was the 1st year of implementation, additional years will be presented as they become available.

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

CalPERS Safety Cost-Sharing Defined Benefit Pension Plan

As of fiscal year ending June 30, 2021

Last 10 Years*

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY AND RELATED RATIOS

Measurement Date	Safety Plan						
	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020
Plan's Proportion of the Net Pension Liability/Asset	0.10478%	0.16040%	0.17166%	0.17235%	0.17788%	0.18250%	0.18910%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$6,519,984	\$6,609,094	\$9,262,442	\$10,298,325	\$10,437,355	\$11,392,654	\$12,598,788
Plan's Covered Payroll	\$2,604,534	\$2,895,118	\$2,549,311	\$3,201,004	\$3,050,669	\$3,205,518	\$3,087,221
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of it's Covered Payroll	250.33%	228.28%	363.33%	321.72%	342.13%	355.41%	408.09%
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of the Plan's Total Pension Liability	81.42%	18.66%	25.33%	25.59%	24.51%	25.38%	26.58%

* Fiscal year 2015 was the 1st year of implementation, additional years will be presented as they become available.

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

CalPERS Safety Cost-Sharing Defined Benefit Pension Plan
As of fiscal year ending June 30, 2021
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

Fiscal Year ending June 30:	2015	2016	2017	Safety Plan 2018	2019	2020	2021
Actuarially determined contribution	\$544,677	\$446,822	\$824,601	\$928,535	\$1,074,377	\$1,210,715	\$1,400,561
Contributions in relation to the actuarially determined contributions	<u>(544,677)</u>	<u>(446,822)</u>	<u>(824,601)</u>	<u>(928,535)</u>	<u>(1,074,377)</u>	<u>(1,210,715)</u>	<u>(1,400,561)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Covered payroll	\$2,895,118	\$2,549,311	\$3,201,004	\$3,050,669	\$3,205,518	\$3,087,221	\$3,479,518
Contributions as a percentage of covered payroll	18.81%	17.53%	25.76%	30.44%	33.52%	39.22%	40.25%
Notes to Schedule							
Valuation date:	6/30/2012	6/30/2013	6/30/2014	6/30/2015	6/30/2017	6/30/2018	6/30/2019
Methods and assumptions used to determine contribution rates:							
Actuarial cost method		Entry age					
Amortization method		Level percentage of payroll, closed					
Remaining amortization period		15 years as of the valuation date					
Asset valuation method		5-year smoothed market					
Inflation		2.75%					
Salary increases		3.30% to 14.20% depending on Age, Service and type of employment					
Investment rate of return	7.5%, net of pension plan investment and administrative expenses, including inflation	7.65%, net of pension plan investment and administrative expenses, including inflation	7.15%, net of pension plan investment and administrative expenses, including inflation				
Retirement age		55 yrs. Safety, 57 yrs. Tier 2					
Mortality		The probabilities of mortality are derived from CalPERS' Membership Data for all Funds based on CalPERS' specific data from a 2017 CalPERS Experience Study. The table includes 20 years of mortality improvements using the Society of Actuaries Scale BB.					

* Fiscal year 2015 was the 1st year of implementation, additional years will be presented as they become available.

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

PARS Miscellaneous Plan, Agent-Multiple Employer Defined Benefit Plan
Last 10 Years*

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS

Measurement Date, June 30:	2015	2016	2017	2018	2019	2020	2021
Plan total pension liability							
Service Cost	\$15,613	\$16,949	\$17,288	\$17,847	\$18,204	\$17,181	\$17,525
Interest	27,586	32,611	36,104	35,112	39,287	42,958	43,510
Effect of plan changes							
Effect of liability gains or losses		4,039		10,905		11,610	
Effect of assumption changes or inputs		23,212	(29,530)			(63,596)	
Benefit payments							
Net change in total pension liability	43,199	76,811	23,862	63,864	57,491	8,153	61,035
Total pension liability - beginning	378,473	421,672	498,483	522,345	586,209	643,700	651,853
Total pension liability - ending (a)	\$421,672	\$498,483	\$522,345	\$586,209	\$643,700	\$651,853	\$712,888
Plan fiduciary net position							
Administrative expenses	(\$1,799)	(\$1,878)	(\$2,104)	(\$2,408)	(\$2,617)	(\$2,940)	(\$3,530)
Member contributions							
Net investment income	8,348	166	40,594	27,708	33,121	18,504	138,590
Employer contributions	20,560	21,117	21,158	21,158	35,337	37,400	37,400
Net change in plan fiduciary net position	27,109	19,405	59,648	46,458	65,841	52,964	172,460
Plan fiduciary net position - beginning	342,254	369,363	388,768	448,416	494,874	560,715	613,679
Plan fiduciary net position - ending (b)	\$369,363	\$388,768	\$448,416	\$494,874	\$560,715	\$613,679	\$786,139
Plan net pension liability (asset) - ending (a)-(b)	\$52,309	\$109,715	\$73,929	\$91,335	\$82,985	\$38,174	(\$73,251)
Plan fiduciary net position as a percentage of the total pension liability	87.59%	77.99%	85.85%	84.42%	87.11%	94.14%	110.28%
Covered payroll	\$215,862	\$225,028	\$229,529	\$237,847	\$247,000	\$251,940	\$263,451
Net pension liability (asset) as percentage of covered-employee payroll	24.23%	48.76%	32.21%	38.40%	33.60%	15.15%	-27.80%

Changes in assumptions. In 2017, the accounting discount rate reduced from 7.0 percent to 6.5

* Fiscal year 2015 was the 1st year of implementation of GASB 68, additional years will be presented as they become available.

Source: PARS Valuation

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

PARS Miscellaneous Plan, Agent-Multiple Employer Defined Benefit Plan
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

Fiscal Year ended June 30:	2015	2016	2017	2018	2019	2020	2021
Actuarially determined contributions	\$20,560	\$21,117	\$21,158	\$21,158	\$35,337	\$37,400	\$37,400
Contributions in relation to the actuarially determined contributions	(20,560)	(21,117)	(21,158)	(21,158)	(35,337)	(37,400)	(37,400)
Contribution deficiency (excess)							
Covered payroll	\$215,862	\$225,028	\$229,529	\$237,847	\$247,000	\$251,940	\$263,451
Contributions as a percentage of covered payroll	9.52%	9.38%	9.22%	8.90%	14.31%	14.84%	14.20%
Notes to Schedule							
Valuation date:	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2017	6/30/2018	6/30/2019
Methods and assumptions used to determine contribution rates:							
Actuarial cost method	Entry Age Normal						
Amortization method	Level dollar						
Asset valuation method	Market Value						
Inflation	2.50%						
Salary increases	2.00%						
Investment rate of return	6.5%, net of pension plan investment expense, including inflation (7.0% for fiscal year 2016 and prior)						
Retirement age	100% retirement assumed at age 65						
Mortality	Pre-Retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous Public Agency CalPERS Pension Plans. Post-Retirement: CalPERS 1997 - 2011 Healthy Retiree Tables (sex-distinct) with an assumed base year of 2008 and full generational projections using Scale AA.						

* Fiscal year 2015 was the 1st year of implementation of GASB 68, additional years will be presented as they become available.

Source: City's general ledger and PARS Actuarial Valuation

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

OPEB Plan
Schedule of Changes in the City's
Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*

For the Measurement Period Ended June 30	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Total OPEB Liability				
Service Cost	\$220,254	\$213,187	\$218,316	\$192,805
Interest	562,248	443,442	464,182	534,815
Changes of benefit terms				
Differences between expected and actual experience	(905,016)		1,384,906	(131,962)
Changes of assumptions	(1,676,108)	16,310	(664,205)	392,074
Benefit Payments	(246,909)	(219,950)	(241,551)	(253,735)
Implicit rate subsidy fulfilled	(162,600)	(104,418)	(93,910)	(122,211)
Net change in Total OPEB Liability	(2,208,131)	348,571	1,067,738	611,786
Total OPEB Liability at beginning of year	8,980,463	7,027,752	7,376,323	8,444,061
Total OPEB Liability at end of year	<u>6,772,332</u>	<u>\$7,376,323</u>	<u>\$8,444,061</u>	<u>\$9,055,847</u>
Plan Fiduciary Net Position				
Contributions - employer	\$346,909	\$619,950	\$641,551	\$853,735
Implicitly subsidy - employer	162,600	104,418	93,910	122,211
Contributions - member				
Net investment income	74,661	79,874	121,293	105,672
Benefit payments	(246,909)	(219,950)	(241,551)	(253,735)
Implicit rate subsidy fulfilled	(162,600)	(104,418)	(93,910)	(122,211)
Administrative expenses	(1,353)	(3,123)	(4,352)	(14,509)
Net change in Plan Fiduciary Net Position	173,308	476,751	516,941	691,163
Plan Fiduciary Net Position at beginning of year	1,022,421	1,195,729	1,672,480	2,189,421
Plan Fiduciary Net Position at end of year	<u>\$1,195,729</u>	<u>\$1,672,480</u>	<u>\$2,189,421</u>	<u>\$2,880,584</u>
City's Net OPEB Liability (Asset) at end of year	<u>\$5,576,603</u>	<u>\$5,703,843</u>	<u>\$6,254,640</u>	<u>\$6,175,263</u>
Plan's Fiduciary Net Position as percentage of Total OPEB Liability	17.0%	22.7%	25.9%	31.8%
Covered Payroll	\$6,789,392	\$6,976,100	\$7,088,924	\$8,425,996
Net OPEB Liability as percentage of covered-employee payroll	85.90%	81.80%	88.23%	73.30%

Notes:

* Fiscal year 2018 was the first year of implementation, additional years will be shown when available.

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

OPEB Plan
Schedule of Employer Contributions
Last Ten Fiscal Years*

For the Fiscal Year Ended June 30	2018	2019	2020	2021
Actuarially determined contributions	\$794,015	\$621,742	\$672,857	\$712,357
Contributions in relation to the actuarially determined contribution	509,509	724,368	735,461	975,946
Contributions deficiency (excess)	<u>\$284,506</u>	<u>(\$102,626)</u>	<u>(\$62,604)</u>	<u>(\$263,589)</u>
Covered Payroll	\$6,789,392	\$6,976,100	\$7,088,924	\$8,425,996
Contributions as a percentage of covered payroll	7.50%	10.38%	10.37%	11.58%

Notes to Schedule:

Methods and assumptions used to determine contribution rates:

Valuation date	6/30/2019
Actuarial cost method	Entry Age normal, level percent of pay
Amortization method	Closed period, level percent of pay
Remaining amortization period	20 years
Asset valuation method	Market value as of Measurement Date (June 30,
Inflation	0.75%
Projected salary increases	2.750%
Healthcare trend rate	7.00%, trending down to 3.84%
PEMHCA trend rate	3.00%
Discount rate, net of investment expenses	5.89%
Retirement rate	CalPERS Rates
Mortality rate	CalPERS Rates
Expected return on plan assets	4.26%

* Fiscal year 2018 was the first year of implementation, additional years will be shown when available.

CITY OF BRISBANE
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2021

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
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The City follows these procedures in establishing the budgetary data reflected in the financial statements

1. A City Council goal setting session is scheduled to determine the major objectives of the City's financial plan for the year. Goals are approved by the Council and incorporated into a detailed preliminary budget, which is issued for public comment. After a series of public hearings, the budget is adopted by the City Council prior to the beginning of the ensuing fiscal year (July 1).
2. The City Manager is authorized to transfer budgetary amounts within a single fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
3. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for the General Fund, certain special revenue funds, and the debt service funds. The Fire Training, Contract Employees, Tree Plant and Habitat Conservation Special Revenue Funds are special revenue funds with single focus purpose that when needed are approved by City Council or part of an existing contract and therefore did not have adopted budgets for the fiscal year. The capital projects funds did not have adopted budgets for the fiscal year, but all capital projects are approved by City Council prior to commitment. The legal level of budgetary control is the fund level.
4. Budgets for those governmental funds budgeted are adopted on a basis consistent with GAAP.
5. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2021, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
6. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and reappropriated amounts for prior year encumbrances. These necessary supplemental appropriations were immaterial in relation to the budget as originally adopted. The Administrative Services Director must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications.
7. Appropriations lapse at the end of the fiscal year to the extent they have not been expended or encumbered are re-budgeted for the coming year.

SUPPLEMENTAL INFORMATION

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Gas Tax Fund. Portions of the tax rate per gallon levied by the State of California on all gasoline purchases are allocated to cities throughout the State on a population basis. These funds are restricted for expenditures by the State of California for street-related purposes only (reference California Streets and Highways Code Sections 2105, 2106, 2107 and 2107.5).

Measure A Fund. The County of San Mateo voters approved a half cent sales tax measure in 1988 which is designated for transportation related facilities and roads. The sales tax revenues received pursuant to Measure A are distributed to cities based on population (50%) and road miles (50%).

Measure W Fund. The County of San Mateo voters approved a half cent sales tax measure in 2019 which is designated for congestion relief. The sales tax revenues received pursuant to Measure W are distributed to cities based on population (50%) and road miles (50%).

Sierra Point Landscape and Lighting Fund. To account for special assessment revenues and costs of providing landscaping and lighting services within the boundaries of the Sierra Point Landscape and Lighting District.

Grants. To account for activities of various grants including Local Law Enforcement Block Grant, Community Oriented Policing Grant, the COPS Technology Grant, and Supplemental Law Enforcement Services Fund (SLESF) Grant.

National Pollution Discharge Elimination System Fund (NPDES). Federal statute mandates a program aimed at the elimination of pollutants from drainage systems. Commonly known as NPDES, a special revenue fund is required by law to account for tax assessments collected and expenditures incurred in administering this program.

Traffic Congestion Relief Fund. Receives and disburses the City's share of state gasoline tax collections in accordance with the provisions of California's Traffic Congestion Relief Act of 2000. Revenues reflect loan payments received over five years through the Traffic Congestion Relief Program.

Fire Training Fund. This fund was created from the return and refund of one of the Universal Trainers for the Fire Department. This fund will accumulate funds dedicated to Fire Training and equipment.

Contract Employees. This fund was created to track the salary and benefits of city employees who have been contracted to other agencies and the reimbursements from the hiring agency.

Public Arts. This fund was established to receive deposits from developers as part of the "Art in Public Places Program." Commercial projects with development costs in excess of \$1,000,000 are required to contribute 1% of the cost to the Brisbane Public Art Fund. Public Projects with development costs in excess of \$1,000,000 are required to contribute 0.5% of the cost to the Brisbane Public Art Fund. Projects in excess of \$5,000,000 can choose to pay into the Brisbane Public Art Fund or pay for public art directly.

Tree Plant. This fund receives deposits from PG&E to replace the cost of any trees that must be removed for electrical repairs or maintenance. The City will use these funds to plant trees elsewhere within city limits.

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Habitat Conservation. Established to account for new development fees dedicated to habitat conservation as part of the San Mateo County San Bruno Mountain Habitat Conservation Plan. The Plan is a landmark environmental regulatory document that aims to protect endangered butterfly and snake species native to San Bruno Mountain while allowing for the development of privately owned parcels within the HCP area. In Brisbane, the HCP area includes privately owned land in the Brisbane Acres subarea, Southwest Bayshore subarea, Northeast Ridge, Guadalupe Hills, and other hillside properties in the northwest Bayshore subarea.

SB1 Road Maintenance and Rehabilitation. Receives and disburses the City's share of funding from California's Road Repair and Accountability Act of 2017 (SB1). SB1 established fuel taxes and vehicle fees to fund local road maintenance, safety improvements and complete street improvements including facilities for bicycles and pedestrians. Revenues received before fiscal year 2021 were reported as part of Fund 200 (Gas Tax).

DEBT SERVICE FUNDS

Brisbane Public Financing Authority:

2006 Pension Obligation Bonds Fund. This fund accounts for the debt service for the 2006 Pension Obligation Bonds issued August 2006. These bonds were issued to refund a portion of the City's obligations to PERS.

2001 Revenue Bonds, Series B Fund. This fund accounts for the debt service for the 2001 Revenue Bonds, Series B which were issued to acquire the City's Marina Boulevard and Lagoon Road Local Improvement District 79-1 and to refund certain outstanding revenue bonds issued by the Authority.

2005 Revenue Bonds, Series A Fund. This fund accounts for the City's portion of debt service for the 2005 Revenues Bonds, Series A which were issued to refund the 1995 Certificates of Participation Bonds and to finance certain capital projects for the City. Debt service for a portion of these bonds is met from transfers from the Community Redevelopment Agency Project Area 2 and the Utility Fund where portions of the 1995 COP bonds proceeds were expended to finance capital improvements.

2009 Revenue Lease Bonds, Series A Fund. This fund accounts for the debt service for the 2009 Revenue Bonds, Series A which were issued in March 2009 to finance the completion of the City Hall upgrades and improvements. The debt service will be met by lease payments from the City to the Authority.

2013 Pension Side Fund Bonds Debt Service Fund. This fund accounts for the debt service of the 2013 Pension Side Fund Bonds issued June 2013. These bonds were issued to pay the unfunded liability to CalPERS for the City's Miscellaneous Pension side fund.

Brisbane – Guadalupe Valley Municipal Improvement Financing Authority:

Brisbane-Guadalupe Valley Municipal Improvement District Public Financing Authority Debt Service Fund. This fund accounts for the debt service for the refunding of the 2005 BPFA Revenue Bonds, Series B. Those bonds were issued to finance City Hall seismic upgrades and other improvements. The debt service will be met with lease payments from the City to the Authority.

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

2017 Brisbane-Guadalupe Valley Municipal Improvement District Lease Refunding Debt Service Fund. This fund accounts for the debt service for the refunding of the 2009 BPFA Revenue Bonds, Series A. Those bonds were issued to finance City Hall seismic upgrades and other improvements. The debt service will be met with lease payments from the City to the Authority.

2018 Library Construction Loan Debt Service Fund. This fund accounts for the debt service for the 2018 Library Construction Loan from the County of San Mateo. The Project currently includes construction and construction management of the new library. The debt service will be met with property tax allocations.

CAPITAL PROJECTS FUNDS

Special Beautification Project Fund. This fund was established in the mid-1980s as a condition of a lawsuit settlement. The funds are for improvements to City public spaces such as relocating the Community Garden.

Facilities Construction Fund. As a condition of the final map approval for the Northeast Ridge development, the developer was required to improve a number of facilities including municipal buildings, local streets, downtown parking, future trails, fire buffers and construct a community swimming pool. Funds deposited for these projects have been placed in a capital projects fund and as separate projects move ahead with construction, applicable amounts of this fund are moved to a construction fund to further account for the cost of a particular project.

South Hill Capital Projects Fund. This fund was established in fiscal 2015 due to the sale of a portion of the former Southern Pacific rail spur to Sheng Kee Bakery. The funds are directed to be used for capital project.

Park Development Capital Projects Fund. As a condition of the Development Agreement between Opus and the City approved February 2, 2017 the City received back Parcel R on Sierra Point. Additionally, Opus provided funds which were designated for public improvements on this parcel. This fund is used to track those funds.

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

	SPECIAL REVENUE FUNDS			
	Gas Tax	Measure A	Measure W	Sierra Point Landscape & Lighting
ASSETS				
Cash and investments	\$274,260	\$341,891	\$10,592	\$923,271
Accounts receivable, net				
Interest receivable	149	185	6	500
Taxes receivable		15,389		
Total Assets	<u>\$274,409</u>	<u>\$357,465</u>	<u>\$10,598</u>	<u>\$923,771</u>
LIABILITIES				
Accounts payable				\$50,608
Accrued payroll				2,158
Due to other funds				
Deposits payable				
Unearned Revenue				
Total Liabilities				<u>52,766</u>
FUND BALANCE				
Restricted	\$274,409	\$357,465	\$10,598	871,005
Assigned				
Unassigned				
Total Fund Balances	<u>274,409</u>	<u>357,465</u>	<u>10,598</u>	<u>871,005</u>
Total Liabilities and Fund Balances	<u>\$274,409</u>	<u>\$357,465</u>	<u>\$10,598</u>	<u>\$923,771</u>

SPECIAL REVENUE FUNDS

Grants	NPDES	Traffic Congestion Relief	Fire Training	Contract Employees	Public Arts	Tree Plant
\$56,960	\$290	\$10,981	\$3,415	\$207,557	\$1,115,126	\$11,865
31		6	2	43,120 112	604	6
<u>\$56,991</u>	<u>\$290</u>	<u>\$10,987</u>	<u>\$3,417</u>	<u>\$250,789</u>	<u>\$1,115,730</u>	<u>\$11,871</u>
\$4,009	\$4,102 6,091			\$5,881		
606						
<u>4,615</u>	<u>10,193</u>			<u>5,881</u>		
52,376	97,381 (107,284)	\$10,987	\$3,417	244,908	\$1,115,730	\$11,871
<u>52,376</u>	<u>(9,903)</u>	<u>10,987</u>	<u>3,417</u>	<u>244,908</u>	<u>1,115,730</u>	<u>11,871</u>
<u>\$56,991</u>	<u>\$290</u>	<u>\$10,987</u>	<u>\$3,417</u>	<u>\$250,789</u>	<u>\$1,115,730</u>	<u>\$11,871</u>

(Continued)

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

	<u>SPECIAL REVENUE FUNDS</u>		<u>DEBT SERVICE FUNDS</u>	
	Habitat Conservation Program	SB1 Road Maintenance and Rehabilitation	2006 Pension Obligation Bonds	2001 Revenue Bonds, Series B
ASSETS				
Cash and investments	\$45,277			\$21
Accounts receivable, net				
Interest receivable	25			
Taxes receivable		\$8,372		
Total Assets	<u>\$45,302</u>	<u>\$8,372</u>		<u>\$21</u>
LIABILITIES				
Accounts payable				
Accrued payroll		\$7		
Due to other funds		13,127	\$7,485	
Deposits payable	\$43,890			
Unearned Revenue				
Total Liabilities	<u>43,890</u>	<u>13,134</u>	<u>7,485</u>	
FUND BALANCE				
Restricted	1,412			\$21
Assigned				
Unassigned		(4,762)	(7,485)	
Total Fund Balances	<u>1,412</u>	<u>(4,762)</u>	<u>(7,485)</u>	<u>21</u>
Total Liabilities and Fund Balances	<u>\$45,302</u>	<u>\$8,372</u>		<u>\$21</u>

DEBT SERVICE FUNDS					CAPITAL PROJECT FUNDS	
2005 Revenue Bonds, Series A	2009 Revenue Lease Bonds, Series A	2013 Pension Side Fund Bonds	Brisbane- Guadalupe Valley Municipal Improvement District Public Financing Authority	2017 Brisbane- Guadalupe Valley Municipal Improvement District Lease Refunding	2018 Library Construction Loan	Special Beautification Project
\$157,705					\$1,307,803	
<u>\$157,705</u>	<u></u>	<u></u>	<u></u>	<u></u>	<u>\$1,307,803</u>	<u></u>
\$4,130					\$129,260	
		\$1,010	\$3,096			
<u>4,130</u>	<u></u>	<u>1,010</u>	<u>3,096</u>	<u></u>	<u>129,260</u>	<u></u>
153,575					1,178,543	
		(1,010)	(3,096)			
<u>153,575</u>	<u></u>	<u>(1,010)</u>	<u>(3,096)</u>	<u></u>	<u>1,178,543</u>	<u></u>
<u>\$157,705</u>	<u></u>	<u></u>	<u></u>	<u></u>	<u>\$1,307,803</u>	<u></u>

(Continued)

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

	<u>CAPITAL PROJECT FUNDS</u>			
	<u>Facilities Construction</u>	<u>South Hill</u>	<u>Park Development</u>	<u>Total Nonmajor Governmental Funds</u>
ASSETS				
Cash and investments	\$3,638,664	\$169,852	\$1,731,345	\$10,006,875
Accounts receivable, net				43,120
Interest receivable	1,970	92	938	4,626
Taxes receivable				23,761
	<u>\$3,640,634</u>	<u>\$169,944</u>	<u>\$1,732,283</u>	<u>\$10,078,382</u>
LIABILITIES				
Accounts payable			\$4,108	\$196,217
Accrued payroll				14,137
Due to other funds				24,718
Deposits payable	\$11,018			55,514
Unearned Revenue			300,000	300,000
Total Liabilities	<u>11,018</u>		<u>304,108</u>	<u>590,586</u>
FUND BALANCE				
Restricted				4,286,317
Assigned	3,629,616	\$169,944	1,428,175	5,325,116
Unassigned				(123,637)
Total Fund Balances	<u>3,629,616</u>	<u>169,944</u>	<u>1,428,175</u>	<u>9,487,796</u>
Total Liabilities and Fund Balances	<u>\$3,640,634</u>	<u>\$169,944</u>	<u>\$1,732,283</u>	<u>\$10,078,382</u>

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

	SPECIAL REVENUE FUNDS			
	Gas Tax	Measure A	Measure W	Sierra Point Landscape & Lighting
GOVERNMENTAL REVENUES				
Taxes and special assessments		\$202,821	\$79,829	\$556,415
Intergovernmental	\$107,057			
Licenses, permits and fees				
Use of money and property	648	336	214	612
Other revenues				
Total Revenues	107,705	203,157	80,043	557,027
EXPENDITURES				
Current:				
Public works				427,447
Capital outlay				
Debt service:				
Principal				8,144
Interest and fiscal charges				
Total Expenditures				435,591
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	107,705	203,157	80,043	121,436
OTHER FINANCING SOURCES (USES)				
Transfers in				
Transfers out	(56,257)	(382,659)	(80,384)	
Total Other Financing Sources (Uses)	(56,257)	(382,659)	(80,384)	
NET CHANGES IN FUND BALANCES	51,448	(179,502)	(341)	121,436
BEGINNING FUND BALANCES (DEFICITS)	222,961	536,967	10,939	749,569
ENDING FUND BALANCES (DEFICITS)	\$274,409	\$357,465	\$10,598	\$871,005

SPECIAL REVENUE FUNDS

Grants	NPDES	Traffic Congestion Relief	Fire Training	Contract Employees	Public Arts	Tree Plant
\$157,718	\$42,166					
529	2,235 (1,320)	\$10	\$3	\$132	\$2,670	\$10
				257,608	224,507	
158,247	43,081	10	3	257,740	227,177	10
	526,755			249,771		
	526,755			249,771		
158,247	(483,674)	10	3	7,969	227,177	10
(157,197)	483,000					
(157,197)	483,000					
1,050	(674)	10	3	7,969	227,177	10
51,326	(9,229)	10,977	3,414	236,939	888,553	11,861
\$52,376	(\$9,903)	\$10,987	\$3,417	\$244,908	\$1,115,730	\$11,871

(Continued)

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

	SPECIAL REVENUE FUNDS		DEBT SERVICE FUNDS	
	Habitat Conservation Program	SB1 Road Maintenance and Rehabilitation	2006 Pension Obligation Bonds	2001 Revenue Bonds, Series B
GOVERNMENTAL REVENUES				
Taxes and special assessments				
Intergovernmental		\$85,167		
Licenses, permits and fees				
Use of money and property	\$41	149		
Other revenues				
	41	85,316		
EXPENDITURES				
Current:				
Public works				
Capital outlay				
Debt service:				
Principal			\$150,000	
Interest and fiscal charges			11,375	
Total Expenditures			161,375	
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	41	85,316	(161,375)	
OTHER FINANCING SOURCES (USES)				
Transfers in			161,375	
Transfers out		(90,078)		
Total Other Financing Sources (Uses)		(90,078)	161,375	
NET CHANGES IN FUND BALANCES	41	(4,762)		
BEGINNING FUND BALANCES (DEFICITS)	1,371		(7,485)	\$21
ENDING FUND BALANCES (DEFICITS)	\$1,412	(\$4,762)	(\$7,485)	\$21

DEBT SERVICE FUNDS						CAPITAL PROJECT FUNDS
2005 Revenue Bonds, Series A	2009 Revenue Lease Bonds, Series A	2013 Pension Side Fund Bonds	Brisbane- Guadalupe Valley Municipal Improvement District Public Financing Authority	2017 Brisbane- Guadalupe Valley Municipal Improvement District Lease Refunding	2018 Library Construction Loan	Special Beautification Project
	\$3,062					
	3,062					
		\$220,000 35,860	\$225,000 155,003	\$128,000 27,603	\$113,333 17,422	
		255,860	380,003	155,603	130,755	
	3,062	(255,860)	(380,003)	(155,603)	(130,755)	
		255,860	380,003	155,603		
		255,860	380,003	155,603		
	3,062				(130,755)	
\$153,575	(3,062)	(1,010)	(3,096)		1,309,298	
\$153,575		(\$1,010)	(\$3,096)		\$1,178,543	
						(Continued)

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

	CAPITAL PROJECT FUNDS			
	Facilities Construction	South Hill	Park Development	Total Nonmajor Governmental Funds
GOVERNMENTAL REVENUES				
Taxes and special assessments				\$881,231
Intergovernmental				349,942
Licenses, permits and fees				2,235
Use of money and property	\$3,251	(\$204)	\$3,725	10,806
Other revenues			1,500,000	1,985,177
Total Revenues	3,251	(204)	1,503,725	3,229,391
EXPENDITURES				
Current:				
Public works				1,203,973
Capital outlay		95,182	85,008	180,190
Debt service:				
Principal				844,477
Interest and fiscal charges				247,263
Total Expenditures		95,182	85,008	2,475,903
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,251	(95,386)	1,418,717	753,488
OTHER FINANCING SOURCES (USES)				
Transfers in				1,435,841
Transfers out				(766,575)
Total Other Financing Sources (Uses)				669,266
NET CHANGES IN FUND BALANCES	3,251	(95,386)	1,418,717	1,422,754
BEGINNING FUND BALANCES (DEFICITS)	3,626,365	265,330	9,458	8,065,042
ENDING FUND BALANCES (DEFICITS)	\$3,629,616	\$169,944	\$1,428,175	\$9,487,796

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

	SPECIAL REVENUE FUNDS					
	GAS TAX			MEASURE A		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
GOVERNMENTAL REVENUES						
Taxes and special assessments				\$200,000	\$202,821	\$2,821
Intergovernmental	\$417,000	\$107,057	(\$309,943)			
Licenses, permits and fees		648	648		336	336
Use of money and property						
Other revenues						
Total Revenues	417,000	107,705	(309,295)	200,000	203,157	3,157
EXPENDITURES						
Current:						
Public works						
Capital outlay						
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	417,000	107,705	(309,295)	200,000	203,157	3,157
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers out		(56,257)	(56,257)		(382,659)	(382,659)
Total Other Financing Sources (Uses)		(56,257)	(56,257)		(382,659)	(382,659)
NET CHANGES IN FUND BALANCES	\$417,000	51,448	(\$365,552)	\$200,000	(179,502)	(\$379,502)
BEGINNING FUND BALANCES (DEFICITS)		222,961			536,967	
ENDING FUND BALANCES (DEFICITS)		\$274,409			\$357,465	

SPECIAL REVENUE FUNDS

MEASURE W			SIERRA POINT LANDSCAPING & LIGHTING			GRANTS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
	\$79,829	\$79,829	\$590,000	\$556,415	(\$33,585)		\$157,718	\$157,718
	214	214		612	612		529	529
	80,043	80,043	590,000	557,027	(32,973)		158,247	158,247
			621,061	427,447	193,614			
				8,144	(8,144)			
			621,061	435,591	185,470			
	80,043	80,043	(31,061)	121,436	152,497		158,247	158,247
	(80,384)	(80,384)					(157,197)	(157,197)
	(80,384)	(80,384)					(157,197)	(157,197)
	(341)	(\$341)	(\$31,061)	121,436	\$152,497		1,050	\$1,050
	10,939			749,569			51,326	
	\$10,598			\$871,005			\$52,376	

(Continued)

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

SPECIAL REVENUE FUNDS					
	NPDES			Traffic Congestion Relief	
	Budget	Actual	Variance Positive (Negative)	Budget	Variance Positive (Negative)
GOVERNMENTAL REVENUES					
Taxes and special assessments	\$51,000	\$42,166	(\$8,834)		
Intergovernmental					
Licenses, permits and fees	2,000	2,235	235		
Use of money and property		(1,320)	(1,320)	\$10	\$10
Other revenues					
Total Revenues	53,000	43,081	(9,919)	10	10
EXPENDITURES					
Current:					
Public works	514,474	526,755	(12,281)		
Capital outlay					
Debt service:					
Principal					
Interest and fiscal charges					
Total Expenditures	514,474	526,755	(12,281)		
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(461,474)	(483,674)	(22,200)	10	10
OTHER FINANCING SOURCES (USES)					
Transfers in	515,043	483,000	(32,043)		
Transfers out					
Total Other Financing Sources (Uses)	515,043	483,000	(32,043)		
NET CHANGE IN FUND BALANCES	\$53,569	(674)	(\$54,243)	10	\$10
BEGINNING FUND BALANCES (DEFICITS)		(9,229)		10,977	
ENDING FUND BALANCES (DEFICITS)		(\$9,903)		\$10,987	

SPECIAL REVENUE FUNDS						DEBT SERVICE FUNDS		
PUBLIC ARTS FUND			SBI ROAD MAINTENANCE AND REHABILITATION			2006 PENSION OBLIGATION BONDS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
			\$85,000	\$85,167	\$167			
	\$2,670	\$2,670		149	149			
	224,507	224,507						
	227,177	227,177	85,000	85,316	316			
						\$140,000	\$150,000	(\$10,000)
						18,813	11,375	7,438
						158,813	161,375	(2,562)
	227,177	227,177	85,000	85,316	316	(158,813)	(161,375)	(2,562)
				(90,078)	(90,078)	158,813	161,375	2,562
				(90,078)	(90,078)	158,813	161,375	2,562
	227,177	\$227,177	\$85,000	(4,762)	(\$89,762)			
	888,553						(7,485)	
	\$1,115,730			(\$4,762)			(\$7,485)	

(Continued)

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

	DEBT SERVICE FUNDS					
	2001 REVENUE BONDS, SERIES B			2005 REVENUE BONDS, SERIES A		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
GOVERNMENTAL REVENUES						
Taxes and special assessments						
Intergovernmental						
Licenses, permits and fees						
Use of money and property						
Other revenues						
Total Revenues						
EXPENDITURES						
Current:						
Public works						
Capital outlay						
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures						
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
OTHER FINANCING SOURCES (USES)						
Transfers in						
Transfers out						
Total Other Financing Sources (Uses)						
NET CHANGE IN FUND BALANCES						
BEGINNING FUND BALANCES (DEFICITS)		\$21			\$153,575	
ENDING FUND BALANCES (DEFICITS)		\$21			\$153,575	

DEBT SERVICE FUNDS

2009 LEASE REVENUE BONDS, SERIES A			2013 PENSION SIDE FUND BONDS			BRISBANE-GUADALUPE VALLEY MUNICIPAL IMPROVEMENT DISTRICT PUBLIC FINANCING AUTHORITY		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
	\$3,062	\$3,062						
	3,062	3,062						
			\$220,000	\$220,000		\$220,000	\$225,000	(\$5,000)
			35,860	35,860		157,580	155,003	2,577
			255,860	255,860		377,580	380,003	(2,423)
	3,062	3,062	(255,860)	(255,860)		(377,580)	(380,003)	(2,423)
			255,860	255,860		377,580	380,003	2,423
			255,860	255,860		377,580	380,003	2,423
	3,062	\$3,062						
	(\$3,062)			(1,010)			(3,096)	
				(\$1,010)			(\$3,096)	

(Continued)

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

	DEBT SERVICE FUNDS		
	2018 LIBRARY CONSTRUCTION LOAN		
	Budget	Actual	Variance Positive (Negative)
GOVERNMENTAL REVENUES			
Taxes and special assessments			
Intergovernmental			
Licenses, permits and fees			
Use of money and property			
Other revenues			
Total Revenues			
EXPENDITURES			
Current:			
Public works			
Capital outlay			
Debt service:			
Principal	\$113,333	\$113,333	
Interest and fiscal charges	34,470	17,422	\$17,048
Total Expenditures	147,803	130,755	17,048
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(147,803)	(130,755)	17,048
OTHER FINANCING SOURCES (USES)			
Transfers in			
Transfers out			
Total Other Financing Sources (Uses)			
NET CHANGE IN FUND BALANCES	(\$147,803)	(130,755)	\$17,048
BEGINNING FUND BALANCES (DEFICITS)		1,309,298	
ENDING FUND BALANCES (DEFICITS)		\$1,178,543	

INTERNAL SERVICE FUNDS

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

GASB Statement 34 requires that for the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

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

Dental Self-Insurance Fund. The City self-insures its employee dental coverage; revenues are received from charges to operating departments based upon an agreed upon contribution per worker and reimbursements to employees for dental expenses are paid from this fund.

Fringe Benefits Fund. To account for the costs of unexpected benefit costs and other negotiated labor agreement provisions.

Flexible Benefits Fund. This fund receives revenue from employee cafeteria plans to pay for medical and childcare reimbursements as outlined in the 125 plan. At the end of each plan year the remaining funds become the property of the City.

General Liability Fund. The City self-insures a portion of each liability loss. Revenues are received from charges to operating departments based on payroll.

Workers' Compensation Fund. The City self-insures for a portion of Workers' Compensation. Revenues are received from charges to operating departments based on payroll.

OPEB Fund. This fund was established to track retiree stipends and other post-employment benefits, however the OPEB liability is recorded only at the entity-wide level.

Vehicle Replacement Fund. This fund was established in April 2015 with the purpose of setting aside the replacement value of City-owned vehicles.

Facilities Maintenance. This fund was established to account for the expenditures for the maintenance and repairs of various city-owned facilities. Revenues in FY16 were received as part of a fiscal surplus. Future years will establish budgeted transfers to this fund in anticipation of planned maintenance and repairs.

CITY OF BRISBANE
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2021

	Dental Self-Insurance	Fringe Benefits	Flexible Benefits	General Liability
ASSETS				
Current Assets:				
Cash and investments		\$87,730	\$2,833	
Restricted cash and investments				
Accounts receivable, net		112,399	2,977	
Interest receivable		50	2	
Total Assets		200,179	5,812	
LIABILITIES				
Current Liabilities:				
Accounts payable and accrued liabilities	\$22,174	135,652	5,716	\$4,583
Due to other funds	102,417		1,768	319,393
Accrued payroll		36,716		
Accrued claims payable				14,624
Total Current Liabilities	124,591	172,368	7,484	338,600
Noncurrent Liabilities:				
Accrued claims payable				27,730
Total Liabilities	124,591	172,368	7,484	366,330
NET POSITION				
Unrestricted	(124,591)	27,811	(1,672)	(366,330)
Total Net Position (Deficits)	(\$124,591)	\$27,811	(\$1,672)	(\$366,330)

Workers' Compensation	OPEB Fund	Vehicle Replacement Fund	Facilities Maintenance	Total
\$641,825	\$654,892	\$551,001	\$553,566	\$2,491,847
173,137				173,137
			300	115,676
348	355	298		1,053
815,310	655,247	551,299	553,866	2,781,713
5,198		2,227	58,062	233,612
		10,243		433,821
5,916				42,632
240,972				255,596
252,086		12,470	58,062	965,661
541,028				568,758
793,114		12,470	58,062	1,534,419
22,196	655,247	538,829	495,804	1,247,294
\$22,196	\$655,247	\$538,829	\$495,804	\$1,247,294

CITY OF BRISBANE
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2021

	Dental Self-Insurance	Fringe Benefits	Flexible Benefits	General Liability
OPERATING REVENUES				
Charges for sales and services	\$95,085			\$676,483
Other revenue		\$74		
Total Operating Revenues	95,085	74		676,483
OPERATING EXPENSES				
Cost of sales and services				
General and administrative	115,789			700,215
Other expenses				
Total Operating Expenses	115,789			700,215
Operating Income (Loss)	(20,704)	74		(23,732)
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	(127)	1,304	\$13	(2,655)
Total Nonoperating Revenues (Expenses)	(127)	1,304	13	(2,655)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	(20,831)	1,378	13	(26,387)
Transfers in				
Change in Net Position	(20,831)	1,378	13	(26,387)
BEGINNING NET POSITION (DEFICIT)	(103,760)	26,433	(1,685)	(339,943)
ENDING NET POSITION (DEFICIT)	(\$124,591)	\$27,811	(\$1,672)	(\$366,330)

Workers' Compensation	OPEB Fund	Vehicle Replacement Fund	Facilities Maintenance	Total
\$609,979				\$1,381,547
24,246		\$26,358		50,678
634,225		26,358		1,432,225
	\$23,364			23,364
663,468			\$139,052	1,618,524
104,849	800,513	3,266		908,628
768,317	823,877	3,266	139,052	2,550,516
(134,092)	(823,877)	23,092	(139,052)	(1,118,291)
(1,618)	(2,608)	1,414	266	(4,011)
(1,618)	(2,608)	1,414	266	(4,011)
(135,710)	(826,485)	24,506	(138,786)	(1,122,302)
		263,820		263,820
(135,710)	(826,485)	288,326	(138,786)	(858,482)
157,906	1,481,732	250,503	634,590	2,105,776
\$22,196	\$655,247	\$538,829	\$495,804	\$1,247,294

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

	Dental Self-Insurance	Fringe Benefits	Flexible Benefits	General Liability
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received to/ from customers	\$95,085	(\$22,002)	\$2,822	\$665,714
Cash payments to suppliers	(105,715)			(696,736)
Cash Flows from Operating Activities	(10,630)	(22,002)	2,822	(31,022)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Due to other funds receipts	10,757			33,677
Transfers in				
Cash Flows from Noncapital Financing Activities	10,757			33,677
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest paid	(127)			(2,655)
Interest income		1,453	11	
Cash Flows from Investing Activities	(127)	1,453	11	(2,655)
Net Cash Flows		(20,549)	2,833	
Cash and investments at beginning of period		108,279		
Cash and investments at end of period		\$87,730	\$2,833	
Reconciliation of operating income (loss) to net cash flows from operating activities:				
Operating income (loss)	(\$20,704)	\$74		(\$23,732)
Adjustments to reconcile operating income to net cash flows from operating activities:				
Accounts receivable		(112,399)		
Accounts payable and accrued liabilities	10,074	125,125	\$2,822	(10,769)
Accrued payroll		(34,802)		
Accrued claims payable				3,479
Cash Flows from Operating Activities	(\$10,630)	(\$22,002)	\$2,822	(\$31,022)

Workers' Compensation	OPEB Fund	Replacement Vehicle Fund	Facilities Maintenance	Total
\$634,225	(\$429)	\$67,237	\$58,928	\$1,501,580
(815,653)	(823,877)	(1,039)	(139,052)	(2,582,072)
(181,428)	(824,306)	66,198	(80,124)	(1,080,492)
		1,041		45,475
		263,820		263,820
		264,861		309,295
				(2,782)
(410)	(242)	1,518	266	2,596
(410)	(242)	1,518	266	(186)
(181,838)	(824,548)	332,577	(79,858)	(771,383)
996,800	1,479,440	218,424	633,424	3,436,367
\$814,962	\$654,892	\$551,001	\$553,566	\$2,664,984
(\$134,092)	(\$823,877)	\$23,092	(\$139,052)	(\$1,118,291)
		40,879	866	(70,654)
4,734	(429)	2,227	58,062	191,846
2,578				(32,224)
(54,648)				(51,169)
(181,428)	(824,306)	\$66,198	(\$80,124)	(\$1,080,492)

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FIDUCIARY FUNDS

CUSTODIAL FUNDS included the following funds:

Developer Deposits

Other Custodial Funds

Northeast Ridge Assessment District 2013 Refunding Bonds Fund

Peninsula Corridor Electrification

San Mateo County Training Consortium

Orchard Partners Quarry Development Fund

CITY OF BRISBANE
CUSTODIAL FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2021

	Custodial Funds		
	Developer Deposits Fund	Other Custodial Funds	Northeast Ridge Assessment District 2013 Refunding Bonds Fund
ASSETS			
Cash and investments	\$993,494	\$10,021	\$36,080
Accounts receivable, net	88,811		
Interest receivable	28		20
Total Assets	1,082,333	10,021	36,100
LIABILITIES			
Accounts payable	112,736		
Deposits payable	2,157,247	8,380	
Total Liabilities	2,269,983	8,380	
NET POSITION			
Restricted for organizations and other governments	(\$1,187,650)	\$1,641	\$36,100

Custodial Funds			
Peninsula Corridor Electrification Project Fund	San Mateo County Training Consortium Fund	Orchard Partners Quarry Development Fund	Total
\$26,670	\$21,249	\$30,000	\$1,117,514
14			88,811
			62
26,684	21,249	30,000	1,206,387
	37,918		150,654
25,000		30,000	2,220,627
25,000	37,918	30,000	2,371,281
\$1,684	(\$16,669)		(\$1,164,894)

CITY OF BRISBANE
 COMBINING STATEMENT OF CHANGES IN NET POSITION
 CUSTODIAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	Custodial Funds		
	Developer Deposits Fund	Other Custodial Funds	Northeast Ridge Assessment District 2013 Refunding Bonds Fund
ADDITIONS			
Investment income	\$46	\$6	(\$2,532)
Other revenue	88,811		1,694
Total additions	88,857	6	(838)
DEDUCTIONS			
Professional services	353,549		
Administrative charges	174,992		
Payments to bondholders			539,261
Total deductions	528,541		539,261
CHANGES IN NET POSITION	(439,684)	6	(540,099)
BEGINNING NET POSITION (DEFICIT), AS RESTATED	(747,966)	1,635	576,199
ENDING NET POSITION (DEFICIT)	(\$1,187,650)	\$1,641	\$36,100

Custodial Funds			
Peninsula Corridor Electrification Project Fund	San Mateo County Training Consortium Fund	Orchard Partners Quarry Development Fund	Total
\$24	\$72,883		(\$2,456) 163,388
24	72,883		160,932
	89,805		443,354 174,992 539,261
	89,805		1,157,607
24	(16,922)		(996,675)
1,660	253		(168,219)
\$1,684	(\$16,669)		(\$1,164,894)

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**INDEPENDENT AUDITOR'S 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***

To the Honorable Members of the City Council
City of Brisbane, 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 basic financial statements of the City of Brisbane, California, as of and for the year ended June 30, 2021, and have issued our report thereon dated February 10, 2022. Our report included an emphasis of a matter paragraph disclosing the implementation of new accounting principles

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 City'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 that are required to be reported under *Government Auditing Standards*.

We have also issued a separate Memorandum on Internal Control dated February 10, 2022 which is an integral part of our audit and should be read in conjunction with this report.

City's Response to Findings

The City's response to the findings identified in our audit is described in our separately issued Memorandum on Internal Control dated February 10, 2022, which is an integral part of our audit and should be read in conjunction with this report. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Maze & Associates

Pleasant Hill, California
February 10, 2022

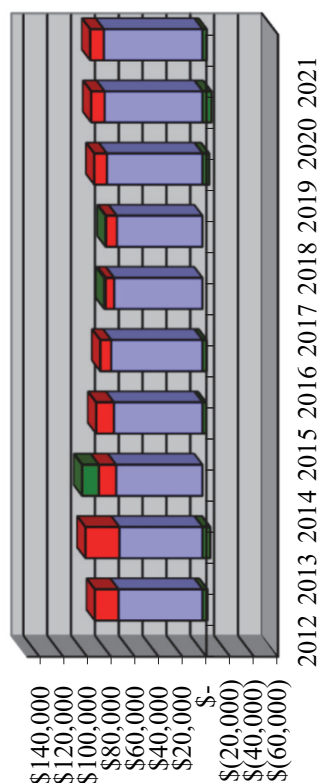
STATISTICAL INFORMATION

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

Contents	Page
Financial Trends	143-149
<i>These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
Revenue Capacity	151-156
<i>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	
Debt Capacity	157-162
<i>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.</i>	
Demographic and Economic Information	163-167
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
Operating Information	168-171
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</i>	

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CITY OF BRISBANE
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
(Dollars in thousands)



■ Net Investment in Capital Assets ■ Restricted ■ Unrestricted

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Invested in capital assets, net of related debt	\$38,064	\$37,751	\$46,027	\$47,358	\$47,876	\$44,304	\$43,424	\$50,918	\$54,101	\$55,504
Restricted	19,006	26,255	12,292	12,698	6,934	6,373	8,314	9,841	10,470	10,688
Unrestricted	(5,156)	(7,609)	10,882	(5,099)	(3,507)	945	(3,630)	(9,112)	(12,721)	(9,339)
Total governmental activities net position	\$51,914	\$56,397	\$69,201	\$54,957	\$51,303	\$51,622	\$48,108	\$51,647	\$51,850	\$56,853
Business-type activities										
Invested in capital assets, net of related debt	\$32,305	\$31,832	\$26,368	\$26,815	\$28,599	\$29,708	\$28,342	\$29,149	\$27,898	\$27,156
Restricted	847	2,251	2,251	2,251	2,251	759	759	759	758	759
Unrestricted	964	1,105	3,037	2,092	(161)	170	3,936	3,423	5,194	5,733
Total business-type activities net position	\$34,116	\$35,188	\$31,656	\$31,158	\$30,689	\$30,637	\$33,037	\$33,331	\$33,850	\$33,648
Primary government										
Invested in capital assets, net of related debt	\$70,369	\$69,583	\$72,395	\$74,173	\$76,475	\$74,012	\$71,766	\$80,067	\$81,999	\$82,660
Restricted	19,853	28,506	14,543	14,949	9,185	7,132	9,073	10,600	11,228	11,447
Unrestricted	(4,192)	(6,504)	13,919	(3,007)	(3,668)	1,115	305	(5,689)	(7,527)	(3,606)
Total primary government net position	\$86,030	\$91,585	\$100,857	\$86,115	\$81,992	\$82,259	\$81,144	\$84,978	\$85,700	\$90,501

CITY OF BRISBANE
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Dollars in thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General Government	\$5,123	\$5,584	\$4,485	\$4,195	\$5,357	\$5,718	\$7,446	\$6,871	\$9,780	\$11,358
Public Safety - police	2,931	3,282	3,314	3,918	4,189	4,758	5,225	5,694	5,313	4,789
Public Safety - fire	2,756	3,004	2,528	2,602	2,782	2,812	3,576	3,661	3,629	3,838
Public Works	1,901	2,832	3,378	3,684	3,542	3,734	3,883	4,094	5,061	4,776
Parks and Recreation	-	-	1,802	1,955	2,023	2,338	2,388	2,393	2,699	1,622
Interest on Long-Term Debt (Unallocated)	2,879	2,009	1,245	999	647	433	630	419	294	248
Total Governmental Activities Expenses	15,590	16,711	16,752	17,353	18,540	19,793	23,148	23,132	26,776	26,631
Business-Type Activities:										
Utility	3,824	4,542	4,344	4,656	5,654	5,442	5,368	6,261	5,952	6,667
Marina	3,342	3,313	1,438	1,623	1,808	1,940	1,662	1,621	1,715	1,317
Total Business-Type Activities Expenses	7,166	7,855	5,782	6,279	7,462	7,382	7,030	7,882	7,667	7,984
Total Primary Government Expenses	\$22,756	\$24,566	\$22,534	\$23,632	\$26,002	\$27,175	\$30,178	\$31,014	\$34,443	\$34,615
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	\$2,122	\$1,665	\$3,803	\$4,635	\$5,226	\$5,319	\$6,517	\$6,959	\$8,070	\$9,515
Public Safety - police	107	124	151	54	60	52	58	127	56	46
Public Safety - fire	113	119	128	179	275	315	714	499	463	1,453
Public Works	2,928	2,088	3,252	3,115	1,120	1,408	1,179	1,382	990	952
Parks and Recreation	-	-	506	526	571	597	588	667	483	317
Operating Grants and Contributions	132	91	88	117	158	209	342	624	332	1,055
Capital Grants and Contributions	490	3,083	1,396	930	352	152	238	88	225	507
Total Government Activities Program Revenues	5,892	7,170	9,324	9,556	7,762	8,052	9,636	10,346	10,619	13,845
Business-Type Activities:										
Charges for Services:										
Utility	4,247	5,622	5,466	5,764	5,276	5,717	8,085	6,009	6,049	5,681
Parks and Recreation	2,155	2,388	1,614	1,529	1,652	1,705	2,206	2,099	2,293	2,339
Capital Grants and Contributions	102	-	-	-	-	456	-	-	-	-
Total Business-Type Activities Program Revenue	6,504	8,010	7,080	7,293	6,928	7,878	10,291	8,108	8,342	8,020
Total Primary Government Program Revenues	\$12,396	\$15,180	\$16,404	\$16,849	\$14,690	\$15,930	\$19,927	\$18,454	\$18,961	\$21,865
Net (Expense)/Revenue										
Governmental Activities	(\$9,698)	(\$9,541)	(\$7,428)	(\$7,797)	(\$10,778)	(\$11,741)	(\$13,512)	(\$12,786)	(\$16,157)	(\$12,786)
Business-Type Activities	(662)	155	1,298	1,014	(534)	496	3,261	226	675	36
Total Primary Government Net Expense	(\$10,360)	(\$9,386)	(\$6,130)	(\$6,783)	(\$11,312)	(\$11,245)	(\$10,251)	(\$12,560)	(\$15,482)	(\$12,750)

(continued)

CITY OF BRISBANE
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
(Dollars in thousands)
(continued)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Taxes:										
Property Taxes	\$4,950	\$3,518	\$2,816	\$3,162	\$3,258	\$3,342	\$3,662	\$4,372	\$4,711	\$5,513
Sales Taxes	4,495	2,863	2,529	3,333	3,843	4,408	4,678	5,609	6,640	7,652
Motor Vehicle In-Lieu	2	2	-	-	-	-	-	-	-	-
Transient Occupancy Tax	1,560	1,668	2,038	2,447	2,786	2,768	2,886	2,890	2,072	850
Business License Tax	-	2,898	-	-	-	-	-	-	-	-
Other Taxes	494	2,055	649	909	1,056	1,423	1,118	2,243	1,713	1,626
Developer Contributions	-	-	-	-	-	-	-	-	-	-
Interest Earnings	1,587	1,516	947	-	182	100	106	704	356	288
Miscellaneous	75	337	335	-	48	14	23	422	756	1,730
Gain on sale of land held	-	-	-	-	-	-	-	-	-	131
Transfers, net	(1,008)	(834)	4,914	681	54	5	120	85	111	(2)
Extraordinary Item	16,063	-	-	-	-	-	-	-	-	-
Contribution from Successor Agency	-	-	2,512	-	-	-	-	-	-	-
Special Item: Gain on Early Retirement of Debt	-	-	3,491	-	-	-	-	-	-	-
Special Item: Successor Agency Loan Write-off	-	-	-	-	(4,099)	-	-	-	-	-
Total Government Activities	28,218	14,023	20,231	10,532	7,128	12,060	12,593	16,325	16,359	17,788
Business-Type Activities:										
Other Taxes	30	33	30	30	30	30	81	33	32	35
Interest Earnings	3	51	55	51	88	(574)	(387)	60	(135)	(334)
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Developer Contribution	-	-	-	-	-	-	-	60	60	60
Intergovernmental	185	-	-	-	-	-	-	-	-	-
Transfers and Other	1,008	834	(4,914)	(681)	(54)	(5)	(120)	(85)	(111)	2
Total Business-Type Activities	1,226	918	(4,829)	(600)	64	(549)	(426)	68	(154)	(237)
Total Primary Government	\$29,444	\$14,941	\$15,402	\$9,932	\$7,192	\$11,511	\$12,167	\$16,393	\$16,205	\$17,551
Change in Net Position										
Governmental Activities	\$18,520	\$4,482	\$12,803	\$2,735	(\$3,650)	\$319	(\$919)	\$3,539	\$202	\$5,002
Business-Type Activities	564	1,073	(3,531)	414	(470)	(53)	2,835	294	521	(201)
Total Primary Government	\$19,084	\$5,555	\$9,272	\$3,149	(\$4,120)	\$266	\$1,916	\$3,833	\$723	\$4,801

(A) In fiscal year 2014, the City reorganized its funds and the former Parks and Recreation Fund was renamed the Marina Fund. The Parks and Recreation fund was then combined with the General Fund.

CITY OF BRISBANE
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(In thousands)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Reserved										
Unreserved										
Nonspendable	\$2,630	\$3,475	\$3,384	\$3,291	\$3,315	\$2,594	\$2,437	\$1,818	\$3,968	\$3,844
Restricted	-	-	-	-	-	107	114	530	1,162	1,414
Assigned	141	192	274	295	221	253	274	821	842	842
Unassigned	6,756	7,388	8,484	8,957	7,745	8,702	8,628	7,949	6,465	11,436
Total General Fund	\$9,527	\$11,055	\$12,142	\$12,543	\$11,281	\$11,656	\$11,453	\$11,118	\$12,437	\$17,536
All other governmental funds										
Nonspendable					\$154	\$80				
Restricted	\$23,827	\$24,306	\$9,428	\$9,658	3,965	3,861	\$6,061	\$6,725	\$6,683	\$6,777
Assigned	670	1,703	2,982	3,666	3,762	3,813	3,837	3,914	3,998	5,325
Unassigned	(1,034)	(207)	(312)	(488)	(561)	(1,331)	(1,609)	(1,244)	(4,708)	(6,503)
Total all other governmental funds	\$23,463	\$25,802	\$12,098	\$12,836	\$7,320	\$6,423	\$8,289	\$9,395	\$5,973	\$5,599

Source: City of Brisbane Annual Comprehensive Financial Report

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CITY OF BRISBANE
Changes in Fund Balance of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(In thousands)

	Fiscal Year Ended June 30,			
	2012	2013	2014	2015
Revenues				
Taxes and special assessments	\$12,659	\$9,607	\$9,501	\$11,258
Intergovernmental	26	1,120	360	665
Licenses, permits, and fees	1,201	3,429	4,162	3,978
Charges for services	398	233	2,579	2,090
Fines and forfeitures	797	58	60	40
Use of money and property	1,741	1,587	1,026	255
Other revenues	2,469	3,924	452	1,390
Total Revenues	19,291	19,958	18,140	19,676
Expenditures				
Current:				
General government	3,492	3,998	3,570	3,780
Public safety-police	2,699	2,950	3,038	3,611
Public safety-fire	2,485	2,314	2,247	2,300
Public works	1,290	2,776	2,473	2,748
Parks and recreation	-	-	1,630 A	1,775
Library	979	25	27	28
Capital outlay	2,883	1,499	1,083	1,232
Debt service:				
Principal repayment	2,324	2,567	16,135	6,938
Interest and fiscal charges	2,913	2,012	1,347	1,036
Total Expenditures	19,065	18,141	31,550	23,448
Excess (deficiency) of revenues over (under) expenditures	226	1,817	(13,410)	(3,772)
Other Financing Sources (Uses)				
Premium on refunding bonds issued	-	1,486	1,004	88
Proceeds from sale of property/assets	-	-	-	292
Proceeds from long-term debt	-	1,611	63	5,470
Payment to refunded debt escrow agent	-	-	-	-
Transfer in	3,110	1,809	1,672	7,800
Transfer out	(3,081)	(2,856)	(1,946)	(8,740)
Extraordinary item	2,904	-	-	-
Special item	-	-	-	-
Total other financing sources (uses)	2,933	2,050	793	4,910
Net change in fund balances	\$3,159	\$3,867	(\$12,617)	\$1,138
Debt service as a percentage of noncapital expenditures	32.4%	27.5%	57.4%	35.9%

(A) In fiscal year 2014, the City reorganized its funds and the former Parks and Recreation Fund was renamed the Marina Fund. The Parks and Recreation fund was then combined with the General Fund.

2016	2017	2018	2019	2020	2021
\$11,400	\$12,069	\$12,873	\$14,606	\$15,261	\$15,744
420	651	511	919	1,229	1,626
3,234	4,312	4,198	6,623	5,810	6,988
2,158	2,507	2,751	3,662	3,132	3,461
51	48	50	66	43	31
269	156	175	855	508	352
735	552	1,190	974	838	3,307
18,267	20,295	21,748	27,705	26,821	31,509
4,472	4,647	5,534	5,823	7,299	7,728
4,071	4,390	4,628	4,917	4,991	4,804
2,586	2,402	3,035	3,357	3,535	3,829
2,896	2,972	3,245	3,637	3,758	3,848
1,821	2,139	2,192	2,200	2,504	1,622
28	-	-	-	-	-
838	2,085	802	4,243	4,674	3,707
2,546	1,036	1,147	649	924	858
686	446	485	422	298	253
19,944	20,117	21,068	25,248	27,983	26,649
(1,677)	178	680	2,457	(1,162)	4,860
-	-	-	-	-	-
-	-	-	-	-	131
-	-	3,330	-	-	-
-	-	(1,738)	-	-	-
2,369	2,131	2,112	5,331	2,087	2,418
(3,371)	(2,831)	(2,722)	(7,017)	(3,028)	(2,684)
-	-	-	-	-	-
(4,099)	-	-	-	-	-
(5,101)	(700)	982	(1,686)	(941)	(135)
(\$6,778)	(\$522)	\$1,662	\$771	(\$2,103)	\$4,725
16.9%	8.2%	8.1%	5.1%	5.2%	4.6%

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City of Brisbane
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Fiscal Year	Property Tax ¹	Sales Tax ²	Gas Tax ³	Franchise Tax	Transfer Tax	TOT Tax	Business License Tax	Total
2012	\$3,749	\$4,637	\$127	\$216	\$35	\$1,560	\$607	\$10,931
2013	3,051	3,029	105	199	47	1,668	2,898	10,998
2014	2,725	2,701	144	334	76	2,038	2,792	10,810
2015	3,163	3,333	118	531	68	2,447	2,746	12,406
2016	3,183	3,843	108	708	75	2,786	2,580	13,283
2017	3,294	4,597	97	737	48	2,768	3,135	14,676
2018	3,520	4,887	119	849	129	2,886	2,653	15,042
2019	5,001	5,841	187	874	208	2,890	4,995	19,995
2020	5,160	6,863	191	900	177	2,072	3,950	19,313
2021	5,433	7,935	107	863	66	850	4,582	19,834

¹ Property Tax Includes Prior Taxes, Supplemental Taxes, Property Tax/VLF swap, ERAF and Property Tax from RDA

² Sales tax includes Measure A sales tax, Measure W sales tax, Public Safety Sales Tax, General Sales Taxes and Sales Tax/Property Tax Swap

^{3 1} Gas tax shown in ACFR as intergovernment, and Business License Tax as Licenses and Permits.

Source: City of Brisbane

City of Brisbane

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Fiscal Years

(amounts expressed in thousands)

Fiscal Year	City			Taxable Assessed Value
	Secured	Unsecured	Less: Exemptions	
2012	\$1,374,563	\$220,162	\$10,864	\$1,583,861
2013	1,381,723	205,631	10,867	1,576,487
2014	1,408,674	184,241	12,208	1,580,706
2015	1,516,681	180,385	10,908	1,686,157
2016	1,624,974	187,517	12,258	1,800,233
2017	1,718,428	185,541	11,374	1,892,596
2018	1,845,340	206,181	13,112	2,038,409
2019	2,043,149	205,714	13,086	2,235,777
2020	2,210,071	240,078	15,892	2,434,258
2021	2,571,845	238,376	28,261	2,781,960

Note: The General Property Tax Rate is established at \$1.00 per \$100.00 of assessed value per Article XIII of the California Constitution. The allocation of the property taxes to various taxing agencies including cities, counties, school districts and other special districts is based on the formula determined by the California State Legislature.

California property tax assessments are "acquisition" based, rather than cyclical based. In California, the property tax system is acquisition based, meaning that all real property is assessed upon acquisition or when newly constructed, and assessed at a ratio of 100% of fair market value as of the event date. After the acquisition or new construction basis is determined, year to year increases in assessed value are limited to no more than 2%. In the event of an economic downturn, real property is assessed at the lower of its acquisition basis, increased by the maximum of 2% per year or the fair market value as of January 1, which is lower.

Source: County Assessment Rolls

Redevelopment Agency				Total
Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Direct Tax Rate
\$378,850	\$63,986	\$79	\$442,756	1.0893
				1.0921
				1.1048
				1.0991
				1.1080
				1.1282
				1.1276
				1.1126
				1.1267
				1.1543

City of Brisbane
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	San Mateo County as Distributor	School District			Total Direct & Overlapping Rates
		Brisbane Elementary School District	Jefferson Union High School District	San Mateo Community College	
2012	1.0000	0.0272	0.0422	0.0199	1.0893
2013	1.0000	0.0297	0.0430	0.0194	1.0921
2014	1.0000	0.0280	0.0574	0.0194	1.1048
2015	1.0000	0.0271	0.0530	0.0190	1.0991
2016	1.0000	0.0247	0.0583	0.0250	1.1080
2017	1.0000	0.0235	0.0800	0.0247	1.1282
2018	1.0000	0.0225	0.0816	0.0235	1.1276
2019	1.0000	0.0212	0.0739	0.0175	1.1126
2020	1.0000	0.0190	0.0811	0.0266	1.1267
2021	1.0000	0.0388	0.0942	0.0213	1.1543

Notes:

Under constitutional Amendment (Proposition 13) passed by voters in the State of California in June 1978, the tax rate (excluding bonded debt) is frozen at 1% of the full market value of the property. This tax is collected by the County Tax Collector and distributed on a formula determined by the State Legislature. Local agencies levy only the tax rate for general obligation bonds, or in excess of 1% if two-thirds of the voters in the area authorize such a rate increase. All tax levies include Homeowner's Property Tax Relief and Business Inventory Property Tax Relief.

Source: California Municipal Statistics

City of Brisbane
Principal Property Taxpayers
Current Year and Ten Years Ago
(amounts expressed in thousands)

Taxpayer	2021			2012		
	Taxable Assessed	Rank	% of Total Taxable Assessed	Taxable Assessed	Rank	% of Total Taxable Assessed
	Value		Value ¹	Value		Value ²
HCP Life Science REIT Inc.	\$235,937	1	9.24%			
Slough Brisbane LLC	201,911	2	7.90%	\$40,805	4	2.97%
DCT Valley Dr CA LLP	122,343	3	4.79%	67,773	2	4.94%
Oyster Point Properties Inc.	118,816	4	4.65%	100,384	1	7.31%
BMR Bayshore Blvd LLC	115,052	5	4.50%	23,407	8	1.71%
PPF OFF 7000 Marina Blvd. LP	79,354	6	3.11%			
IAC San Francisco LLC	66,204	7	2.59%	55,934	3	4.08%
M & L Associates	57,143	8	2.24%			
Summit Hospitality 114 LLC	45,008	9	1.76%			
BP3 SF4 1000 Marina LLC	40,707	10	1.59%			
Prologis USLV SUBREIT 4 LLC	29,170	11	1.14%			
SNH Brisbane CA LLC	27,856	12	1.09%			
CP6BT LLC	22,916	13	0.90%			
BRE SH Brisbane Owner LLC	22,753	14	0.89%			
BP3 SF5 3000 3500 Marina LLC	21,127	15	0.83%			
Valley 325 LP	18,566	16	0.73%			
LYF Investment Group LLC	16,500	17	0.65%			
Recology Properties Inc	16,060	18	0.63%			
South Hill 99 LP	15,200	19	0.60%			
Barulich Properties LLC	14,935	20	0.58%	12,618	15	
2000 Sierra Point Parkway LLC				39,000	5	2.84%
SRI Seven Marina LLC				33,920	6	2.47%
Diamond Marina LLC				29,500	7	
Fund VIII 1000 Marina LLC				23,400	9	1.70%
William D. and C.A. Spencer Trust				20,306	10	1.48%
Brisbane Lodging LP				18,704	11	1.36%
Tuntex Properties Inc.				17,925	12	1.31%
CPI Sage Hotels Brisbane Owner LLC				15,300	13	1.11%
IAC 325 Valley LLC				13,973	14	1.02%
Rolling Frito-Lay Sales				11,443	16	0.83%
SFPP				10,953	17	0.80%
150 Spear Street Associates				10,690	18	0.78%
DLC Brisbane				8,400	19	0.61%
Sierra Hotel Management Corp				8,342	20	0.61%
Total	\$ 1,287,558		50.40%	\$ 562,777		37.93%

Source:

CA Municipal Statistics

⁽¹⁾ 2020-2021 Local Secured Assessed Valuation: \$ 2,554,545

⁽²⁾ 2011-2012 Local Secured Assessed Valuation: \$ 1,372,504

City of Brisbane
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy ¹		Collections in Subsequent Years ¹	Total Collections to Date	
		Amount	Percentage		Amount	Percentage
2012	\$2,545	² \$2,545	100%	n/a	\$2,545	100%
2013	2,991	2,991	100%	n/a	2,991	100%
2014	2,673	2,673	100%	n/a	2,673	100%
2015	2,838	2,838	100%	n/a	2,838	100%
2016	3,010	3,010	100%	n/a	3,010	100%
2017	3,015	3,015	100%	n/a	3,015	100%
2018	3,340	3,340	100%	n/a	3,340	100%
2019	3,978	3,978	100%	n/a	3,978	100%
2020	4,283	4,283	100%	n/a	4,283	100%
2021	5,532	5,532	100%	n/a	5,532	100%

¹ Teeter Plan

² Decrease due to the dissolution of the redevelopment areas. Tax Increment from the project areas was returned to the underlying taxing entities

Source: City of Brisbane

Property Tax Includes Prior Taxes, Supplemental Taxes, Property Tax/VLF swap, ERAF and Property Tax from RDA

City of Brisbane

Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

(amounts expressed in thousands, except per capita amount)

Fiscal Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Revenue Bonds	Tax Allocation Bonds	Other Long-Term Debt	Utility Revenue Bonds	Capital Leases			
2012	\$31,368	\$ -	\$3,295	\$3,660	\$68	\$38,391	n/a	\$8,751
2013	29,272	-	4,536	3,590	45	37,443	n/a	8,464
2014	10,237	-	4,086	3,474	22	17,818	n/a	3,986
2015	9,274	-	3,581	12,484	-	25,339	n/a	5,529
2016	7,230	-	3,021	12,314	-	22,565	n/a	4,847
2017	6,815	-	2,406	11,890	-	21,111	n/a	4,523
2018	6,420	-	3,466	11,266	83	21,234	n/a	4,529
2019	6,089	-	3,172	10,254	57	19,571	n/a	4,172
2020	5,700	-	2,615	9,881	30	18,226	n/a	3,934
2021	5,266	-	2,160	9,130	2	16,558	n/a	3,616

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

Personal Income is for San Mateo County because City information is not available. As such, calculating a percentage would not be valuable for Brisbane trend data.

City of Brisbane
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	Gross Bonded Debt	Less: Amounts Available in Debt Service Fund	Total	Percent of Assessed Value ¹	Per Capita
2012	\$12,695	\$658	\$12,037	0.76%	2786.92%
2013	12,489	472	12,017	0.76%	2716.25%
2014	11,706	357	11,350	0.72%	2539.04%
2015	11,084 ²	307	10,777	0.64%	2351.62%
2016	10,139	236	9,903	0.55%	2127.39%
2017	9,124	220	8,904	0.47%	1907.53%
2018	9,729	12	9,717	0.48%	2072.25%
2019	9,101	0	9,101	0.41%	1940.08%
2020	8,198	0	8,198	0.34%	1769.55%
2021	7,362	0	7,362	0.26%	1517.62%

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

¹ Assessed value has been used because the actual value of taxable property is not readily available in the State of California

² Restated

City of Brisbane
Direct and Overlapping Governmental Activities Debt
As of June 30, 2021
(amounts expressed in thousands)

2021-21 Assessed Valuation: \$2,787,458,675 ⁽¹⁾

	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Overlapping Tax and Assessment Debt:			
San Mateo Community College District	\$ 761,305,961	1.089%	\$ 8,290,622
Jefferson Union High School District	265,554,630	11.559%	30,695,460
Bayshore School District	11,644,821	19.400%	2,259,095
Brisbane School District	15,356,439	63.476%	9,747,653
Total Gross Overlapping Tax and Assessment Debt			50,992,830
Direct and Overlapping General Fund Debt:			
San Mateo County General Fund Obligations	\$ 640,119,345	1.089%	\$ 6,970,900
San Mateo County Board of Education Certificates of Participation	6,840,000	1.089%	74,488
Jefferson Union High School District General Fund Obligations	47,490,000	11.559%	5,489,369
City of Brisbane General Fund Obligations	5,266,000	100.000%	5,266,000
City of Brisbane Pension Obligations Bonds	736,000	100.000%	736,000
Total Direct and Overlapping General Fund Debt			\$ 18,536,757
Overlapping Tax Increment Debt (Successor Agency):			
Tax Allocation Bonds	\$ 8,065,000	100.000%	\$ 8,065,000
Revenue Bonds	-	100.000%	-
			\$ 8,065,000
Total Direct Debt			\$ 6,002,000
Total Overlapping Debt			\$ 71,592,587
Combined Total Debt			\$ 77,594,587

¹Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

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

Source: California Municipal Statistics Inc

City of Brisbane
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year Ending					
	2012	2013	2014	2015	2016	2017
Debt Limit	\$ 59,802	\$ 59,526	\$ 59,474	\$ 63,551	\$ 67,829	\$ 71,289
Total net debt applicable to limit	12,037	12,017	11,350	10,777	9,903	8,904
Legal debt margin	<u>\$ 47,765</u>	<u>\$ 47,509</u>	<u>\$ 48,124</u>	<u>\$ 52,774</u>	<u>\$ 57,926</u>	<u>\$ 62,384</u>
Total net debt applicable to the limit as a percentage of debt limit	20.13%	20.19%	19.08%	16.96%	14.60%	12.49%
Legal Debt Margin Calculation for Fiscal Year 2021:						
Assessed value ¹	1,594,725	1,587,354	1,585,973	1,694,694	1,808,762	1,901,034
Add back: exempt real property ¹	-	-	-	-	-	-
Total assessed value ¹	1,594,725	1,587,354	1,585,973	1,694,694	1,808,762	1,901,034
Debt limit (3.75% of total assessed value)	59,802	59,526	59,474	63,551	67,829	71,289
Debt applicable to limit:						
General bonded debt	12,695	12,489	11,706	11,084	10,139	9,124
Less: Amount set aside for repayment of general bonded debt	658	472	357	307	236	220
Total net debt applicable to limit	12,037	12,017	11,350	10,777	9,903	8,904
Legal debt margin	47,765	47,509	48,124	52,774	57,926	62,384

Note: Under state finance law, the City of Brisbane' outstanding debt should not exceed 3.75 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

¹Source: California Municipal Statistics Inc
Assessed Value excludes incremental assessed valuation applicable to the Brisbane Community Redevelopment

City of Brisbane has no general obligation bonds.

Fiscal Year Ending			
2018	2019	2020	2021
\$ 76,534	\$ 84,756	\$ 91,492	\$ 104,530
9,717	9,101	8,198	7,362
\$ 66,817	\$ 75,655	\$ 83,294	\$ 97,168
12.70%	10.74%	8.96%	7.04%

2,040,900	2,260,160	2,439,789	2,787,459
-	-	-	-
2,040,900	2,260,160	2,439,789	2,787,459
76,534	84,756	91,492	104,530
9,729	9,101	8,198	7,362
12	0	0	0
9,717	9,101	8,198	7,362
66,817	75,655	83,294	97,168

City of Brisbane
Pledged Revenue Coverage
Last Ten Fiscal Years
(amounts expressed in thousands)

Utility Revenue Bonds							
Fiscal Year	(A)	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Requirements		
					Principal	Interest	Coverage %
2015-2016		\$5,353	\$4,590	\$763	\$170	\$241	185.75%
2016-2017		5,754	4,832	921	305	319	147.57%
2017-2018		8,202	4,765	3,437	310	310	554.48%
2018-2019		6,329	5,367	963	320	296	156.34%
2019-2020		6,280	5,354	926	340	273	151.02%
2020-2021	(B)	5,720	5,944	(223)	360	262	-35.94%

(A) In fiscal year 2015, the City issued 2015 Utility Revenue Bonds. Therefore, only six years of information is presented. Fiscal Year 2014-2015 was corrected to reflect there were no payments due in the year of issuance.

(B) Operating Expenses do not include non-capitalized capital improvement costs of \$124,466 for FY 21. However, audited financial statements include these costs as General and Administrative per GAAP.

Installment Sales Agreement							
Fiscal Year	(A)	Gross Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Requirements		
					Principal	Interest	Coverage %
2015-2016		\$1,693	\$1,647	\$46	\$0	\$118	38.99%
2016-2017		1,699	1,798	(99)	119	129	-39.93%
2017-2018		2,214	1,522	692	314	124	157.90%
2018-2019		2,148	1,390	758	346	114	164.78%
2019-2020		2,333	1,598	735	379	102	152.70%
2020-2021	(B)	2,344	1,154	1,190	391	91	246.87%

(A) In fiscal year 2015, the City entered into a 2015 Installment Sale Agreement. Therefore, only six years of information is presented. Fiscal Year 2014-2015 was corrected to reflect there were no payments due in the first year. Principal payments commence in the third year.

(B) Operating Expenses do not include non-capitalized capital improvement costs of \$47,766 for FY 21. However, audited financial statements include these costs as General and Administrative per GAAP.

City of Brisbane
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population ³	Personal Income (in millions) ²	Per Capita Personal Income ²	Labor Force ¹	Unemployment Rate ¹
2012	4,387	\$58,666	\$79,420	412,100	6.4%
2013	4,424	59,710	79,893	418,100	5.3%
2014	4,470	n/a	n/a	426,900	4.2%
2015	4,583	74,641	97,553	434,700	3.4%
2016	4,655	82,046	106,615	442,100	3.0%
2017	4,668	87,486	113,410	444,600	2.7%
2018	4,689	n/a	n/a	454,900	2.2%
2019	4,691	n/a	n/a	464,300	2.2%
2020	4,633	n/a	n/a	460,000	2.0%
2021	4,851 ⁴	n/a	n/a	442,200	2.5%

Notes:

¹ Source: State of California Employment Development Department, San Mateo County; previous years reflect annual averages

² Source: California Labor Market Info for San Mateo County. Data not available for 2014, 2018, 2019, 2020 and 2021

³ Source: California Department of Finance Population Estimates; except where noted

⁴ Source: 2020 US. Census

City of Brisbane
Principal Employers
Current Year and Ten Years Ago

Employer	2021 ¹			2012 ²	
	Employees	Rank	Percentage of Total City Employment	Employees	Rank
Cutera Inc	298	1	11.04%		
LeeMAH Electronics Inc	230	2	8.52%		
Bi-Rite Foodservice Distributors	225	3	8.33%	259	4
Expeditors Intl Inc	199	4	7.37%	223	7
The Realreal Inc	188	5	6.96%		
Ultragenyx Pharmaceutical Inc	163	6	6.04%		
Cal Pacific Systems	160	7	5.93%		
Transdev Services Inc	159	8	5.89%		
Amazon Fresh	158	9	5.85%		
Greenleaf	122	10	4.52%		
Pepsi Bottling Group				380	1
Sunset Scavenger Co				350	2
VWR Corporation				272	3
XOJet				250	5
Monster Cable Products Inc				242	6
Collab.net Inc				212	8
Ipsen Biopharmaceuticals				212	8
Fong Brothers Printing				190	10
Total Top 10 Employers	1,902		70.44%	2,590	
Total City Labor Force ³	2,700				

Source:

¹ Avenu Insights & Analytics (City of Brisbane Business License process partner)

Business License Data Report has been updated to reflect compliance with GASB No. 44.

Results based on direct correspondence with local businesses; reflect City of Brisbane locations only

² City of Brisbane Business License data (self reporting); previous counts may be company-wide

³ Total City Labor Force provided by EDD Labor Force Data

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City of Brisbane
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	June 30			
	2012	2013	2014	2015
Function:				
General government	10.89	10.79	11.65	12.05
Public safety:				
Police	15.11	14.11	15.11	17.11
Fire	10.00	10.00	10.00	10.00
Public works and Municipal Utilities	16.00	16.10	14.00	15.00
Community development	4.40	3.80	3.90	5.40
Parks and recreation	12.80	12.80	18.83	18.83
Marina	12.76	11.78	5.75	7.25
Total	81.96	79.38	79.24	85.64

Source: City of Brisbane Base Budget

June 30					
2016	2017	2018	2019	2020	2021
12.55	12.55	12.55	13.55	13.55	15.55
18.11	19.11	19.11	19.61	19.61	16.11
10.00	10.00	10.00	10.00	10.00	13.00
17.00	17.00	19.00	20.00	20.00	22.00
5.40	5.00	5.00	5.00	5.00	6.00
19.83	19.58	19.58	19.58	15.30	15.30
7.25	7.25	5.25	3.50	3.50	3.50
90.14	90.49	90.49	91.24	86.96	91.46

City of Brisbane
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year					
	2012	2013	2014	2015	2016	2017
Police						
Response time to :						
Extreme Emergencies	3:31	4:12	4:53	4:33	4:31	5:02
Emergencies	3:37	3:57	4:04	4:25	4:11	4:06
Non-Emergencies	6:10	6:25	4:52	6:06	5:18	6:16
Number of victims per 1,000 citizens or business	32	33	30	31	31	34
Fire						
Number of calls answered	667	670	706	713	751	698
Number of inspections	423	429	493	382	378	413
Public Works:						
Number of Building and Park Maintenance service requests received	77	141	140	166	146	168
Number of Graffiti on Public Property requests for service	1	3	6	12	7	6
Number of Sidewalk Maintenance/Trip Hazard service requests	5	13	10	14	14	25
Number of Street Tree service requests	21	32	37	38	70	42
Number of Street-Sign/Light/Traffic Signal service requests	30	49	29	82	94	97
Number of Weeds, Trash and Debris on Public Property service requests	20	43	42	66	78	93
Water						
Total Water Purchased	280,650ccf	287,290 ccf	302,776 ccf	279,815 ccf	257,414 ccf	294,756 ccf
Number of main breaks and repairs	3	2	4	2	0	1
Number of service breaks (public side of meter) and repairs	9	2	6	2	3	3
Percentage of water samples that pass health standards	100	100	100	100	97	99
Percentage of water storage tanks cleaned and inspected	100	100	0	0	100	0
Percentage of reported broken water meters replaced	100	100	100	100	100	100
Percentage of backup emergency generators inspected and tested at critical water facilities	100	100	100	100	100	100
Percentage of known water main valves exercised	58	27	50	44	28	20
Sewer						
Average Daily sewage flow (thousands of gallons)	326	319	303	346	379	475
Total annual sewage flow	159,052ccf	155,534ccf	147,836 ccf	168,651 ccf	185,044 ccf	231,544 ccf
Number of public sewer main blocks/breaks	12	3	3	3	4	3
Number of private lateral blocks/breaks that City responds to			18	25	15	4
Percentage of public sewer blockages cleared within:						
4 hours	100	100	95	100	100	75
12 hours	100	100	95	100	100	75
Community Development:						
Total permit valuation (\$000)	9,101	18,459	19,083	16,811	22,222	12,066
Parks and Recreation:						
Community/Special Events (Concerts in the Park, Festival of Lights, etc.)						
number of events	6	6	11	17	26	27
Sports Programs (e.g. basketball, softball): number of sports						
Youth	14	14	19	10	10	10
Adult	3	3	3	2	2	1
Classes: (number of programs)						
Adult	12	8	8	10	10	11
Youth	5	8	11	4	7	7
Youth & Adult						
Child Care programs (Average Enrollment):						
Preschool	20	20	20	20	25	25
Afterschool	69	82	101	103	101	85
Day Camps (Average Enrollment)						
Spring	33	35	39	35	36	32
Summer	56	45	45	50	44	46
Winter	27	23	25	24	29	31
Teen Programs (number of programs)	9	0	0	4	3	3
Aquatic programs (Enrollment/attendance):						
Summer swim lessons	579	611	466	551	514	518
Water aerobics	6 / day	10 / day	10 / day		11 / day	13 / day
Senior Center (Enrollment/attendance)	38 / week	37 / week	37 / week	55 / week	46 / week	44 / week
Programs	7	6	6	6	5	7
All programs	61	53	66			
Rentals						
Community Center				15	17	21
Mission Blue				37	26	16
Community Park				146	135	113
Fields				5	8	10

Notes: Indicators are not available for the general government function.

Fiscal Year			
2018	2019	2020	2021
4:36	4:43	4:02	4:05
3:54	3:58	3:54	3:55
6:07	6:21	5:50	5:07
33	30	35	33
694	660	529	559
502	419	371	248
173	165	230	151
7	9	7	10
29	21	38	25
54	76	77	46
80	91	109	81
111	70	70	72
334,217 ccf	323,917 ccf	310,127 ccf	303,604 ccf
0	4	6	1
2	5	2	4
100	100	100	100
0	100	0	100
100	100	100	100
100	100	100	100
10	35	22	27
426	430	397	326
207,825 ccf	209,917 ccf	193,548 ccf	159,165 ccf
3	1	1	4
4	14	6	2
33	100	100	100
33	100	100	100
199,996	303,030	332,592	284,718
25	27	30	12
12	11	15	3
1	1	1	1
11	12	12	2
7	6	4	2
20	16	16	8
90	100	100	27
32	35	32	24
42	53	55	33
20	30	45	0
5	5	3	0
704	710	602	126
12 / day	14 / day	9 / day	25 / day
45 / week	47 / week	50 / week	open 8 days in fiscal year
8	8	8	1
			1
25	18	13	0
14	33	22	0
120	98	51	17
10	10	4	1

City of Brisbane

Capital Asset Statistics by Function

Last Ten Fiscal Years

Function	Fiscal Year					
	2012	2013	2014	2015	2016	2017
Public Safety:						
Police:						
Stations	1	1	1	1	1	1
Patrol units	5	5	5	5	5	5
Fire:						
Fire Stations	1	1	1	1	1	1
Fire Engines	3	3	3	3	3	3
Public Works:						
Streets (miles)	23	23	23	23	23	23
Streetlights	790	790	790	791	791	791
Sanitary Sewers (linear feet)	80,712	80,712	80,712	80,712	80,712	80,712
Water Lines (linear feet)	132,830	132,830	132,830	132,830	132,830	132,830
Water Storage (million gallons)	2.9	2.9	2.9	2.9	2.9	2.9
Parks and Recreation:						
Parks acreage	57.98	57.98	57.98	57.98	57.98	57.98
Parks	15	15	15	15	15	15
Swimming pools	1	1	1	1	1	1
Open Space acreage ¹	184.68	184.68	184.68	184.68	184.68	184.68
Wetlands	127.75	127.75	127.75	127.75	127.75	127.75

Note: No capital asset indicators are available for the general government or community development functions.

¹ Source: 2001 Brisbane Open Space Plan

Fiscal Year			
2018	2019	2020	2021
1	1	1	1
5	5	5	5
1	1	1	1
3	4	4	4
23	23	23	23
659	659	659	659
82,020	82,020	82,020	82,020
132,830	132,830	132,830	132,830
2.9	2.9	2.9	2.9
57.98	57.98	57.98	57.98
15	15	15	15
1	1	1	1
184.68	184.68	184.68	184.68
127.75	127.75	127.75	127.75

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