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MINUTES

REGULAR MEETING OF THE FINANCIAL ADVISORY BOARD (FAB)

Tuesday, September 23, 2025 at 6:30 p.m.
City hall, Council Chambers
10890 San Pablo Avenue
El Cerrito, CA 94530

This Meeting Place is Wheelchair Accessible

6:30 p.m. CONVENE REGULAR MEETING

1. **ROLL CALL** – Chair David Carvel called the meeting or order at 6:32 PM.
Present: Chair Carvel, Vice-Chair McDougall; Members Szlatenyi and White.
Youth Member Clive Watson-Lamprey Singer.
Absent: None
2. **ORAL COMMUNICATIONS FROM THE PUBLIC**
Remarks are typically limited to three (3) minutes per person and may be on anything within the subject matter jurisdiction of the body. Remarks on non-agenda items will be heard first, as well as introduction by individuals interested in serving on the advisory body. Remarks on agenda items will be heard at the time the item is discussed.
Barbra Chan – Thanked Member White for her leadership over the last year as Chair. Chan believes the FAB should have the ability to look into anything finance related and would like the FAB to discuss the City's purchase of the Church and any proposed action items and timelines. Chan also expressed that she believes RPTT is only for safety related spending. Chan wants more information on how library project is being funded.
George Fruehan – introduced himself and expressed interest in the FAB.
3. **COUNCIL/STAFF LIAISONS ANNOUNCEMENTS AND REPORTS** (5 min.)
Staff and/or Councilmembers may report Council policies, priorities and significant actions taken by the City Council, and/or on matters of general interest to the FAB.
 - [Service Delivery Study Update](#)
 - [General Fund 4th Quarter Budget Update](#)
 - [FY25 Budget Roll Forward Request for FY26 due to unspent encumbrances for projects and other items](#)
 - [FAB Accomplishments](#)
 - [Dissolution of the Successor Agency to the Redevelopment Agency of El Cerrito](#)
4. **APPROVAL OF THE MINUTES** (5 min.) (Attachment)
Consider a motion adopting the minutes for the FAB meeting held on August 26, 2025.
Motion/Second: Motion to approve the August minutes by Vice-Chair McDougall second by Member White

Ayes: Chair Carvel, Vice-Chair McDougall; Members Szlatenvyi and White; Youth Member Wattson-Lamprey Singer.

Noes: None **Absent:** None

Motion Passed

5. FOURTH QUARTER FISCAL YEAR 24-25 GENERAL FUND BUDGET UPDATE
(15 min.) (Attachment)

Discuss the Fourth Quarter Fiscal Year 24-25 General Fund Budget Update.

6. PRELIMINARY ANNUAL CALENDAR FOR BUDGET/FINANCE (15 min.)
(Attachment)

Discuss a preliminary annual calendar of financial items to aid the FAB preparation, scheduling and involvement.

7. COMPREHENSIVE FINANCIAL POLICY REVIEW (15 min.) (Attachment)

Discussion and possible action regarding the City's Comprehensive Financial Policy.

Motion/Second: Motion to establish a subcommittee (Member White & Vice-Chair McDougall) to review and possibly edit the comprehensive financial policy by member White, second by Member Szlatenvyi.

Ayes: Chair Carvel; Vice-Chair McDougall; Members Szlatenvyi and White; Youth Member Watson-Lamprey Singer. **Noes:** None
Motion passed

8. FUTURE AGENDA ITEMS (5 min.)

- Purchasing Ordinance, updates as available
- Service Delivery Study, updates as available
- Pool, updates as available
 - Special meeting when appropriate to discuss funding
- Review investment policy
- Make recommendations on clear annual budget plan calendar

Add:

- Cost allocation plan review January
- CalPERS actuarial report, when available
- Possibly moving the meeting dates to another day earlier in the month
- Review of 2024 ACFR October meeting
- Long term forecast October meeting

9. ADJOURNMENT

Chair Carvel adjourned the meeting at 8:34 PM

David Carvel, Chair

Crystal Reams, Finance Director



Annual Comprehensive Financial Report

as of Fiscal Year Ended June 30, 2024

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El Cerrito, California

Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2024

City Council

Tessa Rudnick. Mayor
Carolyn Wysinger Mayor Pro Tem
Paul Fadelli. Council Member
Gabe Quinto Council Member
Lisa Motoyama. Council Member

Presented by:
Karen Pinkos, City Manager
Crystal Reams, Finance Director/City
Treasurer

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INTRODUCTORY SECTION

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TRANSMITTAL LETTER

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January 16, 2025

Honorable Mayor, Council Members and Residents of El Cerrito:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of El Cerrito for the fiscal year ended June 30, 2024. This report has been prepared in accordance with generally accepted accounting principles (GAAP) as set forth in the pronouncements of the Governmental Accounting Standards Board (GASB). We are also pleased to report that the City has received an unmodified opinion from the independent auditor, indicating the financial statements are presented, in all material respects, in accordance with the applicable financial reporting framework.

The City's financial policies require an external independent audit be performed annually, and that the auditor's opinions be included in the ACFR. Further, it states that the results be submitted to the City Council.

Responsibility for the accuracy of the data and the fairness of presentation, including all footnotes and disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All material statements and disclosures necessary for the reader to obtain a thorough understanding of the City's financial activities have been included.

City management is responsible for establishing and maintaining fiscal internal controls designed to safeguard the assets of the government from loss, theft, or misuse, and to ensure that accounting data is accurately compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of controls should not exceed the benefits likely to be derived, and the valuation of costs and benefits require estimates and judgments by management.

The City's financial statements have been audited by Chavan & Associates, LLC. 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. Based on the audit, the independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion and that the City of El Cerrito's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP.

The independent auditor's report is presented as the Financial and Supplementary Sections of this report. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management Discussion and Analysis. This Letter of Transmittal is designed to complement the Management Discussion and Analysis (MD&A) and should be read in conjunction.

CITY PROFILE

The City of El Cerrito was incorporated in 1917 under the general laws of the State of California and became a charter city in 2018. The City is located in Contra Costa County in the San Francisco Bay Area. The City encompasses approximately 3.9 square miles and the current population¹ is 25,700. The City has a variety of green spaces for public enjoyment including 32 acres of developed park grounds, over 100 acres of open space in the Hillside Natural Area, and a 2.7 mile multi-use trail known as the Ohlone Greenway. It is a community of highly educated residents, in part due to the proximity to UC Berkeley and the Bay Area high-tech economy. It is known for its temperate climate and breathtaking views of the San Francisco Bay and the Golden Gate Bridge from the hillside areas.

REPORTING ENTITY

The City operates under the Council-Manager form of government. The City Council is comprised of five members elected at-large and serving four-year terms. The terms are staggered in alternating even years. There are no term limits. Annually, the City Council votes to appoint a Mayor and a Mayor Pro Tem from among its members.²

City Council determines the policies of the city government, appoints the City Manager and City Attorney, and has general responsibility for effective administrative actions through the City Manager. The Council is responsible for, among other things, passing ordinances, adopting the budget, and appointing advisory boards, committees, and commissions. The City Council members also serve as the separate Board of Directors for City of El Cerrito Employees' Pension Trust Plan, the Municipal Services Corporation, and the El Cerrito Public Financing Authority. The City serves as the reporting body for these entities and is financially accountable, as City staff have operational responsibility for the activities of each entity. These entities are included in the City's financial statements as part of the reporting entity.

In addition, City Council appoints residents to serve on City Boards, Commissions, and Committees (advisory bodies). Boards and Commissions are directly responsible to the City Council and fill advisory and/or quasi-judicial roles. Commissions are composed of lay residents while members for Boards are selected for their special expertise. Committees sponsored by the City are intended to be working groups and do not fill quasi-judicial roles. The advisory bodies include:

Arts & Culture Commission	Environmental Quality Committee
Citizens Street Oversight Committee	Financial Advisory Board
Civil Service Commission	Human Relations Commission
Committee on Aging	Park & Recreation Commission
Community Safety Committee	Planning Commission
Design Review Board	Urban Forest Committee
Economic Development Committee	

CITY SERVICES

The City is a full-service municipality and provides a full range of services, including police and fire protection, building permits and inspections, parks and recreation facilities and services, planning and environmental services, construction and maintenance of streets, public buildings, and infrastructure, and operation of a state-of-the-art Recycling Center.

¹ State of California, Department of Finance, E-1 Population Estimates for Cities. Sacramento, California, May 2024.

² City of El Cerrito Candidate Instructional Guide: Running for Elective Office, November 2024.

ECONOMIC CONDITIONS AND OUTLOOK

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

In Fiscal Year (FY) 2023-24, City management continued its focus on fiscal sustainability and rebuilding program services and activities impacted by the COVID-19 pandemic and the State's declaration of a state of emergency on March 5, 2020. The City Council declared a state of emergency that remained in effect during FY 2022-23, ending on December 31, 2022.

Local Economy

The American Rescue Plan Act of 2021 (ARPA) was signed into law on March 11, 2021. The City's allocated amount was \$6.1 million received in two installments, \$3 million in August 2021 and \$3 million in August 2022. These funds have been allocated to address revenue loss, and community infrastructure improvements.

Property Taxes and Assessments continues to remain steady; the City saw a slight increase over the previous fiscal year of \$690,207 (\$18.5 million in FY24 vs. \$17.8 million in FY23) an increase of 3.7%.

The City received \$11.5 million in Sales and Use Tax revenue, which is \$653,214 less than the previous fiscal year.

City staff continues to monitor the housing market and the impact the high interest rates are having on home sales. Interest rates went from an all-time low of 2.65% in January of 2021 before surging to 7.79% in October 2023, according to Freddie Mac (based on the average 30-year fixed rate). The increase in interest rates has directly affected the inventory of available properties and the number of home sales creating an impact on the amount of the City's Real Property Transfer Tax that is collected.

EXECUTIVE FINANCIAL OVERVIEW

This top-level overview is presented as a supplement to the more detailed and comprehensive analysis presented in the MD&A. As such, it serves to highlight key financial performance indicators for our major funds. We encourage readers to review the MD&A for a further analysis of the City's financial condition.

General Fund

The General Fund is the primary operating fund of the City of El Cerrito. General Fund property tax increased slightly while most other revenue categories decreased from the prior year, particularly the City's real property transfer tax due to current economic conditions and rising interest rates. El Cerrito's diversified and resilient revenue sources still outperformed budgeted estimates by \$3.4 million. In FY 2022-23 the City had a large surplus of over \$6.5 million; during FY 2023-24 the City Council approved the use of \$6.5 million in fund balance for various one-time expenditures. The approved budget amendments would have resulted in a General Fund projected deficit of \$6.3 million. Departments diligent efforts to minimize spending brought total General Fund expenditures under budget by \$2.7 million; that, coupled with the \$3.4 million in additional revenue reduced the projected deficit of \$6.3 million to \$250,147. The total General Fund balance is \$22.9 million and represents approximately 53% of total General Fund expenditures. The decrease is attributable to the one-time approved fund balance uses. Transfers-in totaled \$3,671 from Integrated Waste Management. Offsetting this fund balance

increase, transfers-out comprised of subsidies to other funds to support operations, totaling \$3,702,980.

General Fund expenditures totaled \$48.6 million in FY 2023-24, an increase of approximately \$5.1 million over the prior fiscal year. The increase was largely due to the \$6.5 million in one-time expenditures approved by City Council that were proposed to reduce fund balance.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

- Completed community engagement and planning process that culminated in the adoption of the El Cerrito Strategic Plan 2024-2029.
- Enhanced City's public information program, including on social media and by bringing back print Citywide newsletters, to increase engagement and improve transparency.
- Completed robust community engagement process and returned to preparing a biennial budget for FY 2024-25 & FY 2025-26.
- Began process for voter consideration of an extension of the City's 1% Transactions and Use Tax in order to maintain existing service levels.
- Processed 344 Public Records Requests.
- Successfully completed a multi-year city-wide Classification and Compensation Study.
- Implemented Artificial Intelligence powered security system and upgraded firewall to protect and enhance the security resiliency of the City's network and computers.
- Completed the City's 6th Cycle General Plan Housing Element which was certified by the State Department of Housing and Community Development and initiated development of General Plan Safety Element.
- Established Emergency Disaster Relief Fund and Section 115 Pension Funding Trust.
- Joined the Eastbay Hills Wildfire Coalition of Governments and hosted the first meeting.
- Deployed a Police Department Community Liaison Officer to increase communication with the public and provide support for investigations.
- Installed forty (40) license plate reading cameras in El Cerrito to assist with the investigation of criminal incidents.
- Began construction, including a Groundbreaking Ceremony, for the Del Norte Transit-Oriented Development Complete Streets Improvement Project, installed new EV Charging Stations at City Hall, and substantially completed construction of the Arlington Park Improvements, and Hillside Natural Area Trails Signage projects.
- Developed a Red Flag Parking Pilot Program for implementation from June through November.
- Began design efforts for Richmond Street Complete Streets Project and launched development of the Local Road Safety Plan including public outreach and analysis.
- Procured and contracted for Renewable Diesel for all City diesel fleet vehicles including curbside recycling and fire trucks and secured Technical Assistance Grant for Public Fleet Electrification Planning.
- Completed a citywide recycling and garbage cart swap to comply with State Senate Bill 1383 and to improve sorting of solid waste materials.
- Developed the City's Climate Action & Adaption Plan to provide a roadmap to reduce the

City's greenhouse gas emissions and better prepare for climate change impacts.

- Began development of the Hillside Natural Area Fire Resilience and Forest Conservation Management Plan to establish a comprehensive fire hazard reduction and vegetation management plan to guide the City's fire fuel reduction, native forest conservation, and maintenance activities.
- Completed the Potential Outsourcing of the City's Municipal Curbside Recycling Operations Study consistent with the City's Fiscal Response Plan and Fiscal Recovery and Sustainability Plan.
- Experienced significant increases in Recreation Activity Enrollments and Facility Reservations, including a 460% increase for senior specific activities in 2023, 31% for general classes for all ages, 11% in summer camps, 216% in room reservations, and 66% in clubhouse reservations.
- Hosted a Senior Resource Fair with over 200 seniors in attendance and 46 vendors.
- Continued work on development of Affordable Housing and the BART El Cerrito Plaza Transit-Oriented Development (TOD) project.
- Continued implementation of the Fiscal Sustainability Plan including controlling and reducing expenditures and ensuring achievable revenue projections aligned with the City's Comprehensive Financial Policies.

FINANCIAL INFORMATION

Budgeting Controls

The City of El Cerrito operates on a biennial budget schedule and maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City Council. Activities of the General Fund, Special Revenue Funds, Capital Projects Funds, Debt Service Funds, and Propriety Funds are included in the biennial appropriated budget. The level of budgetary control (level at which expenditures cannot legally exceed the appropriate amount) is at the fund level.

City Departments use the goals outlined in the Strategic Plan, as well as feedback gained from the community, to inform the development of their departmental budgets for the next fiscal year. In order to best determine the resources to allocate to the goals and strategies in the Strategic Plan, the departments review information tailored toward aligning programs and services to the Strategic Plan goals.

Each department evaluated their programs and services and analyzed related data to determine a baseline amount of resources to allocate to expenses that meet the goals of the Strategic Plan. The departments considered several data sets, including personnel necessary to provide the program or service, additional costs (i.e., consultants, contractors, supplies and equipment and other purchased services), and whether the program or service is required by law or City policy. Departments were realistic about the objectives that could be achieved in the fiscal year and set priorities to allocate resources accordingly.

The Finance Department, in coordination with the applicable operating departments, provides the City Manager with proposed revenue projections. These revenue estimates are reviewed with the department budget requests to determine available funding levels for the fiscal year. Supplemental budget requests (new personnel, services or equipment) are subject to City Manager review and approval for inclusion in the proposed operating budget. This process applies to all governmental and enterprise funds. The City Manager and Finance Director meet with the departments to review all operating expenditures and

budget change requests. After final review and approval by the City Manager, the proposed budget document is presented to the City Council in May. The budget is adopted by resolution prior to June 30.

Only the City Council has the authority to create or modify total appropriations of any fund subject to only the appropriations limits established by State law. The City Council approves various supplemental appropriations during the year as necessary to meet the City's needs. The statements and schedules included in the financial section of this report indicate that the City continued to meet its responsibility for sound financial management.

Accounting System

The City's accounting and budgeting records for general government operations are recorded on a modified accrual basis, with revenues being recognized when available and measurable, and expenditures being recorded when the service or goods are received, or liabilities are incurred. Accounting and budgeting for the City's proprietary funds are maintained on an accrual basis.

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 an 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 are recognized in the fiscal year in which all eligibility requirements have been met.

The City maintains an internal control designed to provide reasonable assurance that the City's assets are protected from loss, theft, or misuse. Also, internal controls ensure adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Financial Policies

In August 2023, City Council approved amendments to the City Comprehensive Financial Policy, dated September, 2022. The financial policies are designed to promote sound financial management and ensure that the City's fiscal integrity remains intact as staff and Council Members change. The City Comprehensive Financial Policy is reviewed by the Financial Advisory Board and recommended amendments are advanced through the City Manager and Finance Director to City Council for adoption.

Additionally, the City Comprehensive Financial Policy, in accordance with GASB pronouncements, includes a General Fund Reserve policy, Emergency and Disaster Recovery Fund policy, Long-Term Financial Planning and Budget policies, Debt policies and other operational policies to serve as guidelines for operational and strategic decision making related to financial matters.

OTHER INFORMATION

Independent Audit

The City of El Cerrito selects an independent certified public accounting firm to perform a required annual audit of the City's financial records and transactions. The annual audit is required through covenants related to the City's bonded indebtedness. The City has a contract with Chavan & Associates, LLC., an independent auditor, to perform the audit and prepare the financial section of this report.

Acknowledgments

The preparation of this Annual Comprehensive Financial Report was conducted through the efforts and teamwork of the dedicated Finance staff. Appreciation and acknowledgement are also extended to City Department representatives for their support and collaboration throughout the duration of the audit. In addition, we extend a special thank you to Chavan & Associates, LLP for their professionalism and diligence in assisting in the preparation of this financial report.



Karen Pinkos, City Manager



Crystal Reams, Finance Director
& City Treasurer

CITY OF EL CERRITO

**ELECTED OFFICIALS
AND
ADMINISTRATIVE PERSONNEL**

as of June 30, 2024

ELECTED OFFICIALS - CITY COUNCIL

Mayor	Tessa Rudnick
Mayor Pro Tem	Carolyn Wysinger
Council Member	Paul Fadelli
Council Member	Gabe Qunito
Council Member	Lisa Motoyama

ADMINISTRATIVE PERSONNEL - CITY STAFF

City Manager	Karen Pinkos
Assistant City Manager	Alexandra Orologas
Chief of Police	Paul Keith
Fire Chief	Eric Saylor
Community Development Director	Melanie Mintz
Finance Director/City Treasurer	Crystal Reams
Public Works Director/City Engineer	Yvetteh Ortiz
Recreation Director	Chris Jones
City Clerk	Holly Charley

CITY ATTORNEY

Sky Woodruff

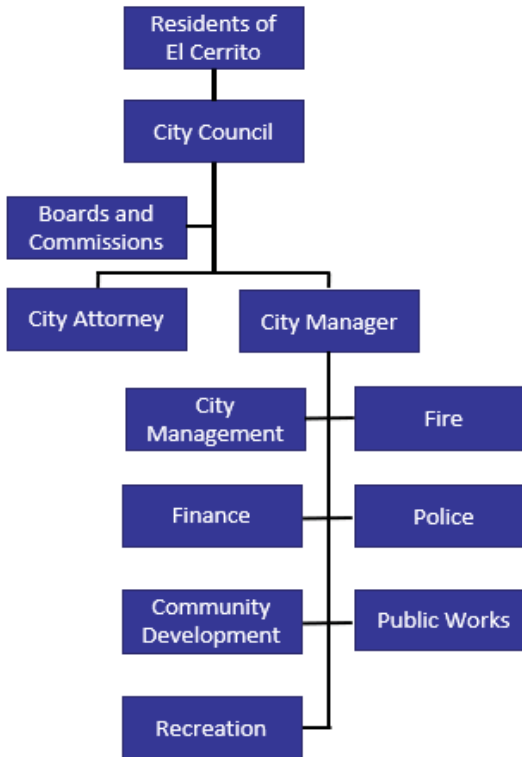
INDEPENDENT AUDITORS

Chavan & Associates, LLP Certified Public Accountants

ORGANIZATIONAL OVERVIEW

Chart 1-1 provides a graphical overview of the structure of City Government:

Chart 1-1
El Cerrito City Government Organization Chart



Overall Position Listing

Table 1-1 shows the adopted Citywide position listing for permanent full-time positions. The listing reflects the implementation of the Fiscal Response Plan, layoffs, and eliminated vacant positions through FY 2021-22. For FY 2022-23, the listing reflects positions added at midyear of FY 2021-22 and adopted positions for FY 2022-23. The listing does not include hourly or non-permanent part-time positions.

Table 1-1
Citywide Position Listing

Department	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
City Council	5	5	5	5	5
City Management	11.5	11.5	10	9	10
Finance Department	6	6	6	6	6
Community Development	14	14	15	14	15
Police Department	58	58	55	48	48
Fire Department	37	37	37	37	37
Public Works Department	25.2	25.2	25	24.2	25.2
Recreation Department	23	23	21	18	19
Total	179.7	179.7	174	161.2	165.2



Government Finance Officers Association

Certificate of
Achievement
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Reporting

Presented to

**City of El Cerrito
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO



FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
of the City of El Cerrito
El Cerrito, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of El Cerrito (the "City"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of El Cerrito, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher



than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAGAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements, schedules, and other information listed in the supplementary information section of the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain



additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

C & A LLP

Chavan & Associates, LLP
Certified Public Accountants
January 16, 2025
Morgan Hill, California

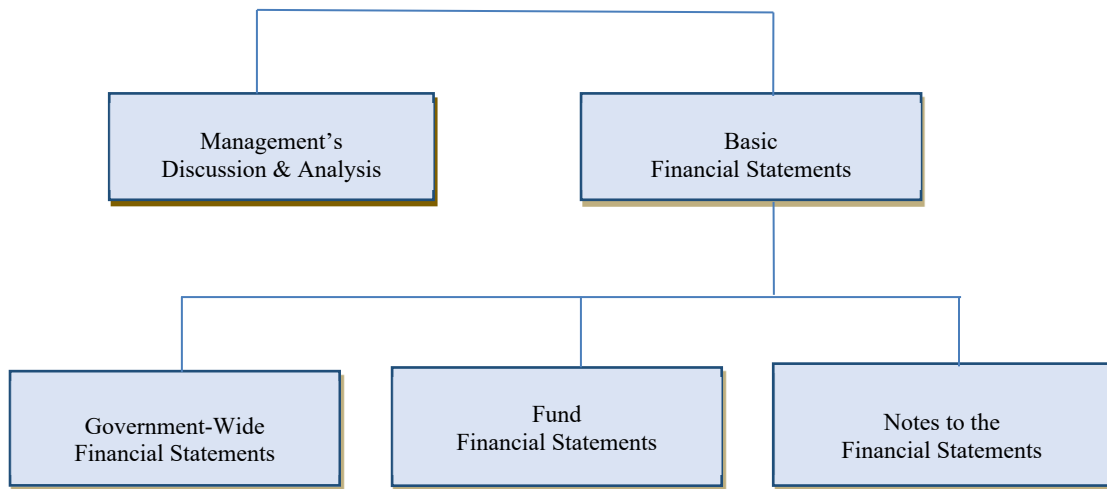


MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

As management of the City of El Cerrito, we offer readers of the City’s financial statements this narrative overview and analysis of financial activities of the City of El Cerrito, for the fiscal year that ended on June 30, 2024. We encourage readers to consider the information presented here, in conjunction with additional information that we have furnished in our letter of transmittal. This information can be found on pages 1-7 of this report. The required components of the report are listed below.

Required Components of the Annual Financial Report



FISCAL YEAR 2023/24 FINANCIAL HIGHLIGHTS

Government-Wide Highlights

- The assets and deferred outflows of resources for the City of El Cerrito exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$51.18 million (net position). Of the net position, \$60.30 million was classified as net investment in capital assets; \$21.67 million recorded as restricted funds; and \$30.79 million categorized as a deficit unrestricted net position (negative net position). The negative unrestricted net position is largely due to *GASB 68 – Accounting and Financial Reporting for Pensions*. This pronouncement requires local governments to record pension liabilities and related deferrals in the government-wide financial statements.
- The City’s net position increased by \$6.67 million. This included a \$7.91 million increase in the net position of Governmental Activities and a \$1.24 million decrease in the net position of Business-Type Activities.
- City revenues increased by \$5.06 million, or 8%, when compared to the prior year. The Fiscal Year 23/24 amounts included \$4.84 million in grants for capital projects and \$1.55 million in operating grants.

- Deferred outflows of resources increased by \$1.46 million, while deferred inflows of resources increased by \$163,347. This was primarily related to pension liability adjustments identified in the City's actuarial report, which include differences between expected and actual earnings; expected and actual experiences; and changes in proportional allocations. The City's pension liability in accordance with GASB 68 as of June 30, 2024 was \$84.24 million as compared to \$79.53 million in the prior year.
- The City's long-term debt decreased by \$1.46 million as a result of scheduled debt service payments made during the year.
- The City's net capital assets increased by \$1.90 million, primarily from a \$1.91 million increase to construction in progress and a \$2.00 million increase to infrastructure, offset by an increase of \$3.41 million to accumulated depreciation and amortization.

Fund Highlights

- At the close of Fiscal Year 23/24 the City of El Cerrito's *Governmental Funds* reported a combined fund balance of \$41.69 million, which is an increase of \$2.46 from prior year. Approximately 51%, or \$21.39, million was classified as unassigned fund balance and was available for spending at the government's discretion.
- At the end of the current fiscal year, the *General Fund's* unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) was \$21.39 million, or 55% of total general fund expenditures, prior to transfers.
- The fund balance in the *General Fund* decreased by \$249,743 at the close of the fiscal year. This included an excess of operating revenues over expenditures of \$3.45 million, minus \$250,147 in net transfers and other financing sources and an adjustment to beginning fund balance of \$404.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City of El Cerrito's financial statements. The City of El Cerrito's basic financial statements are comprised of (1) Government-Wide Financial Statements (2) Fund Financial Statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The *Government-Wide Financial Statements* are designed to provide readers with a broad overview of the City of El Cerrito's finances, in a manner similar to a private-sector business. Government-Wide financial statements are prepared on the accrual basis, which means they measure the flow of all economic resources of the City as a whole. Government-Wide Financial Statements consist of the *Statement of Net Position* and the *Statement of Activities*.

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

The *Statement of Activities* presents information showing how the City of El Cerrito's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This is consistent with a full accrual concept, which may result in the reporting of revenues and expenses in the current fiscal year, with cash flows occurring in future fiscal periods (e.g. uncollected revenues; and earned but not used vacation leave).

Both of the Government-Wide Financial Statements distinguish functions of the City of El Cerrito 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*). An overview of the City's functions associated with each classification is listed below.

Governmental Activities – All of the City's basic services are considered to be governmental activities. This includes general government, public works, recreation, community development, and public safety. These services are supported by general City revenues such as taxes, and by specific program revenues such as development and recreation program fees.

Business-Type Activities – This City's enterprise activities include integrated waste management. Unlike governmental activities, these services are fully supported by charges paid by users based on the amount of services they use.

The Government-Wide Financial Statements can be found on pages 32-33 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Fund financial statements provide detailed information about each of the City's most significant funds, called major funds. Major funds are presented individually, with all non-major funds summarized and presented only in a single column. Subordinate schedules present the detail of these non-major funds. Major funds present the major activities of the City for the fiscal year and may change from year to year as a result of changes in the pattern of the City's activities. The City's funds are segregated into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental Funds

Governmental funds are used to account for essentially the same function reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. This represents a modified accrual basis of accounting, with capital assets, long-lived assets, and long-term liabilities excluded from the financial statements. Such information may be useful in evaluating the City'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 the *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 the comparison between *governmental funds* and *governmental activities*.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and other major funds. Data from the other governmental funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The City of El Cerrito adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 36-39 of this report.

Proprietary Funds

The City of El Cerrito has one *Enterprise Fund* which is a proprietary fund: Integrated Waste Management. *Enterprise funds* provide the same type of information as business-type activities in the government-wide statements. *Internal service funds* are an accounting mechanism used to accumulate and allocate costs internally among the City of El Cerrito's various functions. The City uses one internal service fund to account for the management of its vehicle and equipment replacement. Because these internal services predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the Government-Wide Financial Statements.

Proprietary funds provide the same type of information as the Government-Wide Financial Statements, only in more detail. The proprietary fund financial statements provide separate information for the waste management operations, which is considered major fund for the City of El Cerrito. The basic proprietary fund financial statements can be found on pages 42-44 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the Government-Wide Financial Statements because the resources of these funds are not available to support the City of El Cerrito's own programs. The accounting for fiduciary funds is much like that used for business-type activities. The City had two fiduciary funds during Fiscal Year, the Pension Trust Fund and the El Cerrito Redevelopment Agency Successor Agency Private-Purpose Trust Fund.

NOTES TO THE FINANCIAL STATEMENTS

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes can be found immediately following the Fund Financial Statements.

OTHER INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the City of El Cerrito's funding progress for its employee pension obligations. The required supplementary information can be found on pages 84-87 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the *required supplementary information*. Combining and individual fund statements and schedules can be found on pages 90-118 of this report.

A statistical section provides historical and current data on financial trends, revenue and debt capacity, demographic and economic information, and operating information. This information can be found on pages 123-141 of this document.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Over time, net position may serve as an indicator of a government’s financial position. In the case of the City of El Cerrito, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$51.18 million at the close of Fiscal Year 23/24. This represents an increase of \$6.67 million over the prior year.

The following table summarizes the City’s ending net position:

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Assets						
Current and other assets	\$ 53,902,573	\$ 50,109,108	\$ 3,298,270	\$ 2,607,396	\$ 57,200,843	\$ 52,716,504
Capital assets	69,435,665	67,351,870	3,346,955	3,526,447	72,782,620	70,878,317
Total Assets	\$ 123,338,238	\$ 117,460,978	\$ 6,645,225	\$ 6,133,843	\$ 129,983,463	\$ 123,594,821
Deferred Outflows of Resources	\$ 32,454,029	\$ 33,185,249	\$ 1,463,287	\$ -	\$ 33,917,316	\$ 33,185,249
Liabilities						
Current and other liabilities	\$ 9,889,542	\$ 10,410,732	\$ 615,171	\$ 611,886	\$ 10,504,713	\$ 11,022,618
Noncurrent liabilities	94,511,038	94,691,574	3,942,391	894,614	98,453,429	95,586,188
Total Liabilities	\$ 104,400,580	\$ 105,102,306	\$ 4,557,562	\$ 1,506,500	\$ 108,958,142	\$ 106,608,806
Deferred Inflows of Resources	\$ 3,599,218	\$ 5,658,874	\$ 163,347	\$ -	\$ 3,762,565	\$ 5,658,874
Net Position						
Net investment in capital assets	\$ 56,361,576	\$ 53,389,633	\$ 3,937,059	\$ 2,199,706	\$ 60,298,635	\$ 55,589,339
Restricted	21,667,676	17,767,175	-	-	21,667,676	17,767,175
Unrestricted	(30,236,783)	(31,271,761)	(549,456)	2,427,637	(30,786,239)	(28,844,124)
Total Net Position	\$ 47,792,469	\$ 39,885,047	\$ 3,387,603	\$ 4,627,343	\$ 51,180,072	\$ 44,512,390

A significant portion, or \$60.30 million, of the City's net position reflects its investment in capital assets, (e.g., land, buildings, general government infrastructure, equipment, etc.), less accumulated depreciation/amortization and any outstanding debt that was used to acquire or construct those assets. Capital assets represent infrastructure which provide services to citizens and are not available for future spending. Although the City’s investment in capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate the liabilities.

The \$21.67 million amount classified as Restricted Net Position represents resources that are subject to external restrictions on how they may be used. These funds are restricted for governmental activities.

The remaining deficit balance of \$30.79 million is classified as unrestricted. This negative unrestricted balance is largely due to *GASB 68 – Accounting and Financial Reporting for Pensions*. The City participates in the CalPERS Miscellaneous and Safety pension plans. This pronouncement requires that local governments report

a proportional share of their pension plan’s net pension liabilities on financial statements. In Fiscal Year 23/24, the City’s proportionate share of the CalPERS pension liability was \$84.24 million.

At the end of the current fiscal year, the City of El Cerrito reported a positive balance for the government as a whole.

Governmental and Business-Type Activities

As shown in the *Statement of Changes in Net Position* schedule, the net position for Governmental Activities increased by \$7.91 million in the prior year mostly because of increases to expenses by function for all departments and programs, including public safety, as shown below. In the prior fiscal year, the City’s expenses in the statement of activities were reduced by a pension credit of \$15.45 million related to changes in assumptions and deferrals of differences between estimated and actual plan earnings. During Fiscal Year 23/24, the City recognized to an increase to pension expense of \$2.03 million, an increase of \$17.48 million.

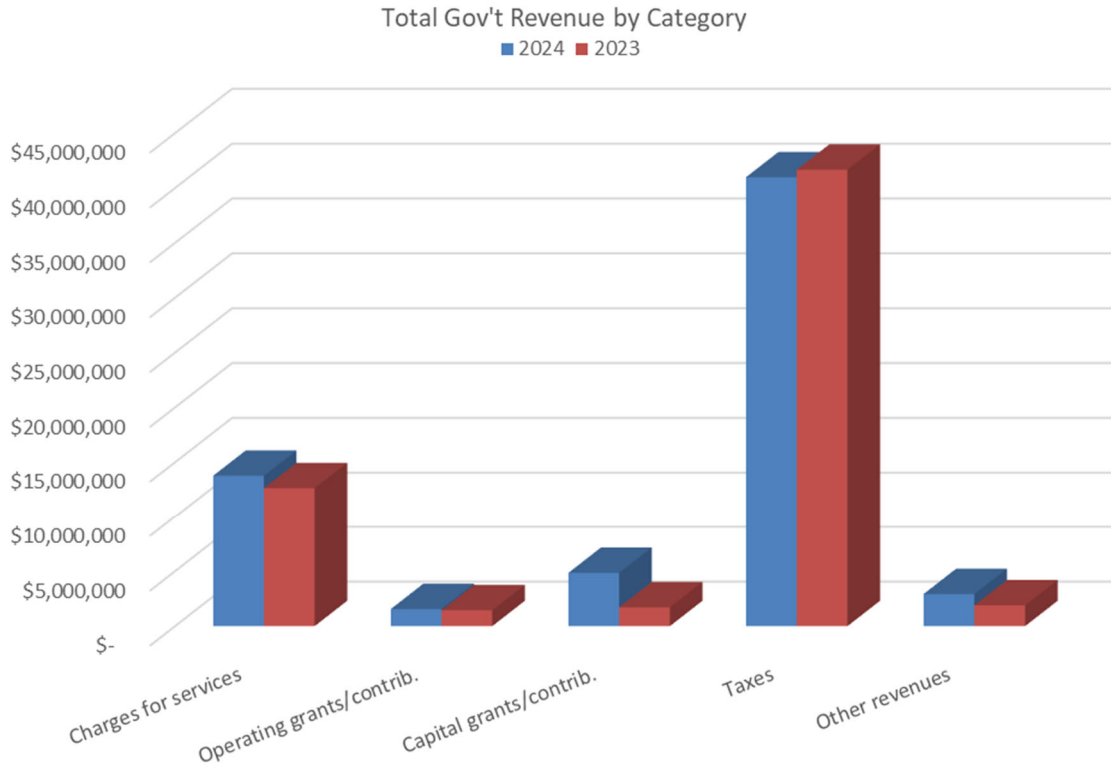
The net position for business-type activities decreased by \$1.24 million largely due to the change in application of GASB 68 when the City reallocated a portion of its net pension liabilities. An analysis of the changes in revenues and expenses by type of significant events follows:

Functions/Programs	Governmental Activities		Increase (Decrease)	Business-Type Activities		Increase (Decrease)
	2024	2023		2024	2023	
Program Revenues						
Charges for services	\$ 13,769,470	\$ 12,635,957	\$ 1,133,513	\$ 4,182,443	\$ 3,920,346	\$ 262,097
Operating grants and contributions	1,550,711	1,437,171	113,540	33,907	32,471	1,436
Capital grants and contributions	4,841,678	1,709,112	3,132,566	-	-	-
Total Program Revenues	20,161,859	15,782,240	4,379,619	4,216,350	3,952,817	263,533
General Revenues						
Taxes	40,984,093	41,670,459	(686,366)	-	-	-
Other revenues	2,920,338	1,887,516	1,032,822	116,999	43,203	73,796
Total General Revenues	43,904,431	43,557,975	346,456	116,999	43,203	73,796
Expenses						
General government	8,271,822	4,892,654	3,379,168	-	-	-
Public works	9,122,950	6,244,845	2,878,105	-	-	-
Recreation	6,999,666	3,896,266	3,103,400	-	-	-
Community development	4,530,222	2,376,676	2,153,546	-	-	-
Public safety	29,383,735	16,455,373	12,928,362	-	-	-
Interest on long-term debt	166,298	630,504	(464,206)	-	-	-
Intergrated waste management	-	-	-	3,412,017	3,243,285	168,732
Total Expenses	58,474,693	34,496,318	23,978,375	3,412,017	3,243,285	168,732
Transfers	3,671	3,671	-	(3,671)	(3,671)	-
Increase / (Decrease) in Net Position	5,595,268	24,847,568	(19,252,300)	917,661	749,064	168,597
Prior Period Adjustments	2,312,154	(551,043)	2,863,197	(2,157,401)	-	(2,157,401)
Net Position, Beginning of Year	39,885,047	15,588,522	24,296,525	4,627,343	3,878,279	749,064
Net Position, End of Year	\$ 47,792,469	\$ 39,885,047	\$ 7,907,422	\$ 3,387,603	\$ 4,627,343	\$ (1,239,740)

Governmental Activities

Governmental Revenues

The following chart summarizes the changes in revenues by category during Fiscal Year 23/24:



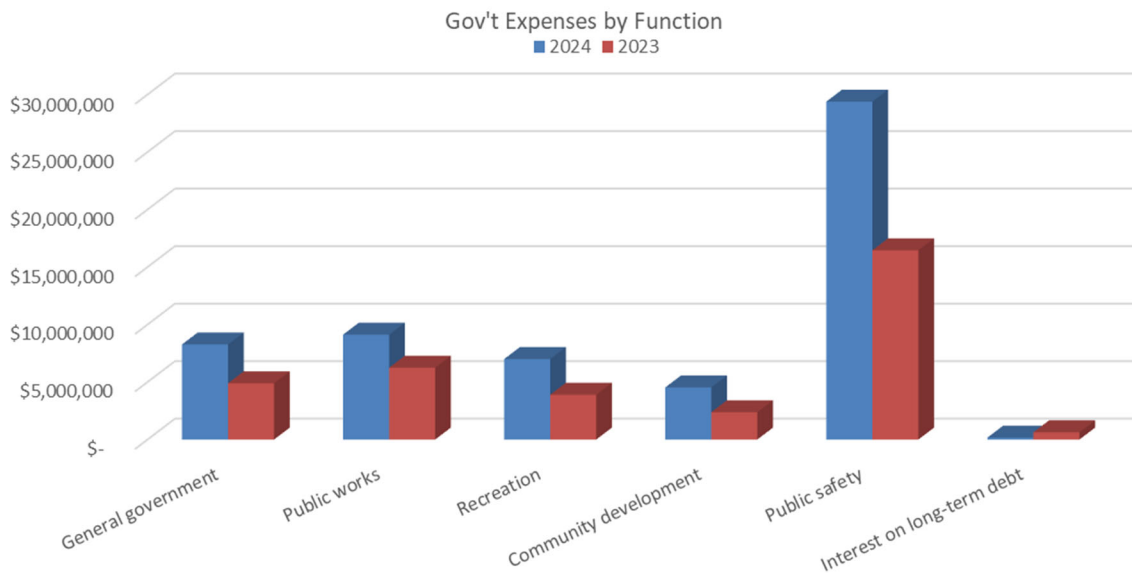
Significant changes in governmental revenues consisted of the following:

- Taxes decreased by \$686,366, with substantial net changes in the following categories:
 - Property taxes increased by \$690,207 or 3.7%, which reflects the continuing strength in property values.
 - Franchise taxes increased by \$250,720 or 13.5%, primarily due to rate increases across the industries.
 - Other taxes and assessments increased by \$98,742 or 12.3%.
 - Sales and use taxes decreased by \$653,214 or 5.7%, reflecting a statewide trend of decreased consumer spending.
 - Real property county transfer taxes decreased by \$1.0 million or 32.9%.
- Other revenues increased by \$1.03 million, mostly from local reimbursements and local donations that did not meet the definition of a charges for services, operating grants or capital grants.

- Charges for services increased by \$1.13 million mostly from increased program activities for recreation, community development and public safety as services continue to increase to pre-pandemic levels.
- Capital grants and contributions increased by \$3.13 million due to contributions from the General Fund for the purchase of land and buildings at 10936 San Pablo Avenue totaling \$1.6 million and \$1.1 million for park & facility deferred maintenance and repair projects.

Governmental Expenses

The Fiscal Year 23/24 expenses for Governmental Activities increased by \$23.98 million as illustrated in the chart below:



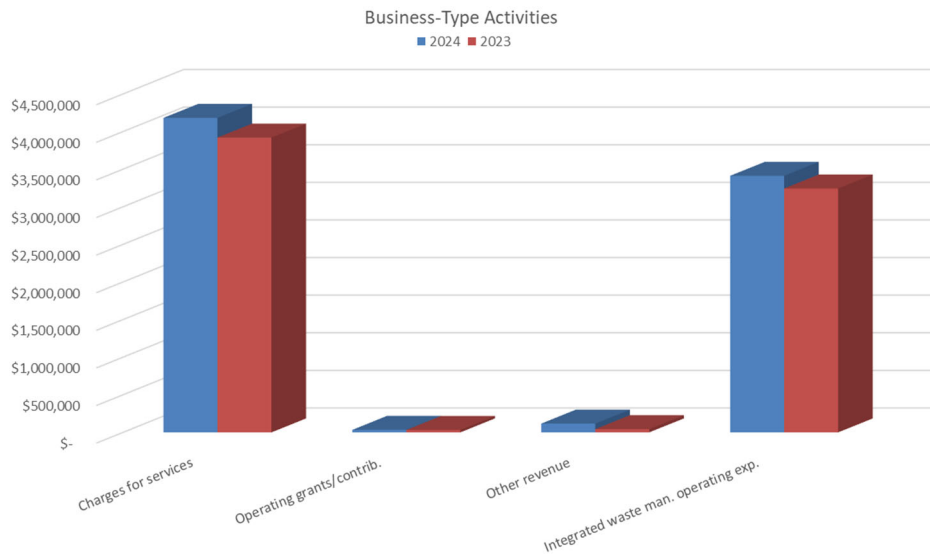
Significant changes in governmental expenses consisted of the following:

- The largest contributed factor to the increase in governmental activities expenses is an adjustment to pension expense as required by GASB 68 of \$2.02 million, which was \$17.48 million more than the prior year’s pension credit. In fiscal year 22/23, investment returns fell below estimated returns during the plan measurement period, attributing to the decrease in the pension plan expense.
- Interest expense decreased by \$464,206 due to obligations generally requiring less interest as debt matures and adjustments related to premiums.

Business-Type Activities

The City’s net position for business type activities decreased by \$1.24 million for the Integrated Waste Management enterprise fund. The decrease can be attributed the change in application of GASB 68 when the City reallocated a portion of its net pension liabilities to the enterprise fund.

The following chart is a summary of the changes in revenues and expenses for the City’s business-type activities from Fiscal Year 22/23 to 23/24:



Charges for services included fees of \$4.07 million and recycling sales of \$115,413. Expenses included personnel services, services, supplies and depreciation totaling \$3.38 million. Personnel costs increased by \$264,089 increased operating activities over the prior year.

FINANCIAL ANALYSIS OF THE CITY’S GOVERNMENTAL FUNDS

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

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

A summary of the changes in fund balance of the Major Funds and Other Governmental Funds is presented below:

Table 3 - Summary of Changes in Fund Balance - Governmental Funds

	Major Funds					Total
	General Fund	Low/Mod Income Housing Asset Fund	Street Improvement Fund	Capital Improvement Fund	Nonmajor Governmental Funds	
Total Revenues	\$ 52,119,903	\$ 39,928	\$ 2,347,173	\$ 1,297,691	\$ 5,865,724	\$ 61,670,419
Total Expenditures	48,670,741	18,240	564,599	4,001,919	5,879,461	59,134,960
Revenues Over (Under) Expenditures	3,449,162	21,688	1,782,574	(2,704,228)	(13,737)	2,535,459
Other financing sources	-	-	-	-	-	-
Transfers in	3,671	-	-	3,121,431	1,302,693	4,427,795
Transfers out	(3,702,980)	-	(707,100)	-	(94,000)	(4,504,080)
Net change in fund balances	(250,147)	21,688	1,075,474	417,203	1,194,956	2,459,174
Beginning of year	23,143,081	5,260,264	2,793,188	(312,572)	8,338,707	39,222,668
Prior Period Adjustment	404	-	-	-	-	404
End of year	\$ 22,893,338	\$ 5,281,952	\$ 3,868,662	\$ 104,631	\$ 9,533,663	\$ 41,682,246

The fund balance in the General Fund decreased by \$249,743. This included operating revenues exceeding operating expenses by \$3.45 million. The operating difference can be attributed to better than anticipated tax revenues, licenses and permits, and charges for services along with decreased expenditures due to a variety of factors, including staff vacancies and the delivery or completion of items to be purchased or projects to be completed.

Fund balance in Low and Moderate Income Housing Asset Fund increased by \$21,688 due to the timing of disbursements.

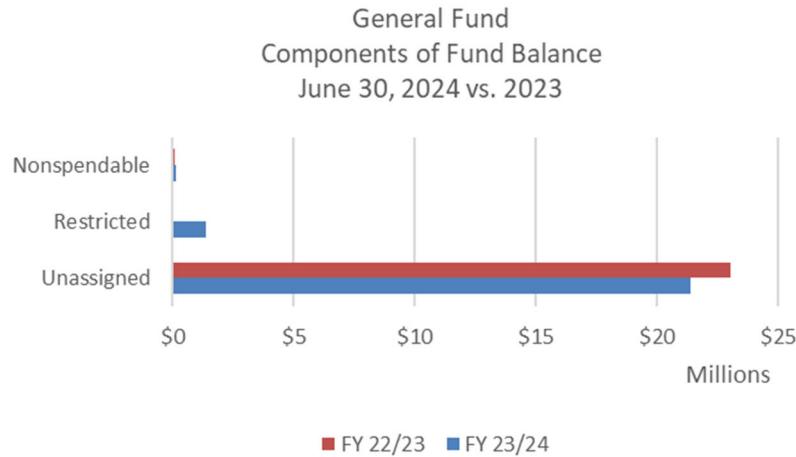
The fund balance in the Street Improvement Fund increased by \$1.075 million mainly due to the timing of when active projects expend funds, and when work is performed.

The fund balance in the Capital Improvement Fund increased by \$417,203 mainly from the increased work on capital improvement projects.

The fund balance in Nonmajor Funds increased by \$1.19 million mostly due to on-going capital improvement programs, debt service payments, road maintenance and other special revenue fund programs.

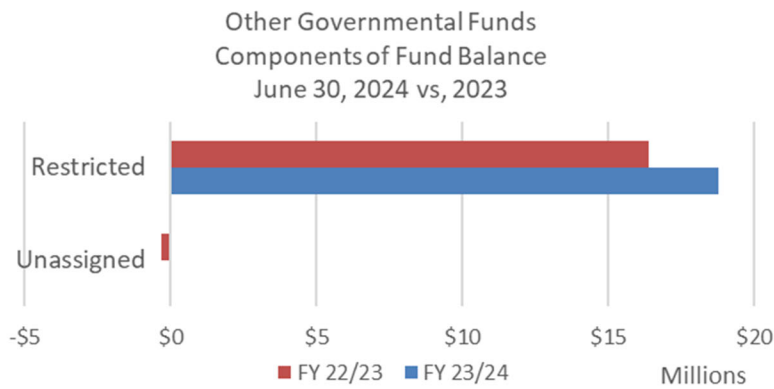
General Fund – Components of Fund Balance

In Fiscal Year 23/24, the General Fund’s total fund balance represented approximately 47% of total general fund expenditures. The following chart summarizes the ending fund balance in the General Fund over the last two fiscal years:



Other Governmental Fund - Components of Fund Balance

The following chart summarizes the ending fund balance of all other funds other than the General Fund over the last two fiscal years:



CAPITAL ASSETS



The City of El Cerrito’s investment in capital assets for its governmental and business-type activities as of June 30, 2024 amounts to \$72.78 million (net of accumulated depreciation). The total increase in the City’s capital assets, net of depreciation, was \$1.90 million or 2.69%. In Governmental Activities, the net increase in capital assets was \$2.08 million, or 3.09%, while business-type Activities net capital assets decreased by \$179,492 or 5.09%.

The following table summarizes the City’s capital assets at the end of the year:

	Governmental Activities		Business-type Activities		Total		% Change
	2024	2023	2024	2023	2024	2023	
Land	\$ 6,792,165	\$ 5,191,639	\$ -	\$ -	\$ 6,792,165	\$ 5,191,639	30.83%
Construction in progress	6,249,008	4,334,851	-	-	6,249,008	4,334,851	44.16%
Buildings and improvement	27,058,747	27,463,510	3,495,683	3,495,683	30,554,430	30,959,193	-1.31%
Machinery and equipment	6,609,698	6,404,496	2,145,995	2,145,995	8,755,693	8,550,491	2.40%
Infrastructure	90,120,903	88,122,931	-	-	90,120,903	88,122,931	2.27%
Accumulated deprec./amort.	(67,394,856)	(64,165,557)	(2,294,723)	(2,115,231)	(69,689,579)	(66,280,788)	103.40%
Total Capital Assets, Net	\$ 69,435,665	\$ 67,351,870	\$ 3,346,955	\$ 3,526,447	\$ 72,782,620	\$ 70,878,317	2.69%

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

DEBT ADMINISTRATION

During the year, long-term debt from governmental activities decreased by \$1.46 million and long-term debt attributable to business type activities decreased by \$453,558, mostly from scheduled debt service payments.

The following table summarizes the City’s debt at the end of the year:

	Governmental Activities		
	2024	2023	% Change
Revenue bonds and notes	\$ 12,590,248	\$ 13,745,837	-8.41%
Financed purchases	1,474,237	1,781,148	-17.23%
Total outstanding long-term debt	\$ 14,064,485	\$ 15,526,985	-9.42%
	Business-type Activities		
	2024	2023	% Change
Revenue bonds and notes	\$ 450,200	\$ 741,400	-39.28%
Financed purchases	422,983	585,341	-27.74%
Total outstanding long-term debt	\$ 873,183	\$ 1,326,741	-34.19%

Additional information on debt can be found in Note 6 in the notes to financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS

Changes from the City's General Fund original budget to the final budget are detailed in the *Required Supplementary Information* section along with a comparison to actual activity for the year ended.

Over the course of the year, the City may revise the expenditure budgets to reflect the changes in the various programs and unanticipated activities, but usually do not change budget assumptions in revenues other than for one-time events. For example, when the City is awards a grant, it appropriates the revenues and expenditures necessary to spend those funds but does not necessarily adjust upward the property

tax estimates when the amounts come in higher than expected or reduce other balances that report declines unless the changes are material. Tax estimates are based on trend information where the base amount rolls forward for cumulative increases in long term planning and the trends are reevaluated each year during the budget period.

At the time of the FY 23/24 budget adoption, City revenues were projected to be \$48.52 million and expenditures were projected to be \$47.85 million. The final budgeted revenues were \$48.68 million and expenditures were \$51.37 million. Actual revenues exceed the final budget by \$3.44 million and actual expenditures were less than the final budget by \$2.70 million.

After transfers, the original adopted budget projected a surplus change in fund balance of \$93,178 and the final budget projected a deficit of \$6.31 million. The actual change in fund balance for the year was a deficit \$250,147, which was \$6.06 million less than the final budgeted deficit.

The following table summarizes the City’s budget vs. actual amounts for FY 23/24:

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes and assessments	\$ 33,892,830	\$ 32,892,830	\$ 35,847,684	\$ 2,954,854
Licenses and permits	1,054,618	1,284,618	1,272,849	(11,769)
Fines and forfeitures	120,000	145,000	231,231	86,231
Intergovernmental	5,103,092	5,103,092	5,234,450	131,358
Use of money and property	277,242	278,742	667,457	388,715
Charges for Services	7,807,310	8,663,262	8,594,094	(69,168)
Other Revenue	270,000	311,748	272,138	(39,610)
Total Revenues	48,525,092	48,679,292	52,119,903	3,440,611
EXPENDITURES				
Current:				
General government	7,245,870	8,069,637	7,587,389	482,248
Public works	2,460,423	2,827,046	2,615,288	211,758
Recreation	6,005,416	6,524,937	6,120,140	404,797
Community development	3,799,601	4,892,425	4,267,261	625,164
Public Safety	27,956,083	28,537,232	27,693,105	844,127
Capital outlay	99,503	232,720	156,776	75,944
Debt service				
Principal retirement	131,766	131,766	205,276	(73,510)
Interest and fiscal charges	154,160	154,160	25,506	128,654
Total Expenditures	47,852,822	51,369,923	48,670,741	2,699,182
Excess (Deficiency) of Revenues over Expenditures	672,270	(2,690,631)	3,449,162	6,139,793

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City's diversified and resilient revenue base remained strong and exceeded projections. At fiscal year ending June 30, 2024, operating revenues exceeded budget, primarily due to better than budgeted tax revenues, licenses and permits, and charges for services and operating expenditures below budget due to vacancies and timing of expenditure disbursements. During the fiscal year, the City Council voted to utilize unassigned fund balance for major urgent capital needs, resulting in a planned budget deficit of over \$6 million. Due to the higher than budgeted revenues and lower than budgeted expenditures, the year-end change in fund balance was \$0.25 million, even with the additional capital projects. The General Fund balance decreased by \$249,743 from the prior year, leaving a total General Fund balance of \$22.89 million. This General Fund balance represents approximately 47% of total General Fund expenditures.

Despite the City's positive economic position, management remains cognizant of the economic trends facing the State of California. While healthy stock market gains contributed to a modest budgetary surplus, the proposed state budget provides insufficient funding to cover the costs for state mandates impacting local governments. The state is also facing persistent challenges from the high cost of living, a housing shortage exacerbated by climate disasters and volatile property markets, and a homelessness and mental health crisis.

In addition, City management is mindful of the uncertainty facing the U.S. including a complex political environment, persistent inflation, impacts from major natural disasters, slow real estate markets, interest rate changes, the threat of an international trade war and tariffs, and an economy that is showing overall signs of slowing down including a decrease in consumer demand and spending.

Also, the City's employee costs continue to trend upwards as a result of new agreements with the City's labor unions, and as retirement contributions and lower than projected fluctuations in the CalPERS pension plan investments drives pension costs higher. General Fund Employee costs are projected at nearly 73% of Total General Fund Expenditures for Fiscal Year 2024. This proportion may increase with new contracts and with projected increases in pension related costs in FY 2025 and beyond.

Despite these economic trends, the Greater Bay Area and El Cerrito are somewhat better positioned to withstand economic down trends due to their diversified revenue sources and the City's prudent and conservative financial management strategies and approach of avoiding overly optimistic revenue estimates or a presumption of an imminent recession.

El Cerrito's FY 2025 General Fund Budget was balanced, with estimated revenues projected to be \$33,952 greater than expenditures during the budget process. The projected FY 2025 ending General Fund balance was estimated to be \$16.87 million. Taking into consideration that the General Fund ended in a more favorable position for FY 2024 at \$22.89 million, this would increase the projected FY25 ending fund balance to \$22.93 million exceeding the City's fiscal year General Fund balance goal of 17% of the City's General Fund expenditures. After budget adoption, the City finalized multi-year contracts with three of its labor unions, resulting in an increase in the expenditure budget of \$444,420 for FY 2025 and additional future ongoing costs for future budget years.

The City remains focused on financial stability and opportunities to strengthen our financial position. The City is proud of having sufficient reserves at the start of FY 2024 and commits to maintaining a healthy

General Fund balance in compliance with the City's financial policies. The City's priority is to continue to provide the quality of services residents have come to expect.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City of El Cerrito's finances for El Cerrito's residents, taxpayers, customers, investors, and creditors. This financial report seeks to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Department of Finance at (510) 215-4323, by mail at 10890 San Pablo Avenue, El Cerrito, CA 94530 or by email finance@ci.el-cerrito.ca.us.



BASIC FINANCIAL STATEMENTS

City of El Cerrito
Statement of Net Position
June 30, 2024

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Current Assets:			
Cash and investments	\$ 37,196,758	\$ 2,523,234	\$ 39,719,992
Accounts receivable	2,900,412	758,949	3,659,361
Interest receivable	1,597,270	-	1,597,270
Due from other governments	3,850,690	-	3,850,690
Prepaid items and other assets	316,356	16,087	332,443
Total Current Assets	<u>45,861,486</u>	<u>3,298,270</u>	<u>49,159,756</u>
Noncurrent Assets:			
Loans receivable	8,041,087	-	8,041,087
Capital Assets:			
Nondepreciable	13,041,173	-	13,041,173
Depreciable, net of accumulated depreciation	56,394,492	3,346,955	59,741,447
Total Capital Assets, Net	<u>69,435,665</u>	<u>3,346,955</u>	<u>72,782,620</u>
Total Noncurrent Assets	<u>77,476,752</u>	<u>3,346,955</u>	<u>80,823,707</u>
Total Assets	<u><u>\$ 123,338,238</u></u>	<u><u>\$ 6,645,225</u></u>	<u><u>\$ 129,983,463</u></u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Adjustments	\$ 32,242,338	\$ 1,463,287	\$ 33,705,625
Deferred Loss on Refunding	211,691	-	211,691
Total Deferred Outflows of Resources	<u><u>\$ 32,454,029</u></u>	<u><u>\$ 1,463,287</u></u>	<u><u>\$ 33,917,316</u></u>
LIABILITIES			
Current Liabilities:			
Accounts payable	\$ 1,821,144	\$ 47,813	\$ 1,868,957
Accrued liabilities	1,444,283	60,716	1,504,999
Interest payable	154,000	-	154,000
Deposits payable	2,937,584	-	2,937,584
Unearned revenue	1,346,089	-	1,346,089
Compensated absences, due within one year	1,218,427	48,659	1,267,086
Long-term debt, due within one year	968,015	457,983	1,425,998
Total Current Liabilities	<u>9,889,542</u>	<u>615,171</u>	<u>10,504,713</u>
Noncurrent Liabilities:			
Net pension liability	80,740,039	3,500,990	84,241,029
Claims payable, due in more than one year	18,453	-	18,453
Compensated absences, due in more than one year	656,076	26,201	682,277
Long-term debt - due in more than one year	13,096,470	415,200	13,511,670
Total Noncurrent Liabilities	<u>94,511,038</u>	<u>3,942,391</u>	<u>98,453,429</u>
Total Liabilities	<u><u>\$ 104,400,580</u></u>	<u><u>\$ 4,557,562</u></u>	<u><u>\$ 108,958,142</u></u>
DEFERRED INFLOWS OF RESOURCES			
Pension Adjustments	\$ 3,599,218	\$ 163,347	\$ 3,762,565
Total Deferred Inflows of Resources	<u><u>\$ 3,599,218</u></u>	<u><u>\$ 163,347</u></u>	<u><u>\$ 3,762,565</u></u>
NET POSITION			
Net investment in capital assets	\$ 56,361,576	\$ 3,937,059	\$ 60,298,635
Restricted for:			
Capital projects	10,105,585	-	10,105,585
Debt service	24,528	-	24,528
Pensions	1,372,890	-	1,372,890
Community development	10,164,673	-	10,164,673
Total Restricted	<u>21,667,676</u>	<u>-</u>	<u>21,667,676</u>
Unrestricted	<u>(30,236,783)</u>	<u>(549,456)</u>	<u>(30,786,239)</u>
Total Net Position	<u><u>\$ 47,792,469</u></u>	<u><u>\$ 3,387,603</u></u>	<u><u>\$ 51,180,072</u></u>

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

City of El Cerrito
Statement of Activities
For the Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Total	Governmental Activities	Business-Type Activities	Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions				
Primary Government:								
Governmental Activities:								
General government	\$ 8,271,822	\$ 468,692	\$ -	\$ -	\$ 468,692	\$ (7,803,130)		\$ (7,803,130)
Public works	9,122,950	735,339	300,469	4,841,678	5,877,486	(3,245,464)		(3,245,464)
Recreation	6,999,666	4,958,617	-	-	4,958,617	(2,041,049)		(2,041,049)
Community development	4,530,222	2,896,914	396,686	-	3,293,600	(1,236,622)		(1,236,622)
Public safety	29,383,735	4,709,908	853,556	-	5,563,464	(23,820,271)		(23,820,271)
Interest and fiscal charges	166,298	-	-	-	-	(166,298)		(166,298)
Total Governmental Activities	\$ 58,474,693	\$ 13,769,470	\$ 1,550,711	\$ 4,841,678	\$ 20,161,859	(38,312,834)		(38,312,834)
Business-Type Activities:								
Integrated waste management	\$ 3,412,017	\$ 4,182,443	\$ 33,907	\$ -	\$ 4,216,350		\$ 804,333	804,333
Total Business-Type Activities	\$ 3,412,017	\$ 4,182,443	\$ 33,907	\$ -	\$ 4,216,350		804,333	804,333
General Revenues:								
Taxes:								
Property taxes and assessments						18,503,332	-	18,503,332
Sales and use taxes						11,457,300	-	11,457,300
Transient occupancy taxes						89,451	-	89,451
Franchise taxes						1,854,938	-	1,854,938
Business license taxes						1,128,561	-	1,128,561
Utility user taxes						4,015,551	-	4,015,551
Real property County transfer tax						3,129,523	-	3,129,523
Other taxes						805,437	-	805,437
Total taxes						40,984,093	-	40,984,093
Investment earnings (loss)						1,302,071	116,999	1,419,070
Other revenues						1,618,267	-	1,618,267
Total General Revenues						43,904,431	116,999	44,021,430
Transfers						3,671	(3,671)	-
Total General Revenues and Transfers						43,908,102	113,328	44,021,430
Change in Net Position								
						5,595,268	917,661	6,512,929
Net Position - Beginning of Year								
						39,885,047	4,627,343	44,512,390
Prior Period Adjustments								
						2,312,154	(2,157,401)	154,753
Net Position - Beginning of Year, As Adjusted								
						42,197,201	2,469,942	44,667,143
Net Position - End of Year								
						\$ 47,792,469	\$ 3,387,603	\$ 51,180,072

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

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

General Fund

The General Fund is used for all the general revenues of the City not specifically levied or collected for other City funds, and the related expenditures. The major revenue sources for this Fund are property taxes, sales taxes, utility users tax, franchise fees, business licenses, unrestricted revenues from the State, fines and forfeitures, and interest income. Expenditures are made for public safety, recreation, and the other services described above.

Low and Moderate Income Housing Asset 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 and the collection of revenues from those restricted assets. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes.

Street Improvement Fund

This fund accounts for the street maintenance and improvement projects funded by the 2008 Sales Tax Revenue Bonds.

Capital Improvements Capital Projects Fund

This fund accounts for funds expended on various City capital projects.

City of El Cerrito
Balance Sheet
Governmental Funds
June 30, 2024

	Major Funds					Total Governmental Funds
	General Fund	Low/Mod Income Housing Asset Fund	Street Improvement Fund	Capital Improvement Fund	Nonmajor Governmental Funds	
ASSETS						
Cash and investments	\$ 25,339,004	\$ 446,172	\$ 3,880,801	\$ 346,685	\$ 6,405,391	\$ 36,418,053
Accounts receivable	1,078	-	-	2,027,904	867,122	2,896,104
Interest receivable	272,482	1,324,788	-	-	-	1,597,270
Due from other governments	3,291,852	-	380,989	-	177,849	3,850,690
Loans receivable	-	5,031,087	-	-	3,010,000	8,041,087
Prepaid items and other assets	138,615	-	-	-	21,741	160,356
Total assets	\$ 29,043,031	\$ 6,802,047	\$ 4,261,790	\$ 2,374,589	\$ 10,482,103	\$ 52,963,560
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 745,552	\$ 2,537	\$ 390,287	\$ 451,104	\$ 231,664	\$ 1,821,144
Accrued liabilities	1,390,950	11,680	2,841	-	38,812	1,444,283
Deposits payable	2,465,295	-	-	-	472,289	2,937,584
Unearned revenue	1,251,292	-	-	74	94,723	1,346,089
Total liabilities	5,853,089	14,217	393,128	451,178	837,488	7,549,100
Deferred Inflows of Resources:						
Unavailable revenues	296,604	1,505,878	-	1,818,780	110,952	3,732,214
Total deferred inflows of resources	296,604	1,505,878	-	1,818,780	110,952	3,732,214
Fund Balances:						
Nonspendable:						
Prepaid items	94,669	-	-	-	-	94,669
Inventory	32,082	-	-	-	-	32,082
Restricted:						
Redevelopment	-	-	-	-	518,615	518,615
Debt service	-	-	-	-	24,528	24,528
Street improvements	-	-	3,868,662	-	1,955,130	5,823,792
Transportation	-	-	-	-	1,269,375	1,269,375
Public safety - police	-	-	-	-	322,298	322,298
Public safety - vehicle abatement	-	-	-	-	395,030	395,030
Parks and recreation	-	-	-	-	457,856	457,856
Storm drains	-	-	-	-	1,463,502	1,463,502
Public art	-	-	-	-	142,329	142,329
Housing	-	5,281,952	-	-	2,985,000	8,266,952
Pensions	1,372,890	-	-	-	-	1,372,890
Capital projects	-	-	-	104,631	-	104,631
Unassigned:						
Emergency Disaster Relief	9,000,000	-	-	-	-	9,000,000
Remaining unassigned	12,393,697	-	-	-	-	12,393,697
Total fund balances	22,893,338	5,281,952	3,868,662	104,631	9,533,663	41,682,246
Total liabilities, deferred inflows of resources and fund balances	\$ 29,043,031	\$ 6,802,047	\$ 4,261,790	\$ 2,374,589	\$ 10,482,103	\$ 52,963,560

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

City of El Cerrito
Reconciliation of the Government Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2024

Total Fund Balances - Total Governmental Funds \$ 41,682,246

Amounts reported for governmental activities in the statement of net position were different because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet. The capital assets were adjusted as follows:

Capital assets	133,716,891
Less: accumulated depreciation	(64,868,793)
Total Capital Assets	<u>68,848,098</u>

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet. (154,000)

Internal service funds are used by management to charge the costs of vehicles and equipment replacement to individual funds. The assets and liabilities of the internal service funds are included in governmental activities. 581,323

The differences from benefit plan assumptions and estimates versus actuals are not included in the plan's actuarial study until the next fiscal year and are reported as deferred inflows or deferred outflows of resources in the statement of net position. 28,643,120

The difference between the carrying value of refunded debt and the reacquisition price is deferred and amortized over the shorter of the remaining life of the refunded debt or the refunding debt. 211,691

Liabilities were reported for certain revenues that were not available to pay current period expenditures and were reported as unearned in the fund statements. 3,732,214

Long-term obligations were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds Balance Sheet. The long-term liabilities were adjusted as follows:

Long-term debt	(13,119,228)
Claims payable	(18,453)
Compensated absences	(1,874,503)
Net pension liability	<u>(80,740,039)</u>
Total Long-Term Obligations	<u>(95,752,223)</u>

Net Position of Governmental Activities \$ 47,792,469

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

City of El Cerrito
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	Major Funds					Total Governmental Funds
	General Fund	Low/Mod Income Housing Asset Fund	Street Improvement Fund	Capital Improvement Fund	Nonmajor Governmental Funds	
REVENUES						
Taxes and assessments	\$ 35,847,684	\$ -	\$ 2,154,278	\$ 204,243	\$ 2,952,131	\$ 41,158,336
Licenses and permits	1,272,849	-	-	-	-	1,272,849
Fines and penalties	231,231	-	-	-	-	231,231
Intergovernmental	5,234,450	-	-	1,093,448	1,661,968	7,989,866
Use of money and property	667,457	39,928	180,003	-	862,909	1,750,297
Charges for Services	8,594,094	-	-	-	5,405	8,599,499
Other Revenue	272,138	-	12,892	-	383,311	668,341
Total Revenues	52,119,903	39,928	2,347,173	1,297,691	5,865,724	61,670,419
EXPENDITURES						
Current:						
General government	7,587,389	-	6,105	-	7,366	7,600,860
Public works	2,615,288	-	121,101	-	3,305,727	6,042,116
Recreation	6,120,140	-	-	-	256,744	6,376,884
Community development	4,267,261	18,240	-	-	51,630	4,337,131
Public Safety	27,693,105	-	-	-	331,942	28,025,047
Capital outlay	156,776	-	437,393	4,001,919	642,989	5,239,077
Debt service						
Principal	205,276	-	-	-	700,000	905,276
Interest and fiscal charges	25,506	-	-	-	583,063	608,569
Total Expenditures	48,670,741	18,240	564,599	4,001,919	5,879,461	59,134,960
Excess (Deficiency) of Revenues over Expenditures	3,449,162	21,688	1,782,574	(2,704,228)	(13,737)	2,535,459
OTHER FINANCING SOURCES (USES)						
Transfers in	3,671	-	-	3,121,431	1,302,693	4,427,795
Transfers out	(3,702,980)	-	(707,100)	-	(94,000)	(4,504,080)
Total Other Financing Sources (Uses)	(3,699,309)	-	(707,100)	3,121,431	1,208,693	(76,285)
Net Change in Fund Balances	(250,147)	21,688	1,075,474	417,203	1,194,956	2,459,174
Fund Balances Beginning	23,143,081	5,260,264	2,793,188	(312,572)	8,338,707	39,222,668
Prior Period Corrections	404	-	-	-	-	404
Fund Balances Beginning, as Adjusted	23,143,485	5,260,264	2,793,188	(312,572)	8,338,707	39,223,072
Fund Balances Ending	\$ 22,893,338	\$ 5,281,952	\$ 3,868,662	\$ 104,631	\$ 9,533,663	\$ 41,682,246

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

City of El Cerrito
Reconciliation of the Governmental Funds Statement of Revenues,
Expenditures and Changes in Fund Balances to the Government-Wide
Statement of Activities
For the Year Ended June 30, 2024

Net Change in Fund Balances - Total Governmental Funds	\$ 2,459,174
Amounts reported for governmental activities in the Statement of Activities and Changes in net position were different because:	
Governmental Funds report capital outlay as expenditures. However, in the Government-Wide Statement of Activities and Changes in net position, the cost of those assets was allocated over their estimated useful lives as depreciation expense.	
Capital outlay	4,499,403
Depreciation expense	(2,895,793)
Compensated absences not required to be paid with current financial resources are not reported in the governmental funds, but are accrued as noncurrent liabilities in the Government Wide Statement Net Position. The change from prior year accrued compensated absences is reported in the applicable program expense.	
	(158,479)
Certain revenues were not recorded or recorded as unearned revenue in the governmental funds because they did not meet the revenue recognition criteria of availability. However, they were included as revenue in the Government-Wide Statement of Activities under the full accrual basis.	
	2,357,198
The difference between the carrying value of refunded debt and the reacquisition price is deferred and amortized over the shorter of the remaining life of the refunded debt or the refunding debt.	
	(17,672)
In governmental funds, actual contributions to benefit plans are reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the current year benefit expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.	
	(2,028,138)
Repayment of long-term debt was an expenditure in governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	
	905,276
Premiums from the issuance of long-term debt are amortized over the life of the bonds in the Statement of Activities and reported as proceeds when issued in governmental funds.	
	455,589
Internal service funds are used by management to charge the costs of vehicles and equipment replacement to individual funds. The assets and liabilities of the internal service funds are included in governmental activities.	
	(26,115)
Certain expenses reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the fund statements as follows:	
Insurance claims	5,515
Interest expense on long-term debt was reported in the Government-Wide Statement of Activities and Changes in net position, but it did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represented the net change in accrued interest from from prior year.	
	39,310
Change in Net Position of Governmental Activities	<u><u>\$ 5,595,268</u></u>

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

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PROPRIETARY FUND FINANCIAL STATEMENTS

Integrated Waste Management Fund

This fund accounts for the City's recycling collection service 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.

Vehicle and Equipment Replacement Internal Service Fund

The City's internal service fund accounts for the City's departments' vehicle and equipment replacement activities.

City of El Cerrito
Statement of Net Position
Proprietary Funds
June 30, 2024

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Integrated Waste Management Fund	Vehicle and Equipment Replacement Fund
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,523,234	\$ 778,705
Accounts receivable	758,949	4,308
Prepaid items and other assets	16,087	156,000
Total current assets	<u>3,298,270</u>	<u>939,013</u>
Capital assets:		
Nondepreciable	-	439,355
Depreciable, net of accumulated depreciation	3,346,955	148,212
Total capital assets, net	<u>3,346,955</u>	<u>587,567</u>
Total assets	<u><u>\$ 6,645,225</u></u>	<u><u>\$ 1,526,580</u></u>
DEFERRED OUTFLOWS OF RESOURCES		
Pension adjustments	\$ 1,463,287	\$ -
Total deferred outflows of resources	<u><u>\$ 1,463,287</u></u>	<u><u>\$ -</u></u>
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 47,813	\$ -
Accrued liabilities	60,716	-
Compensated absences, due within one year	48,659	-
Financed purchases, due within one year	457,983	105,028
Total current liabilities	<u>615,171</u>	<u>105,028</u>
Noncurrent liabilities:		
Net pension liability	3,500,990	-
Compensated absences, due in more than one year	26,201	-
Financed purchases, due in more than one year	415,200	840,229
Total noncurrent liabilities	<u>3,942,391</u>	<u>840,229</u>
Total liabilities	<u><u>\$ 4,557,562</u></u>	<u><u>\$ 945,257</u></u>
DEFERRED INFLOWS OF RESOURCES		
Pension adjustments	\$ 163,347	\$ -
Total deferred inflows of resources	<u><u>\$ 163,347</u></u>	<u><u>\$ -</u></u>
NET POSITION		
Net Investment in capital assets	\$ 3,937,059	\$ 421,015
Unrestricted	(549,456)	160,308
Total net position	<u><u>\$ 3,387,603</u></u>	<u><u>\$ 581,323</u></u>

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

City of El Cerrito
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Integrated Waste Management Fund	Vehicle and Equipment Replacement Fund
OPERATING REVENUES		
Charges for services	\$ 4,066,782	\$ -
Recycling sales	115,413	-
Other	248	-
Total operating revenues	4,182,443	-
OPERATING EXPENSES		
Personnel services	2,081,490	-
Services	838,441	-
Supplies	285,285	-
Depreciation	179,492	109,788
Total operating expenses	3,384,708	109,788
Operating income (loss)	797,735	(109,788)
NONOPERATING REVENUES (EXPENSES)		
Grants	33,907	-
Interest expense	(27,309)	(34,956)
Investment earnings	116,999	38,673
Total nonoperating revenues (expenses)	123,597	3,717
Income (loss) before operating transfers	921,332	(106,071)
Transfers in	-	79,956
Transfers out	(3,671)	-
Total transfers	(3,671)	79,956
Change in net position	917,661	(26,115)
Total net position - beginning	4,627,343	456,819
Prior period adjustment - accounting change	(2,161,131)	-
Prior period corrections	3,730	150,619
Total net position - beginning , as adjusted	2,469,942	607,438
Total net position - ending	\$ 3,387,603	\$ 581,323

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

City of El Cerrito
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2024

	Business-Type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Integrated Waste Management Fund	Vehicle and Equipment Replacement Fund
Cash flows from operating activities:		
Receipts from customers	\$ 3,757,224	\$ -
Payments to suppliers	(1,074,528)	-
Payments to employees	(2,026,621)	-
Net cash provided (used) by operating activities	<u>656,075</u>	<u>-</u>
Cash flows from noncapital financing activities:		
Receipts from grants	33,907	-
Interfund transactions	(3,671)	79,956
Net cash provided (used) by noncapital financing activities	<u>30,236</u>	<u>79,956</u>
Cash flows from capital financing activities:		
Acquisition of capital assets	-	(439,353)
Principal payments on long-term debt	(453,558)	(101,635)
Interest paid on long-term debt	(27,309)	(34,956)
Net cash provided (used) by capital financing activities	<u>(480,867)</u>	<u>(575,944)</u>
Cash flows from investing activities:		
Investment income (loss)	116,997	38,673
Net cash provided (used) by investing activities	<u>116,997</u>	<u>38,673</u>
Net increase (decrease) in cash and cash equivalents	322,441	(457,315)
Cash and cash equivalents - beginning	2,200,793	1,236,020
Cash and cash equivalents - ending	<u>\$ 2,523,234</u>	<u>\$ 778,705</u>
Reconciliation of operating income to net cash provided (used)		
by operating activities:		
Operating income (loss)	\$ 797,735	\$ (109,788)
Adjustments to reconcile operating income (loss)		
to net cash provided (used) by operating activities:		
Depreciation	179,492	109,788
Prior period adjustments	(2,157,401)	-
Change in operating assets and liabilities:		
Accounts receivables	(428,949)	-
Prepaid items and other assets	60,516	-
Deferred outflows of resources	(1,463,287)	-
Accounts payable	(11,318)	-
Accrued liabilities	1,752	-
Unearned revenue	-	-
Compensated absences	13,198	-
Net pension liability	3,500,990	-
Deferred inflows of resources	163,347	-
Net cash provided (used) by operating activities	<u>\$ 656,075</u>	<u>\$ -</u>

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

FIDUCIARY FUND FINANCIAL STATEMENTS

Pension Trust Fund

The City of El Cerrito Pension Trust Fund accounts for assets held by the City on behalf of the retiree's of the City's single employer pension plan.

Private Purpose Trust Fund

The Successor Agency Trust Fund accounts for assets and liabilities transferred from the City to the Successor Agency Trust Fund.

City of El Cerrito
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Pension Trust Fund	El Cerrito Redevelopment Agency Successor Agency Private-Purpose Trust Fund
	<u> </u>	<u> </u>
ASSETS		
Cash and investments	\$ 7,837	\$ 32,654
Total assets	<u>\$ 7,837</u>	<u>\$ 32,654</u>
LIABILITIES		
Accrued liabilities	\$ -	\$ 106,531
Long-term liabilities:		
Due within one year	-	2,057,667
Due in more than one year	-	1,048,242
Total liabilities	<u>\$ -</u>	<u>\$ 3,212,440</u>
NET POSITION		
Unrestricted	\$ -	\$ (3,179,786)
Restricted for pensions	7,837	-
Total Net Position	<u>\$ 7,837</u>	<u>\$ (3,179,786)</u>

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

City of El Cerrito
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2024

	Pension Trust Fund	El Cerrito Redevelopment Agency Successor Agency Private-Purpose Trust Fund
ADDITIONS		
Property taxes	\$ -	\$ 2,376,718
Total additions	-	2,376,718
DEDUCTIONS		
General government	-	2,750
Administrative fees paid to the City	-	250,000
Debt service:		
Interest and fiscal charges	-	120,416
Total deductions	-	373,166
Change in net position	-	2,003,552
Total net position - beginning	7,837	(5,161,949)
Prior period corrections	-	(21,389)
Total net position - beginning, as adjusted	7,837	(5,183,338)
Total net position - ending	<u>\$ 7,837</u>	<u>\$ (3,179,786)</u>

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of El Cerrito (City) was incorporated August 1, 1917. The City provides the following services: public safety (police and fire), recreation, streets and highways, recycling, public improvements, planning and zoning, and general administration services. The City's population has remained relatively stable for some years; population at June 30, 2024, was 25,700. The City operates under the Council-Manager form of government, with five elected Council members served by a full-time City Manager and staff.

A. Financial Reporting Entity

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

The El Cerrito Public Financing Authority (Authority)

The El Cerrito Public Financing Authority is a nonprofit corporation organized by the City to provide financial assistance to the City. Administrative and related normal business expenses incurred in the day-to-day operations of the Authority are provided by the City. Such expenses are insignificant to the Authority's operations. The Authority obtains financing for City sponsored projects using leases signed by the City as collateral. The amounts of the leases are calculated to provide sufficient resources to repay the debt incurred to finance the projects. The financial activities of the Authority have been included in these financial statements in the Public Financing Authority Debt Service Fund and the Integrated Waste Management Enterprise Fund.

The El Cerrito Municipal Services Corporation

The El Cerrito Municipal Services Corporation (Corporation) is a nonprofit corporation organized in 1982 by the City under the corporations laws of the State of California. The Corporation was originally organized to assist the City with communications with its residents and to provide financial assistance to the City by financing real and personal property and improvements for the benefit of the residents of the City. In May 2011, the Corporation amended its articles of incorporation to provide support to the City by utilizing private and public funding sources to combat community blight and deterioration in the City and contribute to the physical improvement of the City; providing and expanding economic opportunities for low and moderate income households in the City; encouraging and stimulating economic development within the City. The financial activities of the Corporation have been included in these financial statements in the Municipal Services Corporation Special Revenue Fund.

The City of El Cerrito Employees' Pension Plan

The City of El Cerrito Employees' Pension Plan is governed by the City's Retirement System Ordinance, Chapter 3 of the City of El Cerrito Municipal Code, and is used to account for contributions and investment income restricted to pay retirement and death benefits of employees who elected not to be covered by the California Public Employees' Retirement System as of February 6, 1959. Benefit and contribution provisions are established by the City Council. Eligibility, actuarial interest rates, administration and certain other tasks are the responsibility of the Council established by the above ordinance. The financial activities of the Pension Plan have been included in these financial statements in the Pension Trust Fund.

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

Audited financial statements for the Authority, Corporation and Pension Plan may be obtained from the City of El Cerrito, 10890 San Pablo Avenue, El Cerrito, CA 94530.

The City applies all applicable GASB pronouncements for certain accounting and financial reporting guidance. In December of 2010, GASB issued Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. GASB 62 incorporates pronouncements issued on or before November 30, 1989 into GASB authoritative literature. In June of 2015, GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. GASB 76 supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. GASB 76 also amends GASB 62 and AICPA Pronouncements paragraphs 64, 74, and 82. The GAAP hierarchy sets forth what constitutes GAAP for all state and local governmental entities. It establishes the order of priority of pronouncements and other sources of accounting and financial reporting guidance that a governmental entity should apply. The sources of authoritative GAAP are categorized in descending order of authority as follows:

- a. Officially established accounting principles—Governmental Accounting Standards Board (GASB) Statements (Category A).
- b. GASB Technical Bulletins; GASB Implementation Guides; and literature of the AICPA cleared by the GASB (Category B).

If the accounting treatment for a transaction or other event is not specified by a pronouncement in Category A, a governmental entity should consider whether the accounting treatment is specified by a source in Category B.

B. Basis of Presentation

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

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

Government-Wide Financial Statements

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities and Changes in Net Position*. These statements present summaries of governmental and business-type activities for the City. Fiduciary activities of the City are not included in these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources, are included in the accompanying *Statement of Net Position*. The *Statement of Activities* presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. Certain types of transactions are reported as program revenues for the City in three categories:

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

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

Certain eliminations have been made as prescribed by GASB Statement No. 34 in-regards-to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Transfers in/Transfers out

The City applies all applicable GASB Pronouncements including all Interpretations currently in effect.

Governmental Fund Financial Statements

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

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are included on the balance sheets. The *Statement of Revenues, Expenditures and Changes in Fund Balances* present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (up to 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, taxpayer-assessed tax revenues (sales taxes, transient occupancy taxes, etc.), licenses, grant revenues and earnings on investments. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unearned revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the combined balance sheet and revenue is recognized.

The City reports the following funds as major funds:

General Fund

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

Low and Moderate Income Housing Asset 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 and the collection of revenues from those restricted assets. The activities are governed by California redevelopment law and must be used to provide housing for people with low and moderate incomes. The major revenue sources are the loan repayments in the fiscal year. Prior to dissolution of the Redevelopment Agency in 2012 it received property tax revenues but has not received any since.

Street Improvement Fund

This fund accounts for the street maintenance and improvement projects funded by the 2008 Sales Tax Revenue Bonds.

Capital Improvements Capital Projects Fund

This fund accounts for funds expended on various City capital projects.

Additionally, the City reports the following nonmajor fund types of governmental funds:

Special Revenue Funds

Special revenue funds account for and report the proceeds of specific revenue sources that are restricted, committed or assigned to specific purposes other than debt service or capital projects.

Debt Service Funds

Debt service funds are used to accumulate resources for repayment of the rbonds and lease arrangements.

Capital Project Funds

Capital project funds account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets in governmental funds.

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

Proprietary Funds

In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds are presented using the “economic resources measurement focus”. This means all assets, deferred outflows of resources, liabilities (whether current or noncurrent) and deferred inflows of resources associated with their activities are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal value. Non-operating revenues, such as subsidies, taxes, and investment earnings result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements.

The City has the following enterprise fund that have been reported as major:

Integrated Waste Management Enterprise Fund

This fund is used to account for the City's recycling collection services operations financed and operated in a manner similar to a private business enterprise.

The City also reports the following internal service fund:

Vehicles and Equipment Replacement Internal Service Fund

The Vehicles and Equipment Replacement Internal Service Fund is used to finance and account for vehicles and equipment for each department, and managing costs associated with the acquisition of necessary capital assets.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements consist of a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. Fiduciary funds are accounted for using the accrual basis of accounting.

The City of El Cerrito Pension Trust Fund and the El Cerrito Redevelopment Agency Successor Agency Private-Purpose Trust Fund account for the accumulation of resources to be used for payments at appropriate amounts and times in the future. The financial activities of these funds are excluded from the Government-wide financial statements, but are presented in the separate Fiduciary Fund financial statements.

C. Cash, Cash Equivalents and Investments

The City pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing accounts and other investments for varying terms.

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

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

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

Deposit and Investment Risk Disclosures - In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas: Interest Rate Risk, Overall Credit Risk, Custodial Credit Risk, Concentrations of Credit Risk, and Foreign Currency Risk.

Other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures. The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF), which has invested a portion of the pool funds in Structured Notes and Asset Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to change in interest rates.

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. 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. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.
- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

D. Restricted Cash and Investments

Certain restricted cash and investments are held by fiscal agents for the redemption of bonded debt, for acquisition and construction of capital projects, and to meet bond indenture debt reserve requirements. Cash and investments are also restricted for deposits held for others within the enterprise funds.

E. Inventory and Prepaid Items

Inventory held in the General Fund is valued at cost using the first-in-first-out (FIFO) inventory method. Inventory of the General Fund consist of expendable supplies held for consumption. The cost is recorded as an expenditure in the General Fund at the time individual items are consumed. Reported

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

General Fund inventory is equally offset by nonspendable fund balance which indicates that the inventory does not constitute available spendable resources even though the inventory is a component of net current assets.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. In governmental funds, prepaid items are accounted for using the consumption method and a portion of fund balance equal to the prepaid items has been offset by nonspendable fund balance to indicate that is not available for appropriation.

F. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable government funds to indicate that they are not available for appropriation and are not expendable available financial resources. The City considers all trade and property tax receivables to be fully collectible and therefore no allowance for uncollectible accounts is considered necessary.

G. Receivables

Billed, but unpaid, services provided to individuals or non-governmental entities are recorded as accounts receivable. Revenues earned but not collected by year-end are accrued. No allowance for uncollectible accounts receivable has been provided as management has determined that uncollectible accounts have historically been immaterial and the direct write-off method does not result in a material difference from the allowance method.

H. Loans Receivable

Under the City’s housing opportunity program, loans are made to qualified individuals and businesses within prescribed project areas for the purpose of housing acquisition, housing rehabilitation and/or economic development. Repayments of the outstanding loans are classified as a revenue source in the applicable funds. The portion of loans receivable deemed to be unavailable have been offset by *Unavailable Revenues* in the accompanying financial statements, which is a part of deferred inflows of resources.

I. Lease Receivables

When applicable, the City’s lease receivables are measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable plus incentive payments received. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

J. Capital Assets

Capital assets used in governmental fund operations, including infrastructure assets (i.e. roads, curbs, gutters, bridges, sidewalks, drainage systems, lighting systems, and other assets) are reflected in the government-wide financial statements, along with related depreciation and amortization. Capital assets are defined by the City as assets with an initial individual cost of more than \$10,000 and an estimated life in excess of one year. Purchased capital assets are valued at historical cost or estimated historical cost. Right of use assets are valued at the net present value of the total lease payments over the period of the lease. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are valued at acquisition value on the date donated. Capital assets acquired under finance or purchase agreements are capitalized when the City accumulates an ownership equity in the assets acquired.

The purpose of depreciation and amortization is to spread the cost of capital assets equitably among all users over the life of these assets or the lease term. The amount charged to depreciation and amortization expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight-line method whereby the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. Intangible right-to-use assets are amortized over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the City has determined is reasonably certain of being exercised, then the lease asset is amortized over the useful life of the underlying asset. Intangible right-to-use subscription assets are amortized over the shorter of the subscription term or the useful life of the underlying asset.

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

Buildings	20-50 Years
Building improvements	20-60 Years
Equipment	2-15 Years
Streets	20 Years
Parks	20 Years
Curbs and gutters	20 Years
Storm drains	65 Years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

K. Deferred Outflows/Deferred Inflows

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

In addition to liabilities, the statement of financial position or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred*

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

L. Interest Payable

In the government-wide and proprietary fund financial statements, interest payable of long-term debt is recognized as an incurred liability for governmental fund types. The City has not allocated the interest on long-term debt to departments. In the fund financial statements, governmental fund types do not recognize the interest payable when the liability is incurred. Interest on long-term debt is recorded in the fund statements when payment is made.

M. Compensated Absences

Compensated absences comprise unused vacation and 25% of unused sick leave, which are accrued as earned. The liability for compensated absences is determined annually. The City's liability for compensated absences is recorded in various Governmental funds or Proprietary funds as appropriate. Compensated absences are reported in governmental funds only if they have matured, such as for the unused reimbursable leave still outstanding following an employee's retirement. The long-term portion for Governmental Activities is recorded in the Statement of Net Position.

N. Deferred Compensation

City employees may defer a portion of their compensation under City sponsored Deferred Compensation Plans created in accordance with Internal Revenue Code Section 457. Under these Plans, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the Plans. The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements. The City has determined that this plan does not meet the reporting requirements of GASB Statement No. 97 - *Certain Component Unit Criteria, And Accounting And Financial Reporting For Internal Revenue Code Section 457 Deferred Compensation Plans* and GASB Statement No. 84 - *Fiduciary Activities*.

O. Long-Term Liabilities

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental or business-type activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed in year incurred. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

P. Lease Liabilities

When applicable, the City recognizes a lease liability and an intangible right-to-use lease asset (capital asset) in the government-wide financial statements.

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

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported separately with capital assets as right of use assets and lease liabilities are reported with long-term liabilities in the statement of net position.

Q. Benefit Plans

Pension Expense

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 (the Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For this report, the following timeframes are used:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

City of El Cerrito
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R. Fund Balances

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the City classifies governmental fund balances as follows:

Nonspendable

Nonspendable fund balance 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, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, leases receivable in excess of deferred inflows of resources and land held for redevelopment are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed, or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted

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 specific purpose. Encumbrances and nonspendable amounts subject to restrictions are included along with spendable resources.

Committed

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to the constraints imposed by formal actions taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment. City Council action to commit fund balance needs to occur within the fiscal reporting period; however the specific amounts can be determined subsequently. Encumbrances and nonspendable amounts subject to Council commitments are included along with spendable resources.

Assigned

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, the Finance Director, and may be changed at the discretion of the City Council or its designee. This category includes encumbrances; nonspendable amounts, 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

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.

Flow Assumption / Spending Order Policy

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to be spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has directed otherwise.

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S. Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets

This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that are attributed to the acquisition, construction, or improvement of the assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position.

Restricted Net Position

This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments. These include developer fees received for use on capital projects, debt service requirements, and community development projects.

Unrestricted Net Position

This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position." The detail of amounts reported for each of the above defined net position categories is reported in the government-wide Statement of Net Position.

Use of Restricted/Unrestricted Net Position

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

T. Interfund Transactions

Interfund services provided and used are accounted for as revenue, expenditures or expenses, as appropriate. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursed fund. All other interfund transactions, except for interfund services provided and used and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as transfers.

U. Property Taxes and Special Assessments

Property tax revenue is recognized in the fiscal year for which the tax and assessment is levied. The County of Contra Costa levies, bills and collects property taxes and special assessments for the City; under the County's "Teeter Plan" the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1. Secured property tax is due in two installments, on November 1 and February 1, becomes a lien on those dates and becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1, and becomes delinquent on August 31. The term "unsecured" refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the property being taxed. Property tax revenues are recognized by the City in the fiscal year they are assessed.

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V. Budgetary Information

Annually, the City Manager submits to the City Council a proposed operating budget in June for the following fiscal year, as required by the City's budget ordinance. This budget includes proposed expenditures and the revenues expected to finance them. As modified during public study sessions, the preliminary budget becomes the proposed budget. Public hearings are conducted to obtain taxpayer comments and the budget is legally enacted through passage of a resolution. The City Manager is authorized to transfer budgeted amounts within departments within funds. In addition, amendments that are made to authorize spending of increased or new special purpose revenues may be approved by the City Manager. Budget modifications between funds or increases or decreases to a fund's overall budget must be approved by the City Council. The legal level of budgetary control is at the fund level, except for the Municipal Services Corporation which requires approval by its Board.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Unexpended appropriations lapse at year end and must be reappropriated in the following year. Budgeted amounts are as originally adopted, or as amended by the City Council.

W. Encumbrances

Under encumbrance accounting, purchase orders, contract and other commitments for expenditures are recorded in order to commit that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. All appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

X. Unearned Revenue

Unearned revenue arises when assets are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred inflows from unearned revenue. In the governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have been recorded as deferred inflows from unavailable revenue.

Y. Use of Estimates

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

Z. Implementation of New Accounting Pronouncements

GASB Statement No. 100, Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62

This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement also prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections in previously issued financial statements. This Statement did not have a material impact on the financial statements.

City of El Cerrito
Notes to the Basic Financial Statements
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AA. Upcoming New Accounting Pronouncements

The City is currently analyzing its accounting practices to identify the potential impact on the financial statements of the following GASB Statements:

GASB Statement No. 101, *Compensated Absences*

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Certain Risk Disclosures*

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions for (1) the concentration or constraint (2) each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements (3) actions taken by the government prior to the issuance of the financial statements to mitigate the risk. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

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GASB Statement No. 103, *Financial Reporting Model Improvements*

This Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability.

This Statement establishes new accounting and financial reporting requirements or modifies existing requirements related to (a) Management’s discussion and analysis (MD&A) (b) Unusual or infrequent items (c) Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position (d) Information about major component units in basic financial statements (5) Budgetary comparison information (6) Financial trend information in the statistical section. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

NOTE 2 - CASH AND INVESTMENTS

As of June 30, 2024, cash and investments were reported in the financial statements as follows:

	Government Wide		Fiduciary Funds	Total
	Statement of Net Position			
	Governmental	Business-Type	Statement of Net	
	Activities	Activities	Position	
Operating cash and investments	\$ 35,045,163	\$ 2,496,898	\$ 40,491	\$ 37,582,552
Restricted cash held with fiscal agent	2,151,595	26,336	-	2,177,931
Total cash and investments	<u>\$ 37,196,758</u>	<u>\$ 2,523,234</u>	<u>\$ 40,491</u>	<u>\$ 39,760,483</u>

Cash and investments consisted of the following as of June 30, 2024:

Deposits:	
Cash on hand	\$ 2,405
Deposits with financial institutions	13,430,274
Total Deposits	13,432,679
Investments:	
Local Agency Investment Fund	24,149,873
Total City Treasury	37,582,552
Debt service reserves held with fiscal agent	2,177,931
Total cash and investments	<u>\$ 39,760,483</u>

A. Cash Deposits

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest, and places the City ahead of general creditors of the institution. The fair value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

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The bank balances before reconciling items totaled \$14,083,758 at June 30, 2024 and were different from carrying amounts due to deposits in transit and outstanding checks. The amount uninsured was \$1, which was collateralized by securities held by pledging financial institutions. The City follows the practice of pooling cash and investments of all funds, except for funds required to be held by fiscal agents. Interest income earned on pooled cash and investments is allocated to the various funds based on the period-end cash and investment balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

B. Fair Value Measurements

GASB 72 established a hierarchy of inputs to the valuation techniques with three levels:

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

The City’s investments were not subject to levelling.

C. Investment Policies

City Investment Policy

Under the provisions of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in Portfolio	Maximum Investment in One Issuer
CA Local Agency Investment Fund	n/a	n/a	\$65,000,000	\$65,000,000
U.S. Treasury Bonds, Notes, Bills	5 Years	n/a	No Limit	No Limit
U.S. Agency Securities	5 Years	n/a	No Limit	No Limit
Banker's Acceptance	180 Days	30%	n/a	30%
Commercial Paper	270 Days	10%	n/a	10%
Certificates of Deposit	5 Years	30%	n/a	10%
Negotiable Certificates of Deposit	5 Years	30%	n/a	10%
Medium Term Corporate Notes	5 Years	10%	n/a	10%
Derivative Securities (limited to Federal Agency callable issues)	5 Years	10%	n/a	10%
Money Market Mutual Funds	n/a	5%	n/a	5%

Total combined corporate debt (Commercial Paper and Medium-Term Notes) may not exceed 20% of the cost value of the portfolio. The City's investment policy prohibits investments in inverse floaters, range notes, or interest only strips that are derived from a pool of mortgages in accordance with California Government Code Section 53601.6. With the exception of callable Federal Agency securities, any security that derives its value from another asset or index is prohibited. In addition, the City may not invest any funds in any security that could result in zero interest accrual if held to maturity.

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

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the City's practice is to buy and hold investments until maturity dates. Consequently, the City's investments are carried at fair value.

Investment of debt proceeds held by bond trustee is governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the City's investment policy.

D. External Investment Pool

The City's investments with LAIF at June 30, 2024, include a portion of the pooled funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes

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

Asset-Backed Securities

The bulk of asset-backed securities are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The approved investments policy is listed on the LAIF website, located at <http://www.treasurer.ca.gov/pmia-laif/>.

E. Risk Disclosures

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 term of an investment's maturity, the greater the sensitivity to changes in market interest rates.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2024, the City's investments were in compliance with the ratings required by the City's investment policy and Government Code.

Concentrations of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2024, the City had all of its investments with the California Local Agency Investment Fund.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in

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marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

As of June 30, 2024, the City's investments had the following maturities:

<u>Investment Type</u>	<u>12 Months or Less</u>	<u>Fair Value</u>	<u>Fair Value Input Levels</u>	<u>Min. Legal Rating</u>
Local Agency Investment Funds	\$ 24,149,873	\$ 24,149,873	n/a	n/a

NOTE 3 - LOANS RECEIVABLE

Loans receivable consisted of the following as of June 30, 2024:

<u>Description</u>	<u>Loans Receivable</u>	<u>Interest Receivable</u>	<u>Balance June 30, 2024</u>
Low/Mod Income Housing Asset Fund:			
Ohlone Gardens LP-Low and Moderate Income Housing	\$ 3,500,000	\$ 1,221,287	\$ 4,721,287
Idaho Apartments-Low and Moderate Income Housing	531,089	-	531,089
Eden Housing-Low and Moderate Income Housing	299,998	67,126	367,124
Mayfair Affordable Bridge House Loans	350,000	35,500	385,500
ECP Parcel A.S.	350,000	875	350,875
Total Low/Mod Income Housing Asset Fund	5,031,087	1,324,788	6,355,875
Nonmajor Governmental Funds:			
Ohlone Gardens LP-City Housing Fund	2,860,000	-	2,860,000
Mayfair Affordable Bridge House Loans	150,000	-	150,000
Total Governmental Funds	\$ 8,041,087	\$ 1,324,788	\$ 9,365,875

Ohlone Gardens, L.P.

In fiscal year 2009, the former Redevelopment Agency entered into a predevelopment, acquisition and construction loan agreement with Ohlone Gardens, L.P. for \$3,500,000 to assist with the acquisition and construction of a 57-unit affordable housing development including at least ten special needs units with appropriate supportive services and related office space. The Loan bears simple interest at the rate of 3% per year, beginning with the date of first disbursement and is repayable 55 years from the date of occupancy from residual receipts, as defined in the agreement. The Loan is secured by a deed of trust in the first position on the property. The deed of trust may subsequently be subordinated to other financing as defined in the agreement.

Predevelopment activities and acquisition of the site began in fiscal year 2009. With the dissolution of the Redevelopment Agency as discussed in Note 16, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result the Low and Moderate Income Housing Asset Fund assumed the loans receivable of the Redevelopment Agency's Low and Moderate Income Housing Fund. The developer made the final loan drawdown of \$471,152 during fiscal year 2013-14.

In fiscal year 2014, the City entered into an Infill Infrastructure loan agreement with Ohlone Gardens, L.P. for \$2,860,000 for the purpose of funding infrastructure work for a 57-unit affordable housing development. The Loan is contingent on the City receiving funding and approval from the California Department of Housing and Community Development Infill Infrastructure Grant Program. The Loan bears no interest and is due in one lump sum the earlier of the fifty-fifth anniversary of the final

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certificate of occupancy for the project or the fifty-seventh anniversary of the date of the Loan. The Loan is secured by a deed of trust on the property that is subordinated to the 2009 loan above and to the primary construction financing.

Idaho Apartments

The former Redevelopment Agency entered into an Owner Participation Agreement for Idaho Apartments in 1997 in which the Agency agreed to make a loan to the project which included rehabilitation of the deteriorated building. At that time, the developer requested assistance to help repay a loan from a non-profit agency. In August 2000, the non-profit agency loan was replaced by another loan obtained by the developer and the Agreement was amended to reflect that fact as well as reaffirm the Agency's commitment to make a loan of up to \$350,000 to repay the developer's other loan when that loan matured in 2008. The Loan bears simple interest at the rate of 2.64% per year, beginning with the date of first disbursement. No payments were due for the first ten and one-half years after the date of occupancy, which ended on December 9, 2009. Subsequent to that date, the loan is repayable from residual receipts, as defined in the Agreement. The Loan is secured by a subordinated deed of trust in the third position on the property. The Agency disbursed \$350,000 to the developer during the year ended June 30, 2009. With the dissolution of the Redevelopment Agency, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result the Low and Moderate Income Housing Asset Fund assumed the loans receivable of the Redevelopment Agency's Low and Moderate Income Housing Fund. The Loan was recast in December 2017 and all previous interest accrued was added to the loan balance.

Eden Housing, Inc.

In May 2011, the former Redevelopment Agency entered into a predevelopment loan agreement with Eden Housing, Inc., for \$350,000 to assist with predevelopment costs related to the development of a mixed use affordable housing development at Agency owned property. With the dissolution of the Redevelopment Agency as discussed in Note 15, the City agreed to become the successor to the Redevelopment Agency's housing activities and as a result the Low and Moderate Income Housing Asset Fund assumed the loans receivable of the Redevelopment Agency's Low and Moderate Income Housing Fund. The loan bears simple interest at the rate of 3% per year, beginning with the date of first disbursement and is due and payable upon the second anniversary of the execution date, unless the City and the developer enter into a disposition and development agreement (DDLA). The Loan is secured only by a promissory note, as it is City owned property. Should the developer take title to the subject property, the loan will then be secured by a deed of trust on the property.

In April 2014, the City entered into a DDLA with Eden Housing, Inc., that involves the sale of the property as discussed in Note 1H, as well as a new loan agreement that replaced the original agreement. In 2017, the City transferred the two parcels to Eden Housing Inc, a nonprofit, and loaned the developer \$300,000 to be paid off in 55 years at a rate of 3% from the date of issuance of the certificate of occupancy from residual receipts, as defined in the agreement.

Predevelopment activities began in fiscal year 2011, and the developer has drawn down \$299,999 of the loan and \$50,001 remains available for drawdown.

Mayfair Affordable Bridge House Loans

On January 1, 2020, The City of El Cerrito entered into a predevelopment, acquisition and construction loan agreement with Mayfair Affordable LLC, for \$350,000 to assist with the construction of 67 affordable residential housing units on certain real property located at 11690 El Cerrito Project Area. The Loan bears simple interest at the rate of 3% per year beginning with the date of first disbursement 55 years from the date of issuance of the certificate of occupancy from residual receipts, and

City of El Cerrito
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is repayable as defined in the agreement.

El Cerrito Plaza: Parcel A-South, 515 Richmond Street

On March 6, 2024, the City entered a Loan Agreement with ECP Parcel A South Housing Partners, LP, for \$350,000 to assist with the construction of 70 affordable residential housing units on certain real property located at 515 Richmond Street. The loan bears simple interest at the rate of 3% per year beginning with the date of first disbursement and is repayable 55 years from the date of issuance of the certificate of occupancy from residual receipts, as defined in the agreement.

Mayfair Affordable: 11690 San Pablo Avenue

On June 1, 2024, the City entered a Loan Agreement with Mayfair Affordable LLC, for \$500,000 to assist with the construction of 69 affordable residential housing units on certain real property located at 11690 San Pablo Avenue. El Cerrito Project Area. The funding source for this loan originated from the HUD HOPE VI Main Street Grant Program, awarded to the City in 2021. The loan bears simple interest at the rate of 3% per year beginning with the date of first disbursement and is repayable 55 years from the date of issuance of the certificate of occupancy from residual receipts, as defined in the agreement..

NOTE 4 - INTERFUND TRANSACTIONS

Inter-fund Receivables and Payables

Amounts due to or due from other funds reflect inter-fund balances for services rendered or short-term loans expected to be repaid in the next fiscal year. Advances to or from other funds are long-term loans between funds that are to be repaid in their entirety over several years. As of June 30, 2024, there were no inter-fund receivables and payables to report.

Transfers In/Out

With Council approval resources may be transferred from one fund to another. Transfers from the General Fund to the Debt Service Fund were to regular debt service activity of the City. Transfers from the General Fund to other governmental funds were to provide funding to repair and replacement funds and to provide funding for City programs. Transfers made from the Wastewater Enterprise Fund to the Debt Service Funds were to provide for debt service requirements.

The following summarizes transfers between funds during the fiscal year ended June 30, 2024:

Fund	Transfer in	Transfer out
General Fund	\$ 3,671	\$ 3,702,980
Street Improvement Fund	-	707,100
Capital Improvement Fund	3,121,431	-
Nonmajor Funds	1,302,693	94,000
Integrated Waste Management Enterprise Fund	-	3,671
Vehicle/Equip Replacement Internal Service Fund	79,956	-
Total Transfers	\$ 4,507,751	\$ 4,507,751

City of El Cerrito
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June 30, 2024

NOTE 5 - CAPITAL ASSETS

Capital assets for governmental activities consisted of the following as of June 30, 2024:

Governmental Activities	Balance June 30, 2023	Additions	Deletions/ Transfers	Balance June 30, 2024
Non-depreciable:				
Land	\$ 5,191,639	\$ 1,600,526	\$ -	\$ 6,792,165
Construction in Progress	4,334,851	3,973,025	(2,058,868)	6,249,008
Total Non-Depreciable	9,526,490	5,573,551	(2,058,868)	13,041,173
Depreciable and amortizable:				
Buildings and improvements	27,463,510	-	(404,763)	27,058,747
Equipment and vehicles	6,404,496	150,000	55,202	6,609,698
Infrastructure	88,122,931	-	1,997,972	90,120,903
Total Depreciable and Amortizable	121,990,937	150,000	1,648,411	123,789,348
Less Accumulated Depreciation and Amortization for:				
Buildings and improvements	(11,198,265)	(686,613)	343,178	(11,541,700)
Equipment and vehicles	(5,892,585)	(257,209)	117,929	(6,031,865)
Infrastructure	(47,074,707)	(2,746,585)	1	(49,821,291)
Total Accumulated Deprec. And Amort.	(64,165,557)	(3,690,407)	461,108	(67,394,856)
Total Deprec/Amort Capital Assets - Net	57,825,380	(3,540,407)	2,109,519	56,394,492
Total Governmental Capital Assets	\$ 67,351,870	\$ 2,033,144	\$ 50,651	\$ 69,435,665

Depreciation and amortization expense for governmental activities:

General government	\$ 346,516
Public works	2,822,924
Recreation	350,582
Community development	7,958
Public safety	162,427
Total depreciation and amortization expense	<u>\$ 3,690,407</u>

Capital assets for business-type activities consisted of the following as of June 30, 2024:

Business Type Activities	Balance June 30, 2023	Additions	Deletions/ Transfers	Balance June 30, 2024
Depreciable:				
Buildings and improvements	3,495,683	-	-	3,495,683
Equipment and vehicles	2,145,995	-	-	2,145,995
Total Depreciable	5,641,678	-	-	5,641,678
Less Accumulated Depreciation				
Buildings and improvements	(715,547)	(69,504)	-	(785,051)
Equipment and vehicles	(1,399,684)	(109,988)	-	(1,509,672)
Total Accumulated Depreciation	(2,115,231)	(179,492)	-	(2,294,723)
Total Depreciable Capital Assets - Net	3,526,447	(179,492)	-	3,346,955
Total Business Type - Capital Assets	\$ 3,526,447	\$ (179,492)	\$ -	\$ 3,346,955

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NOTE 6 - NONCURRENT LIABILITIES

The City's noncurrent liabilities consisted of the following as of June 30, 2024:

	Balance	Adjustments/		Balance	Due
Governmental Activities	June 30, 2023	Additions	Deletions	June 30, 2024	Within One Year
2017 Lease Revenue Bonds	\$ 5,570,000	\$ -	\$ 320,000	\$ 5,250,000	\$ 330,000
2017 Sales Tax Revenue Refunding	6,630,000	-	380,000	6,250,000	360,000
Financed Purchases:					
2023 Chevy Tahoe Lease	146,255	-	49,815	96,440	53,594
2022 Fire Engine	1,046,892	-	101,635	945,257	105,028
Solar Photovoltaic	548,716	-	116,176	432,540	119,393
2019 Vehicles - Dell Financial	39,285	-	39,285	-	-
Total Debt	13,981,148	-	1,006,911	12,974,237	968,015
2017 Lease Revenue Bonds Premium	484,195	-	108,374	375,821	-
2017 Sales Tax Revenue Refunding Premium	1,061,642	-	347,215	714,427	-
Total Premiums	1,545,837	-	455,589	1,090,248	-
Total Long-Term Debt	15,526,985	-	1,462,500	14,064,485	968,015
Net Pension Liabilities	79,526,924	39,710,652	38,497,537	80,740,039	-
Compensated Absences	1,716,023	2,315,716	2,157,236	1,874,503	1,218,427
Total Long-Term Liabilities	\$ 96,769,932	\$ 42,026,368	\$ 42,117,273	\$ 96,679,027	\$ 2,186,442

	Balance	Adjustments/		Balance	Due
Business-Type Activities	June 30, 2023	Additions	Deletions	June 30, 2024	Within One Year
2012 Recycling Facility Revenue Ref. Bonds	\$ 741,400	\$ -	\$ 291,200	\$ 450,200	\$ 298,300
Financed Purchase - Side Loader Trucks	161,352	-	83,457	77,895	77,895
Financed Purchase - Rear Loader	423,989	-	78,901	345,088	81,788
Total Financed Purchases	1,326,741	-	453,558	873,183	457,983
Net Pension Liabilities	-	5,068,100	1,567,110	3,500,990	-
Compensated Absences	61,662	46,623	32,310	75,975	48,659
Total Long-Term Liabilities	\$ 1,388,403	\$ 5,114,723	\$ 2,052,978	\$ 4,450,148	\$ 506,642

A. Governmental Activities

2017 Lease Revenue Refunding Bonds

On May 26, 2017, the City of El Cerrito issued Lease Revenue Refunding Bonds, Series 2017, in the original principal amount of \$7,040,000 at 2%-5% interest to provide for the refunding of the City's outstanding 2006 City Hall Lease Revenue Bonds. Principal payments are due annually on September 1, with interest payments payable semi-annually on January 15 and July 15 through January 15, 2036. The economic gain on refunding was \$435,000, and the refunding resulting in the recognition of an accounting deferred gain on refunding of \$178,732.

2017 Sales Tax Revenue Bonds

On January 25, 2017, the City of El Cerrito issued \$8,650,000 original principal amount of 2017 Sales Tax Revenue Bonds at 2%-5% interest to provide for the refunding of the City's outstanding 2008 Sales Tax Revenue Bonds. Principal payments are due annually on May 1, with interest payments payable semi-annually on May 1 and November 1 through May 1, 2036. Street improvement sales tax revenues are pledged for the repayment of these Bonds, until the Bonds mature. If sales tax revenues are insufficient to pay the annual principal and interest payments on the bonds the City has covenanted to use General Fund revenues. For fiscal year 2024, pledged sales tax revenues amounted to 2,154,278 which represented coverage of 256% over the debt service of \$707,700. The economic gain on refunding was

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\$525,000, and the refunding resulting in the recognition of an accounting deferred loss on refunding of \$514,127.

Financed Purchase - 2023 Chevy Tahoe Lease

On May 23, 2023, the City entered into a purchase agreement in the amount of \$150,000 at less than 1% interest with LeaseExperts to finance the purchase of a 2023 Chevy Tahoe. Principal and interest payments of \$4,907 are due each month until March 2026.

Financed Purchase - 2022 Fire Engine Purchase

On April 19, 2022, the City entered into a purchase agreement in the amount of \$1,145,241 at 3.34% interest with First Capital Leasing Corp. to finance the purchase of a fire engine. Annual principal and interest payments of \$136,590 are due each May.

Financed Purchase - Solar Photovoltaic

On December 5, 2012, the City entered into a purchase agreement in the amount of \$1,595,300 at 2.75% interest with Green Campus Partners, LLC, to finance the purchase and installation of six solar photovoltaic electricity generation systems at six different sites in the City. Semiannual principal and interest payments of \$65,236 are due each December 1 and June 1 through December 1, 2027.

Financed Purchase - 2019 Vehicles - Dell Financial

On August 1, 2019, the City entered into an equipment purchase agreement in the amount of \$187,346 at 4.70% interest with Dell Financial services to finance the purchase of a New 2018 Braun Paratransit Van. Annual principal and interest payments of \$22,551.53 are due starting August 1, 2019 through August 1, 2023.

B. Business-Type Activities

2012 Recycling Facility Revenue Refunding Bonds

On September 19, 2012, the El Cerrito Public Financing Authority issued Recycling Facility Revenue Refunding Bonds in the original principal amount of \$3,405,600 at 2.36% interest to provide for the refunding and retirement of the City's outstanding Recycling Center Lease Purchase Agreement and related Site Lease. Principal and interest payments are due quarterly on July 1, October 1, January 1, and April 1, through October 1, 2025. Repayment of these bonds is from charges for services received by the Integrated Waste Management Enterprise Fund.

Financed Purchase - Side Loader Trucks

On January 19, 2018, the City entered into an equipment purchase agreement in the amount of \$551,498 at 2.887% interest with Capital One Public Funding, LLC, to finance the purchase of two trash trucks. Semiannual principal and interest payments of \$43,790 are due each July and January 19, through January 19, 2025.

Financed Purchase - Rear Loader Trucks

During the 2021-22 fiscal year, the City entered into an equipment purchase agreement in the amount of \$500,216 at 3% interest with Capital One Public Funding, LLC, to finance the purchase of two rear loading trucks. Annual principal and interest payments of \$94,006 are due each March through fiscal year 2026.

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C. Other Noncurrent Liabilities

Compensated Absences

Compensated absences comprise of unpaid vacation and are accrued as earned. The City’s liability for compensated absences is recorded in various governmental funds only if they have matured. The liability for compensated absences is determined annually. The long-term portion of governmental activities compensated absences is liquidated primarily by the general fund.

Net Pension Liability

See Note 8 for pensions.

D. Debt Service Requirements

The following summarizes the City’s debt service requirements:

Year Ending June 30	Governmental Activities		Business-Type Activities	
	Principal Payments	Interest Payments	Principal Payments	Interest Payments
2025	\$ 998,015	\$ 603,000	\$ 457,983	\$ 9,869
2026	1,029,081	556,212	236,585	1,386
2027	1,043,255	510,120	87,685	-
2028	1,020,255	462,634	90,930	-
2029	999,774	415,879	-	-
2029-2033	5,488,857	1,315,477	-	-
2034-2037	2,395,000	160,625	-	-
Total	<u>\$ 12,974,237</u>	<u>\$ 4,023,947</u>	<u>\$ 873,183</u>	<u>\$ 11,255</u>

NOTE 7 - RETIREMENT PLANS

General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees’ Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors three miscellaneous rate plans. 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

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eligible to retire at age 55 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 Employee’s Retirement Law. The general fund typically is used to liquidate pension liabilities for governmental funds.

The Plans’ provisions and benefits in effect at June 30, 2024, are summarized as follows:

	Miscellaneous		Safety	
	Classic	PEPRA	Classic	PEPRA
Hire date	Before 1/1/2012	1/1/2012	Before 1/1/2013	1/1/2013
Benefit formula	2.7% @ 55	2% @ 62	3% @ 50	2.7% @ 57
Benefit vesting schedule	5 Years	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	50-55	52-67	50	50-57
Monthly benefits as a % of eligible compensation	2% to 2.7%	1% to 2.5%	3%	2% to 2.7%
Required employee contribution rates	8.00%	7.75%	9.00%	13.75%
Required employer contribution rates	15.95%	7.68%	27.11%	13.54%

Employees Covered

At June 30, 2024, the following employees were covered by the benefit terms for the Plans:

	Miscellaneous	Safety	Total
Active	91	62	153
Transferred	75	53	128
Separated	103	22	125
Retired	168	145	313
Total	437	282	719

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 Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are 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, 2024, the City’s contributions were as follows:

Miscellaneous	\$ 2,834,556
Safety	6,510,917
Total Employer Contributions	<u>\$ 9,345,473</u>

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

As of June 30, 2024, the City reported a net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	Governmental Activities	Business-Type Activities	Total
Miscellaneous	\$ 20,958,509	\$ 3,500,990	\$ 24,459,499
Safety	59,781,530	-	59,781,530
Total Net Pension Liability	\$ 80,740,039	\$ 3,500,990	\$ 84,241,029

The City's net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2023, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 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 plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plans as of June 30, 2023 and 2024 was as follows:

	Proportion
June 30, 2023	0.6885%
June 30, 2024	0.6753%
Change in Proportions	-0.0132%

For the year ended June 30, 2024, the City recognized pension expense of \$11,413,530.

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous		Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,834,556	\$ -	\$ 6,510,917	\$ -
Changes in assumptions	1,476,730	-	3,488,930	-
Differences between expected and actual experiences	1,249,523	193,831	4,389,066	375,751
Change in employer's proportion	-	1,958,373	-	275,131
Net differences between the employer's contributions the employer's proportionate share of contributions	542,217	-	1,072,387	959,479
Net differences between projected and actual earnings on plan investments	3,960,213	-	8,181,086	-
Total	\$ 10,063,239	\$ 2,152,204	\$ 23,642,386	\$ 1,610,361

The City reported \$9,345,473 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

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

Fiscal Year Ending:	Net Deferred Outflows (Inflows) of Resources		
	Misc	Safety	Total
2025	\$ 1,615,819	\$ 4,380,928	\$ 5,996,747
2026	1,191,983	3,156,474	4,348,457
2027	2,155,042	7,755,357	9,910,399
2028	113,635	228,349	341,984
2029	-	-	-
Thereafter	-	-	-
Total	<u>\$ 5,076,479</u>	<u>\$ 15,521,108</u>	<u>\$ 20,597,587</u>

Actuarial Assumptions

The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.75%
Projected Salary Increase	(1)
Investment Rate of Return	6.90% (2)
Mortality	(3)

- (1) Varies by age and service
- (2) Net of pension plan investment expenses, including inflation
- (3) Derived using CalPERS' membership data for all funds

Discount Rate

The discount rate used to measure the total pension liability was 6.9 percent for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.9 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 6.9 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website. The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical

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returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent. The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (a)
Global equity - cap-weighted	30.00%	4.45%
Global equity non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	100.00%	

- (a) In the System's ACFR, Fixed Income is included in Global Debt Securities; Liquidity 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 2.30% 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 Plans, calculated using the discount rate for the Plans, 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:

	Misc	Safety	Total
1% Decrease	5.90%	5.90%	5.90%
Net Pension Liability	\$ 34,269,499	\$ 84,055,657	\$ 118,325,156
Current Discount Rate	6.90%	6.90%	6.90%
Net Pension Liability	\$ 24,459,499	\$ 59,781,530	\$ 84,241,029
1% Increase	7.90%	7.90%	7.90%
Net Pension Liability	\$ 16,385,026	\$ 39,935,703	\$ 56,320,729

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Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See <https://www.calpers.ca.gov/page/investments/about-investment-office/investment-financial-reports?stream=top>.

NOTE 8 - COMMITMENTS AND CONTINGENCIES

Litigation

The City is subject to certain matters of litigation that may arise in the normal course of conducting City business. City management believes, based upon consultation with legal counsel, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

Federal and State Grant Programs

The City participates in Federal and State grant programs. These programs are audited by the City's independent accountants if required by and in accordance with the provisions of the Uniform Guidance and applicable State requirements. For Federal programs, the City did not reach the level of qualifying expenditures during the current fiscal year that would require a single audit. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

Encumbrances

The City uses an encumbrance system as an extension of normal budgetary accounting for governmental funds. Under this system, purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as restricted, committed or assigned fund balance, depending on the classification of the resources to be used to liquidate the encumbrance, since they do not constitute expenditures or liabilities. Outstanding encumbrances at year-end are reappropriated for the following year. Unencumbered and unexpended appropriations lapse at year end. Encumbrances outstanding as of June 30, 2024 totaled \$12.95 million, which included \$11 million for the Del Norte streets project.

NOTE 9 - REDEVELOPMENT AGENCY DISSOLUTION AND SUCCESSOR AGENCY ACTIVITIES

Summary

In an effort to balance its budget, the State of California adopted ABx1 26 on June 28, 2011, amended by AB1484 on June 27, 2012, which suspended all new redevelopment activities as of that date and dissolved redevelopment agencies effective February 1, 2012. In 2011, the City elected to serve as the former El Cerrito Redevelopment Agency's Successor Agency to manage and wind down the affairs and obligations of the former Redevelopment Agency. Certain housing assets of the Redevelopment Agency were distributed to the City acting as the housing successor. All remaining Redevelopment Agency liabilities, debts and obligations were transferred to the Successor Agency.

In addition, ABx1 26 and AB1484 directed the State Controller to review the activities of all redevelopment agencies and successor agencies to determine whether an asset transfer between an agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure

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or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the redevelopment agency. The State Controller's Office completed its asset transfer review of the former Agency and released its final report in July 2014. The final report indicates the former Redevelopment Agency made unallowable transfers to the Municipal Services Corporation in fiscal years 2011 and 2012 totaling \$12,550,551, consisting of cash of \$2,382,232, land held for redevelopment of \$4,634,789 and capital assets of \$5,533,530. The City, Successor Agency and Corporation disagreed with the funding of the asset transfer review and maintained that the transactions in question between the former El Cerrito Redevelopment Agency and the Municipal Services Corporation were valid.

The activities of the Successor Agency are reported in the El Cerrito Redevelopment Agency Successor Agency Private-Purpose Trust Fund. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency. The Successor Agency's Recognized Obligations Payment Schedule (ROPS) was reviewed until 2018 by a local Oversight Board. The local Oversight Board was dissolved in 2018 and was replaced by a countywide Oversight Board.

Commitments and Contingencies

Cooperation Agreement with the El Cerrito Municipal Services Corporation

Prior to dissolution of the El Cerrito Redevelopment Agency, the Agency entered into a Cooperation Agreement with the City that was subsequently assigned to the El Cerrito Municipal Services Corporation (MSC). Under the terms of the Agreement, the Agency transferred to the MSC certain properties and funds to be used for redevelopment purposes and the Agency also agreed to provide funds to the MSC in the future in return for the MSC completing redevelopment activities. The Successor Agency has listed the Cooperation Agreement on its Recognized Obligation Payment Schedule, which have been approved by the Oversight Board. However, no post-dissolution payments have been made since the State Department of Finance has consistently denied that this Cooperation Agreement is an enforceable obligation of the Successor Agency.

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

State Asset Transfer Review

The State Controller's Office conducted a review of the propriety of asset transfers between the former Redevelopment Agency or the Successor Agency and any public agency that occurred on or after January 1, 2011. The State Controller's Office completed its asset transfer review of the former Agency and released its final report in July 2014. The final report indicated the former Redevelopment Agency made unallowable transfers to the Municipal Services Corporation in fiscal years 2011 and 2012 totaling \$12,550,551, consisting of cash of \$2,382,232, land held for redevelopment of \$4,634,789 and capital assets of \$5,533,530. These transfers were deemed unallowable by the Department of Finance, disputed by the City, Successor Agency and Corporation, and subject to litigation. In 2015, the Successor Agency received a "finding of completion" from the Department of Finance confirming that the Successor Agency had fulfilled its requirement to pay back the unallowable cash transfers by entering into an Installment Payment Plan thereby entitling the Successor Agency to prepare a Long-Range Property

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Management Plan (LRPMP) for Oversight Board and DOF approval. Also, in 2015 the Successor Agency prepared the LRPMP which was approved by the DOF directing the properties be transferred back to the City for disposition and development. In fiscal year 2019, consistent with the approved LRPMP, the City entered into a Compensation Agreement with each of the Affected Taxing Entities as required by the approved LRPMP. Per the Compensation Agreement the City sold the Mayfair block and Eastshore block and Potrero properties for development, at Fair Market Value or Fair Reuse Value. The net proceeds were distributed by the Auditor-Controller to the Taxing Entities in proportion to their shares of the Base Property Tax less any outstanding amount of enforceable obligation related to the properties.

Due Diligence Reviews

AB1484 required the Successor Agency to complete two Due Diligence Reviews (DDR) to determine the amount of the remaining assets that should be transferred by the City to the Successor Agency or by the Successor Agency to the County for distribution to the affected taxing entities.

In April 2013, the State Department of Finance (DOF) completed its review of the DDR of the Low and Moderate Housing Fund's cash balance available for allocation to the affected taxing entities. The DDR indicated the Successor Agency had no unencumbered balances in the Low and Moderate Income Housing Fund for distribution to the affected taxing entities

In June 2013, the DOF completed its review of the DDR of all other funds of the former Redevelopment Agency. The DDR indicated there were no assets available for allocation to the affected taxing entities, but that amount was adjusted by the DOF to \$1,981,989. In addition, the DOF demanded the City reverse \$10,168,319 of property conveyances executed in fiscal year 2012 and a payment of \$400,243 of bond proceeds to the Corporation.

The City, Successor Agency and Corporation disputed the adjustments and demand and filed suit against the DOF and the Contra Costa County Auditor Controller challenging the DOF's adjustments to the DDR and other demands. On September 3, 2014, the Court ruled against the City, Successor Agency and Corporation regarding the transfers and the cooperation agreement. The City, Successor Agency and Corporation appealed the decision. Thereafter, as described above, in September 2015, the City, Successor Agency, and DOF entered into an Installment Payment Plan Agreement for the repayment of the OFA DDR amounting to \$1,981,989 and the total amount of cash that the DOF claimed was owed was fully paid in 2018.

The Court of Appeals heard oral arguments on January 19, 2021 and subsequently denied the appeal. The City decided not to litigate any further and as a result, the City wrote off the General Fund Advance to the Successor Agency in the amount of \$1,321,189.

Long-term Liabilities

The Successor Agency assumed the long-term debt, notes and loans of the Redevelopment Agency as of February 2012.

As of June 30, 2024, the Successor Agency's long-term liabilities included the following long-term debt:

	Balance			Due	
	June 30, 2023	Additions	Deletions	Balance	Within One
Successor Agency Debt	June 30, 2023			June 30, 2024	Year
2016 Revenue Refunding Bond	\$ 5,112,884	\$ -	\$ 2,006,975	\$ 3,105,909	\$ 2,057,667

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2016 Refunding Tax Allocation Bonds

On August 3, 2016, the Successor Agency to the El Cerrito Redevelopment Agency issued Series 2016 Tax Allocation Refunding Bonds in the amount of \$12,330,710. The proceeds from the bonds were used to refund the Series 1997A Tax Allocation Refunding Bonds and Series 2004 A and B Tax Allocation Bonds. Bonds issued in the amount of \$8,979,727 are tax-exempt. The economic gain on refunding was \$83,000, and the deferred amount resulting from the refunding was considered to be immaterial to the financial statements and expensed during the year. Debt service requirements are summarized as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2025	\$ 2,057,667	\$ 65,127	\$ 2,122,794
2026	1,048,242	13,155	1,061,397
Total	<u>\$ 3,105,909</u>	<u>\$ 78,282</u>	<u>\$ 3,184,191</u>

NOTE 10 - RISK MANAGEMENT

Municipal Pooling Authority (MPA)

The City is a member of the Municipal Pooling Authority of Northern California. The Authority provides coverage against the following types of loss risks under the terms of a joint-powers agreement with the City and several other cities and governmental agencies as follows:

Type of Coverage	Limits
Liability (\$5,000)	\$ 34,000,000
Vehicle - Physical Damage (\$3,000 for police vehicles \$2,000 for all others)	\$ 250,000
Worker's Compensation (no deductible)	Stat. Limit
Property:	
All Risk (\$25,000)	\$ 1,000,000,000
Flood*	\$ 25,000,000
Boiler & Machinery (\$10,000)**	\$ 100,000,000
Cyber Liability (\$50,000)	\$ 2,000,000
Public Entity Pollution Liability (\$100,000)	\$ 2,000,000
Government Crime Policy (\$2,500)	\$ 5,000,000

* \$100,000 minimum deductible per occurrence, except Zone A & V which are subject to a \$250,000 deductible per occurrence

**Depending on size/power of boiler or machinery.

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

The City's deposits with the MPA are in accordance with formulas established by the MPA. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating. Audited financial statements for the Authority are available from MPA, 1911 San Miguel Drive, Suite 200, Walnut Creek, CA 94596.

City of El Cerrito
Notes to the Basic Financial Statements
June 30, 2024

Equipment

The City has a commercial insurance policy which provides physical loss or damage coverage, for certain fire trucks, refuse trucks and other similar equipment, up to a maximum of \$5,438,780. The City has a deductible or uninsured liability of \$5,000 to \$50,000 per claim, depending on the equipment insured.

Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments, including a provision for claims incurred but not reported when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable.

There were no material unpaid and uninsured claims outstanding at the beginning or end of the last two fiscal years. Settlements have not exceeded insurance in the past three fiscal years.

NOTE 11 - PRIOR PERIOD ADJUSTMENTS – ACCOUNTING CHANGES AND CORRECTIONS

As of June 30, 2024, the City increased beginning net position in its governmental activities by \$2,161,131 and decreased beginning net position by \$2,161,131 in its business-type activities of the government-wide statement of activities to reflect a change in the application of accounting policies and related estimates as of June 30, 2024.

In addition, the City corrected beginning net position by \$150,619 in its Vehicle and Equipment Replacement internal services fund to properly account for depreciable capital assets.



REQUIRED SUPPLEMENTARY INFORMATION

City of El Cerrito
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes and assessments	\$ 33,892,830	\$ 32,892,830	\$ 35,847,684	\$ 2,954,854
Licenses and permits	1,054,618	1,284,618	1,272,849	(11,769)
Fines and forfeitures	120,000	145,000	231,231	86,231
Intergovernmental	5,103,092	5,103,092	5,234,450	131,358
Use of money and property	277,242	278,742	667,457	388,715
Charges for Services	7,807,310	8,663,262	8,594,094	(69,168)
Other Revenue	270,000	311,748	272,138	(39,610)
Total Revenues	48,525,092	48,679,292	52,119,903	3,440,611
EXPENDITURES				
Current:				
General government	7,245,870	8,069,637	7,587,389	482,248
Public works	2,460,423	2,827,046	2,615,288	211,758
Recreation	6,005,416	6,524,937	6,120,140	404,797
Community development	3,799,601	4,892,425	4,267,261	625,164
Public Safety	27,956,083	28,537,232	27,693,105	844,127
Capital outlay	99,503	232,720	156,776	75,944
Debt service				
Principal retirement	131,766	131,766	205,276	(73,510)
Interest and fiscal charges	154,160	154,160	25,506	128,654
Total Expenditures	47,852,822	51,369,923	48,670,741	2,699,182
Excess (Deficiency) of Revenues over Expenditures	672,270	(2,690,631)	3,449,162	6,139,793
OTHER FINANCING SOURCES (USES)				
Transfers in	3,671	3,671	3,671	-
Transfers out	(582,763)	(3,622,194)	(3,702,980)	(80,786)
Total Other Financing Sources (Uses)	(579,092)	(3,618,523)	(3,699,309)	(80,786)
Net Change in Fund Balance	93,178	(6,309,154)	(250,147)	6,059,007
Fund Balance Beginning	23,143,081	23,143,081	23,143,081	-
Prior Period Corrections	404	404	404	-
Fund Balance Beginning, as Adjusted	23,143,485	23,143,485	23,143,485	-
Fund Balance Ending	\$ 23,236,663	\$ 16,834,331	\$ 22,893,338	\$ 6,059,007

Annually, the City Manager submits to the City Council a proposed operating budget in June for the following fiscal year, as required by the City's budget ordinance. This budget includes proposed expenditures and the revenues expected to finance them. As modified during public study sessions, the preliminary budget becomes the proposed budget. Public hearings are conducted to obtain taxpayer comments and the budget is legally enacted through passage of a resolution. The City Manager is authorized to transfer budgeted amounts within departments within funds. In addition, amendments that are made to authorize spending of increased or new special purpose revenues may be approved by the City Manager. Budget modifications between funds or increases or decreases to a fund's overall budget must be approved by the City Council. The legal level of budgetary control is at the fund level. Budgets are adopted on a basis consistent with generally accepted accounting principles. Unexpended appropriations lapse at year end and must be reappropriated in the following year. Budgeted amounts are as originally adopted, or as amended by the City Council. Expenditures in excess of appropriations were covered by budgets in other objects/functions or beginning fund balance.

City of El Cerrito
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Low/Mod Income Housing Asset Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property	\$ 164,800	\$ 164,800	\$ 39,928	\$ (124,872)
Total Revenues	164,800	164,800	39,928	(124,872)
EXPENDITURES				
Current:				
Community development	207,528	207,528	18,240	189,288
Total Expenditures	207,528	207,528	18,240	189,288
Net Change in Fund Balance	(42,728)	(42,728)	21,688	64,416
Fund Balance Beginning	5,260,264	5,260,264	5,260,264	-
Prior Period Adjustments - deferred loans	-	-	-	-
Fund Balance Beginning, as Adjusted	5,260,264	5,260,264	5,260,264	-
Fund Balance Ending	\$ 5,217,536	\$ 5,217,536	\$ 5,281,952	\$ 64,416

**City of City of El Cerrito
Schedule of Pension Contributions
June 30, 2024
(Last Ten Years)**

Fiscal Year	2015	2016	2017	2018	2019
Contractually Required Contributions	\$ 601,837	\$ 4,587,279	\$ 5,112,607	\$ 5,707,962	\$ 6,351,717
Contributions in Relation to Actuarially Determined Contributions	601,837	4,587,279	5,112,607	5,707,962	6,353,342
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ (1,625)
Covered Payroll	\$ 14,363,735	\$ 14,674,532	\$ 15,809,206	\$ 16,978,389	\$ 17,236,142
Contributions as a Percentage of Covered Payroll	4.19%	31.26%	32.34%	33.62%	36.86%

Fiscal Year	2020	2021	2022	2023	2024
Contractually Required Contributions	\$ 7,194,477	\$ 7,713,430	\$ 8,248,423	\$ 8,858,889	\$ 9,345,473
Contributions in Relation to Actuarially Determined Contributions	7,194,477	7,713,430	8,248,423	8,858,889	9,345,473
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 17,913,225	\$ 16,891,179	\$ 16,164,821	\$ 13,025,698	\$ 15,109,382
Contributions as a Percentage of Covered Payroll	40.16%	45.67%	51.03%	68.01%	61.85%

Notes to Schedule:

Valuation Date: June 30, 2022
Assumptions Used: Entry Age Method used for Actuarial Cost Method
Level Percentage of Payroll and Direct Rate Smoothing
3.7 Years Remaining Amortization Period
Inflation Assumed at 2.3%
Investment Rate of Returns set at 7.15%
CalPERS mortality table based on CalPERS' experience and include

The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016, then decreased from 7.65% to 7.15% in fiscal year 2018 and decrease from 7.15% to 6.90% in 2023.

The CalPERS mortality assumptions were adjusted in fiscal year 2019.

City of City of El Cerrito
Schedule of Proportionate Share of Net Pension Liability
June 30, 2024
(Last Ten Years)

Fiscal Year	2015	2016	2017	2018	2019
Measurement Date	2014	2015	2016	2017	2018
Proportion of Net Pension Liability	0.6318%	0.6701%	0.6338%	0.6229%	0.6419%
Proportionate Share of Net Pension Liability	\$ 39,314,773	\$ 45,992,107	\$ 54,843,657	\$ 61,775,131	\$ 61,856,499
Covered Payroll	\$ 13,945,374	\$ 14,363,735	\$ 14,674,532	\$ 15,809,206	\$ 16,978,389
Net Pension Liability as a % of Covered Payroll	281.92%	320.20%	373.73%	390.75%	364.32%
Plan's Fiduciary Net Position as a % of the TPL	79.82%	78.40%	74.06%	73.31%	75.26%
Fiscal Year	2020	2021	2022	2022	2024
Measurement Date	2019	2020	2021	2023	2023
Proportion of Net Pension Liability	0.6425%	0.6468%	0.9051%	0.6885%	0.6753%
Proportionate Share of Net Pension Liability	\$ 65,832,700	\$ 70,374,424	\$ 48,950,390	\$ 79,526,924	\$ 84,241,029
Covered Payroll	\$ 17,236,142	\$ 17,913,225	\$ 16,891,179	\$ 16,164,821	\$ 13,025,698
Net Pension Liability as a % of Covered Payroll	381.95%	392.86%	289.80%	491.98%	646.73%
Plan's Fiduciary Net Position as a % of the TPL	75.26%	75.10%	88.29%	76.68%	76.21%

Notes to Schedule:

The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016 and then decreased from 7.65% to 7.15% in fiscal year 2018 and decrease from 7.15% to 6.90% in 2023.

The CalPERS mortality assumptions were adjusted in fiscal year 2019.

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SUPPLEMENTARY INFORMATION

City of El Cerrito
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Street Improvement Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 1,800,000	\$ 1,800,000	\$ 2,154,278	\$ 354,278
Other Revenue	5,000	5,000	12,892	7,892
Total Revenues	1,805,000	1,805,000	2,347,173	542,173
EXPENDITURES				
Current:				
General government	6,570	6,570	6,105	465
Public works	143,345	143,345	121,101	22,244
Capital outlay	2,000,000	2,007,776	437,393	1,570,383
Total Expenditures	2,149,915	2,157,691	564,599	1,593,092
Excess (Deficiency) of Revenues over Expenditures	(344,915)	(352,691)	1,782,574	2,135,265
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(707,100)	(707,100)	(707,100)	-
Total Other Financing Sources (Uses)	(707,100)	(707,100)	(707,100)	-
Net Change in Fund Balance	(1,052,015)	(1,059,791)	1,075,474	2,135,265
Fund Balance Beginning	2,793,188	2,793,188	2,793,188	-
Fund Balance Ending	\$ 1,741,173	\$ 1,733,397	\$ 3,868,662	\$ 2,135,265

City of El Cerrito
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual (GAAP Basis)
Capital Improvement Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ 204,243	\$ 204,243
Intergovernmental	12,144,619	12,144,619	1,093,448	(11,051,171)
Total Revenues	<u>12,144,619</u>	<u>12,144,619</u>	<u>1,297,691</u>	<u>(10,846,928)</u>
EXPENDITURES				
Capital outlay	12,557,938	16,659,060	4,001,919	12,657,141
Total Expenditures	<u>12,557,938</u>	<u>16,659,060</u>	<u>4,001,919</u>	<u>12,657,141</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(413,319)</u>	<u>(4,514,441)</u>	<u>(2,704,228)</u>	<u>1,810,213</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	40,000	3,121,431	3,121,431	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>3,121,431</u>	<u>3,121,431</u>	<u>-</u>
Net Change in Fund Balance	(373,319)	(1,393,010)	417,203	1,810,213
Fund Balance Beginning	<u>(312,572)</u>	<u>(312,572)</u>	<u>(312,572)</u>	<u>-</u>
Fund Balance Ending	<u><u>\$ (685,891)</u></u>	<u><u>\$ (1,705,582)</u></u>	<u><u>\$ 104,631</u></u>	<u><u>\$ 1,810,213</u></u>

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Gas Tax Fund accounts for revenues and expenditures received from the State of California under Street and Highways Code Section 2105, 2106, 2107, and 2107.5. The allocations must be spent for street maintenance and construction and a limited amount for engineering.

National Pollution Discharge Elimination System Fund accounts for storm water utility fees assessed to property owners citywide on their property tax bills. The funds are used to pay for the "National Pollution Discharge Elimination System" mandated by the Federal government to prevent further polluting of our streams and bays.

Landscape and Lighting Assessment Fund accounts for assessments made upon parcels of land within the Lighting and Landscaping Districts and disburses funds in accordance with the provisions of the State of California Streets and Highway Code.

Measure A Parcel Tax Fund accounts for the use of the voter-approved special tax to be used for the swim center and park capital project.

Measure H Parcel Tax Parks and Recreation Facilities Fund accounts for the use of voter-approved special tax for the maintenance and enhancement of parks and recreation facilities including the Swim Center, playgrounds, open space and trails, park amenities, community center and clubhouses.

Asset Seizure Fund accounts for revenues received from sale of assets seized during drug-related arrests and disburses these funds for authorized public safety activities.

Vehicle Abatement Fund accounts for revenues received from Vehicle Code Section 9250.7 to administer and operate the local vehicle abatement program.

Park In Lieu Fund accounts for funds received through negotiations with developers to be used for park improvements. *Public Art Fund* accounts for fees related to development that is committed to art in public places.

SB-1 Road Repair and Accountability Fund accounts for Senate Bill 1 (SB1) with the aim of repairing roads, improving traffic safety and expanding public transit systems.

Public Art Fund accounts for resources received and used for public art.

Measure J Paratransit Fund accounts for the portion of the half-cent County-wide sales tax levied to fund transportation improvements to local streets.

Municipal Services Corporation Special Revenue Fund accounts for the activities of the El Cerrito Municipal Services Corporation, a nonprofit corporation established to assist the City with public communications and financing of public improvements and later with the elimination of community blight and deterioration within the City.

City Housing Special Revenue Fund accounts for housing-related grants and special revenues, such as developer deposits, that are restricted for affordable housing purposes, but are not activities or assets of the Housing Successor.

Federal, State, and Local Grants Fund Special Revenue Fund accounts for revenues and expenditures related to grants from other governmental agencies.

NONMAJOR GOVERNMENTAL FUNDS

Debt Service Fund

Public Financing Authority Debt Service Fund accounts for principal and interest payments on lease revenue bonds issued by the City of El Cerrito Public Financing Authority.

Capital Projects Funds

Measure J Fund accounts for the portion of the half-cent County-wide sales tax levied to fund transportation improvements to local streets.

Storm Drain Fund accounts for assessments collected and funds expended for the maintenance and upgrade of the storm drains.

City of El Cerrito
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue Funds				
	Gas Tax Fund	National Pollution Discharge Elimination System Fund	Landscape and Lighting Assement Fund	Measure A Parcel Tax Fund	Measure H Parcel Tax Parks & Rec Facilities Fund
ASSETS					
Cash and investments	\$ 317,330	\$ 272,502	\$ 235,000	\$ 2,339	\$ 497,754
Accounts receivable	-	104,992	14,798	-	214
Due from other governments	61,181	-	-	-	-
Prepaid items and other assets	-	-	-	1,454	-
Loans receivable	-	-	-	-	-
Total assets	<u>\$ 378,511</u>	<u>\$ 377,494</u>	<u>\$ 249,798</u>	<u>\$ 3,793</u>	<u>\$ 497,968</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 10,382	\$ 3,351	\$ 31,817	\$ -	\$ 43,905
Accrued liabilities	6,164	5,279	4,684	-	-
Deposits payable	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>16,546</u>	<u>8,630</u>	<u>36,501</u>	<u>-</u>	<u>43,905</u>
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	-	-
Fund Balances:					
Restricted:					
Redevelopment	-	-	-	-	-
Debt service	-	-	-	-	-
Street improvements	361,965	-	213,297	-	-
Transportation	-	-	-	-	-
Public safety - police	-	-	-	-	-
Public safety - vehicle abatement	-	-	-	-	-
Parks and recreation	-	-	-	3,793	454,063
Storm drains	-	368,864	-	-	-
Public art	-	-	-	-	-
Housing	-	-	-	-	-
Total fund balances	<u>361,965</u>	<u>368,864</u>	<u>213,297</u>	<u>3,793</u>	<u>454,063</u>
Total liabilities and fund balances	<u>\$ 378,511</u>	<u>\$ 377,494</u>	<u>\$ 249,798</u>	<u>\$ 3,793</u>	<u>\$ 497,968</u>

Cont'd

City of El Cerrito
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

Special Revenue Funds

	Asset Seizure Fund	Vehicle Abatement Fund	SB1-Road Repair & Accountability Fund	Public Art Fund
ASSETS				
Cash and investments	\$ 401,573	\$ 395,030	\$ 1,363,233	\$ 142,380
Accounts receivable	-	2,767	9,764	-
Due from other governments	-	-	116,668	-
Prepaid items and other assets	-	-	-	-
Loans receivable	-	-	-	-
Total assets	\$ 401,573	\$ 397,797	\$ 1,489,665	\$ 142,380
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 3,455	\$ -	\$ 100,212	\$ -
Accrued liabilities	-	-	-	51
Deposits payable	75,820	-	-	-
Unearned revenue	-	-	-	-
Total liabilities	79,275	-	100,212	51
Deferred Inflows of Resources:				
Unavailable revenues	-	2,767	9,585	-
Fund Balances:				
Restricted:				
Redevelopment	-	-	-	-
Debt service	-	-	-	-
Street improvements	-	-	1,379,868	-
Transportation	-	-	-	-
Public safety - police	322,298	-	-	-
Public safety - vehicle abatement	-	395,030	-	-
Parks and recreation	-	-	-	-
Storm drains	-	-	-	-
Public art	-	-	-	142,329
Housing	-	-	-	-
Total fund balances	322,298	395,030	1,379,868	142,329
Total liabilities and fund balances	\$ 401,573	\$ 397,797	\$ 1,489,665	\$ 142,380

Cont'd

City of El Cerrito
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

Special Revenue Funds

	Measure J Paratransit Fund	Municipal Services Corp Fund	City Housing Trust Fund	Federal State and Local Grants Fund
ASSETS				
Cash and investments	\$ 589,363	\$ 321,757	\$ -	\$ 618,818
Accounts receivable	21,882	33,260	3,937	101,717
Due from other governments	-	-	-	-
Prepaid items and other assets	1,464	-	-	17,500
Loans receivable	-	-	3,010,000	-
Total assets	\$ 612,709	\$ 355,017	\$ 3,013,937	\$ 738,035
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 487	\$ -	\$ -	\$ 4,166
Accrued liabilities	1,273	-	-	9,416
Deposits payable	-	306,444	25,000	65,025
Unearned revenue	-	-	-	94,723
Total liabilities	1,760	306,444	25,000	173,330
Deferred Inflows of Resources:				
Unavailable revenues	-	-	3,937	94,663
Fund Balances:				
Restricted:				
Redevelopment	-	48,573	-	470,042
Debt service	-	-	-	-
Street improvements	-	-	-	-
Transportation	610,949	-	-	-
Public safety - police	-	-	-	-
Public safety - vehicle abatement	-	-	-	-
Parks and recreation	-	-	-	-
Storm drains	-	-	-	-
Public art	-	-	-	-
Housing	-	-	2,985,000	-
Total fund balances	610,949	48,573	2,985,000	470,042
Total liabilities and fund balances	\$ 612,709	\$ 355,017	\$ 3,013,937	\$ 738,035

Cont'd

City of El Cerrito
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Debt Service		Capital Projects Funds		Total Nonmajor Governmental Funds
	Public Finance Authority Fund	Measure J Fund	Storm Drain Fund		
ASSETS					
Cash and investments	\$ 24,528	\$ 111,120	\$ 1,112,664	\$	6,405,391
Accounts receivable	-	573,791	-		867,122
Due from other governments	-	-	-		177,849
Prepaid items and other assets	-	-	1,323		21,741
Loans receivable	-	-	-		3,010,000
Total assets	\$ 24,528	\$ 684,911	\$ 1,113,987	\$	10,482,103
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 22,630	\$ 11,259	\$	231,664
Accrued liabilities	-	3,855	8,090		38,812
Deposits payable	-	-	-		472,289
Unearned revenue	-	-	-		94,723
Total liabilities	-	26,485	19,349		837,488
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-		110,952
Fund Balances:					
Restricted:					
Redevelopment	-	-	-		518,615
Debt service	24,528	-	-		24,528
Street improvements	-	-	-		1,955,130
Transportation	-	658,426	-		1,269,375
Public safety - police	-	-	-		322,298
Public safety - vehicle abatement	-	-	-		395,030
Parks and recreation	-	-	-		457,856
Storm drains	-	-	1,094,638		1,463,502
Public art	-	-	-		142,329
Housing	-	-	-		2,985,000
Total fund balances	24,528	658,426	1,094,638		9,533,663
Total liabilities and fund balances	\$ 24,528	\$ 684,911	\$ 1,113,987	\$	10,482,103

Concluded

City of El Cerrito
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds				
	Gas Tax Fund	National Pollution Discharge Elimination System Fund	Landscape and Lighting Assement Fund	Measure A Parcel Tax Fund	Measure H Parcel Tax Parks & Rec Facilities Fund
REVENUES					
Taxes and assessments	\$ -	\$ -	\$ 781,391	\$ -	\$ 640,177
Intergovernmental	711,592	276,837	14,581	-	-
Use of money and property	15,195	13,359	7,230	616	22,038
Charges for services	-	-	-	-	-
Other Revenue	-	310,316	5,393	-	-
Total Revenues	<u>726,787</u>	<u>600,512</u>	<u>808,595</u>	<u>616</u>	<u>662,215</u>
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public works	659,865	355,170	670,663	5,760	557,919
Recreation	-	-	92,681	-	18,129
Community development	-	-	-	-	-
Public safety	-	-	-	-	-
Capital outlay	-	-	-	143,793	83,295
Debt service:					
Principal	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	<u>659,865</u>	<u>355,170</u>	<u>763,344</u>	<u>149,553</u>	<u>659,343</u>
Excess (Deficiency) of Revenues over Expenditures	<u>66,922</u>	<u>245,342</u>	<u>45,251</u>	<u>(148,937)</u>	<u>2,872</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>66,922</u>	<u>245,342</u>	<u>45,251</u>	<u>(148,937)</u>	<u>2,872</u>
Fund Balances Beginning	295,043	123,522	168,046	152,730	451,191
Prior Period Corrections	-	-	-	-	-
Fund Balances Beginning, as Adjusted	<u>295,043</u>	<u>123,522</u>	<u>168,046</u>	<u>152,730</u>	<u>451,191</u>
Fund Balances Ending	<u>\$ 361,965</u>	<u>\$ 368,864</u>	<u>\$ 213,297</u>	<u>\$ 3,793</u>	<u>\$ 454,063</u>

Cont'd

City of El Cerrito
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds			
	Asset Seizure Fund	Vehicle Abatement Fund	SBI-Road Repair & Accountability Fund	Public Art Fund
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	14,174	61,939	-
Use of money and property	-	-	669,438	7,437
Charges for services	-	-	-	-
Other Revenue	-	-	9,650	-
Total Revenues	<u>-</u>	<u>14,174</u>	<u>741,027</u>	<u>7,437</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	216,628	-
Recreation	-	-	-	-
Community development	-	-	-	10,241
Public safety	84,966	36,149	-	-
Capital outlay	-	-	160,103	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>84,966</u>	<u>36,149</u>	<u>376,731</u>	<u>10,241</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(84,966)</u>	<u>(21,975)</u>	<u>364,296</u>	<u>(2,804)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	(12,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(12,000)</u>
Net Change in Fund Balances	<u>(84,966)</u>	<u>(21,975)</u>	<u>364,296</u>	<u>(14,804)</u>
Fund Balances Beginning	407,264	417,005	1,012,523	157,133
Prior Period Corrections	-	-	3,049	-
Fund Balances Beginning, as Adjusted	<u>407,264</u>	<u>417,005</u>	<u>1,015,572</u>	<u>157,133</u>
Fund Balances Ending	<u>\$ 322,298</u>	<u>\$ 395,030</u>	<u>\$ 1,379,868</u>	<u>\$ 142,329</u>

Cont'd

City of El Cerrito
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds			
	Measure J Paratransit Fund	Municipal Services Corp Fund	City Housing Trust Fund	Federal State and Local Grants Fund
REVENUES				
Taxes and assessments	\$ 254,660	\$ -	\$ -	\$ -
Intergovernmental	-	-	150,000	432,845
Use of money and property	28,393	14,304	-	21,795
Charges for services	5,405	-	-	-
Other Revenue	-	-	-	57,952
Total Revenues	288,458	14,304	150,000	512,592
EXPENDITURES				
Current:				
General government	-	-	-	7,366
Public works	-	-	-	3,589
Recreation	111,658	-	-	34,276
Community development	-	1,022	-	40,367
Public safety	-	-	-	210,827
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	111,658	1,022	-	296,425
Excess (Deficiency) of Revenues over Expenditures	176,800	13,282	150,000	216,167
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	12,830
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	12,830
Net Change in Fund Balances	176,800	13,282	150,000	228,997
Fund Balances Beginning	434,149	35,291	2,835,000	241,045
Prior Period Corrections	-	-	-	-
Fund Balances Beginning, as Adjusted	434,149	35,291	2,835,000	241,045
Fund Balances Ending	\$ 610,949	\$ 48,573	\$ 2,985,000	\$ 470,042

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City of El Cerrito

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended June 30, 2024

	Debt Service		Capital Projects Funds		Total Nonmajor Governmental Funds
	Public Finance Authority Fund	Measure J Fund	Storm Drain Fund		
REVENUES					
Taxes and assessments	\$ -	\$ 574,291	\$ 701,612	\$	2,952,131
Intergovernmental	-	-	-		1,661,968
Use of money and property	-	12,338	50,766		862,909
Charges for services	-	-	-		5,405
Other Revenue	-	-	-		383,311
Total Revenues	-	586,629	752,378		5,865,724
EXPENDITURES					
Current:					
General government	-	-	-		7,366
Public works	-	397,837	438,296		3,305,727
Recreation	-	-	-		256,744
Community development	-	-	-		51,630
Public safety	-	-	-		331,942
Capital outlay	-	100,792	155,006		642,989
Debt service:					
Principal	700,000	-	-		700,000
Interest and fiscal charges	583,063	-	-		583,063
Total Expenditures	1,283,063	498,629	593,302		5,879,461
Excess (Deficiency) of Revenues over Expenditures	(1,283,063)	88,000	159,076		(13,737)
OTHER FINANCING SOURCES (USES)					
Transfers in	1,289,863	-	-		1,302,693
Transfers out	-	(82,000)	-		(94,000)
Total Other Financing Sources (Uses)	1,289,863	(82,000)	-		1,208,693
Net Change in Fund Balances	6,800	6,000	159,076		1,194,956
Fund Balances Beginning	17,728	655,475	935,562		8,338,707
Prior Period Corrections	-	(3,049)	-		-
Fund Balances Beginning, as Adjusted	17,728	652,426	935,562		8,338,707
Fund Balances Ending	\$ 24,528	\$ 658,426	\$ 1,094,638	\$	9,533,663

Concluded

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Gas Tax Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	704,800	704,800	711,592	6,792
Use of money and property	-	-	15,195	15,195
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	704,800	704,800	726,787	21,987
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	779,381	779,381	659,865	119,516
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	779,381	779,381	659,865	119,516
Excess (Deficiency) of Revenues over Expenditures	(74,581)	(74,581)	66,922	141,503
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(74,581)	(74,581)	66,922	141,503
Fund Balances Beginning, as Adjusted	295,043	295,043	295,043	-
Fund Balances Ending	\$ 220,462	\$ 220,462	\$ 361,965	\$ 141,503

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City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

National Pollution Discharge Elimination System Fund

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u>	<u>Variance with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	337,300	337,300	276,837	(60,463)
Use of money and property	-	-	13,359	13,359
Charges for services	-	-	-	-
Other Revenue	-	-	310,316	310,316
Total Revenues	337,300	337,300	600,512	263,212
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	402,567	412,168	355,170	56,998
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	402,567	412,168	355,170	56,998
Excess (Deficiency) of Revenues over Expenditures	(65,267)	(74,868)	245,342	320,210
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(65,267)	(74,868)	245,342	320,210
Fund Balances Beginning, as Adjusted	123,522	123,522	123,522	-
Fund Balances Ending	\$ 58,255	\$ 48,654	\$ 368,864	\$ 320,210

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City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Landscape and Lighting Assement Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes and assessments	\$ 789,300	\$ 789,300	\$ 781,391	\$ (7,909)
Fines and penalties	-	-	-	-
Intergovernmental	10,500	10,500	14,581	4,081
Use of money and property	-	-	7,230	7,230
Charges for services	-	-	-	-
Other Revenue	1,000	1,000	5,393	4,393
Total Revenues	800,800	800,800	808,595	7,795
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	746,382	746,382	670,663	75,719
Recreation	91,125	91,125	92,681	(1,556)
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	837,507	837,507	763,344	74,163
Excess (Deficiency) of Revenues over Expenditures	(36,707)	(36,707)	45,251	81,958
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(36,707)	(36,707)	45,251	81,958
Fund Balances Beginning, as Adjusted	168,046	168,046	168,046	-
Fund Balances Ending	\$ 131,339	\$ 131,339	\$ 213,297	\$ 81,958

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City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Measure A Parcel Tax Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	616	616
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	-	-	616	616
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	5,760	(5,760)
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	-	143,394	143,793	(399)
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	143,394	149,553	(6,159)
Excess (Deficiency) of Revenues over Expenditures	-	(143,394)	(148,937)	(5,543)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	(143,394)	(148,937)	(5,543)
Fund Balances Beginning, as Adjusted	152,730	152,730	152,730	-
Fund Balances Ending	\$ 152,730	\$ 9,336	\$ 3,793	\$ (5,543)

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City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

<u>Measure H Parcel Tax Parks & Rec Facilities Fund</u>				
	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		(Negative)
REVENUES				
Taxes and assessments	\$ 647,000	\$ 647,000	\$ 640,177	\$ (6,823)
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	22,038	22,038
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	<u>647,000</u>	<u>647,000</u>	<u>662,215</u>	<u>15,215</u>
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	580,062	628,833	557,919	70,914
Recreation	110,000	110,533	18,129	92,404
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	50,000	58,057	83,295	(25,238)
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>740,062</u>	<u>797,423</u>	<u>659,343</u>	<u>138,080</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(93,062)</u>	<u>(150,423)</u>	<u>2,872</u>	<u>153,295</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(93,062)	(150,423)	2,872	153,295
Fund Balances Beginning, as Adjusted	<u>451,191</u>	<u>451,191</u>	<u>451,191</u>	<u>-</u>
Fund Balances Ending	<u>\$ 358,129</u>	<u>\$ 300,768</u>	<u>\$ 454,063</u>	<u>\$ 153,295</u>

Cont'd

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Asset Seizure Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	-	-	-	-
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	120,000	170,600	84,966	85,634
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	120,000	170,600	84,966	85,634
Excess (Deficiency) of Revenues over Expenditures	(120,000)	(170,600)	(84,966)	85,634
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(120,000)	(170,600)	(84,966)	85,634
Fund Balances Beginning, as Adjusted	407,264	407,264	407,264	-
Fund Balances Ending	\$ 287,264	\$ 236,664	\$ 322,298	\$ 85,634

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City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Vehicle Abatement Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	8,000	8,000	14,174	6,174
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	8,000	8,000	14,174	6,174
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	200,000	200,000	36,149	163,851
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	200,000	200,000	36,149	163,851
Excess (Deficiency) of Revenues over Expenditures	(192,000)	(192,000)	(21,975)	170,025
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(192,000)	(192,000)	(21,975)	170,025
Fund Balances Beginning, as Adjusted	417,005	417,005	417,005	-
Fund Balances Ending	\$ 225,005	\$ 225,005	\$ 395,030	\$ 170,025

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City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	SB1-Road Repair & Accountability Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	-	-	61,939	61,939
Use of money and property	561,200	561,200	669,438	108,238
Charges for services	-	-	-	-
Other Revenue	-	-	9,650	9,650
Total Revenues	561,200	561,200	741,027	179,827
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	222,530	242,229	216,628	25,601
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	915,500	919,655	160,103	759,552
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,138,030	1,161,884	376,731	785,153
Excess (Deficiency) of Revenues over Expenditures	(576,830)	(600,684)	364,296	964,980
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(576,830)	(600,684)	364,296	964,980
Fund Balances Beginning, as Adjusted	1,015,572	1,015,572	1,015,572	-
Fund Balances Ending	\$ 438,742	\$ 414,888	\$ 1,379,868	\$ 964,980

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City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Public Art Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	7,437	7,437
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	-	-	7,437	7,437
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	-
Community development	100,000	100,000	10,241	89,759
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	100,000	100,000	10,241	89,759
Excess (Deficiency) of Revenues over Expenditures	(100,000)	(100,000)	(2,804)	97,196
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	(12,000)	(12,000)
Total Other Financing Sources (Uses)	-	-	(12,000)	(12,000)
Net Change in Fund Balances	(100,000)	(100,000)	(14,804)	85,196
Fund Balances Beginning, as Adjusted	157,133	157,133	157,133	-
Fund Balances Ending	\$ 57,133	\$ 57,133	\$ 142,329	\$ 85,196

Cont'd

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Measure J Paratransit Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 254,097	\$ 254,097	\$ 254,660	\$ 563
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	28,393	28,393
Charges for services	12,500	12,500	5,405	(7,095)
Other Revenue	-	-	-	-
Total Revenues	266,597	266,597	288,458	21,861
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Recreation	293,876	293,876	111,658	182,218
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	293,876	293,876	111,658	182,218
Excess (Deficiency) of Revenues over Expenditures	(27,279)	(27,279)	176,800	204,079
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(27,279)	(27,279)	176,800	204,079
Fund Balances Beginning, as Adjusted	434,149	434,149	434,149	-
Fund Balances Ending	\$ 406,870	\$ 406,870	\$ 610,949	\$ 204,079

Cont'd

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Municipal Services Corp Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	14,304	14,304
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	-	-	14,304	14,304
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	-
Community development	-	-	1,022	(1,022)
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	1,022	(1,022)
Excess (Deficiency) of Revenues over Expenditures	-	-	13,282	13,282
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	13,282	13,282
Fund Balances Beginning, as Adjusted	35,291	35,291	35,291	-
Fund Balances Ending	\$ 35,291	\$ 35,291	\$ 48,573	\$ 13,282

Cont'd

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	City Housing Trust Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	-	-	150,000	150,000
Use of money and property	-	-	-	-
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	-	-	150,000	150,000
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues over Expenditures	-	-	150,000	150,000
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	-	-	150,000	150,000
Fund Balances Beginning, as Adjusted	2,835,000	2,835,000	2,835,000	-
Fund Balances Ending	\$ 2,835,000	\$ 2,835,000	\$ 2,985,000	\$ 150,000

Cont'd

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Federal, State, and Local Grants Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	100,000	100,000	432,845	332,845
Use of money and property	-	-	21,795	21,795
Charges for services	-	-	-	-
Other Revenue	445,511	445,511	57,952	(387,559)
Total Revenues	545,511	545,511	512,592	(32,919)
EXPENDITURES				
Current:				
General government	-	-	7,366	(7,366)
Public works	-	-	3,589	(3,589)
Recreation	50,000	50,000	34,276	15,724
Community development	395,511	401,556	40,367	361,189
Public safety	250,000	403,600	210,827	192,773
Capital outlay	-	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	695,511	855,156	296,425	558,731
Excess (Deficiency) of Revenues over Expenditures	(150,000)	(309,645)	216,167	525,812
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	12,830	12,830
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	12,830	12,830
Net Change in Fund Balances	(150,000)	(309,645)	228,997	538,642
Fund Balances Beginning, as Adjusted	241,045	241,045	241,045	-
Fund Balances Ending	\$ 91,045	\$ (68,600)	\$ 470,042	\$ 538,642

Cont'd

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Public Finance Authority Fund			
	Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ -	\$ -	\$ -	\$ -
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	151	151	-	(151)
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	151	151	-	(151)
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	-	-	-	-
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal	670,000	670,000	700,000	(30,000)
Interest and fiscal charges	619,863	619,863	583,063	36,800
Total Expenditures	1,289,863	1,289,863	1,283,063	6,800
Excess (Deficiency) of Revenues over Expenditures	(1,289,712)	(1,289,712)	(1,283,063)	6,649
OTHER FINANCING SOURCES (USES)				
Transfers in	1,289,863	1,289,863	1,289,863	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	1,289,863	1,289,863	1,289,863	-
Net Change in Fund Balances	151	151	6,800	6,649
Fund Balances Beginning, as Adjusted	17,728	17,728	17,728	-
Fund Balances Ending	\$ 17,879	\$ 17,879	\$ 24,528	\$ 6,649

Cont'd

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Measure J Fund			
	Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 493,300	\$ 493,300	\$ 574,291	\$ 80,991
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	12,338	12,338
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	493,300	493,300	586,629	93,329
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	475,980	527,622	397,837	129,785
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	270,000	270,000	100,792	169,208
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	745,980	797,622	498,629	298,993
Excess (Deficiency) of Revenues over Expenditures	(252,680)	(304,322)	88,000	392,322
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(40,000)	(82,000)	(82,000)	-
Total Other Financing Sources (Uses)	(40,000)	(82,000)	(82,000)	-
Net Change in Fund Balances	(292,680)	(386,322)	6,000	392,322
Fund Balances Beginning, as Adjusted	652,426	652,426	652,426	-
Fund Balances Ending	\$ 359,746	\$ 266,104	\$ 658,426	\$ 392,322

Cont'd

City of El Cerrito
Schedule of Revenues, Expenditures, and
Changes in Fund Balances
Budget and Actual (GAAP Basis)
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Storm Drain Fund			
	Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 709,400	\$ 709,400	\$ 701,612	\$ (7,788)
Fines and penalties	-	-	-	-
Intergovernmental	-	-	-	-
Use of money and property	-	-	50,766	50,766
Charges for services	-	-	-	-
Other Revenue	-	-	-	-
Total Revenues	709,400	709,400	752,378	42,978
EXPENDITURES				
Current:				
General government	-	-	-	-
Public works	576,841	592,792	438,296	154,496
Recreation	-	-	-	-
Community development	-	-	-	-
Public safety	-	-	-	-
Capital outlay	550,000	559,558	155,006	404,552
Debt service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	1,126,841	1,152,350	593,302	559,048
Excess (Deficiency) of Revenues over Expenditures	(417,441)	(442,950)	159,076	602,026
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(417,441)	(442,950)	159,076	602,026
Fund Balances Beginning, as Adjusted	935,562	935,562	935,562	-
Fund Balances Ending	\$ 518,121	\$ 492,612	\$ 1,094,638	\$ 602,026

Concluded



STATISTICAL SECTION

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STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

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

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balance of Governmental Funds

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax:

5. Net Assessed Value of Property
6. Property Tax Levies and Collections
7. Direct and Overlapping Property Tax Rates
8. Principal Property Taxpayers

Debt Capacity

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

9. Ratio of General Obligation Bonded Debt to Assessed Value and General Obligation on Bonded Debt Per Capita
10. Ratio of Annual Debt Service Expenditures for General Obligation Bonded Debt to Total General Governmental Expenditures
11. Ratios of Outstanding Debt by Type
12. Computation of Legal Debt Margin
13. Schedule of Direct and Overlapping Debt

Demographic and Economic Information

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

14. Demographic and Economic Statistics
15. Principal Employers

Operating Information

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

16. Full-Time Equivalent Employees by Function
17. Operating Indicators by Function
18. Construction Value
19. Miscellaneous Statistics

Sources

Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.

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City of El Cerrito
Net Position by Component
Last Ten Fiscal Years

Table 1

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets	\$ 62,485,398	\$ 61,687,197	\$ 60,263,647	\$ 58,942,988	\$ 55,950,869	\$ 54,638,042	\$ 53,652,456	\$ 53,377,263	\$ 53,389,633	\$ 56,361,576
Restricted	15,211,282	16,401,240	16,468,323	17,041,501	14,255,506	15,240,589	15,859,381	16,029,304	17,767,175	21,667,676
Unrestricted	(48,590,298)	(46,508,497)	(45,697,093)	(50,908,159)	(54,698,365)	(59,443,810)	(55,481,269)	(53,818,045)	(31,271,761)	(30,236,783)
Total net position	\$ 29,106,382	\$ 31,579,940	\$ 31,034,877	\$ 25,076,330	\$ 15,508,010	\$ 10,434,821	\$ 14,030,568	\$ 15,588,522	\$ 39,885,047	\$ 47,792,469

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2022	2023
Business-type activities:										
Net investment in capital assets	\$ 440,669	\$ 674,225	\$ 950,099	\$ 1,106,285	\$ 1,287,089	\$ 1,477,133	\$ 1,679,420	\$ 1,363,893	\$ 2,199,706	\$ 3,937,059
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	247,155	72,217	(84,655)	(91,433)	(237,733)	152,426	1,079,923	2,514,386	2,427,637	(549,456)
Total net position	\$ 687,824	\$ 746,442	\$ 865,444	\$ 1,014,852	\$ 1,049,356	\$ 1,629,559	\$ 2,759,343	\$ 3,878,279	\$ 4,627,343	\$ 3,387,603

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2022	2023
Primary Government										
Net investment in capital assets	\$ 62,926,067	\$ 62,361,422	\$ 61,213,746	\$ 60,049,273	\$ 57,237,958	\$ 56,115,175	\$ 55,331,876	\$ 54,741,156	\$ 55,589,339	\$ 60,298,635
Restricted	15,211,282	16,401,240	16,468,323	17,041,501	14,255,506	15,240,589	15,859,381	16,029,304	17,767,175	21,667,676
Unrestricted	(48,343,143)	(46,436,280)	(45,781,748)	(50,999,592)	(54,936,098)	(59,291,384)	(54,401,346)	(51,303,659)	(28,844,124)	(30,786,239)
Total net position	\$ 29,794,206	\$ 32,326,382	\$ 31,900,321	\$ 26,091,182	\$ 16,557,366	\$ 12,064,380	\$ 16,789,911	\$ 19,466,801	\$ 44,512,390	\$ 51,180,072

Source: Financial Statements

Note: The negative unrestricted net position is the result of the implementation of GASB 68.

City of El Cerrito
Changes in Net Position
Last Ten Fiscal Years

Table 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses:										
Governmental activities:										
General government	\$ 4,218,763	\$ 4,791,816	\$ 5,138,555	\$ 5,758,535	\$ 6,723,883	\$ 6,853,922	\$ 5,811,523	\$ 7,884,210	\$ 4,892,654	\$ 8,271,822
Public works	5,576,671	5,276,434	7,296,766	8,956,800	8,800,985	8,041,340	7,677,819	9,260,749	6,244,845	9,122,950
Recreation	4,629,731	4,838,539	5,335,946	6,319,879	6,852,784	6,579,645	4,691,509	6,089,667	3,896,266	6,999,666
Community development	2,208,566	2,094,643	2,867,664	2,877,501	2,683,918	2,881,181	3,452,703	4,262,818	2,376,676	4,530,222
Public safety	18,924,124	18,620,431	20,310,165	24,291,518	26,250,994	26,853,126	26,208,413	30,989,792	16,455,373	29,383,735
Interest and fiscal charges	880,173	845,437	982,440	852,986	837,272	844,041	879,070	716,380	630,504	166,298
Total governmental activities expenses	<u>36,438,028</u>	<u>36,467,300</u>	<u>41,931,536</u>	<u>49,057,219</u>	<u>52,149,836</u>	<u>52,053,255</u>	<u>48,721,037</u>	<u>59,203,616</u>	<u>34,496,318</u>	<u>58,474,693</u>
Business-type activities:										
Integrated waste management	<u>1,787,896</u>	<u>1,940,519</u>	<u>2,376,867</u>	<u>2,420,952</u>	<u>2,606,192</u>	<u>2,793,637</u>	<u>2,662,806</u>	<u>2,815,640</u>	<u>3,243,285</u>	<u>3,412,017</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	109,345	137,038	1,096,168	1,116,938	983,618	947,409	1,037,096	547,024	480,288	468,692
Public works	987,537	514,039	331,297	433,727	453,911	317,062	410,676	593,215	557,706	735,339
Recreation	3,285,398	3,112,985	3,611,541	3,785,511	4,385,622	3,108,433	2,142,292	3,932,395	4,398,223	4,958,617
Community development	1,132,299	1,439,678	1,848,830	1,813,313	1,917,141	1,841,512	1,756,009	3,096,993	2,673,576	2,896,914
Public safety	2,793,410	2,819,113	3,048,763	3,504,858	3,437,116	3,522,587	3,746,725	4,093,311	4,526,164	4,709,908
Operating grants and contribution	2,762,749	2,496,255	1,942,080	2,410,442	3,534,462	2,329,117	5,632,909	4,797,917	1,437,171	1,550,711
Capital grants and contributions	3,677,475	1,573,560	2,039,912	3,013,832	5,093,007	2,767,468	3,317,784	1,280,680	1,709,112	4,841,678
Total governmental program revenues	<u>14,748,213</u>	<u>12,092,668</u>	<u>13,918,591</u>	<u>16,078,621</u>	<u>19,804,877</u>	<u>14,833,588</u>	<u>18,043,491</u>	<u>18,341,535</u>	<u>15,782,240</u>	<u>20,161,859</u>
Business-type activities:										
Charges for services:										
Integrated waste management	2,203,157	2,318,342	2,366,205	2,555,397	2,581,473	3,337,310	3,779,477	3,877,922	3,920,346	4,182,443
Operating grants and contribution	1,250	37,213	25,683	24,634	62,894	40,201	16,784	60,016	32,471	33,907
Total business-type activities	<u>2,204,407</u>	<u>2,355,555</u>	<u>2,391,888</u>	<u>2,580,031</u>	<u>2,644,367</u>	<u>3,377,511</u>	<u>3,796,261</u>	<u>3,937,938</u>	<u>3,952,817</u>	<u>4,216,350</u>
Total primary government program revenues	<u>16,952,620</u>	<u>14,448,223</u>	<u>16,310,479</u>	<u>18,658,652</u>	<u>22,449,244</u>	<u>18,211,099</u>	<u>21,839,752</u>	<u>22,279,473</u>	<u>19,735,057</u>	<u>24,378,209</u>
Net revenues (expense)										
Governmental activities:	(21,689,815)	(24,374,632)	(28,012,945)	(32,978,598)	(32,344,959)	(37,219,667)	(30,677,546)	(40,862,081)	(18,714,078)	(38,312,834)
Business-type activities:	416,511	415,036	15,021	159,079	38,175	583,874	1,133,455	1,122,298	709,532	804,333
Total primary gov't net revenue (expense)	<u>\$ (21,273,304)</u>	<u>\$ (23,959,596)</u>	<u>\$ (27,997,924)</u>	<u>\$ (32,819,519)</u>	<u>\$ (32,306,784)</u>	<u>\$ (36,635,793)</u>	<u>\$ (29,544,091)</u>	<u>\$ (39,739,783)</u>	<u>\$ (18,004,546)</u>	<u>\$ (37,508,501)</u>

Source: Financial statements

Continued

City of El Cerrito
Changes in Net Position
Last Ten Fiscal Years

Table 2

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General revenues and special items:										
Governmental activities:										
Taxes:										
Property taxes	\$ 9,927,028	\$ 11,211,539	\$ 12,770,037	\$ 13,360,216	\$ 14,242,520	\$ 14,381,441	\$ 15,213,912	\$ 16,683,058	\$ 17,813,125	\$ 18,503,332
Sales taxes	6,408,016	7,234,366	7,477,393	8,215,732	8,318,511	8,134,818	9,708,892	9,671,196	12,110,514	11,457,300
Transient occupancy taxes	114,712	139,084	134,171	145,489	147,550	118,891	126,164	113,434	107,817	89,451
Franchise and other taxes	1,376,771	1,453,351	1,375,048	1,279,037	1,244,897	1,637,666	1,364,257	1,181,509	1,604,218	1,854,938
Business license taxes	722,130	787,122	775,413	846,900	910,104	918,799	924,358	1,040,618	1,069,964	1,128,561
Utility user taxes	3,106,232	3,291,255	3,360,277	2,965,675	3,207,892	3,165,974	3,444,484	3,403,776	4,100,286	4,015,551
Real property county transfer tax	-	-	-	-	1,102,563	3,467,532	4,419,107	4,863,035	4,157,840	3,129,523
Other taxes	144,539	180,447	154,863	147,623	1,935	2,811	213,044	581,641	706,695	805,437
Other	1,548,232	2,640,631	481,324	300,264	340,572	344,875	176,593	1,146,385	1,887,516	2,920,338
Transfers	346,319	356,418	9,671	9,671	3,671	3,671	3,671	3,671	3,671	3,671
Special item	-	-	-	-	(6,773,576)	-	(1,321,189)	-	-	-
Total governmental activities	23,693,979	27,294,213	26,538,197	27,270,607	22,746,639	32,176,478	34,273,293	38,688,323	43,561,646	43,908,102
Business-type activities:										
Other	-	-	-	-	-	-	-	309	43,203	116,999
Transfers	(346,319)	(356,418)	(9,671)	(9,671)	(3,671)	(3,671)	(3,671)	(3,671)	(3,671)	(3,671)
Total business-type activities:	(346,319)	(356,418)	(9,671)	(9,671)	(3,671)	(3,671)	(3,671)	(3,362)	39,532	113,328
Total primary government	\$ 23,347,660	\$ 26,937,795	\$ 26,528,526	\$ 27,260,936	\$ 22,742,968	\$ 32,172,807	\$ 34,269,622	\$ 38,684,961	\$ 43,601,178	\$ 44,021,430
Change in net position:										
Governmental activities:	\$ 2,004,164	\$ 2,919,581	\$ (1,474,748)	\$ (5,707,991)	\$ (9,598,320)	\$ (5,043,189)	\$ 3,595,747	\$ (2,173,758)	\$ 24,847,568	\$ 5,595,268
Business-type activities:	70,192	58,618	5,350	149,408	34,504	580,203	1,129,784	1,118,936	749,064	917,661
Total primary government	\$ 2,074,356	\$ 2,978,199	\$ (1,469,398)	\$ (5,558,583)	\$ (9,563,816)	\$ (4,462,986)	\$ 4,725,531	\$ (1,054,822)	\$ 25,596,632	\$ 6,512,929

Source: Financial statements

Concluded

City of El Cerrito
Fund Balances of Governmental Funds
Last Ten Fiscal Years

Table 3

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund:										
Nonspendable	\$ 128,242	\$ 170,353	\$ 994,742	\$ 2,321,077	\$ 1,650,928	\$ 1,667,511	\$ 25,694	\$ 200,339	\$ 108,865	\$ 126,751
Restricted	10,170	10,187	10,205	-	-	-	-	-	-	1,372,890
Assigned	-	-	-	-	-	-	7,117,568	-	-	-
Unassigned	1,323,100	1,713,302	(186,227)	(2,233,507)	(1,707,620)	(1,777,532)	-	16,423,835	23,034,216	21,393,697
Total general fund	\$ 1,461,512	\$ 1,893,842	\$ 818,720	\$ 87,570	\$ (56,692)	\$ (110,021)	\$ 7,143,262	\$ 16,624,174	\$ 23,143,081	\$ 22,893,338
All other governmental funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,087	\$ -	\$ -	\$ -	\$ -
Restricted	8,778,625	10,017,073	15,608,545	16,077,928	13,130,770	14,198,963	14,735,254	14,976,465	16,392,159	18,788,908
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	(1,357,264)	(1,157,537)	(802,928)	(1,368,372)	(322,255)	(513)	-	(91,408)	(312,572)	-
Total all other governmental funds	\$ 7,421,361	\$ 8,859,536	\$ 14,805,617	\$ 14,709,556	\$ 12,808,515	\$ 14,199,537	\$ 14,735,254	\$ 14,885,057	\$ 16,079,587	\$ 18,788,908
Total fund balances	\$ 8,882,873	\$ 10,753,378	\$ 15,624,337	\$ 14,797,126	\$ 12,751,823	\$ 14,089,516	\$ 21,878,516	\$ 31,509,231	\$ 39,222,668	\$ 41,682,246

Source: City Financial Statements

City of El Cerrito
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

Table 4

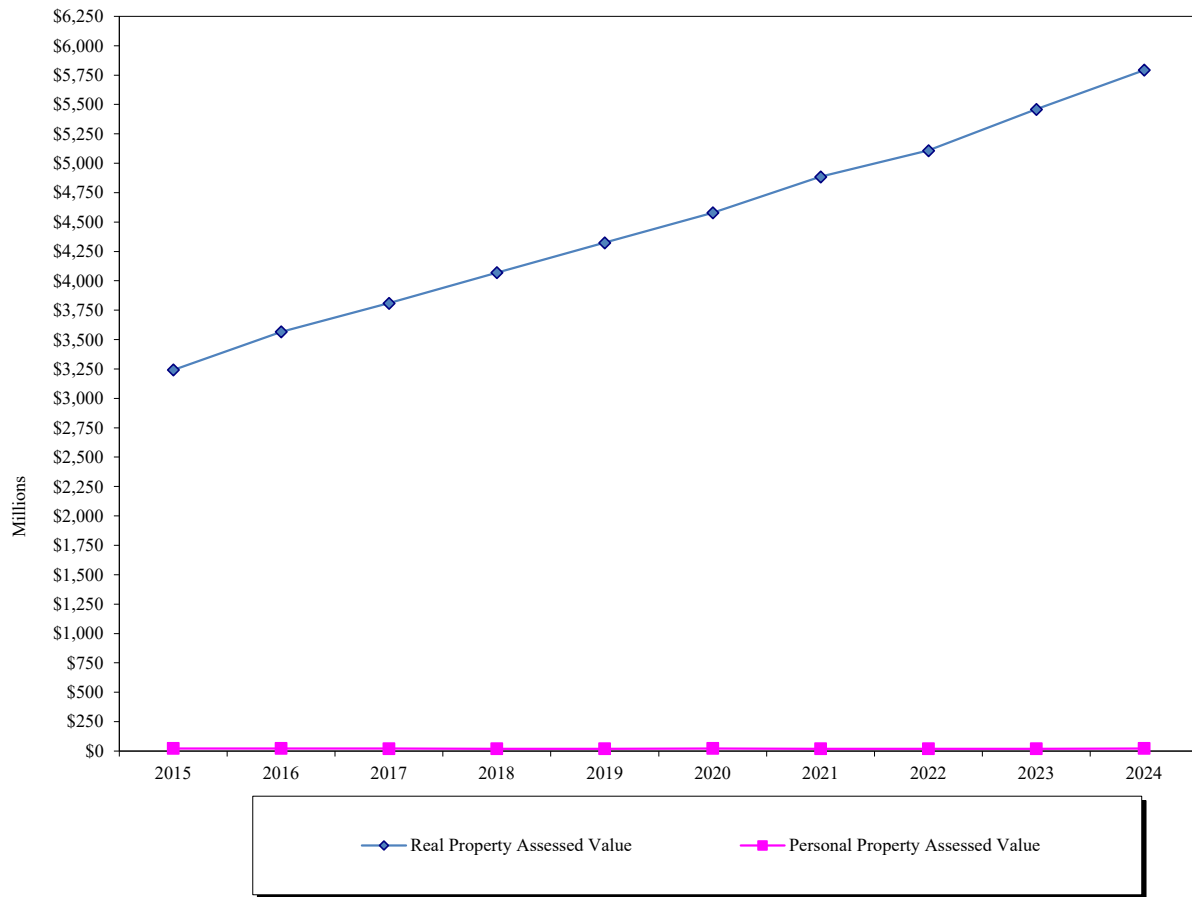
	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes and assessments	\$ 23,447,204	\$ 25,956,002	\$ 27,511,526	\$ 23,829,757	\$ 31,367,715	\$ 33,650,613	\$ 36,544,925	\$ 37,688,070	\$ 41,758,461	\$ 41,158,336
Licenses and permits	493,244	607,729	719,843	765,706	775,876	784,982	656,881	1,440,972	1,051,537	1,272,849
Fines and forfeitures	276,759	326,544	350,855	222,173	232,298	227,463	177,525	155,301	115,407	231,231
Use of money and property	450,409	415,534	451,388	373,954	261,611	377,294	206,631	633,226	1,140,544	1,750,297
Intergovernmental revenues	9,229,702	6,833,050	4,759,518	4,115,543	9,609,792	6,034,335	10,725,849	9,332,700	6,510,628	7,989,866
Charges for services	4,288,002	4,406,143	5,766,594	6,099,394	6,944,795	5,491,613	4,996,957	7,412,088	7,863,312	8,599,499
Other revenues	189,696	808,134	678,047	377,394	582,815	609,522	243,033	293,963	539,696	668,341
Total revenues	38,375,016	39,353,136	40,237,771	35,783,921	49,774,902	47,175,822	53,551,801	56,956,320	58,979,585	61,670,419
Expenditures:										
Current:										
General government	3,738,775	4,363,219	4,928,339	5,250,720	5,949,944	6,005,738	5,185,148	5,966,264	6,989,134	7,600,860
Public works	2,656,789	2,748,364	3,831,414	4,222,203	4,639,984	4,492,288	4,334,149	4,982,804	5,253,023	6,042,116
Recreation	4,352,987	4,685,966	5,067,725	5,436,565	6,037,006	5,686,943	3,995,975	4,524,341	5,450,814	6,376,884
Community development	4,622,769	2,387,886	2,778,502	2,582,282	2,531,783	2,600,092	2,641,433	3,368,116	3,642,138	4,337,131
Public safety	18,461,031	19,327,886	20,277,045	21,259,359	23,379,730	23,513,886	23,805,434	24,526,394	25,260,769	28,025,047
Payment of sales tax to City of Richmond (Note 1G)	245,599	-	-	-	-	-	-	-	-	-
Capital outlay	2,427,619	2,068,310	1,272,245	3,235,420	5,033,324	1,815,683	1,652,600	2,400,690	2,643,268	5,239,077
Debt Service										
Principal	914,158	941,573	1,233,745	754,416	1,075,004	1,161,158	1,010,506	958,585	993,130	905,276
Interest and fiscal charges	874,280	850,250	921,281	800,605	827,463	841,589	888,569	743,237	636,500	608,569
Cost of issuance	-	-	522,407	-	-	-	-	-	-	-
Total expenditures	38,294,007	37,373,454	40,832,703	43,541,570	49,474,238	46,117,377	43,513,814	47,470,431	50,868,776	59,134,960
Revenue Over (Under) expenditures	81,009	1,979,682	(594,932)	(7,757,649)	300,664	1,058,445	10,037,987	9,485,889	8,110,809	2,535,459
Other Financing Sources (Uses):										
Debt Proceeds	-	-	15,690,000	-	-	-	-	-	-	-
Debt premiums	-	-	1,694,909	-	-	-	-	-	-	-
Payments to escrow	-	-	(17,384,909)	-	-	-	-	-	-	-
Payment to Contra Costa County - share of land sale	-	-	-	-	-	-	(257,256)	-	-	-
Loss on sale of land held for resale	-	-	-	-	-	-	(371,500)	-	-	-
Proceeds from sale of capital assets	-	7,290	-	-	-	-	-	-	-	-
Transfer in	2,688,549	2,592,090	1,194,371	1,426,901	3,506,366	1,718,961	4,672,166	4,581,534	1,333,536	4,427,795
Transfer out	(2,342,230)	(2,262,534)	(1,211,562)	(1,444,092)	(3,529,556)	(1,742,152)	(4,668,495)	(4,577,863)	(1,329,865)	(4,504,080)
Debt issuance	-	-	-	-	-	-	-	-	150,000	-
Capital lease financing	-	-	-	-	116,121	302,439	-	-	-	-
Total other financing sources (uses)	346,319	336,846	(17,191)	(17,191)	92,931	279,248	(625,085)	3,671	153,671	(76,285)
Special items:										
Advance to El Cerrito Successor Agency write-off	-	-	-	-	-	-	(1,321,189)	-	-	-
Land Sale Proceeds to the Contra Costa County	-	-	-	-	(3,457,547)	-	-	-	-	-
Land Sale Proceeds Transfers to Successor Agency Fund	-	-	-	-	(1,202,453)	-	-	-	-	-
Gain on sale of land held for resale	-	-	-	-	1,420,347	-	-	-	-	-
Proceeds of sale of land from Contra Costa County	-	-	-	-	800,755	-	-	-	-	-
Total extraordinary items	-	-	-	-	(2,438,898)	-	(1,321,189)	-	-	-
Net Change in fund balance	\$ 427,328	\$ 2,316,528	\$ (612,123)	\$ (7,774,840)	\$ (2,045,303)	\$ 1,337,693	\$ 8,091,713	\$ 9,489,560	\$ 8,264,480	\$ 2,459,174
Debt service as a percentage of non-capital expenditures	4.8%	4.9%	5.4%	3.6%	3.9%	4.4%	4.5%	3.6%	3.2%	2.8%

Source: City Financial Statements

Note: This schedule contains trend information to help the reader understand how the City's financial performance and well being have changed over time.

City of El Cerrito
Net Assessed Value of Property
Last Ten Fiscal Years

Table 5



Fiscal Year	Real Property Assessed Value	Personal Property Assessed Value	Total Assessed Value (1)	% Change From Prior Year	Total Direct Rate (2)
2015	3,242,643,566	21,591,610	3,264,235,176	8.7%	1.0%
2016	3,566,630,684	22,782,122	3,589,412,806	10.0%	1.0%
2017	3,810,090,943	20,431,443	3,830,522,386	6.7%	1.0%
2018	4,070,176,177	19,170,357	4,089,346,534	6.8%	1.0%
2019	4,324,516,299	19,462,999	4,343,979,298	6.2%	1.0%
2020	4,578,246,770	21,498,246	4,599,745,016	5.9%	1.0%
2021	4,884,779,461	19,572,301	4,904,351,762	6.6%	1.0%
2022	5,108,805,259	18,572,935	5,127,378,194	4.5%	1.0%
2023	5,459,016,809	18,839,778	5,477,856,587	6.8%	1.0%
2024	5,794,012,816	21,268,595	5,815,281,411	6.2%	1.0%

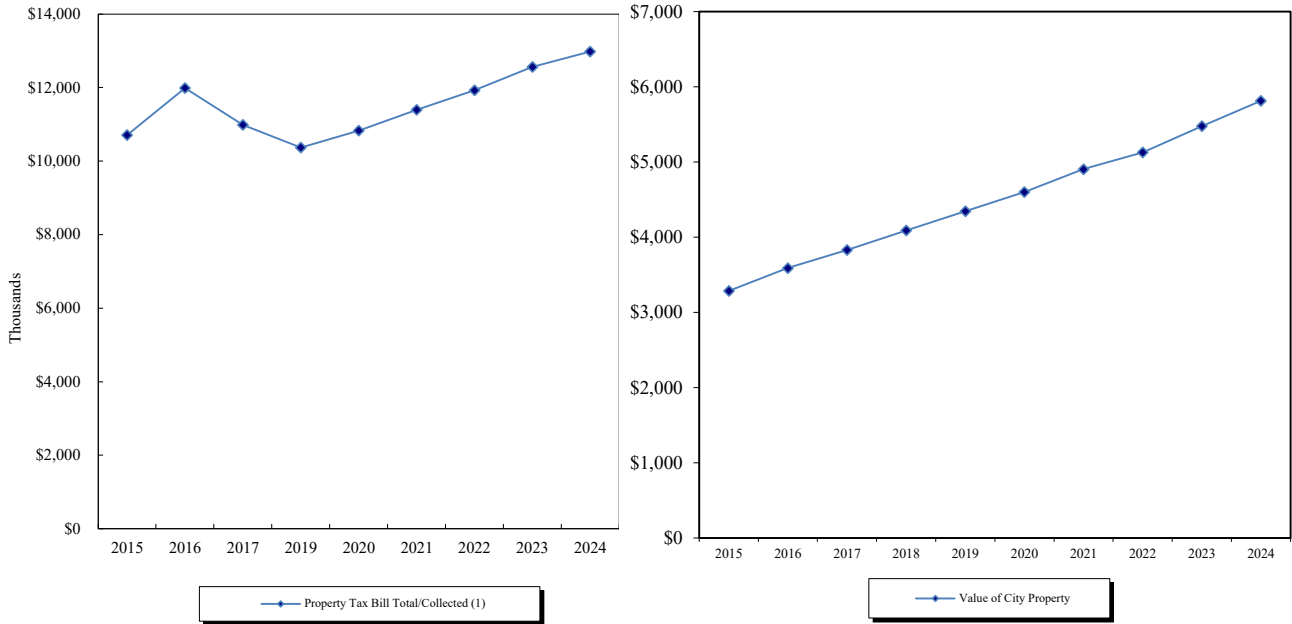
Source: HdL Property Tax ACFR report

Notes:

- (1) Amounts are net of exemptions. Assessed Value is determined based on California Proposition 13, as of January 1. The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.
- (2) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area.

City of El Cerrito
Property Tax Levies and Collections
Last Ten Fiscal Years

Table 6



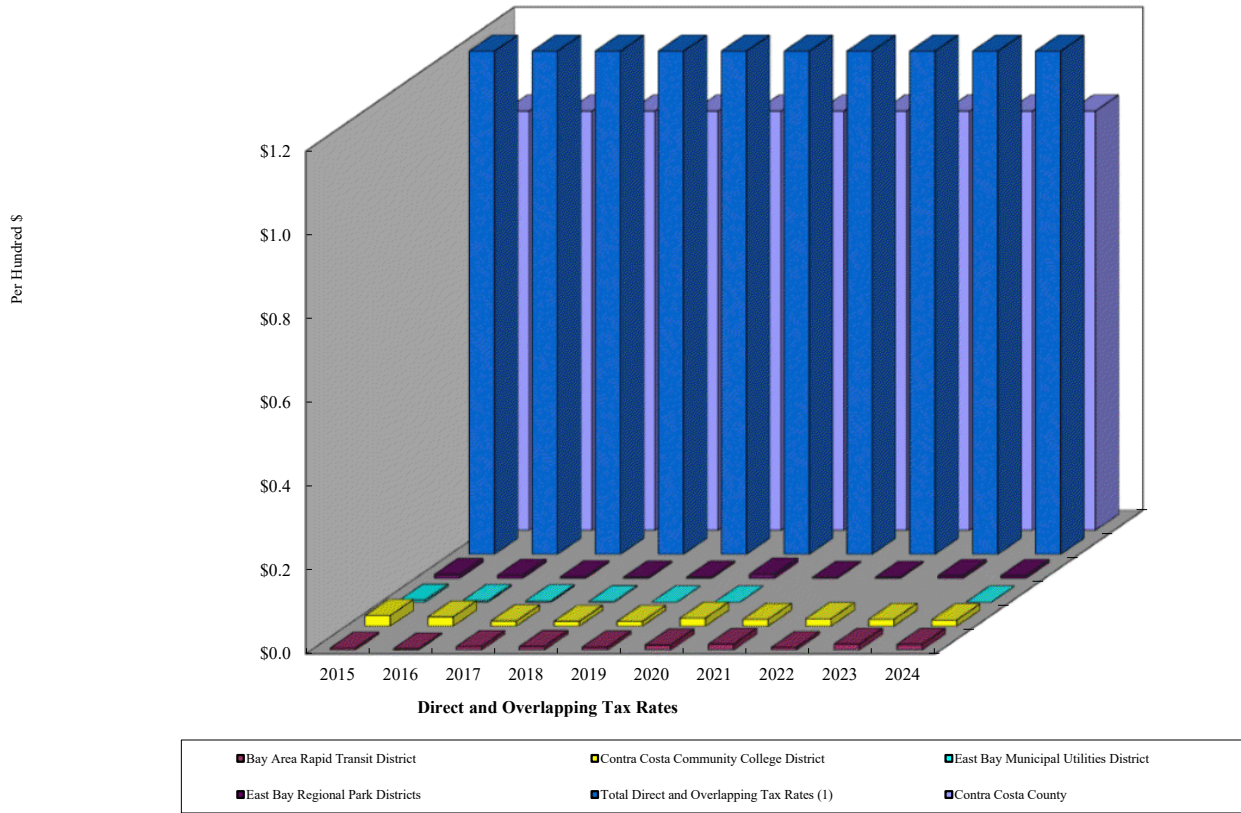
Fiscal Year	City Property Tax Levy	Special Assessments	Property Tax Bill Total/Collected (1)	% Change From Prior Year	Value of City Property Subject to Local Tax Rate
2015	8,799,514	1,908,856	10,708,370	9.3%	3,286,691,468
2016	9,843,212	2,142,122	11,985,334	11.9%	3,589,412,806
2017	8,844,201	2,141,740	10,985,941	-8.3%	3,830,522,386
2018	7,765,728	2,110,456	9,876,184	-10.1%	4,089,346,534
2019	8,256,068	2,112,686	10,368,754	5.0%	4,343,979,298
2020	8,694,410	2,132,185	10,826,595	4.4%	4,599,745,016
2021	9,263,625	2,128,244	11,391,869	5.2%	4,904,351,762
2022	9,773,075	2,151,037	11,924,112	4.7%	5,127,378,194
2023	10,414,459	2,146,099	12,560,559	5.3%	5,477,856,587
2024	10,835,771	2,145,690	12,981,461	3.4%	5,815,281,411

Source: Contra Costa County Auditor-Controller's Office. Amount are net of collection fees.

Notes: (1) The City receives property tax revenues, and the City's Redevelopment Agency receives incremental property taxes pursuant to an arrangement with the County known as the "Teeter Plan" whereby the County assumes responsibility for the collection of delinquent taxes and pays the full allocation to the City.

City of El Cerrito
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Table 7



Fiscal Year	Contra Costa County	Bay Area Rapid Transit District	Contra Costa Community College District	East Bay Municipal Utilities District	East Bay Regional Park Districts	Richmond Retirement	West Contra Costa Unified School Districts	Total Direct and Overlapping Tax Rates (1)	Total Direct Rate
2015	1.00000	0.00450	0.02520	0.00470	0.00850		0.28030	1.32320	0.22288
2016	1.00000	0.00260	0.02200	0.00340	0.00670		0.27810	1.31280	0.22670
2017	1.00000	0.00800	0.01200	0.00280	0.00320		0.26040	1.28640	0.22642
2018	1.00000	0.00840	0.01140	0.00110	0.00210		0.23970	1.26270	0.22619
2019	1.00000	0.00700	0.01100		0.00210		0.23900	1.25910	0.22601
2020	1.00000	0.01200	0.01880		0.00940		0.23790	1.27810	0.22586
2021	1.00000	0.01390	0.01610		0.00140	0.14000	0.24320	1.41460	0.22562
2022	1.00000	0.00600	0.01760		0.00200		0.29390	1.31950	0.22551
2023	1.00000	0.01400	0.01620		0.00580		0.25640	1.29240	0.22325
2024	1.00000	0.01340	0.01460		0.00570		0.24640	1.28010	0.22319

Source: HdL Report page 8

Notes:
 (1) Rates are per \$100 of assessed value.

City of El Cerrito
Principal Property Taxpayers
Current Year and Nine Years Ago

Table 8

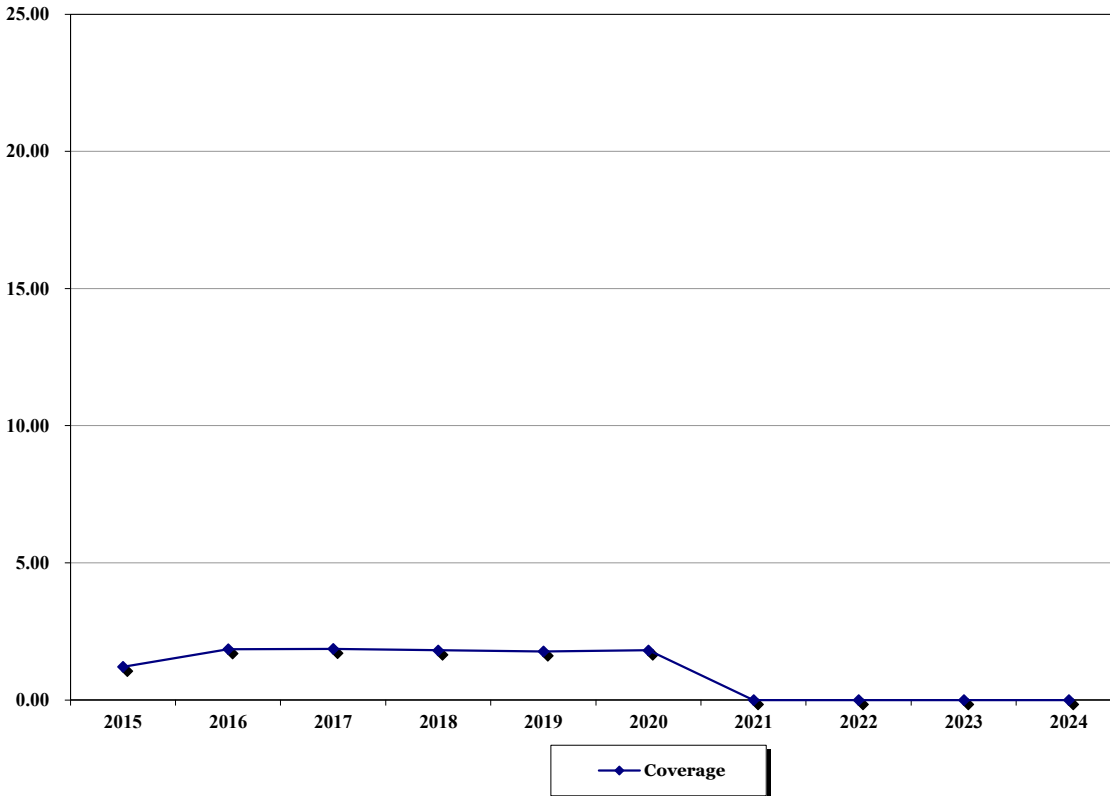
Taxpayer	2023-2024			2014-2015		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
MCD-RCCA El Cerrito LLC	\$105,181,689	1	1.81%	\$89,118,277	1	2.73%
KMF X El Cerrito LLC	63,061,405	2	1.08%			
El Cerrito Shopping Center LLC	44,060,354	3	0.76%	17,693,986	3	0.54%
HD Reliant Mayfair LLC	43,252,074	4	0.74%			
Del Norte Place Apartments LP	40,491,775	5	0.70%			
Creekside Walk Ventures LLC	32,261,562	6	0.55%			
Save Mart Portfolio Own NLP California	27,365,588	7	0.47%			
San Pablo Playland Apartments	26,090,087	8	0.45%			
Peak Del Norte LLC	23,651,505	9	0.41%			
Civic Plaza Riley Group LLC	18,505,119	10	0.32%	15,628,884	5	0.48%
KW El Cerrito LLC				46,739,834	2	1.43%
MG Garden View Apartments LP				17,619,279	4	0.54%
Lucky FLA NORCAL Investor LLC				14,840,000	6	0.45%
Pepper Lane SE Square Loop				14,502,073	7	0.44%
Longs Drugs Stores INC				10,754,628	8	0.33%
St Johns Land Partnership				10,458,046	9	0.32%
El Cerrito Municipal Services				7,381,427	10	0.23%
Subtotal	<u>\$423,921,158</u>		<u>7.29%</u>	<u>\$244,736,434</u>		<u>7.50%</u>
Total Net Assessed Valuation: Fiscal Year 2022-2023 & 2013-2014	\$5,815,281,411			\$ 3,264,235,176		

Source: HdL

City of El Cerrito

Table 9

**Revenue Bond Coverage
2002 Lease Revenue Bonds and 2012 Lease Revenue Refunding Bonds
Last Ten Fiscal Years**



Debt Service Requirements

<u>Fiscal Year</u>	<u>Taxes and Assessments (1)</u>	<u>Principal (3)</u>	<u>Interest (3)</u>	<u>Total</u>	<u>Coverage</u>
2015	439,508	323,300	40,024	363,324	1.21 (2)
2016	668,220	328,200	33,640	361,840	1.85
2017	667,971	332,300	27,167	359,467	1.86
2018	654,469	340,800	20,570	361,370	1.81
2019	633,080	343,500	13,864	357,364	1.77
2020	646,806	350,400	7,064	357,464	1.81
2021	(4)	185,200	1,815	187,015	
2022	(4)	300,000	276,763	576,763	
2023	(4)	310,000	267,763	577,763	
2024	(4)	320,000	255,363	575,363	

Notes:

- (1) Includes all taxes and assessments from the Measure A Parcel Tax Fund 206
- (2) The 2002 Lease Revenue Bonds were refunded and retired by the 2012 Lease Revenue Refunding Bonds during the fiscal year. Retirements exclude the refunded bond principal and interest of \$2,685,000 and \$65,181, respectively.
- (3) Include debt service payment in Fund 834
- (4) The debt was paid off in FY2021 with the reserve amount.

Source: City of El Cerrito Annual Financial Statements

City of El Cerrito
Revenue Bond Coverage
Sales Tax Revenue Bonds
Last Ten Fiscal Years

Table 9

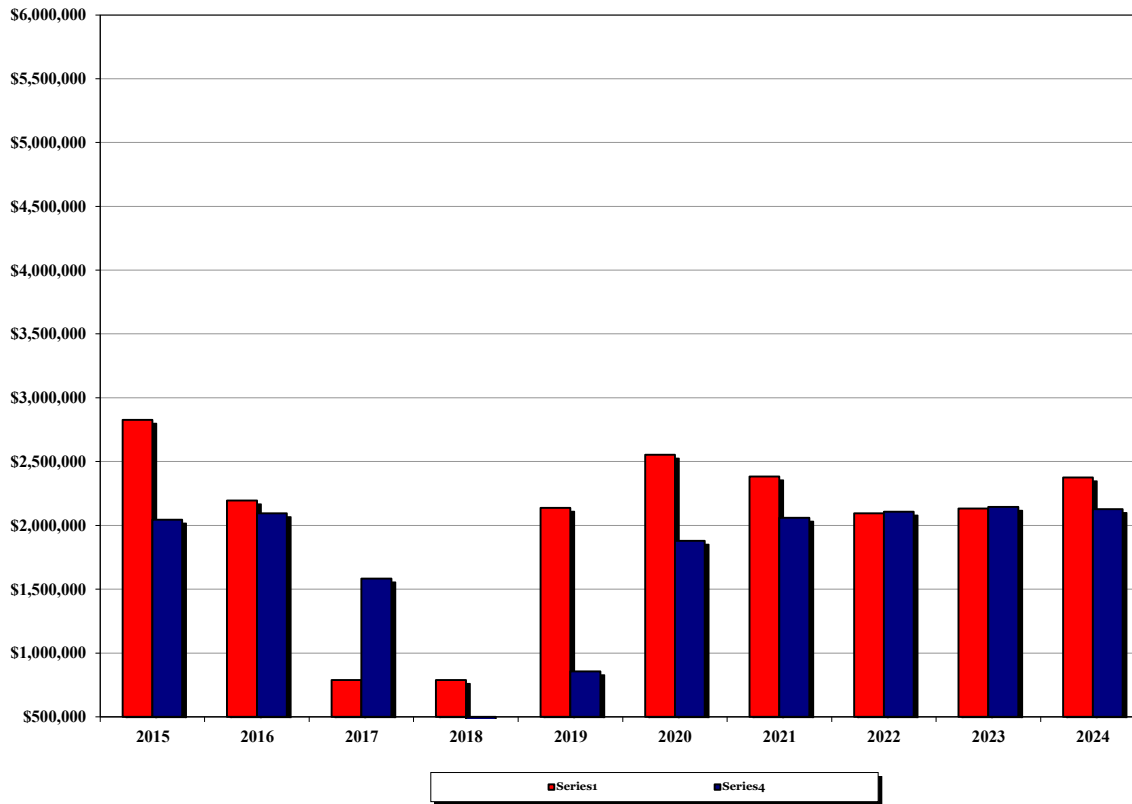
Fiscal Year	Taxes and Assessments ⁽¹⁾	Debt Service Requirements			Coverage
		Principal (3)	Interest (3)	Total	
2015	1,399,734	270,000	466,408	736,408	1.90
2016	1,800,599	280,000	457,228	737,228	2.44
2017	1,428,094	290,000	447,078	737,078	1.94
2018	\$1,590,085	\$315,000	\$385,700 (2)	\$700,700	2.27
2019	\$1,630,826	\$325,000	\$379,400	\$704,400	2.32
2020	\$1,631,894	\$330,000	\$372,900	\$702,900	2.32
2021	\$1,881,749	\$340,000	\$366,300	\$706,300	2.66
2022	\$1,809,481	\$350,000	\$356,099	\$706,099	2.56
2023	\$2,316,365	\$360,000	\$342,100	\$702,100	3.30
2024	\$2,154,278	\$380,000	\$327,700	\$707,700	3.04

Notes:

- (1) Includes all taxes and assessments from the Street Improvement Fund 211.
- (2) The 2008 Sales tax revenue bonds were refinanced in FY17. Interest in FY18 is for the 2017 Refinanced Sales tax bonds.
- (3) Include debt payments from Fund 836.

City of El Cerrito
Bonded Debt Pledged Revenue Coverage
Tax Allocation Bonds
Last Ten Fiscal Years

Table 9



Fiscal Year	Tax Increment Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2015	2,826,462 (3)	1,315,000 (4)	730,820 (4)	2,045,820	1.38
2016	2,195,420 (3)	1,425,000 (4)	670,676 (4)	2,095,676	1.05
2017	788,216 (3)	1,530,000 (4)	52,705 (4)	1,582,705	0.50
2018	788,216 (5)	-	-	-	NA
2019	2,138,127	-	856,583.85	856,583.85	2.50
2020	2,554,468	1,559,000	321,351	1,880,351	1.36
2021	2,382,794	1,791,984	268,640	2,060,624	1.16
2022	2,094,578	1,909,309	198,531	2,107,840	0.99
2023	2,132,794	1,957,533	186,650	2,144,183	0.99
2024	2,376,718	2,006,975	120,415	2,127,390	1.12

Source: City of El Cerrito Annual Financial Statements

- Notes:
- (1) Includes the 1997, 1998 and 2004 Tax Allocation Bonds
 - (2) Due to the dissolution of the Redevelopment Agency effective February 1, 2012, the Tax Allocation Bonds were transferred to the Successor Agency and tax increment revenue reported in this schedule includes both tax increment collected by the Redevelopment Agency and property taxes collected by the Successor Agency.
 - (3) Includes property taxes collected by the Successor Agency Fund 780
 - (4) Debt service is paid by the Successor Agency.
 - (5) All the tax allocation bonds were refinanced in FY2017, and there is no debt service requirement for them in FY18

City of El Cerrito
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Table 10

Fiscal Year	Governmental Activities					Total Governmental Activities
	Tax Allocation Bonds	2017 COP Revenue Bonds	Financed Purchases	2017 Sales Tax Revenue Bonds	Acquisition/Developer Notes	
2015	(b)	10,235,400	1,925,719	10,020,000	(b)	22,181,119
2016	(b)	9,667,200	1,713,138	9,740,000	(b)	21,120,338
2017	(b)	8,259,900	1,495,838	8,650,000	(b)	18,405,738
2018	(b)	7,040,000	1,273,713	8,335,000	(b)	16,648,713 (C)
2019	(b)	6,760,000	1,046,649	8,010,000	(b)	15,816,649 (C)
2020	(b)	6,475,000	1,180,596	7,680,000	(b)	15,335,596 (C)
2021	(b)	6,180,000	990,291	7,340,000	(b)	14,510,291 (C)
2022	(b)	5,880,000	907,386	6,990,000	(b)	13,777,386 (C)
2023	(b)	5,570,000	1,781,146	6,630,000	(b)	13,981,146 (C)
2024	(b)	5,250,000	1,474,237	6,250,000	(b)	12,974,237 (C)

Fiscal Year	Business-Type Activities				
	Financed Purchases	Revenue Refunding Bonds	Total Primary Government	Percentage of Personal Income (a)	Per Capita (a)
2015	516,248	2,833,400	25,530,767	3%	1,060
2016	405,057	2,593,600	24,118,995	2%	1,000
2017	291,878	2,347,900	21,045,516	2%	843
2018	176,676	2,647,698	19,473,087	1%	790
2019	59,414	1,838,200	17,714,263	1%	696
2020	405,049	1,573,800	17,314,445	1%	694
2021	330,775	1,309,400	16,150,466	1%	647
2022	742,786	1,025,600	15,545,772	1%	605
2023	585,442	741,400	15,307,988	1%	595
2024	422,833	450,200	13,847,270	0%	542

Note : Debt amounts exclude any premiums, discounts, or other amortization amounts.

Sources: City of El Cerrito
State of California, Department of Finance (population)
U.S. Department of commerce, Bureau of the Census (income)

(a) See Schedule Demographic Statistics for personal income and population data.

(b) Due to the dissolution of Redevelopment Agencies effective February 1, 2012, the Tax Allocation Bonds and the Acquisition/Developer Notes were transferred to the Successor Agency.

(c) Excluding bond premium/discount

City of El Cerrito
Computation of Legal Bonded Debt Margin
30-Jun-24

Table 11

ASSESSED VALUATION:

Secured property assessed value, net of
exempt real property \$5,815,281,411

BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a) \$872,292,212

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt \$13,040,448 (b)

Less Tax Allocation Bonds and Revenue Bonds,
Financed purchases are not subject to limit 13,040,448

Amount of debt subject to limit -

LEGAL BONDED DEBT MARGIN \$872,292,212

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2015	493,003,720		493,003,720	
2016	538,411,921		538,411,921	
2017	574,578,358		574,578,358	
2018	613,401,980		613,401,980	
2019	651,596,895		651,596,895	
2020	689,961,752		689,961,752	
2021	735,652,764		735,652,764	
2022	769,106,729		769,106,729	
2023	821,678,488		821,678,488	
2024	872,292,212		872,292,212	

NOTE:

- (a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.
- (b) ACFR Long term debt schedule

City of El Cerrito

Table 12

Direct and Overlapping Governmental Activities Debt As of June 30, 2024

2023-24 Assessed Valuation:	\$5,815,281,411		Estimated Share of Direct and Overlapping Debt at June 30, 2024
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u> ⁽¹⁾	<u>Total Debt at June 30, 2024</u>	
Bay Area Rapid Transit District	0.576%	\$ 2,445,575,000	\$ 14,086,512
Contra Costa Community College District	2.175%	\$ 618,770,000	\$ 13,458,248
West Contra Costa Unified School District	14.077%	\$ 1,107,363,504	\$ 155,883,560
East Bay Regional Park District	0.905%	\$ 144,520,000	\$ 1,307,906
West Contra Costa Healthcare District Parcel Tax Obligations	13.206%	\$ 41,605,000	\$ 5,494,356
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 190,230,582
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Contra Costa County General Fund Obligations	2.168%	\$ 171,495,000	\$ 3,718,012
Alameda-Contra Costa Transit District Certificates of Participation	1.707%	\$ 10,420,000	\$ 17,869
West Contra Costa Unified School District General Fund Obligations	14.077%	\$ 3,205,000	\$ 451,168
City of El Cerrito General Fund Obligations	100.00%	\$ 5,250,000	\$ 5,250,000
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 9,597,049
Less: Contra Costa County obligations supported by revenue funds			\$ 881,017
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 8,716,032
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>	100%	\$ 3,105,909	\$ 3,105,909
TOTAL DIRECT DEBT			\$ 5,250,000
TOTAL GROSS OVERLAPPING DEBT			\$ 197,683,540
TOTAL NET OVERLAPPING DEBT			\$ 196,802,523
GROSS COMBINED TOTAL DEBT			\$ 202,933,540 ⁽²⁾
NET COMBINED TOTAL DEBT			\$ 202,052,523

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

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

Ratios to 2023-24 Assessed Valuation:

Direct Debt (\$5,250,000)	0.09%
Total Overlapping Tax and Assessment Debt	3.27%
Combined Total Debt	3.49%
Net Total Debt	3.47%

Ratio to Successor Agency Redevelopment Incremental Valuation (\$1,069,532,722):

Overlapping Tax Increment Debt	0.29%
--------------------------------	-------

Source Data: California Municipal Statistics, Inc.

City of El Cerrito
Demographic and Economic Statistics
Last Ten Fiscal Years

Table 13

Calendar Year	City Population (1)	Total Personal Income (2)	Median Population Age (1)	Median Household Income (1)	Unemployment Rate (1)	Public School Enrollment (3)	Contra Costa County Population (1)	City Population % of County
2015	24,115	1,053,560,000	44.4	43,689	5.4%	(6)	1,102,871	2.19%
2016	24,954	1,138,226,802	44.4	45,613	4.4%	(6)	1,126,745	2.21%
2017	24,600	1,113,784,000	43.8	45,275	3.9%	(6)	1,139,429	2.16%
2018	24,646	2,283,944,820	43.6	92,670	4.2%	(6)	1,149,363	2.14%
2019	25,459	2,556,643,698	43.6	100,422	4.2%	(6)	1,155,879	2.20%
2020	24,953	2,505,830,166	43.6	100,422	13.4%	(6)	1,155,879 (4)	2.16%
2021	24,953	2,702,359,994	43.6 (4)	108,298 (5)	4.2%	4,310 (8)	1,159,540 (7)	2.15%
2022	25,710	3,004,856,250	42.0 (4)	116,875	4.2% (4)	4,310 (4)	1,151,798	2.23%
2023	25,484	3,068,630,376	41.8 (4)	120,414	3.7%	4,153 (8)	1,147,653	2.22%
2024	25,552	3,076,818,528	41.8 (4)	120,414	3.2%	4,152 (8)	1,155,025	2.21%

- Sources:
- (1) State Controller's Office RMRA remittance
 US Census : <https://www.census.gov/quickfacts/elcerritocalifornia>
 Areavibes <https://www.areavibes.com/el+cerrito-ca/employment/>
 Department of Finance Press release
 - (2) Data not available, therefore it has been calculated by multiplying the City population by the Median Household Income.
 - (3) West Contra Costa County Unified School District.
 - (4) Not Available, Same as Last year
 - (5) <https://www.labormarketinfo.edd.ca.gov/serp.html?q=el+cerrito>
<https://www.areavibes.com/el+cerrito-ca/employment/>
 - (6) Data Not Available
 - (7) <https://worldpopulationreview.com/us-counties/ca/contra-costa-county-population>
 - (8) publicschoolreview.com
 The big increase in public school enrollment is a private school site turned to a summit public charter school

City of El Cerrito
Principal Employers
Last Fiscal Year and Nine Years Ago

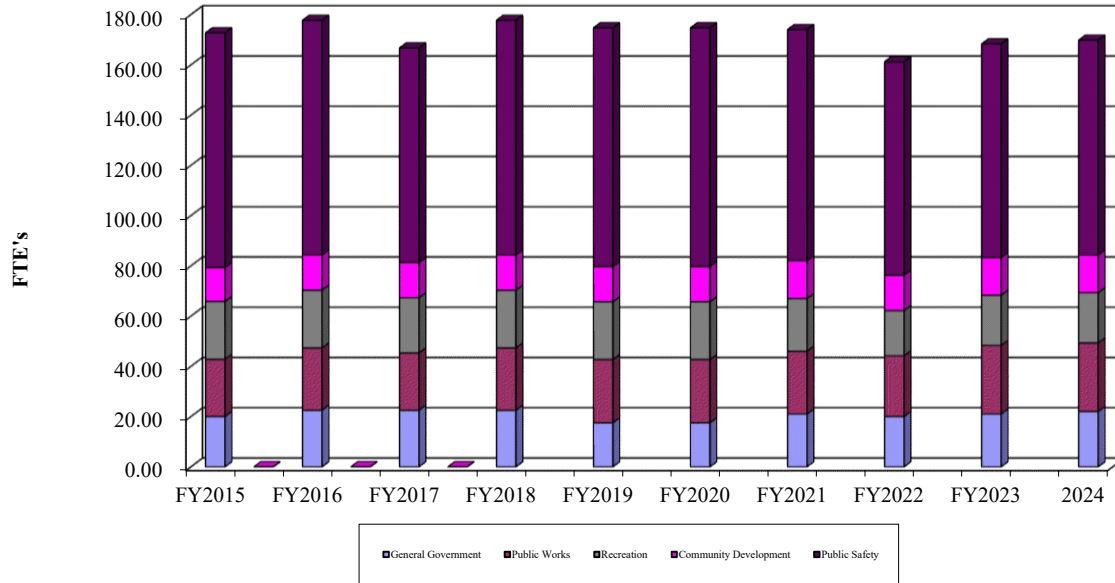
Table 14

Business Name	Rank	2024		Rank	2015	
		Number of Employees	Percent of Total Employment (%)		Number of Employees	Percent of Total Employment (%)
City of El Cerrito	1	170	1.26%	3		
Safeway Store	2	161	1.19%	16		
Ross Dress for Less	3	103	0.76%			
Marshalls	4	76	0.56%			
Lucky's	5	74	0.55%	9		
El Cerrito Honda	6	70	0.52%	8		
FatApple's Restaurant	7	67	0.50%	6		
Berkeley Country Club	8	65	0.48%	10		
McDonalds	9	51	0.38%			
Shields Nursing Center	10	42	0.31%	17		
DD's Discounts	11	36	0.27%			
Denny's	12	34	0.25%			
CVS/Pharmacy	13	34	0.25%	4		
Barnes & Noble	14	32	0.24%	1		
Jack In The Box	15	30	0.22%			
Total Top Employers		875	6.48%			
Total Labor Force ⁽¹⁾		13,500				

Source: City of El Cerrito Community Development
Source: 2014-15 previously published ACFR, only ranking available
(1) Total City Labor Force provided by EDD Labor Force Data

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

Table 15



	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>2024</u>
Function										
General Government	20.00	22.50	22.50	22.50	17.50	17.50	21.00	20.00	21.00	22.00
Public Works	22.80	24.80	22.80	24.80	25.20	25.20	25.00	24.20	27.30	27.30
Recreation	23.00	23.00	22.00	23.00	23.00	23.00	21.00	18.00	20.00	20.00
Community Development	13.50 (a)	14.00 (a)	14.00 (a)	14.00	14.00	14.00	15.00	14.00	15.00	15.00
Public Safety	93.40	93.40	85.40	93.40	95.00	95.00	92.00	85.00	85.00	85.50
Total	<u>172.70</u>	<u>177.70</u>	<u>166.70</u>	<u>177.70</u>	<u>174.70</u>	<u>174.70</u>	<u>174.00</u>	<u>161.20</u>	<u>168.30</u>	<u>169.80</u>

Source: City of El Cerrito Adopted Budget FY24-25 FY 25-26 - Position Listing
 Notes: (a) Includes Environmental Services Division

Fiscal Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Function/ Program										
Community Development:										
Planning:										
Number of Permits	122	163	174	187	183	164	160	167	123	124
Building:										
Permits Issued	1,148	1,164	1,167	1,304	1,263	1,126	1,204	1,580	1,271	1,284
Annual Inspections	9,272	8,824	8,959	8,715	7,918	8,080	6,288	7,373	7,097	5,261
Public Safety:										
Fire:										
Number of Responses	3,018	3,326	3,451	3,553	3,516	3,620	3,762	4,189	4,695	4,458
Police:										
Number of Responses	33,376	23,855	25,834	26,011	26,810	22,962	24,886	18,452 *	18,276	23,647
Recreation: **										
Activity Category	Enrollments									
<u>60 & Better!</u>										
Enrollments by Session	2,166	1,913	1,374	1,245	933	707	103	142	201	269
Enrollments By Day	0	268	250	135	584	2,228	789	4,323	6,152	6,814
<u>Adults</u>										
Enrollments by Session	3,275	2,878	2,566	2,523	2,395	2,471	4,483	2,662	3,487	3,162
Enrollments By Day	0	419	764	1,002	1,925	1,566	28,846	3,926	3,816	5,479
<u>Youth</u>										
Enrollments by Session	8,933	8,911	11,504	13,821	14,329	9,535	7,994	7,818	9,980	11,198
Enrollments By Day	87,413	74,564	66,404	70,087	63,167	46,921	5,859	45,945	41,661	44,309
Enrollments by Session: 1 enrollment = multiple classes per session										
Enrollments By Day: 1 enrollment = 1 class (i.e. drop-ins)										
Facility Category	Reservations									
Community Center	2,831	3,133	2,947	2,928	3,012	2,444	639	2,290	3,355	5,572
Swim Center	512	462	395	730	311	179	16,263	340	618	799
Parks & Clubhouses	6,903	7,731	7,508	8,859	8,303	9,009	9,216	9,551	9,327	12,007
Pass Type	Transactions									
<u>Aquatics</u>										
Sales	3,787	4,024	3,614	2,650	2,941	2,357	114	4,426	2,897	3,132
Visits	54,265	37,732	34,452	26,596	31,118	23,269	0	45,666	42,774	45,821
Childcare Sales	0	49	115	114	782	691	0	450	385	396
<u>Senior</u>										
Sales	0	0	0	0	0	0	0	77	68	93
Visits	2,055	1,839	1,645	1,893	1,085	0	0	338	345	378
Tennis Sales	150	144	150	62	0	5	25	2	24	9
Sales: Purchasing a pass										
Visits: # of times pass used (if applicable - i.e. a punch pass)										
POS Type	Sales									
<u>Admin</u>										
Inventory	0	0	0	0	0	2	130	396	400	378
Service	0	4	4	23	24	29	8	120	41	40
Adult Service	0	109	94	148	206	85	0	8	17	76
<u>Aquatics</u>										
Inventory	73	610	673	619	609	414	2	164	262	214
Service	5,463	37,947	29,549	28,191	26,195	19,196	12	32,711	24,748	31,608
Senior Service	0	1	0	0	2,176	1,471	602	355	299	245
<u>Special Event</u>										
Inventory	0	0	0	0	0	0	0	0	0	17
Service	0	583	712	1,126	35	887	0	2	137	60
Youth Service	0	7	14	12	10	12	21	23	26	20

Inventory: Sales of goods (i.e. goggles)
 Service: Program Drop-Ins (i.e. lap swim)

* The Police Department reported reduced calls for service due to COVID.
 **Recreation statistics format changed for FY 2023-24 due to a new system and analytics design.

Source: City of El Cerrito departments

Informational links:

Governmental Accounting Standards Board (GASB)

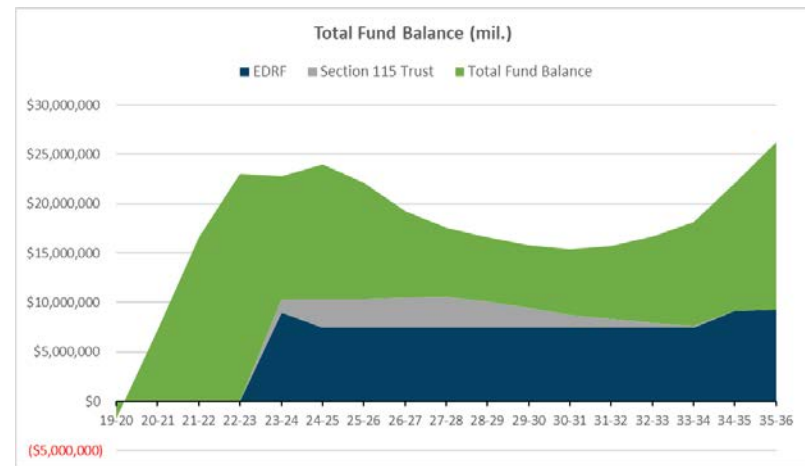
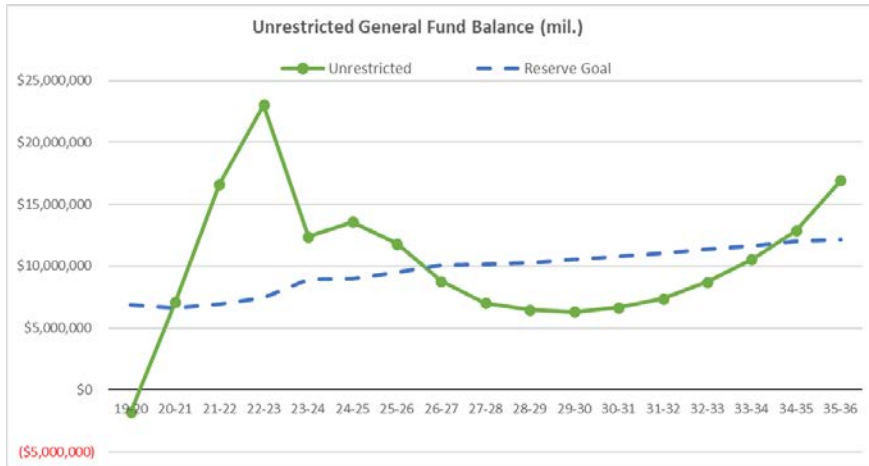
- GASB Statement No. 34 Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments
 - <https://gasb.org/page/ShowPdf?path=GASBS+34.pdf&title=GASB%20STATEMENT%20NO.%2034,%20BASIC%20FINANCIAL%20STATEMENTS%E2%80%94AND%20MANAGEMENT%27S%20DISCUSSION%20AND%20ANALYSIS%E2%80%94FOR%20STATE%20AND%20LOCAL%20GOVERNMENTS>

Government Finance Officers Association (GFOA)

- Certificate of Achievement for Excellence in Financial Reporting (COA) Program
 - Award program for the City’s Annual Comprehensive Financial Report
 - <https://www.gfoa.org/coa-award>
 - Checklist/Requirements for the award
 - https://gfoa-craftcms.files.svdcn.com/production/prismic/Z-vk2ndAxsiBwLRx_GFOA-General-Purpose-Checklist-March-2025.pdf?dm=1758139279

General Fund Balance Projections

	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	FY 2031-32	FY 2032-33	FY 2033-34	FY 2034-35	2035-36
Beginning Total Fund Balance	\$ 23.14	\$ 22.89	\$ 24.09	\$ 22.30	\$ 19.40	\$ 17.72	\$ 16.70	\$ 15.94	\$ 15.54	\$ 15.85	\$ 16.79	\$ 18.28	\$ 22.16
Section 115	1.37	2.87	2.87	2.97	3.08	2.61	1.99	1.26	0.84	0.44	0.09	-	-
EDRF	9.00	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	7.50	9.17	9.27
Beginning Unassigned Fund Balance	\$ 12.77	\$ 12.52	\$ 13.72	\$ 11.83	\$ 8.82	\$ 7.62	\$ 7.21	\$ 7.18	\$ 7.21	\$ 7.91	\$ 9.20	\$ 9.11	\$ 12.89
Total Revenues	52.12	54.02	54.28	56.23	58.00	59.86	61.81	63.84	65.95	68.15	70.45	72.85	75.40
Total Expenses & Other Financing Sources (Uses)	52.37	52.82	56.07	59.24	59.78	60.41	61.97	63.50	65.22	66.82	68.62	70.55	71.33
Net Change in Fund Balance	\$ (0.25)	\$ 1.20	\$ (1.79)	\$ (3.01)	\$ (1.78)	\$ (0.55)	\$ (0.15)	\$ 0.34	\$ 0.73	\$ 1.34	\$ 1.84	\$ 2.30	\$ 4.07
Projected/Actual Unassigned Fund Balance	12.52	13.59	11.80	8.80	7.02	6.47	6.32	6.66	7.39	8.73	10.56	12.86	16.93
Total Fund Balance Reserve %	24%	26%	21%	15%	12%	11%	10%	10%	11%	13%	15%	18%	24%



*Includes EOC/Council AV System, Fire Engine, and Pool Deck with Waterslide



2026 Regular Meeting Schedule

- City Holiday/Closed
- Regular Meeting

Location:

Council Chambers (10890 San P...

Meeting Time:

4th Tuesday 6:30 p.m.

FINANCIAL ADVISORY BOARD

JANUARY 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

MARCH 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

JULY 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER 2026						
Sun	Mon	Tue	Wed	Thur	Fri	Sat
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		