



CALIFORNIA

Annual Comprehensive Financial Report

For the Fiscal Year Ended

June 30, 2024



City of Pinole

Pinole, California

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

Prepared by the
Finance Department

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Annual Comprehensive Financial Report
For the Year Ended June 30, 2024
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CITY OF PINOLE

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Pinole, CA 94564

Phone: (510) 724-9000
www.Pinole.Gov

December 27, 2024

Members of the City Council
Residents of the City of Pinole

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Pinole, California (City) for the fiscal year (FY) ended June 30, 2024.

Introduction

The City issues a complete set of financial statements each year that conform to accounting principles generally accepted in the United States of America (GAAP) and are audited by an independent, certified public accounting firm. To meet this requirement, the City creates the ACFR, which contains the required audited financial statements as well as other useful supplemental information.

The City, not the auditor, is responsible for the content of the ACFR. City management assumes full responsibility for the completeness and reliability of all the information presented in the ACFR.

To protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP, the City has established a comprehensive internal control framework. The City's framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement, because it would be inefficient if the cost of internal controls outweighed their benefits. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Pun Group, an independent, certified public accounting firm, has audited the City of Pinole's financial statements for the fiscal year ended June 30, 2024. The objective of the audit was to provide reasonable assurance that the financial statements of the City are free of material misstatement. The audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating overall financial management presentation. The Pun Group concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Pinole's financial statements for the year ended June 30, 2024 are fairly presented in conformity with GAAP. Their independent auditors' report is the first component presented in the Financial section of the ACFR.

Public agencies that receive federal funding above a certain monetary threshold are required to undergo an annual "Single Audit" that incorporates the audit of financial statements mentioned above as well as an auditors' assessment of the City's internal controls and compliance with legal requirements, particularly internal controls and compliance regarding administration of federal awards. The Single Audit Report is published as a separate document from the ACFR. A Single Audit Report is not required for the City for the fiscal year ended June 30, 2024 because the City's expenditures of federal funds did not exceed the \$750,000 threshold for the year.

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

Profile of the Government

Pinole is primarily a residential community located in West Contra Costa County on the shores of San Pablo Bay, approximately 30 miles northeast of San Francisco and 20 miles north of Oakland. Highway Interstate 80, which traverses Pinole, connects the San Francisco/Oakland metropolitan area. State Route 4 links Pinole to the neighboring cities of Martinez, Concord, and Pleasant Hill. Pinole is a general law city that was incorporated on June 25, 1903. There are approximately five square miles of land within Pinole's boundary. It has a population of approximately 18,192 as of January 2024.

The City operates under the Council-Manager form of operation, with five Council Members elected citywide on a non-partisan basis. Council Members are elected to four-year staggered terms with three Council Members alternating election with two Council Members at two-year intervals. Each year, the Council appoints one of its members to serve as Mayor. The Council appoints the City Manager, City Attorney, and City Clerk. Policymaking and legislative authorities are vested in the City Council, which, among other things, passes ordinances, adopts the budget, and appoints committees. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the department directors.

Pinole is a full-service city, with 115 full-time equivalent authorized personnel in FY 2023/24. The City provides public safety (police), public works (maintenance of streets and facilities), community development (land use and building regulation), recreation programs and parks, wastewater utilities, administration, and fiscal services. Effective March 1, 2023, the Fire Department transitioned from the City of Pinole to the Contra Costa County Fire Protection District, which provides fire and emergency medical services to Pinole residents under a contract services agreement.

The financial statements included in the ACFR cover the City (the primary government) and its component units if applicable. Component units are legally separate entities for which the primary government is financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations, and data from these units are combined with data from the City. The City's component unit, the City of Pinole Joint Powers Financing Authority, is a separate government entity whose purpose is to assist with the financing or refinancing of public capital facilities within the City and is all blended. Discrete component units are reported in a separate column in the basic financial statements to emphasize their separateness from the City. The Successor Agency to the Pinole Redevelopment Agency is not a component unit of the City but is accounted for in a Private Purpose Trust Fund in the Fiduciary Funds segment of the financial report. The former Redevelopment Agency was considered a component unit of the City.

Local Economy

The region in which Pinole is located has a varied manufacturing, industrial, and commercial economic base. The long-term trend of the City's economy is a stable local tax base and generates tax revenue primarily from property tax, sales tax, utility users' tax, and intergovernmental tax. The City's principal businesses are engaged in merchandising and retail sales.

Pinole's population has remained stable and had a population of 18,192 in 2024, 0.3% down from 18,244 in 2023. The median household income was \$155,700 in 2024, 5.3% up from \$147,900 in 2023. The local unemployment rate in 2024 was 3.3%, up from 2.7% in 2023. Although unemployment rates have risen nationwide, Pinole has continued to experience rates consistent lower than those at the county and state levels. The total workforce in Pinole for 2024 was 9,300 employees compared to 4,299 employees nine years ago in 2015. This includes employees of the City of Pinole, major retailers, a medical center, and the school district.

Pinole has continued to experience stable property tax values. At the end of the second quarter (June 2024), the median prices price of a detached single-family home in Pinole was \$710,000, which was 8% lower the median price of \$775,000 for June 2023. The county median home price was \$900,000 and the statewide median home price was \$900,720.

The City performed inspections and processed building permits for significant new residential development projects, including construction of 179 units of 100% affordable housing for seniors at 600 Roble ("Vista Woods" project) and

33 units of 100% affordable housing for veterans at 811 San Pablo (“SAHA” project).

Long-Term Financial Planning and Major Initiatives

In February 2020, the City Council adopted the City of Pinole Strategic Plan 2020 – 2025. The Strategic Plan expressed the City’s vision, mission, and goals. The Strategic Plan also identified 22 individual strategies (special projects) for staff to complete over a five-year timeframe to position the City to achieve the vision, mission, and goals. Under Goal 2 – Financially Stable Pinole, the City implemented its long-term financial plan. The City continues to update its 20-year financial forecast to identify potential future opportunities and challenges that the City may proactively address through the annual budget and capital improvement planning processes.

Goal 3 – Vibrant and Beautiful Pinole of the Strategic Plan 2020-2025 directed the creation of an Economic Development Strategy (EDS). The EDS is a strategic framework to guide the City of Pinole’s economic development policies and programs over the next five years and is based on a comprehensive research and stakeholder input process and reflects consensus views on the most promising opportunities and the most pressing challenges facing Pinole’s economy.

The City maintains a Capital Improvement Plan (CIP), which is a multi-year planning tool used to identify and implement the City’s capital needs over the upcoming five-year period. The CIP aligns the capital improvement needs with appropriate funding, scheduling, and implementation. The plan is a working blueprint for building and sustaining publicly funded physical infrastructure.

Relevant Financial Policies

The City of Pinole has adopted a comprehensive set of financial policies which are reviewed annually. Of note are the Structurally Balanced Budget Policy, Reserve Policy, and Investment Policy.

The annual budget serves as the foundation of the City’s financial planning and control. Development of the budget is guided by the Structurally Balanced Budget Policy, which states that the City will aspire to create a proposed General Fund operating budget that is structurally balanced whereby current expenditures will be funded by current year revenue. The budget is legally adopted through passage of a Council resolution no later than June 30. A budget review, which includes recommended additions or changes, is presented to the City Council on a quarterly basis. Any changes as a result of these reviews are legally adopted through Council resolution.

The Council exercises budgetary control at the functional department level. Formal budgetary integration is employed as a management control device during the fiscal year for the General Fund, Special Revenue Funds, Capital Project Funds, Enterprise Funds, and Internal Services Funds. The budgeted funds are adopted on a basis consistent with GAAP in the United States. Expenditures may not legally exceed budgeted appropriations at the fund level. Management does not have the authority to amend the budget without approval of the City Council.

In accordance with its Reserve Policy, the City maintains cash reserves to meet certain anticipated future obligations as well as to ensure that the City maintains adequate financial resources to continue to provide basic municipal services in the event of a significant unanticipated revenue decrease or expenditure increase. The reserves are held in a separate fund referred to as the General Reserve. The General Reserve maintains an amount equivalent to 50% of the City’s annual General Fund ongoing operating expenditures per the Reserve Policy.

Public funds held by the City treasury are invested in accordance with the City’s Investment Policy, which conforms to California Government Code Section 53601. The objectives of the City’s Investment Policy are to invest up to 100% of temporarily idle funds while maintaining safety, liquidity, and yield. The permitted investments include U.S. treasury notes, bonds, or bills; instruments issued by a U.S. federal agency or a U.S. government sponsored enterprise; negotiable certificates of deposit (with certain restrictions); medium term corporate notes with a rating category of “AA” or better; commercial paper of “prime quality”; bankers acceptances; repurchase agreements not to exceed 30 days; money market mutual funds; and the State of California Local Agency Investment Fund.

Awards

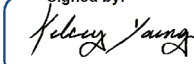
The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Pinole for its ACFR for the fiscal year ended June 30, 2023. This was the twenty-sixth consecutive year that the City has received the prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easy to read and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its continued eligibility for a certificate.

Acknowledgements

The preparation of the ACFR was made possible through the dedicated work of the Finance Department staff and with the cooperation of all City departments. Special thanks and acknowledgement are due to Maria Mata, Senior Accountant and Anthony Colden, Accounting Specialist for their commitment and effectiveness in the maintenance of the City's financial records.

I wish to acknowledge and thank the City Council for its leadership and commitment to ensuring the long-term fiscal health of the City.

Respectfully submitted,

Signed by:

8024A02B3DF4495...
Kelly Young
City Manager


Markisha Guillory
Finance Director

ELECTED OFFICIALS



Maureen Toms
Mayor



Cameron Sasai
Mayor Pro Tempore



Anthony Tave
Council Member



Devin Murphy
Council Member



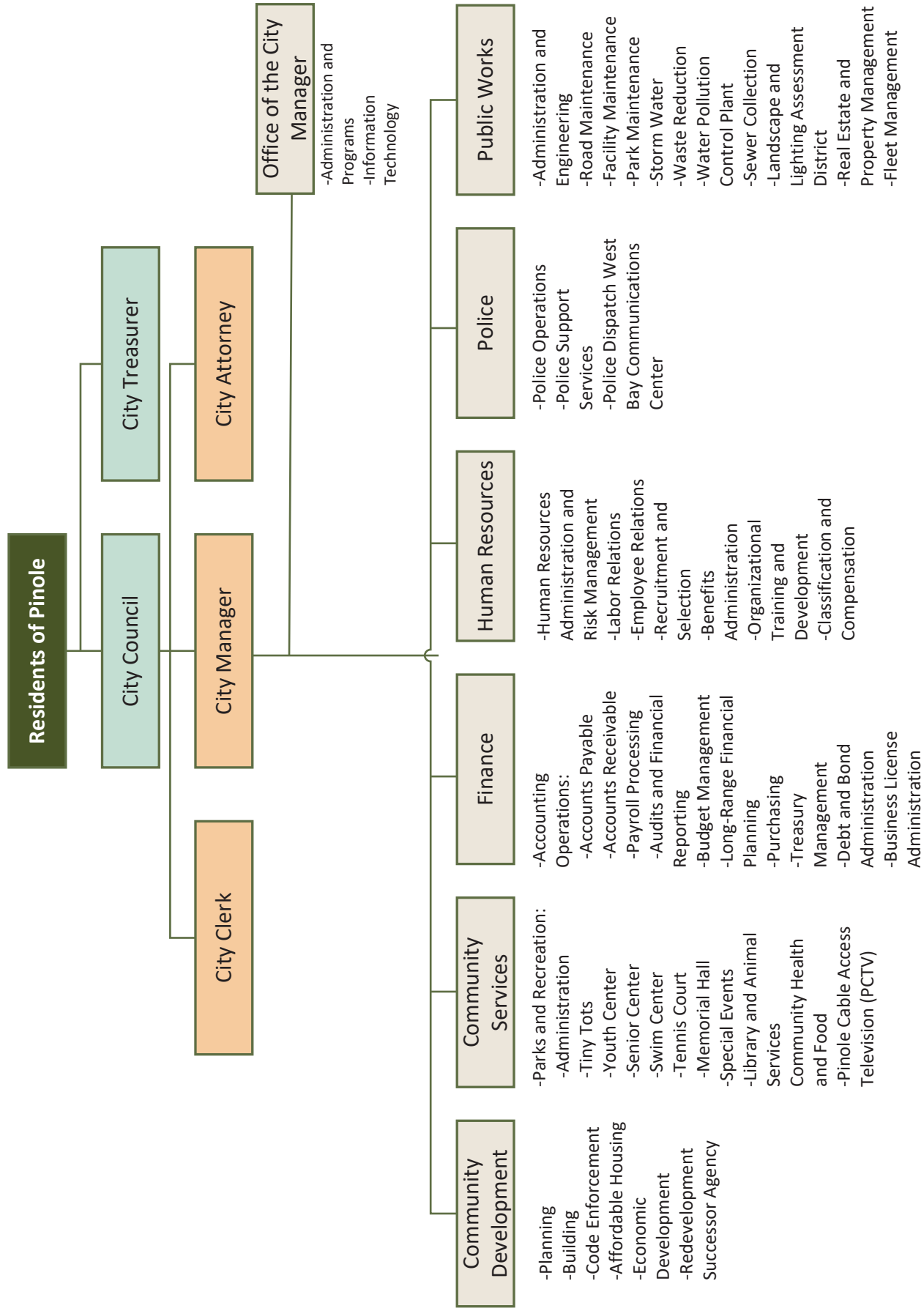
Norma Martínez-Rubin
Council Member



Roy Swearingen
City Treasurer

DEPARTMENT HEADS

City Manager	Kelcey Young
City Attorney (Contract)	Eric Casher
City Clerk	Heather Bell
Community Development Director	Lilly Whalen
Community Services Director	Andrea Dwyer
Finance Director	Markisha Guillory
Human Resources Director	Stacy Shell
Police Chief (Interim)	Matt Avery
Public Works Director	Sanjay Mishra



Note: The Contra Costa County Fire Protection District provides fire safety services to Pinole residents.



Government Finance Officers Association

Certificate of
Achievement
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**City of Pinole
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying 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, 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 ("*Government Auditing Standards*"). Our responsibilities under those standards are further described in the Auditors' 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.

Emphasis of Matter

Prior Period Adjustment

As discussed in Note 19 to the basic financial statements, correction was made to deposit payable in the Building and Planning fund in the amount of \$109,982. Accordingly, beginning fund balance as of July 1, 2023 were restated to reflect the correction of these errors. Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

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

Auditors' 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 auditors' 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, Schedule of City's Proportionate Share of the Net Pension Liability, Schedules of Contributions – Pension Plans, and Schedule of the City's Net OPEB Liability and Related Ratios, as listed in the accompanying 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 GAAS, 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 and Budgetary Comparison Schedules 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 Budgetary Comparison 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 report. The other information comprises the Introductory and Statistical Sections but does not include the basic financial statements and our auditors’ report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2024, on our consideration of City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City’s internal control over financial reporting and compliance.



Santa Ana, California
December 27, 2024

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City of Pinole
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2024

This section of the City of Pinole's (City) Annual Comprehensive Financial Report presents a narrative overview and analysis of the City's financial activities for the fiscal year (FY) ended June 30, 2024 (FY 2023/24). We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's basic financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of FY 2023/24 by \$38.9 million (net position). Of this amount, \$29.7 million is restricted for specific purposes (restricted net position), \$38.9 million is the net investment in capital assets and \$29.7 million represents a deficit in unrestricted net position.
- The City's net position decreased by \$2.3 million, a 5.5% decrease at the close of FY 2023/24 as compared to FY 2022/23. The decrease is primarily the result of the decrease in cash and investments. Overall, governmental activities net position decreased by \$4.1 million while business-type activities increased by \$1.8 million.
- Governmental funds reported ending balances of \$53.8 million, a decrease of \$3.4 million in comparison to the prior fiscal year.
- The General Fund balance closed at \$32.3 million, of which \$7.8 million is unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required supplementary information and related notes, combining statements for non-major governmental funds, and individual fund financial statements and schedules.

Government-wide Financial Statements

Government-wide Financial Statements are designed to provide readers with a broad overview of City finances, in a manner similar to a private-sector business. The government-wide financial statements include the City (primary government); the City does not have any component units.

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

The *Statement of Activities* presents information showing how the City's net position changed during the 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 (accrual basis of accounting). Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods, such as revenues pertaining to uncollected taxes and expenses pertaining to interest on long-term debt.

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a substantial portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public services, recreation, and community development. The business-type activities of the City include wastewater utility. As of February 1, 2012, the activity of the Successor Agency to Pinole Redevelopment Agency (Successor Agency) is reported with the City's fiduciary funds, which is not included in the government-wide statements since the resources of those funds are not available to support the City's own programs. The Successor Agency is included as a fiduciary fund as the activities are under the control of an Oversight Board. The City provides administrative services to the Successor Agency to wind down the affairs of the former Redevelopment Agency.

Fund Financial Statements

Fund Financial Statements use fund accounting to segregate accounts for specific activities or objectives, including demonstrating finance-related legal compliance. All of the funds of the City can be divided into three categories: *governmental funds, proprietary funds, and fiduciary funds*, as described below.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

The governmental funds focus is narrower than that of the government-wide financial statements. It is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. This comparison facilitates a better understanding of the long-term impact associated with the government's near-term financing decisions. The governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains several individual governmental funds organized according to their type (general, special revenue, debt service, and capital projects). Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the *major funds* (see *Notes to Basic Financial Statements*).

Data from the remaining non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as supplementary information in the form of *combining statements*.

Proprietary funds are generally used to account for services for which the City charges customers – either outside customers or internal units of departments in the City. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The City maintains two types of proprietary funds, *enterprise funds* and *internal service funds*, as described below.

- *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for the wastewater utility.

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

- *Internal service funds* are used by the City to establish reserves and account for employee benefits, equipment replacement, liability insurance, and retiree medical benefits. These funds serve both governmental and business-type functions and so they are allocated accordingly in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided as supplementary information in the form of *combining statements*.

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Since the resources of these funds are not available to support the City's own programs, they are not reflected in the government-wide financial statements. The fiduciary funds for the City consist of the Successor Agency to the Pinole Redevelopment Agency Private-Purpose Trust Fund.

Notes to Basic Financial Statements

Notes to Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

Required Supplementary Information includes budgetary comparison schedules that have been provided for the major governmental funds to demonstrate compliance with the budget. Required supplementary information also includes schedules showing the City's progress towards funding its pension plan and other post-employment benefits (OPEB). The City participates in California's Public Employees Retirement System (CalPERS) for its pension plan and provides its employees with post-retirement health care benefits (OPEB).

Supplementary Information

Supplementary Information includes information for non-major governmental, non-major enterprise, internal service, and agency funds, and is presented immediately following the required supplementary information.

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following section provides a comparative analysis of government-wide data for FY 2023/24 and FY 2022/23. The Statement of Net Position will be discussed first, followed by a discussion of the Changes in Net Position.

The following table is a summary of the Statement of Net Position as of June 30, 2024 (2024) and June 30, 2023 (2023).

Summary of Net Position

	Governmental Activities		Business-type Activities		Totals		Total % Change
	2024	2023	2024	2023	2024	2023	
Assets:							
Current and other assets	\$ 56,203,777	\$ 60,053,084	\$ 21,628,078	\$ 20,196,810	\$ 77,831,855	\$ 80,249,894	-3.0%
Capital assets	31,233,589	30,456,901	36,344,156	37,124,805	67,577,745	67,581,706	0.0%
Total assets	87,437,366	90,509,985	57,972,234	57,321,615	145,409,600	147,831,600	-1.6%
Deferred outflows of resources	23,248,917	22,997,360	2,210,810	2,158,595	25,459,727	25,155,955	1.2%
Liabilities:							
Current liabilities	3,981,193	2,897,451	2,016,583	1,793,489	5,997,776	4,690,940	27.9%
Long-Term liabilities	74,400,891	74,186,551	34,444,412	35,758,627	108,845,303	109,945,178	-1.0%
Total liabilities	78,382,084	77,084,002	36,460,995	37,552,116	114,843,079	114,636,118	0.2%
Deferred inflows of resources	15,431,110	15,481,521	1,673,985	1,665,039	17,105,095	17,146,560	-0.2%
Net position:							
Net Investment in capital assets	30,973,001	30,207,077	7,975,522	7,718,239	38,948,523	37,925,316	2.7%
Restricted	29,675,938	29,854,090	-	-	29,675,938	29,854,090	-0.6%
Unrestricted (deficit)	(43,775,850)	(39,119,345)	14,072,542	12,554,816	(29,703,308)	(26,574,529)	11.8%
Total net position	\$ 16,873,089	\$ 20,941,822	\$ 22,048,064	\$ 20,263,055	\$ 38,921,153	\$ 41,204,877	-5.5%

Analysis of Net Position

Net position may serve as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows by \$38.9 million at the close of FY 2023/24. The City's combined net position decreased 5.5%, or \$2.3 million from the prior fiscal year. This is primarily a result of changes in governmental activities due to a decrease in cash and investments.

- *Net investment in capital assets* (e.g. infrastructure, land, buildings, improvements other than buildings, construction in progress, and equipment), less any related debt used to acquire assets still outstanding, is \$38.9 million (100% of the total). The City uses these capital assets to provide services to the community; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since generally capital assets are not used to liquidate these liabilities. The City's net investment in capital assets increased by \$1 million (Note 6).
- *Restricted net position* of \$29.7 million (76.2% of the total) represents resources that are subject to external restrictions on how they may be used. Of this amount, \$8.3 million represents housing net position with \$0.4 million of that amount representing properties held for housing resale or redevelopment (Note 5).

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

- *Unrestricted net position*, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased by \$3.1 million to negative \$29.7 million. Governmental activities unrestricted net position was a negative \$43.8 million and business-type activities net position was a positive \$14.1 million.

Analysis of Activities

The following table reflects the summary of changes in net position for governmental and business-type activities as of June 30, 2024 (2024) and June 30, 2023 (2023).

	Governmental Activities		Business-type Activities		Totals		Total % Change
	2024	2023	2024	2023	2024	2023	
Revenues:							
Program revenues:							
Charges for services	\$ 5,068,161	\$ 5,090,558	\$ 8,114,292	\$ 7,831,703	\$13,182,453	\$12,922,261	2.0%
Operating grants and contributions	2,939,589	5,594,961	-	-	2,939,589	5,594,961	-47.5%
Capital grants and contributions	500,258	865,743	-	-	500,258	865,743	-42.2%
Total program revenue	8,508,008	11,551,262	8,114,292	7,831,703	16,622,300	19,382,965	-14.2%
General revenues:							
Taxes:							
Property tax	5,910,711	5,013,845	-	-	5,910,711	5,013,845	17.9%
Sales tax	9,430,219	9,568,274	-	-	9,430,219	9,568,274	-1.4%
Franchise tax	901,209	893,814	-	-	901,209	893,814	0.8%
Utility tax	2,445,715	2,312,830	-	-	2,445,715	2,312,830	5.7%
Other taxes	911,622	968,678	-	-	911,622	968,678	-5.9%
Motor Vehicle in Lieu	2,319,153	2,219,137	-	-	2,319,153	2,219,137	4.5%
Gain on disposal of asset	-	-	-	-	-	-	-
Investment earnings (loss)	2,449,243	1,508,707	483,402	(174,689)	2,932,645	1,334,018	119.8%
Miscellaneous	124,132	51,658	-	-	124,132	51,658	140.3%
Total general revenues	24,492,004	22,536,943	483,402	(174,689)	24,975,406	22,362,254	11.7%
Total revenues	33,000,012	34,088,205	8,597,694	7,657,014	41,597,706	41,745,219	-0.3%
Expenses:							
General government	5,439,951	4,336,508	-	-	5,439,951	4,336,508	25.4%
Public safety	20,226,459	12,985,795	-	-	20,226,459	12,985,795	55.8%
Public services	5,734,403	4,391,992	-	-	5,734,403	4,391,992	30.6%
Recreation	2,275,235	1,926,541	-	-	2,275,235	1,926,541	18.1%
Community development	2,968,511	2,982,917	-	-	2,968,511	2,982,917	-0.5%
Interest and fiscal charges	424,186	410,766	-	-	424,186	410,766	3.3%
Wastewater utility	-	-	6,812,685	5,787,622	6,812,685	5,787,622	17.7%
Total expenses	37,068,745	27,034,519	6,812,685	5,787,622	43,881,430	32,822,141	33.7%
Revenues over (under) expenses	(4,068,733)	7,053,686	1,785,009	1,869,392	(2,283,724)	8,923,078	-125.6%
Changes in Net Position	(4,068,733)	7,053,686	1,785,009	1,869,392	(2,283,724)	8,923,078	-125.6%
Net position, beginning of year, restated	20,941,822	13,888,136	20,263,055	18,393,663	41,204,877	32,281,799	27.6%
Net position, end of year	\$16,873,089	\$20,941,822	\$22,048,064	\$20,263,055	\$38,921,153	\$41,204,877	-5.5%

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

Governmental Activities

Governmental activities net position decreased by \$4.1 million. Key elements of the change in net position are as follows:

- Program revenues, mainly operating grants and contributions, reflected a decrease of \$3.0 million, or 35.8% less than FY 2022/23. The increase was primarily attributable to the City using the remainder of the one-time American Rescue Plan Act (ARPA) funds of \$4.0 million in FY 2022/23.
- General revenues, mainly property tax and investment earnings, reflected an increase of \$1.8 million (28.2%) combined over FY 2022/23.
- Expenses increased by \$10 million (37.1%) over FY 2022/23. The most significant changes were in general government, public safety, and public services.

Business-type Activities

Business-type activities net position increased by \$1.8 million. Key elements of the change in net position are as follows:

- The City's sole business-type activity is the operation of its Water Pollution Control Plant (WPCP) Wastewater Utility, which is accounted for in a proprietary-type enterprise fund. The WPCP accounts for the collection, treatment and disposal of wastewater generated by city residents and businesses. The operation and maintenance of the City's Wastewater Utility should be a self-supporting enterprise that is paid for by monthly service charges to all residential and commercial users. The City's business-type activities provide the same type of information as the proprietary fund financial statements, but are presented in a more summarized format.
- Program revenues increased \$0.3 million (3.6%) over the prior fiscal year.
- There was an increase in expenses over the prior fiscal year of \$1.0 million (17.7%). This was due to GASB 68 pension plan adjustments in FY 2022/23, which lowered total benefits expenditures. Depreciation expense is considered a cost of service in proprietary funds, which accounted for \$1.0 million in FY 2023/24 (Note 6).
- The City is financing its share of the Water Pollution Control Plant Upgrade project through a low interest loan from the State Revolving Loan Fund. The City was approved for a loan in the amount of \$26.7 million by the State Water Resources Control Board. In order to repay the loan, the City Council approved Resolution Number 2013-47 with scheduled rate increases over a five-year period, beginning July 1, 2013. The rate plan was amended July 17, 2018 by Resolution Number 2018-66. The 2024 monthly rate for single family residents was \$73.62 and \$62.58 for multi-family residents.

Fund Financial Analysis

The City uses ***fund accounting*** to segregate accounts for specific activities or objectives, including demonstrating finance-related legal compliance.

City of Pinole
Management’s Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

Governmental Funds

The following table presents the Governmental Funds’ balances as of June 30, 2024:

	Governmental Fund Balances				
	General Fund	Housing Programs Special Revenue Fund	Building & Planning Fund	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable	\$ 33,987	\$ -	\$ -	\$ 320,552	\$ 354,539
Restricted	13,718,620	8,267,771	-	11,397,509	33,383,900
Committed	10,744,838	-	-	-	10,744,838
Assigned	-	-	-	3,856,760	3,856,760
Unassigned (Deficit)	7,841,433	-	(2,226,680)	(142,430)	5,472,323
Total Fund Balances	\$ 32,338,878	\$ 8,267,771	\$ (2,226,680)	\$ 15,432,391	\$ 53,812,360

The City implemented GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* in fiscal year 2010-11 (Note 12). This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent.

At June 30, 2024, the City’s governmental funds reported combined fund balances of \$53.8 million, which is an decrease of \$3.4 million (6.3%) when compared to the prior fiscal year, FY 2022/23. This largely results from a decrease in the unassigned fund balance due to the funding of capital projects and special initiatives.

Nonspendable fund balances constitute \$354,539 (0.7%) of the combined governmental fund balance and cannot be spent either because the underlying resources are not in a spendable form or because the government is legally or contractually required to maintain the resources intact.

Restricted fund balances constitute \$33.4 million, (62%) of the combined governmental fund balance and are constrained for a specific purpose by external parties, constitutional provision, or enabling legislation.

Committed fund balances constitute \$10.7 million (20%) of the combined governmental fund balance and are constrained by City Council for reserves for economic uncertainty as well as certain capital projects.

Assigned fund balances constitute \$3.9 million (7.2%) of the combined governmental fund balance and are intended to be used for specific purposes and have been identified as such by the City Council or the City Manager who has been delegated authority by the City Council to assign amounts.

Unassigned fund balances constitute \$5.4 million (10.2%) of the combined governmental fund balance and consist of amounts that have not been classified as *nonspendable*, *restricted*, or *assigned*.

Analysis of Governmental Funds

General Fund

The designated major Governmental funds in FY 2023/24 are the General Fund, Housing Fund, and the Building & Planning Fund. A *major fund* is defined as those funds whose revenues, expenditures/expenses, assets or liabilities are at least 10 percent of the total for their fund category (governmental or enterprise) and 5 percent of the aggregate of all governmental and enterprise funds in total.

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

The **General Fund** is the primary operating fund of the City. The General Fund is used to report the financial results of the daily operations of the City. The major revenue sources are Property Tax, Sales Tax, and Utility Users' Tax. The major expenditures are salaries and administrative expenses.

The fund balance for the General Fund decreased by \$4.2 million (-11.5%), as a net result of expenditures in excess of revenues, resulting from an increase in the use of unassigned fund balance capital projects, special initiatives, and additional operating expenditures and subsidies to the recreation and PCTV funds.

General Fund revenue increased by \$2.5 million (10.3%) this fiscal year as compared to FY 2022/23. The largest component of this increase was higher taxes and assessments revenue combined with an increase in interest income resulting from higher returns on investments.

General Fund expenditures increased \$3.5 million (13.8%) this fiscal year compared to FY 2022/23. This is primarily attributed to increases in public safety, public works, and capital outlay expenses.

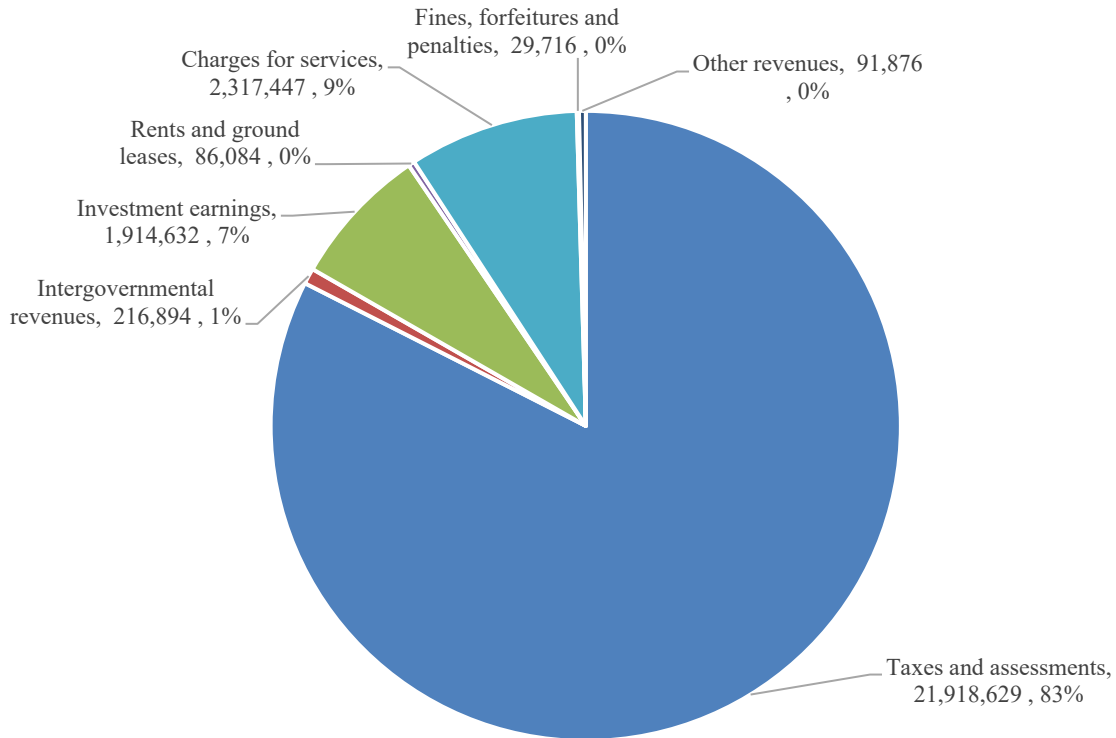
City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

Revenues

The following table and chart highlight the General Fund revenue by source for the year ended June 30, 2024.

Revenue by Source

<u>Source</u>	<u>Amount</u>	<u>% of Total</u>
Taxes and assessments	\$ 21,918,629	82.5%
Intergovernmental revenues	216,894	0.8%
Investment earnings	1,914,632	7.2%
Rents and ground leases	86,084	0.3%
Charges for services	2,317,447	8.7%
Fines, forfeitures and penalties	29,716	0.1%
Other revenues	91,876	0.3%
Total	\$ 26,575,278	100.0%



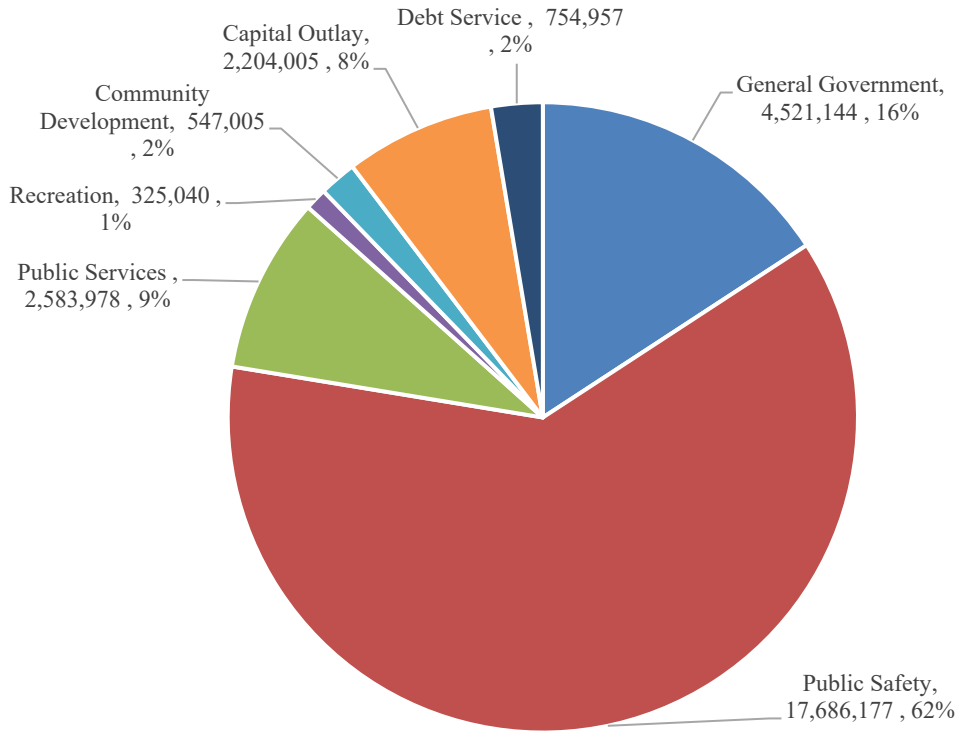
Expenditures

The following table and chart highlight the General Fund expenditures by function for the year ended June 30, 2024.

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

Expenditures By Function

<u>Function</u>	<u>Amount</u>	<u>% of Total</u>
General Government	\$ 4,521,144	15.8%
Public Safety	17,686,177	61.8%
Public Services	2,583,978	9.0%
Recreation	325,040	1.1%
Community Development	547,005	1.9%
Capital Outlay	2,204,005	7.7%
Debt Service	754,957	2.6%
Total	\$ 28,622,306	100.0%



Housing Programs Special Revenue Fund

The fund balance for the Housing Programs Special Revenue Fund increased by \$64,052 (0.78%), as a net result of revenues in excess of expenditures, resulting from an increase in the investment earnings and decrease in Community Development Expenditures.

Housing Programs Special Revenue Fund revenue increased by \$67,055 (50.0%) this fiscal year as compared to FY 2022/23. This is primarily attributed to increases in investment earnings and other revenues.

Housing Programs Special Revenue Fund expenditures decreased by \$471,755 (-77.45%) this fiscal year as compared to FY 2022/23. This is primarily attributed to decreases in community development expenditures.

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

Building & Planning Fund

The fund balance for the Building & Planning Fund decreased by \$590,483 (-36.09%), as a net result of expenditures in excess of revenues, the excess amounts are \$590,483. Building & Planning Fund is a new major fund in FY24.

Building & Planning Fund revenue increased by \$0.4 million (33.2%) this fiscal year as compared to FY 2022/23. This is primarily attributed to increases in Taxes and assessments and intergovernmental revenues.

Building & Planning Fund expenditures increased by \$68,248 (3.09%) this fiscal year as compared to FY 2022/23. This is primarily attributed to decreases in community development expenditures.

Proprietary Fund

Wastewater Utility

The Wastewater Utility Funds net position increased by \$1.8 million, 8.8% over the prior fiscal year to a total of \$22 million. Program revenues FY 2023/24 was \$8.1 million, as revenues increased by \$0.3 million and expenses increased by \$1.0 million.

The Fund's Net Position is comprised of \$8 million net investment in capital assets and \$14.1 million in unrestricted net assets at June 30, 2024. The increased rates for the sewage collection and treatment fees have continued to generate positive cash flows to the City's Business-type Activities, stabilizing the fiscal condition of this enterprise activity.

Fiduciary Fund

The Successor Agency to the Pinole Redevelopment Agency Private Purpose Trust Fund

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1x-26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. In accordance with the timeline set forth in the bill, all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entity as of February 1, 2012.

The Successor Agency is a separate legal entity which was formed to hold the assets of the former Redevelopment Agency pursuant to City Council action. The activity of the Successor Agency is overseen by an Oversight Board comprised of individuals appointed by various government agencies (Note 15).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets:

The City's net investment in capital assets for its governmental and business-type activities as of June 30, 2024 was \$67.6 million. This investment in capital assets includes: infrastructure, land, construction-in-progress, buildings, and improvements, equipment, vehicles, streets and roads, storm drains, bridges, parks, and sewer lines. Infrastructure assets are items that are normally immovable and of value to the City such as roads, bridges, streets and sidewalks, drainage systems, lighting systems, and similar items (Note 6).

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year:

Capital Assets at Year-end			
	2024	2023	Net Change
Governmental Activities			
Land and Construction-in-progress	\$ 9,164,522	\$ 7,963,301	\$ 1,201,221
Buildings and improvements	16,156,929	16,040,401	116,528
Machinery, equipment and vehicles	9,323,223	8,725,678	597,545
Infrastructure	61,222,765	61,078,899	143,866
Leased assets	103,931	103,931	-
Subscription assets	1,155,303	666,105	489,198
Less accumulated depreciation and amortization	(65,893,084)	(64,121,414)	(1,771,670)
Totals	31,233,589	30,456,901	776,688
Business-type activities			
Construction in Progress	367,638	124,930	242,708
Buildings and improvements	40,857,072	40,857,072	-
Equipment	1,229,931	1,229,931	-
Vehicles	789,200	920,362	(131,162)
Infrastructure	7,474,337	7,474,337	-
Less accumulated depreciation	(14,374,022)	(13,481,827)	(892,195)
Totals	\$ 36,344,156	\$ 37,124,805	\$ (780,649)

Debt Administration:

Each of the City's debt issues is discussed in detail in Note 7 to the financial statements. At June 30, 2024 the City's remaining long-term debt related to governmental and business-type activities is as follows:

Outstanding Debt			
	Balance June 30, 2024	Balance June 30, 2023	Net Change
Governmental Activity Debt			
2006 Pension Obligation bonds	\$ 2,089,509	\$ 2,297,299	\$ (207,790)
Leases payable	30,976	56,609	(25,633)
Subscription payable	199,399	176,570	22,829
Compensated absences	845,808	819,967	25,841
Total Governmental Activity Debt	3,165,692	3,350,445	(184,753)
Business-Type Activity Debt			
2016 Wastewater Revenue Refunding Bond	5,633,000	5,980,000	(347,000)
2016 Clean Water State Revolving Fund	22,735,634	23,426,566	(690,932)
Compensated absences	215,169	178,271	36,898
Total Business-Type Activity Debt	28,583,803	29,584,837	(1,001,034)
Total Debt Outstanding	\$ 31,749,495	\$ 32,935,282	\$ (1,185,787)

City of Pinole
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2024

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

The economy of the City and its major initiatives for the coming year are discussed in the accompanying Transmittal Letter (page i-v). The most significant financial initiatives facing the City are, as follows:

- **Fiscal Year (FY) 2024/25 Operating and Capital Budget** was adopted by the City Council on June 25, 2024. The Adopted FY 2024/25 Operating and Capital Budget is a balanced but includes a one-time transfer in from the City's General Fund that was used to balance the budget. It is a status quo budget, meaning that ongoing revenues are mostly sufficient to cover ongoing expenditures, and that service levels and revenue mechanisms in the budget are essentially the same as those in the FY 2023/24 budget. The budget does include the use of a portion of the City's unassigned fund balance to fund several capital projects and one-time special initiatives..
- **Long-Term Financial Planning** includes periodically updating the City's 20-year financial forecast to identify future potential opportunities and challenges that the City may proactively address through the annual budget and capital improvement planning processes.
- **City's Strategic Plan 2020-2025** adopted in February 2020 identifies 22 individual strategies (special projects) for staff to complete over a five-year timeframe to position the City to achieve the vision, mission, and goals. Several initiatives are underway and most have been completed.
- **Capital Facility and Public Infrastructure projects** are progressing according to construction scheduling, with primary focus on repairs to City streets/roadways and facilities. The City adopted a Five-Year Capital Improvement Plan on June 25, 2024 which identifies capital needs and funding for the next five years.
- **Economic Development Strategy (EDS)** was adopted in October 2022. The EDS is a strategic framework to guide the City of Pinole's economic development policies and programs over the next five years (starting January 1, 2023) and is based on a comprehensive research and stakeholder input process, and reflects consensus views on the most promising opportunities and the most pressing challenges facing Pinole's economy. Implementation has started as several strategies are funded in the FY 2024/25 budget.
- **Successor Agency Dissolution** occurred in FY 2023/24 as the former Redevelopment Agency's outstanding debt service was paid off.
- **Sales Tax Measure** will be placed on the ballot for the November 2024 election. If passed by the voters, the proposed half-cent sales tax measure will generate approximately \$2.5 million annually and the additional funds will go into the City's General Fund primarily to maintain critical services.

REQUESTS FOR INFORMATION

This financial report is designed to provide our residential and business community, taxpayers, customers, investors, and creditors with a general overview of the City's finances. Questions concerning any information provided in this report or requests for additional information should be addressed to the City of Pinole, Finance Department, 2131 Pear Street, Pinole, CA 94564. Alternatively, you may send your inquiries via email to Finance@ci.pinole.ca.us.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Pinole
Statement of Net Position
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 30,869,394	\$ 19,001,498	\$ 49,870,892
Cash and investments with fiscal agents	15,816,975	1,089,183	16,906,158
Accounts receivable, net	3,711,779	815	3,712,594
Notes receivable, net	4,380,001	-	4,380,001
Interest receivable	151,646	170,270	321,916
Lease receivable, current	92,178	-	92,178
Due from other government	-	264,320	264,320
Prepaid items	339,179	1,089,184	1,428,363
Inventory	15,360	12,808	28,168
Land held for resale	355,062	-	355,062
Total current assets	55,731,574	21,628,078	77,359,652
Noncurrent assets:			
Lease receivable - noncurrent	472,203	-	472,203
Capital assets:			
Land and construction in progress	9,164,522	367,638	9,532,160
Capital assets being depreciated/amortized, net	22,069,067	35,976,518	58,045,585
Total capital assets	31,233,589	36,344,156	67,577,745
Total noncurrent assets	31,705,792	36,344,156	68,049,948
Total assets	87,437,366	57,972,234	145,409,600
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	16,646,918	1,477,255	18,124,173
OPEB related amounts	6,601,999	733,555	7,335,554
Total deferred outflows of resources	23,248,917	2,210,810	25,459,727

City of Pinole
Statement of Net Position (Continued)
June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	1,012,846	241,910	1,254,756
Accrued payroll	522,437	59,594	582,031
Interest payable	45,743	441,343	487,086
Unearned revenue	84,824	-	84,824
Deposits payable	240,698	-	240,698
Compensated absences, due within one year	277,451	46,835	324,286
Claims payable, due within one year	21,652	-	21,652
Long-term debt, due within one year	315,534	1,064,678	1,380,212
Total OPEB liability, due within one year	1,460,008	162,223	1,622,231
Total current liabilities	<u>3,981,193</u>	<u>2,016,583</u>	<u>5,997,776</u>
Noncurrent liabilities:			
Compensated absences, due in more than one year	568,357	168,334	736,691
Long-term liabilities, due in more than one year	2,004,350	27,303,956	29,308,306
Net pension liability	41,809,472	3,636,709	45,446,181
Total OPEB liability, due in more than one year	30,018,712	3,335,413	33,354,125
Total noncurrent liabilities	<u>74,400,891</u>	<u>34,444,412</u>	<u>108,845,303</u>
Total liabilities	<u>78,382,084</u>	<u>36,460,995</u>	<u>114,843,079</u>
DEFERRED INFLOWS OF RESOURCES			
Lease related	530,612	-	530,612
Pension related amounts	2,426,708	288,008	2,714,716
OPEB related amounts	12,473,790	1,385,977	13,859,767
Total deferred inflows of resources	<u>15,431,110</u>	<u>1,673,985</u>	<u>17,105,095</u>
NET POSITION			
Net investment in capital assets	30,973,001	7,975,522	38,948,523
Restricted:			
Community development	6,102	-	6,102
Public works	6,772,574	-	6,772,574
Public safety	1,044,309	-	1,044,309
Housing activities	8,267,771	-	8,267,771
Pension	13,585,182	-	13,585,182
Total restricted	<u>29,675,938</u>	<u>-</u>	<u>29,675,938</u>
Unrestricted (deficit)	<u>(43,775,850)</u>	<u>14,072,542</u>	<u>(29,703,308)</u>
Total net position	<u>\$ 16,873,089</u>	<u>\$ 22,048,064</u>	<u>\$ 38,921,153</u>

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

Functions/Programs	Program Revenues				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
Primary government:					
Governmental activities:					
General government	\$ 5,439,951	\$ 752,366	\$ 147,021	\$ 215,233	\$ 1,114,620
Public safety	20,226,459	1,908,034	510,623	-	2,418,657
Public services	5,734,403	502,517	2,023,162	285,025	2,810,704
Recreation	2,275,235	481,813	31,362	-	513,175
Community development	2,968,511	1,423,431	227,421	-	1,650,852
Interest expense	424,186	-	-	-	-
Total governmental activities	37,068,745	5,068,161	2,939,589	500,258	8,508,008
Business-type activities:					
Wastewater utility	6,812,685	8,114,292	-	-	8,114,292
Total business-type activities	6,812,685	8,114,292	-	-	8,114,292
Total primary government	\$ 43,881,430	\$ 13,182,453	\$ 2,939,589	\$ 500,258	\$ 16,622,300

City of Pinole
Statement of Activities (Continued)
For the Year Ended June 30, 2024

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
Primary government:			
Governmental activities:			
General government	\$ (4,325,331)	\$ -	\$ (4,325,331)
Public safety	(17,807,802)	-	(17,807,802)
Public services	(2,923,699)	-	(2,923,699)
Recreation	(1,762,060)	-	(1,762,060)
Community development	(1,317,659)	-	(1,317,659)
Interest expense	(424,186)	-	(424,186)
Total governmental activities	(28,560,737)	-	(28,560,737)
Business-type activities:			
Wastewater utility	-	1,301,607	1,301,607
Total business-type activities	-	1,301,607	1,301,607
Total primary government	(28,560,737)	1,301,607	(27,259,130)
General Revenues			
General revenues:			
Taxes:			
Property taxes	5,910,711	-	5,910,711
Sales taxes	9,430,219	-	9,430,219
Franchise taxes	901,209	-	901,209
Utility taxes	2,445,715	-	2,445,715
Other taxes	911,622	-	911,622
Total taxes	19,599,476	-	19,599,476
Unrestricted motor vehicle in lieu	2,319,153	-	2,319,153
Investment earnings (loss)	2,449,243	483,402	2,932,645
Miscellaneous	124,132	-	124,132
Total general revenues	24,492,004	483,402	24,975,406
Change in net position	(4,068,733)	1,785,009	(2,283,724)
Net Position:			
Beginning of year, as restated (Note 19)	20,941,822	20,263,055	41,204,877
End of year	\$ 16,873,089	\$ 22,048,064	\$ 38,921,153

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FUND FINANCIAL STATEMENTS

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Governmental Fund Financial Statements

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.

Housing Programs Fund receives tax increment funds through Redevelopment Property Tax Trust Funds, representing 20% set-aside for housing activities. Funds are expended for approved housing activities.

Building and Planning Fund - This fund is used to account for fees collected for building permits and plan check fees. Fees collected are used to cover the cost involved in plan checks and inspections performed.

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City of Pinole
Balance Sheet
Governmental Funds
June 30, 2024

	Major Funds				
	General Fund	Housing Programs Special Revenue Fund	Building & Planning Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 12,264,859	\$ 3,506,880	\$ -	\$ 15,097,655	\$ 30,869,394
Accounts receivable	2,897,062	374	301,921	512,422	3,711,779
Notes receivable	-	4,380,001	-	-	4,380,001
Lease receivable	552,995	-	-	11,386	564,381
Interest receivable	19,896	30,496	6,632	94,622	151,646
Due from other funds	2,636,685	-	-	-	2,636,685
Prepaid items and supplies	18,627	-	-	320,552	339,179
Inventory	15,360	-	-	-	15,360
Land held for redevelopment	-	355,062	-	-	355,062
Cash and investments with fiscal agents	15,816,975	-	-	-	15,816,975
Total assets	\$ 34,222,459	\$ 8,272,813	\$ 308,553	\$ 16,036,637	\$ 58,840,462
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable and accrued liabilities	739,323	5,042	104,705	163,776	1,012,846
Accrued liabilities	461,417	-	26,866	34,154	522,437
Unearned revenue	67,989	-	-	16,835	84,824
Deposits payable	84,240	-	80,272	76,186	240,698
Due to other funds	-	-	2,323,390	313,295	2,636,685
Total liabilities	1,352,969	5,042	2,535,233	604,246	4,497,490
DEFERRED INFLOWS OF RESOURCES					
Lease related	530,612	-	-	-	530,612
Total deferred inflows of resources	530,612	-	-	-	530,612
Fund Balances (Deficit):					
Nonspendable	33,987	-	-	320,552	354,539
Restricted	13,718,620	8,267,771	-	11,397,509	33,383,900
Committed	10,744,838	-	-	-	10,744,838
Assigned	-	-	-	3,856,760	3,856,760
Unassigned (deficit)	7,841,433	-	(2,226,680)	(142,430)	5,472,323
Total fund balances (deficit)	32,338,878	8,267,771	(2,226,680)	15,432,391	53,812,360
Total liabilities, deferred inflows of resources, and fund balances	\$ 34,222,459	\$ 8,272,813	\$ 308,553	\$ 16,036,637	\$ 58,840,462

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

Total Fund Balances - Total Governmental Funds \$ 53,812,360

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.

Nondepreciable	\$ 9,164,522	
Depreciable/amortizable	22,069,067	
Total capital assets		31,233,589

Long-term liabilities are not due and payable in the current period and therefore were not reported in the Governmental Funds Balance Sheet.

Amount reported in Government-Wide Statement of Net Position		
Compensated absences - due within one year		(277,451)
Compensated absences - due in more than one year		(568,357)
Claim payable - due within one year		(21,652)
Long-term debt - due within one year		(315,534)
Long-term debt - due in more than one year		(2,004,350)
Total long-term liabilities		(3,187,344)

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in the governmental funds. (45,743)

Aggregate net pension liability and total OPEB liability used in the governmental activities were not financial resources and therefore were not reported in the Governmental Funds Balance Sheet.

Net pension liability	(41,809,472)
Total OPEB liability	(31,478,720)
Total OPEB and Pension	(73,288,192)

Deferred outflows of resources related to OPEB and pensions are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds

Amount reported in Government-Wide Statement of Net Position		
Deferred outflows of resources related to pensions		16,646,918
Deferred outflows of resources related to OPEB		6,601,999
Total deferred outflows of resources		23,248,917

Deferred inflows of resources related to OPEB and pensions are not available for current period and, therefore, are deferred in the governmental funds or not recorded in the governmental funds

Amount reported in Government-Wide Statement of Net Position		
Deferred inflows of resources related to pensions		(2,426,708)
Deferred inflows of resources related to OPEB		(12,473,790)
Total deferred inflows of resources		(14,900,498)

Net Position of Governmental Activities \$ 16,873,089

City of Pinole
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	Housing Programs Special Revenue Fund	Building & Planning Fund	Non-major Governmental Funds	
REVENUES:					
Taxes and assessments	\$ 21,918,629	\$ -	\$ 625,076	\$ 531,453	\$ 23,075,158
Intergovernmental revenues	216,894	-	227,421	2,292,950	2,737,265
Investment earnings	1,914,632	188,166	(2,735)	580,284	2,680,347
Rents and ground leases	86,084	-	-	25,863	111,947
Charges for services	2,317,447	-	738,480	665,368	3,721,295
Fines, forfeitures and penalties	29,716	-	32,809	20,660	83,185
Other revenues	91,876	13,237	15	485,687	590,815
Total revenues	26,575,278	201,403	1,621,066	4,602,265	33,000,012
EXPENDITURES:					
Current:					
General government	4,521,144	-	-	560,782	5,081,926
Public safety	17,686,177	-	-	550,617	18,236,794
Public services	2,583,978	-	-	1,399,439	3,983,417
Recreation	325,040	-	-	1,866,987	2,192,027
Community development	547,005	137,351	2,278,549	1,040	2,963,945
Capital outlay	2,204,005	-	-	981,513	3,185,518
Debt service:					
Principal	336,809	-	-	-	336,809
Interest and fiscal charges	418,148	-	-	-	418,148
Total expenditures	28,622,306	137,351	2,278,549	5,360,378	36,398,584
Excess (deficiency) of revenues over expenditures	(2,047,028)	64,052	(657,483)	(758,113)	(3,398,572)
OTHER FINANCING SOURCES (USES):					
Proceeds from sale of asset	139	-	-	-	139
Issuance of debt	126,215	-	-	-	126,215
Transfers in	3,146,313	-	67,000	2,228,594	5,441,907
Transfers out	(5,441,907)	-	-	-	(5,441,907)
Total other financing sources (uses)	(2,169,240)	-	67,000	2,228,594	126,354
NET CHANGE IN FUND BALANCES	(4,216,268)	64,052	(590,483)	1,470,481	(3,272,218)
FUND BALANCES (DEFICIT):					
Beginning of year, as previously reported	36,555,146	8,203,719	-	12,435,695	57,194,560
Prior period adjustment (Note 19)	-	-	-	(109,982)	(109,982)
Change with financial reporting entity (major and non-major fund classification) (Note 20)	-	-	(1,636,197)	1,636,197	-
Beginning of year, as restated (Note 19)	36,555,146	8,203,719	(1,636,197)	13,961,910	57,084,578
End of year	\$ 32,338,878	\$ 8,267,771	\$ (2,226,680)	\$ 15,432,391	\$ 53,812,360

City of Pinole
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 \$ (3,272,218)

Amounts reported for Governmental Activities in the Statement of Net Position were different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital outlay	\$ 3,185,518	
Proceed from sale of assets	(628,297)	
Depreciation/amortization expense	<u>(1,780,533)</u>	
Total capital assets		776,688

Interest accrued on long-term debt is reported in the Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest is not reported as an expenditure in governmental funds. This amount represents the change in accrued interest from the prior year. (6,038)

Debt proceeds are reported as financing sources in governmental funds and thus contribute to the liabilities and not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position

Proceeds from issuance of debt	\$ (126,215)	
Repayment of debt and lease principal	<u>336,809</u>	
Total		210,594

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

Accrued compensated absences	\$ (25,841)	
Claims payable	(21,652)	
Net difference between pension expense and contributions subsequent to the measurement date	(2,052,425)	
Net difference between OPEB expense and contributions subsequent to the measurement date	<u>322,159</u>	
Total		<u>(1,777,759)</u>

Change in Net Position of Governmental Activities \$ (4,068,733)

Proprietary Funds Financial Statements

Wastewater Utility Fund - this fund accounts for wastewater utility services provided by the City and it is the City's intent that the cost of providing these services be financed primarily through user charges.

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City of Pinole
Statement of Net Position
Proprietary Fund
June 30, 2024

	Business-type Activities Wastewater Utility Enterprise Fund
ASSETS	
Current assets	
Cash and investments	\$ 19,001,498
Restricted cash and investment	1,089,183
Accounts receivable	-
Interest receivable	170,270
Other receivable	815
Due from other governments	264,320
Prepaid items	1,089,184
Inventory	12,808
Total current assets	21,628,078
Noncurrent assets	
Capital assets not being depreciated	367,638
Capital assets being depreciated, net	35,976,518
Total capital assets	36,344,156
Total noncurrent assets	36,344,156
Total assets	57,972,234
DEFERRED OUTFLOW OF RESOURCES	
Deferred outflow pension-related items	1,477,255
Deferred outflow OPEB-related items	733,555
Total deferred outflow of resources	2,210,810
LIABILITIES	
Current liabilities	
Accounts payable	241,910
Accrued liabilities	59,594
Interest payable	441,343
Compensated absences - current	46,835
Long-term debt, due within one year	1,064,678
Total OPEB liability, due within one year	162,223
Total current liabilities	2,016,583
Noncurrent liabilities	
Compensated absences - noncurrent	168,334
Long-term debt, due in more than one year	27,303,956
Net pension liability	3,636,709
Total OPEB liability, due in more than one year	3,335,413
Total noncurrent liabilities	34,444,412
Total liabilities	36,460,995
DEFERRED INFLOW OF RESOURCES	
Deferred inflow pension-related items	288,008
Deferred inflow OPEB-related items	1,385,977
Total deferred inflow of resources	1,673,985
NET POSITION	
Net investment in capital assets	7,975,522
Unrestricted	14,072,542
Total net position	\$ 22,048,064

See accompanying Notes to the Basic Financial Statements.

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

	Business-type Activities Wastewater Utility Enterprise Fund
OPERATING REVENUES:	
Charges for services	\$ 8,072,292
Other revenue	42,000
Total operating revenues	8,114,292
OPERATING EXPENSES:	
Sewer treatment plant	4,511,416
Sewer maintenance	1,277,912
Depreciation	1,023,357
Total operating expenses	6,812,685
OPERATING INCOME (LOSS)	1,301,607
NONOPERATING REVENUES (EXPENSES):	
Gain on disposal of assets	9,608
Intergovernmental	32,447
Interest revenue	995,766
Interest expense	(554,419)
Total nonoperating revenues (expenses)	483,402
Changes in net position	1,785,009
NET POSITION:	
Beginning of year	20,263,055
End of year	\$ 22,048,064

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

	<u>Business-type Activities Wastewater Utility Enterprise Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 8,433,798
Cash paid to suppliers	(3,302,802)
Cash paid to employees	(2,561,865)
Net cash provided by operating activities	<u>2,569,131</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Intergovernmental	32,447
Net cash provided by noncapital financing activities	<u>32,447</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Gain on disposal of capital assets	9,608
Acquisition and construction of capital assets	(242,708)
Principal payment of long-term debt	(1,037,932)
Interest paid on debt	(569,543)
Net cash (used in) capital and related financing activities	<u>(1,840,575)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and dividends	937,417
Net cash provided by investing activities	<u>937,417</u>
Net change in cash and cash equivalents	1,698,420
CASH AND CASH EQUIVALENTS:	
Beginning of year	18,392,261
End of year	<u>\$ 20,090,681</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	\$ 1,301,607
Adjustments to reconcile operating to net cash provided by (used in) operating activities:	
Depreciation	1,023,357
Changes in operating assets and liabilities, and deferred outflows and inflows of resources:	
Other receivables	301
Due from other governments	319,205
Prepaid items	3,196
Inventory	2,799
Deferred outflow pension-related items	64,830
Deferred outflow OPEB-related items	(117,045)
Accounts payable	38,091
Accrued liabilities	-
Compensated absences	36,898
Net pension liability	17,913
Total OPEB liability	(130,967)
Deferred inflows - pension related	(203,272)
Deferred inflows - OPEB related	212,218
Total adjustments	<u>1,267,524</u>
Net cash provided by operating activities	<u>\$ 2,569,131</u>

See accompanying Notes to the Basic Financial Statements.

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FIDUCIARY FUND FINANCIAL STATEMENTS

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City of Pinole
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Private-Purpose Trust Fund	Total Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 1,741,593	\$ 176,411
Interest receivable	15,267	244
Notes receivable, net of allowance	10,054	-
Easement	272,040	-
Land held for redevelopment	2,469,715	-
Capital assets not being depreciated	2,429,793	-
Capital assets being depreciated, net	6,963,176	-
Total assets	13,901,638	176,655
LIABILITIES		
Accounts payable	7,554	11,448
Deposits payable	56,238	117,958
Unearned revenue	19	25,150
Total liabilities	63,811	154,556
NET POSITION		
Restricted for:		
Held in trust for dissolution of RDA	13,837,827	-
Individuals, organizations, and other governments	-	22,099
Total net position	\$ 13,837,827	\$ 22,099

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

	Private-Purpose Trust Fund	Total Custodial Funds
ADDITIONS:		
Property taxes	\$ 145,458	\$ -
Investment income	86,195	1,551
Total additions	231,653	1,551
DEDUCTIONS:		
Operating costs	205,482	-
Depreciation	255,670	-
Interest expense	2,422	-
Total deductions	463,574	-
Change in net position	(231,921)	1,551
NET POSITION:		
Beginning of year	14,069,748	20,548
End of period	\$ 13,837,827	\$ 22,099

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Pinole
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For the Year Ended June 30, 2024

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City of Pinole
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City of Pinole
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For the Year Ended June 30, 2024

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City of Pinole
Notes to the Basic Financial Statements
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies

The City of Pinole, California (the “City”) was incorporated June 25, 1903. The City is primarily a residential community located in Contra Costa County, twenty-four miles east of San Francisco on Interstate 80. The City provides the following services: public safety (police), parks, streets and highways, sanitation, culture-recreation, public improvements, planning and zoning, and general administration services.

The City operates under the Council-Manager form of government, with five elected Council members served by a full-time City Manager and staff. At June 30, 2024, the City's staff comprised 93 full-time and 28 part-time employees who are responsible for the following City-provided services:

Public Safety - The City employs 26 sworn and 19 non-sworn police personnel to provide round-the-clock police services from a central station.

Sanitation - The City maintains a sewage treatment plant with 11 employees, the plant provides wastewater treatment services to the residents of the City of Pinole and the City of Hercules.

Parks, Streets and Highways - The City builds and maintains its streets, curbs, gutters, parks and related public property with a force of 12 employees. Major projects may be contracted out to reduce costs.

Recreation, Public Improvements, Planning, Zoning, Administration - Recreation, Public Improvements, Planning, Zoning, Administration and other services are provided by a total of 53 employees.

The financial statements and accounting policies of the City conform with accounting principles generally accepted in the United States of America ("U.S. GAAP") applicable to governments. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Significant accounting policies are summarized below:

A. The Reporting Entity

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

Pinole Joint Powers Financing Authority

The Pinole Joint Powers Financing Authority (the “Authority”) is a separate government entity whose purpose is to assist with the financing or refinancing of public capital facilities within the City. The Authority has the power to purchase bonds issued by any local agency and may sell such bonds to public or private purchasers. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The financial activities of the Authority are included in the Wastewater Utility Fund and the Private-Purpose Trust Fund.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation

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 by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. City 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.

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

Government-wide Financial Statements:

The Government-Wide Financial Statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. Fiduciary activities are not included in these statements.

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

Certain eliminations have been made in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service 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:

- Due from and to other funds
- Transfers in and out

Governmental Fund Financial Statements

A Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances are presented for all major governmental funds and aggregated nonmajor funds. Accompanying schedules are presented to reconcile and explain the differences in fund balances 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.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

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

Revenues are recognized as soon as they are both “measurable” and “available”. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The City reports the following major governmental funds:

- *General Fund* – The general fund is the general operating fund of the City and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.
- *Housing Program Special Revenue Fund* – The housing program special revenue fund is used to account for the proceeds tax increment funds through Redevelopment Property Tax Trust Funds that are restricted or committed to expenditure for approved housing activities.
- *Building and Planning Fund* – The building and planning fund is used to account for fees collected for building permits and plan check fees. Fees collected are used to cover the cost involved in plan checks and inspections performed.

Proprietary Fund Financial Statements

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Sewer fund are charges to customers for services. Operating expenses for the proprietary funds include the costs of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports one major proprietary fund:

- *Wastewater Utility Fund* -The Wastewater Utility Fund is used to account for the collection of sewer service fees and the related cost of maintenance and repair of the sewer treatment plant.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Presentation (Continued)

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent custodial funds and private purpose trust funds. Both custodial funds and the private purpose trust funds are accounted for on the full accrual basis of accounting where the assets associated with the activity are controlled by the City and the assets are not derived 1) solely from the government's own-source revenues or 2) from government-mandated nonexchange transactions or voluntary nonexchange transactions.

The City reports the following two types of fiduciary funds:

- *Custodial Funds* - Custodial Funds are clearing type funds for the collection of taxes or deposits held in trust, on behalf of individuals, private organizations, and other governments for which the City has a custodial responsibility. This fund is used to account for funds collected from asset seizure and private donations received for the community assistance program.
- *Private-Purpose Trust Fund* - Private purpose trust fund is used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments. This fund was created as a result of the State order to dissolve California Redevelopment Agencies. As a Successor Agency, this fund is used to track the activity by the Oversight Board and the State Department of Finance to dissolve the Agency.

C. Property Taxes

California Constitution Article XIII A, limits the combined property tax rate to one percent of a property's assessed valuation. Additional taxes may be imposed with voter approval. Assessed value is calculated at one hundred percent of a property's fair value, as defined by Article XIII A, and may be increased no more than two percent per year unless a change in ownership occurs. The state legislature has determined the method of distributing the one percent tax levy among the various taxing jurisdictions.

Property tax revenues are recognized in the fiscal year for which taxes and assessments are 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.

Tax collections are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments; the first is due November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on February 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the tax becomes delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payment.

Tax levy dates are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured and personal property, as it exists at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

D. Cash and Investments

The City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related funds.

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. The Local Agency Investment Fund ("LAIF") determines the fair value of their portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. This amount is included in cash and cash equivalents in the balance sheet of the governmental funds. Changes in fair value are allocated to each participating fund.

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be change and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

E. Cash and Investments with Fiscal Agents

Cash and investments with fiscal agents are restricted for the redemption of bonded debt, for acquisition and construction of capital projects, and pension contributions.

F. Fair Value Measurement

U.S. GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosure about fair value measurement. Investments, unless otherwise specified at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

- Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities through corroboration with market data at the measurement date.
- Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

G. Accounts and Interest Receivable

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Receivables are recorded in the financial statements net of any allowance for doubtful accounts if applicable, and estimated refunds due. Major receivable balances for the governmental activities include sales and use taxes, franchise taxes, grants, police fines and other fees. Federal and state grants are considered receivable and accrue as revenue when reimbursable costs are incurred. Business-type activities report utilities and interest earnings as their major receivables.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

G. Accounts and Interest Receivable (Continued)

In the fund financial statements, material receivables in governmental funds include revenue accruals such as sales tax, franchise tax, and grants and other similar intergovernmental revenues since they are usually both measurable and available. Nonexchange transactions collectible but not available are recorded as deferred inflows of resources in the fund financial statements in accordance with modified accrual, but not in the government-wide financial statements in accordance with the accrual basis. Interest and investment earnings are recorded when earned only if paid within 60 days since they would be considered both measurable and available. Long-term loans in governmental funds are treated as expenditures in the year advanced and as revenues in the year repayment is measurable and available. Proprietary fund material receivables consist of all revenues earned at year-end and not yet received. Utility accounts receivable and interest earnings compose the majority of proprietary fund receivables.

H. Prepaid Items and Inventory

Inventories are stated at cost (average cost per unit) for governmental and proprietary funds. Supplies of the General Fund consist of expendable supplies held for consumption. The cost is recorded as an expenditure/expense in the General Fund at the time individual items are consumed, rather than purchased. Inventories of governmental funds are offset by nonspendable fund balance to indicate they do not constitute resources available for future appropriation. Enterprise Fund supplies consist primarily of items held for internal use.

Prepaid items are also recognized under the consumption method. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

I. Leases Receivable

The City is a lessor for leases of buildings and recognizes lease receivables and deferred inflows of resources in the financial statements. Variable payments based on future performance or usage of the underlying asset are not included in the measurement of the lease receivable.

At the commencement of a lease, the lease receivable is measured at the present value of payments expected to be received during the lease term. The City established a threshold of \$5,000 for lease receivables. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

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

- The City uses incremental borrowing rate (IBR) provided by the financial institution at July 1, 2021 for existing leases or the current rate at the time a new lease is executed.
- The lease term includes the noncancelable period of the lease plus any option periods that are likely to be exercised.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Leases Receivables (Continued)

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

J. Capital Assets

In the government-wide financial statements, capital assets with a historical cost over \$5,000 are accounted for as capital assets. All capital assets are valued at historical cost, or estimated historical cost if actual is unavailable. Contributed capital assets are valued at their estimated fair market value on the date contributed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value on the date donated.

The City defines infrastructure assets as the basic physical assets that allow the City to function. The assets include the street system, wastewater system, park and recreation lands and improvement system, and buildings combined with the site amenities such as parking and landscaped areas used by the City in the conduct of its business.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets acquired under finance purchase are capitalized at the net present value of the total finance payments.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method. The lives used for depreciation purposes are as follows:

Asset Type	Years
Infrastructure	50-75
Buildings and improvement	50-100
Machinery, equipment, and vehicles	5-10

K. Subscription-Based Information Technology Arrangements (SBITAs)

The City has a policy to recognize a subscription liability and a right-to-use subscription asset (subscription asset) in the financial statements. The City recognizes subscription liabilities with an initial, individual value of \$5,000 or more with a subscription term greater than one year. Variable payments based on future performance of the City, usage of the underlying IT asset, or number of user seats are not included in the measurement of the subscription liability, rather, those variable payments are recognized as outflows of resources (expenses) in the period the obligation for those payments is incurred.

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

Subscription assets are recorded at the amount of the initial measurement of the subscription liabilities, less any payments made to the SBITA vendor before the commencement of the subscription term, and capitalizable initial implementation cost, less any incentives received from the SBITA vendor at or before the commencement of the subscription term.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

K. Subscription-Based Information Technology Arrangements (SBITAs) (Continued)

- Preliminary Project Stage: Outlays are expensed as incurred.
- Initial Implementation Stage: Outlays are capitalized as an addition to the subscription asset.

Upon adoption, the City elected to exclude the capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage that were incurred prior to the implementation of this Statement in the measurement of subscription assets as of July 1, 2022.

Subscription assets are reported within capital assets and subscription liabilities are reported with long-term liabilities on the statement of net position. Subscription assets are amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT asset, unless the subscription contains a purchase option that the City has determined is reasonably certain of being exercised. In this case, the subscription asset is amortized over the useful life of the underlying IT asset.

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

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

L. Lease Liabilities

The City recognizes lease liabilities with an initial, individual value of \$5,000 or more with a lease term greater than one year in the government-wide and proprietary fund financial statements. Variable payments based on future performance of the City or usage of the underlying asset are not included in the measurement of the lease liability. Lease assets are reported within capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

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.

Key estimates and judgments related to leases liabilities 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 any lease asset or liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

M. Long Term Liabilities

In the Government-Wide Financial Statements and Proprietary Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs except for any portion related to prepaid insurance were recognized as expense in the period incurred. Premium or discount not considered as part of the reacquisition price was amortized over the life of the bond.

The governmental fund financial statements do not present long-term liabilities. Consequently, long-term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

N. Pension

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) plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by 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.

The following timeframes are used for pension reporting:

CalPERS	
Valuation date	June 30, 2022
Measurement date	June 30, 2023
Measurement period	July 1, 2022 to June 30, 2023

O. Other Postemployment Benefits (OPEB)

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

General Fund is typically used to liquidate OPEB liabilities for governmental funds.

The following timeframes are reported OPEB reporting:

OPEB	
Valuation date	June 30, 2023
Measurement date	June 30, 2023
Measurement period	July 1, 2022 to June 30, 2023

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

O. Other Postemployment Benefits (OPEB)(Continued)

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the sources of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over 5 years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

P. Deferred Outflows/Inflows of Resources

The statement of net position and balance sheet – governmental funds reports separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net assets) that applies to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net assets) that applies to future periods and that, therefore, are not recognized as revenue until that time.

Q. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation and 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 noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the 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 nonspendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

R. Net Position and Fund Balances

In the Government-Wide Financial Statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and amortization, reduced by the outstanding balances of retention payable and debt that are attributable to the acquisition, construction, or improvement of those assets, and related deferred outflows and inflows of resources, net of unspent debt proceeds.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

R. Net Position and Fund Balances (Continued)

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the Governmental Fund Financial Statements, fund balances are classified as follows:

Nonspendable – Nonspendable fund balances are items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, or items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City. Adoption of a resolution by the City Council is required to commit resources or to rescind the commitment.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized by resolution the City Manager or the City Fiscal Officer for that purpose.

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

S. Spending Policy

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

S. Spending Policy (Continued)

Governmental Fund Financial Statements (Continued)

- Restricted
- Committed
- Assigned
- Unassigned

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

Governmental Fund Financial Statements

When expenditures are incurred for purposes for which all restricted, committed, assigned and unassigned fund balances are available, the City's policy is to apply in the following order, except for instances wherein an ordinance specifies the fund balance:

- Restricted
- Committed
- Assigned
- Unassigned

T. Grant Funding

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. The City's policy is to first apply cost-reimbursement grant resources to such programs, followed by general revenues.

U. Deferred Compensation

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan 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 Plan.

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.

V. Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 1 – Summary of Significant Accounting Policies (Continued)

W. Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

In June 2022, GASB issued Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62*. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Implementation of this Statement had a moderate effect on the City’s financial statements for the fiscal year ended June 30, 2024.

X. New GASB Pronouncements

The City is currently evaluating its accounting practices to determine the potential impact on the financial statements for the following GASB Statements:

GASB Statement No. 101 – In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Application of this statement is effective for the City’s fiscal year ending June 30, 2025.

GASB Statement No. 102 – In December 2023, GASB issued 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. Application of this statement is effective for the City’s fiscal year ending June 30, 2025.

GASB Statement No. 103 – In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of 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. Application of this statement is effective for the City’s fiscal year ending June 30, 2026.

GASB Statement No. 104 – In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, *Leases*, and intangible right-to-use assets recognized in accordance with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, should be disclosed separately by major class of underlying asset in the capital assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. Application of this statement is effective for the City’s fiscal year ending June 30, 2026.

Note 2 – Cash and Investments

The City maintains a cash and investment pool for all funds. Certain restricted funds that are held and invested by independent outside custodians through contractual agreements are not pooled. These restricted funds include cash and investment held by trustees.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 2 – Cash and Investments (Continued)

A. Summary of Cash and Investments

Cash and investments as of June 30, 2024 were classified in the accompanying financial statements as follows:

	Government-Wide Statement of Net Position			Fiduciary Funds	
	Governmental Activities	Business-Type Activities	Total	Statement of Net Position	Total
Cash and investments	\$ 30,869,394	\$ 19,001,498	\$ 49,870,892	\$ 1,918,004	\$ 51,788,896
Cash and investments with fiscal agents	15,816,975	1,089,183	16,906,158	-	16,906,158
Total cash and investments	\$ 46,686,369	\$ 20,090,681	\$ 66,777,050	\$ 1,918,004	\$ 68,695,054

Cash and investments for the City at June 30, 2024, consisted of the following:

Cash:	
Cash on hand	\$ 1,920
Deposits with financial institution	3,436,965
Total cash	3,438,885
Investments:	
Local Agency Investment funds	29,172,353
CalTrust	3,427,211
Money Market Fund	12,477,790
Corporate Notes	940,090
Federal Agency Securities	478,135
Negotiable Certificates of Deposit	2,943,637
Restricted cash and investment with PARS	15,816,953
Total investments	65,256,169
Total cash and investments	\$ 68,695,054

B. Deposits

The carrying amount of the City's cash deposit was \$3,436,965 at June 30, 2024. Balance before reconciling amounts was the amount of \$3,938,260 at June 30, 2024. The City has waived collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The remaining amount was collateralized with securities pledged by the pledging financial institution in the City's name.

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

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

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

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 2 – Cash and Investments (Continued)

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

Investments are reported at fair value. California statutes authorize Cities to invest idle or surplus funds in a variety of credit instruments as provided for in the California Government Code, Section 53600, Chapter 4 – Financial Affairs. The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restricted) that address interest rate risk, credit risk, and concentration of credit risk. The table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy. The City's permissible investments are described below.

Authorized Investment Types	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer*
U.S. Treasury Obligations	5 Years	None	None
U.S. Agency Securities	5 Years	40%	None
Repurchases Agreements	30 days	10%	None
Banker's Acceptances	180 days	40%	None
Commercial Paper (Minimum rating of "A" or higher)	180 days	15%	None
Medium Term corporate Notes (Minimum rating of "AA" or higher)	5 Years	15%	5%
Negotiable Certificates of Deposit issued in California	5 Years	10%	None
Negotiable Certificates of Deposit	5 Years	30%	None
Local Agency Investment Fund (LAIF)*	N/A	None	None
Insured savings account or money market account	N/A	None	None
Mutual Funds	N/A	15%	None
Restricted Real Estate Asset Sale rated "AAA" or higher	10 Years	15%	None

* Based on state law requirements or City investment policy requirements, whichever is more restrictive.

** Limit set by LAIF governing Board not California Government Code

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 2 – Cash and Investments (Continued)

D. Investments Authorized by Debt Agreements

Investment of debt issuances held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized by bond trustees. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized Investment Types	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
State of Municipal Bonds or Notes rated "AA" or better	None	None	None
Repurchase Agreements rated "A" or better	30 days	None	None
Investment Agreements and Contracts	None	None	None
Money Market Funds rated "AA-m" or better	N/A	None	None
Certificates of Deposit	None	None	None
Commercial Paper rated "A-1" or better	None	None	None
Federal Funds or Bankers Acceptances	1 Year	None	None
Local Agency Investment fund (LAIF)	None	None	None

E. Investment Valuation

Investments (except money market accounts that are included as part of restricted cash and investments) are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments' fair value measurements are as follows at June 30, 2024:

Investments measured by fair value level:	Total	Level 2
Federal Agency Securities	\$ 478,135	\$ 478,135
Corporate Notes	940,090	940,090
Negotiable Certificates of Deposits	2,943,637	2,943,637
Total investments by fair value level	4,361,862	\$ 4,361,862
 Investments not subject to the fair value hierarchy:		
Local Agency Investment Fund	29,172,353	
CalTrust	3,427,211	
Restricted cash and investment with PARS	15,816,953	
Money market mutual funds	12,477,790	
Total investments not subject to the fair value hierarchy	60,894,307	
Total investments	\$ 65,256,169	

Level 2 inputs are valued based on matrix pricing which use observable market inputs such as yield curves and market indices that are derived principally from or corroborated by observable market data by correlation to other means.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 2 – Cash and Investments (Continued)

F. Disclosure Relating to Interest Rate Risk

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

The sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity as of June 30, 2024:

Investment Type	12 Months or less	13 to 24 Months	More than 24 Months	Total
<i>Held by City:</i>				
Money Market	\$ 12,477,790	\$ -	\$ -	\$ 12,477,790
Local Agency Investment Fund	29,172,353	-	-	29,172,353
Caltrust	3,427,211	-	-	3,427,211
Securities of U.S. Government:				
Federal agency securities	478,135	-	-	478,135
Corporate notes	-	-	940,090	940,090
Negotiable certificates of deposits	1,949,927	745,074	248,636	2,943,637
<i>Held by Trustees:</i>				
Restricted cash & investments with PARS	15,816,953	-	-	15,816,953
Total investments	\$ 63,322,369	\$ 745,074	\$ 1,188,726	\$ 65,256,169

G. Disclosures Relating to Credit Risk

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

Investment Type	Total	S&P Rating as of June 30, 2024
<i>Held by City:</i>		
Securities of U.S. Government:		
Federal agency securities	\$ 478,135	AA+
Corporate notes	940,090	AA+
Total Rated Investments	1,418,225	
<i>Not rated:</i>		
Local Agency Investment Fund	29,172,353	
CalTrust	3,427,211	
Money market fund	12,477,790	
Negotiable certificates of deposits	2,943,637	
Restricted Cash-PARS	15,816,953	
Total investments	\$ 65,256,169	

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 2 – Cash and Investments (Continued)

G. Disclosures Relating to Credit Risk (Continued)

Concentration of Credit Risk – The City complies with the limitations on the amount that can be invested in any one issuer as stipulated by the California Government Code. There were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments at June 30, 2024.

Custodial Credit Risk – Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value for its investment or collateral securities that are in the possession of another party.

H. Investment in Local Agency Investment Fund (LAIF)

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. As of June 30, 2024, the City had \$29,172,353 invested in LAIF. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. LAIF is reported at amortized cost, which approximates fair value.

Note 3 – Notes Receivable

Notes receivables of the City as of June 30, 2024, were:

Housing Rehabilitation	\$	29,929
First time Home-Buyer		233,221
Bridge Housing Loan		1,076,908
Alvarez Court		1,891,538
Eastbluff Apartment Loan		1,096,203
811 San Pablo Ave		4,380,000
Subtotal		8,707,799
Less: Allowance for uncollectible loans		(4,327,798)
Total	\$	4,380,001

Housing Rehabilitation The City has provided loans to various homeowners for rehabilitation of property. These loans are secured by second deeds of trust on the property and have a range of interest rates from 2% to 6% with a maximum fifteen-year term. The balance of these notes receivable totaled \$29,929 at June 30, 2024.

First Time Home-Buyer In 1995, the City implemented a first time homebuyer program designed to encourage home ownership among low-income persons by providing down payment assistance. Under this program, loans are provided at no interest and are due upon sale or transfer of the property, refinance or payoff of the first mortgage, recordation of a third mortgage or default of the first mortgage. At the time of the loan repayment, the City shares in equity appreciation based on the City's loan share of the original purchase price. The balance of the notes receivable arising from this program at June 30, 2024 was \$233,221.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 3 – Notes Receivable (Continued)

Bridge Housing The Agency assisted Bridge Housing Corporation with its acquisition and development of the Pinole Grove Senior Housing Project by providing \$900,000 in the form of land and cash in return for a note bearing simple interest at a rate of 3% per year, secured by a deed of trust on the Project. Principal and interest are due annually but are payable only from surplus cash flow as defined in the note. The Project is not expected to generate a surplus cash flow and under the terms of the note, any unpaid principal and interest remaining at the expiration of the note in the year 2024 will be forgiven if Bridge Housing maintains the affordability of the project for an additional nineteen years. As of June 30, 2024, the outstanding balance was \$1,076,908.

Alvarez Court In August 2000, the City approved a loan of up to \$609,000 to assist the Resources for Community Development with the development of a housing project for persons with disabilities. In August 2002 the City amended the loan agreement, increasing the loan amount to \$988,000. The term of the loan is 40 years from the date of final closing by Housing and Urban Development, bearing a simple interest at a rate of 4% and is secured by first deed of trust. As of June 30, 2024, the total outstanding balance was \$1,891,538.

Eastbluff Apartments In 1996, the Pinole Redevelopment Agency assisted Eastbluff Associates with its development of the Eastbluff Apartments by providing \$975,000 in exchange for a note. The note was renegotiated in April 2016 and is secured by a deed of trust. The note bears an annual compound interest rate of 2.25% for a term of 55 years or until full repayment of the principal balance of the loan. Payments are the greater of \$63,375 per year or 50% of the surplus cash flow as defined in the terms of the Note. As of June 30, 2024, the outstanding balance was \$1,096,203.

Disposition and Development Agreement In 2021, the City entered into an agreement with Satellite Affordable Housing Associates (Developer) to develop, construct and operate the Thirty-Three unit affordable rental apartment project and provided the purchase loan and construction loan to Developer in amount of \$3,180,000 with a veering a simple interest rate of 3%. In March, 2023, both parties entered into an amendment of the agreement to increase the loan to \$4,380,000 and lower the interest rate from 3% to 0%. As of June 30, 2024, the outstanding balance was \$4,380,000.

Allowance for doubtful accounts

The City has several programs under which it extends loans to qualifying individuals or groups for the purpose of improving the City's housing stock and/or its supply of low-and-moderate income housing. Some of these loans provide for the eventual forgiveness of the loan balance if the borrower complies with all the terms of the loan over its full term. The City has provided a 100% allowance for all notes receivable subject to long-term deferral and/or payment from future refinancing as well as all notes receivable having subordination provisions, except for those accounts that have current payment activity and are not delinquent at June 30, 2024.

Note 4 – Lease Receivables

The City leases various types of property including land and buildings. Leases receivable consist of agreements with other entities for the “right-to-use” the underlying assets at various locations owned by the City. The remaining terms of the agreements range from 2 to 5 years. The interest rates used to calculate the net present value of the lease receivable ranged from 1.39% to 2%.

For the fiscal year ended June 30, 2024, the City recognized \$91,444 and \$8,548 in lease revenue and interest income, respectively, and the outstanding net present value of the lease receivable amount is \$564,381.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 4 – Lease Receivables (Continued)

A summary of changes in lease receivable for the governmental activities for the year ended June 30, 2024 is as follows:

	Balance			Classification		
	July 1, 2023	Additions	Deletions	June 30, 2024	Due within One Year	Due in More Than One Year
Leases receivable	\$ 644,060	\$ -	\$ (79,679)	\$ 564,381	\$ 92,178	\$ 472,203

The future payments on the leases as of June 30, 2024 were as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 92,178	\$ 7,434	\$ 99,612
2026	87,818	6,012	93,830
2027	90,234	4,770	95,004
2028	91,496	3,507	95,003
2029	92,776	2,227	95,003
2030-2032	109,879	957	110,836
Total	\$ 564,381	\$ 24,907	\$ 589,288

The amortization of deferred inflow-lease related future revenue were as follow:

Year Ending June 30,	Amortization Schedule
2025	\$ 86,045
2026	86,045
2027	86,045
2028	86,045
2029	86,045
2030-2032	100,387
Total	\$ 530,612

Note 5 – Land Held For Resale

At June 30, 2024, the City held the properties at 2100/2150 San Pablo Ave for resale or redevelopment with a total value of \$355,062.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 6 – Capital Assets

A. Governmental Activities

The following is a summary of changes in capital assets for the governmental activities for the year ended June 30 2024:

	Balance July 1, 2023	Additions	Deletions	Transfers	Balance June 30, 2024
Capital assets, not being depreciated					
Land	\$ 6,313,621	\$ -	\$ -	\$ -	\$ 6,313,621
Construction in progress	1,649,680	1,400,187	-	(198,966)	2,850,901
Total capital assets, not being depreciated	<u>7,963,301</u>	<u>1,400,187</u>	<u>-</u>	<u>(198,966)</u>	<u>9,164,522</u>
Capital assets, being depreciated					
Building and improvements	16,040,401	70,070	(8,863)	55,321	16,156,929
Machinery, equipment and vehicles	8,725,678	597,545	-	-	9,323,223
Infrastructure	61,078,899	221	-	143,645	61,222,765
Total capital assets, being depreciated	<u>85,844,978</u>	<u>667,836</u>	<u>(8,863)</u>	<u>198,966</u>	<u>86,702,917</u>
Accumulated depreciation:					
Building and improvements	(11,625,113)	(255,116)	-	-	(11,880,229)
Machinery, equipment and vehicles	(7,030,760)	(560,418)	8,863	-	(7,582,315)
Infrastructure	(44,944,356)	(734,595)	-	-	(45,678,951)
Total accumulated depreciation	<u>(63,600,229)</u>	<u>(1,550,129)</u>	<u>8,863</u>	<u>-</u>	<u>(65,141,495)</u>
Total capital assets, being depreciated, net	<u>22,244,749</u>	<u>(882,293)</u>	<u>-</u>	<u>198,966</u>	<u>21,561,422</u>
Right to use lease assets, being amortized					
Machinery, equipment and vehicles	103,931	-	-	-	103,931
Total right to use lease assets, being amortized	<u>103,931</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>103,931</u>
Accumulated amortization:					
Machinery, equipment and vehicles	(48,340)	(25,580)	-	-	(73,920)
Total accumulated amortization	<u>(48,340)</u>	<u>(25,580)</u>	<u>-</u>	<u>-</u>	<u>(73,920)</u>
Total right to use assets, being amortized, net	<u>55,591</u>	<u>(25,580)</u>	<u>-</u>	<u>-</u>	<u>30,011</u>
Subscription assets, being amortized	666,105	489,198	-	-	1,155,303
Less accumulated amortization	(472,845)	(204,824)	-	-	(677,669)
Total subscription assets, net	<u>193,260</u>	<u>284,374</u>	<u>-</u>	<u>-</u>	<u>477,634</u>
Total capital assets, net	<u>\$ 30,456,901</u>	<u>\$ 776,688</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,233,589</u>

Depreciation/amortization expense for capital assets was charged to functions as follows:

General government	\$ 286,692
Public safety	290,992
Public works	1,115,746
Recreation	81,217
Community development	5,886
Total depreciation/amortization expense	\$ 1,780,533

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 6 – Capital Assets (Continued)

B. Business-Type Activities

The following is a summary of changes in capital assets for the business-type activities for the year ended June 30, 2024:

	Balance July 1, 2023*	Additions	Deletions	Transfers	Balance June 30, 2024
Capital assets, not being depreciated					
Construction in progress	\$ 124,930	\$ 242,708	\$ -	\$ -	\$ 367,638
Total capital assets, not being depreciated	124,930	242,708	-	-	367,638
Capital assets, being depreciated					
Building and improvements	40,857,072	-	-	-	40,857,072
Equipment	1,229,931	-	-	-	1,229,931
Vehicles	920,362	-	(131,162)	-	789,200
Infrastructure	7,474,337	-	-	-	7,474,337
Total capital assets, being depreciated	50,481,702	-	(131,162)	-	50,350,540
Accumulated depreciation:					
Building and improvements	(7,057,028)	(798,002)	-	-	(7,855,030)
Equipment	(909,494)	(15,161)	-	-	(924,655)
Vehicles	(467,368)	(129,161)	131,162	-	(465,367)
Infrastructure	(5,047,937)	(81,033)	-	-	(5,128,970)
Total accumulated depreciation	(13,481,827)	(1,023,357)	131,162	-	(14,374,022)
Total capital assets, being depreciated, net	36,999,875	(1,023,357)	-	-	35,976,518
Total capital assets, net	<u>\$ 37,124,805</u>	<u>\$ (780,649)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,344,156</u>

*Certain prior year accumulated depreciation amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations or total accumulated depreciation.

Depreciation expense for capital assets was charged to the wastewater fund in amount of \$1,023,357 for the year ended June 30, 2024.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 7 – Long-Term Liabilities

A. Governmental Activities

The following is a summary of changes in the City's long-term liabilities related to governmental activities for the fiscal year ended June 30, 2024:

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	Classification	
					Due within One Year	Due in More Than One Year
Long-term liabilities						
2006 Pension Obligation Bonds	\$ 2,297,299	\$ -	\$ (207,790)	\$ 2,089,509	\$ 203,321	\$ 1,886,188
Leases payable:	56,609	-	(25,633)	30,976	26,219	4,757
Subscription payable:	176,570	126,215	(103,386)	199,399	85,994	113,405
Total long-term debts	2,530,478	126,215	(336,809)	2,319,884	315,534	2,004,350
Claims payable	28,825	5,317,205	(5,324,378)	21,652	21,652	-
Compensated absences	819,967	833,387	(807,546)	845,808	277,451	568,357
Total long-term liabilities	\$ 3,379,270	\$ 6,276,807	\$ (6,468,733)	\$ 3,187,344	\$ 614,637	\$ 2,572,707

Pension Obligation Bonds

In June 2006 the City authorized the issuance of \$16,800,000 of 2006 Series A-1 and A-2 Bonds. The Taxable Pension Obligation Bonds in the aggregate principal of \$6,214,630 were issued to finance the City's unfunded accrued actuarial liability with CalPERS. Repayment on the Bonds will be from General Fund revenues Non-voter-approved debt. Principal payments are due annually in June until 2036. As of June 30, 2024, the principal balance of outstanding bonds was \$2,089,509.

The annual debt service requirements (principal and interest) to maturity for the 2006 Pension Obligation Bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 203,321	\$ 431,679	\$ 635,000
2026	195,585	454,415	650,000
2027	191,228	483,773	675,001
2028	186,704	513,296	700,000
2029	180,806	539,194	720,000
2029-2033	830,625	3,134,375	3,965,000
2034-2036	301,240	1,473,760	1,775,000
Total	\$ 2,089,509	\$ 7,030,492	\$ 9,120,001

Leases payable

The City has entered leases for the right of way leases. The terms of the agreements are 60 months. The calculated interest rate used range from 2% to 6.63%. As of June 30, 2024, the outstanding balance of the leases is \$30,976.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 7 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

Leases payable (Continued)

Principal and interest payments to maturity at June 30, 2024 are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 26,219	\$ 648	\$ 26,867
2026	1,631	275	1,906
2027	1,742	165	1,907
2028	1,384	46	1,430
Total	\$ 30,976	\$ 1,134	\$ 32,110

Subscription payable

The City entered into subscription agreements with various vendors for software. The terms of the agreements are ranging from 36 months to 84 months. The calculated interest rates range from 6.47% to 6.63%. As of June 30, 2024, the capitalized right-to-use assets related to SBITAs were \$477,634 and the total subscription liability was \$199,399, of which \$85,994 is reported as a current liability representing the amount due within the next fiscal year.

The future subscription payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 85,994	\$ 12,724	\$ 98,718
2026	72,683	7,710	80,393
2027	29,493	2,754	32,247
2028	11,229	772	12,001
Total	\$ 199,399	\$ 23,960	\$ 223,359

B. Business-Type Activities

The following is a summary of changes in the City's long-term liabilities related to business-type activities for the fiscal year ended June 30, 2024:

	Balance			Balance June 30, 2024	Classification	
	July 01, 2023	Additions	Retirements		Due within One Year	Due in More Than One Year
Public borrowings:						
2016 Wastewater Revenue Refunding Bond	\$ 5,980,000	\$ -	\$ (347,000)	\$ 5,633,000	\$ 362,000	\$ 5,271,000
2016 Clean Water State Revolving Fund	23,426,566	-	(690,932)	22,735,634	702,678	22,032,956
Total bonds payable	29,406,566	-	(1,037,932)	28,368,634	1,064,678	27,303,956
Compensated absences	178,271	185,674	(148,776)	215,169	46,835	168,334
Total long-term liabilities	\$ 29,584,837	\$ 185,674	\$ (1,186,708)	\$ 28,583,803	\$ 1,111,513	\$ 27,472,290

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 7 – Long-Term Liabilities (Continued)

B. Business-Type Activities (Continued)

2016 Wastewater Revenue Refunding Bonds

On June 30, 2016, the City issued an \$8,251,000 2016 Wastewater Revenue Refunding Bond (Bank Qualified) to redeem its 2006 Wastewater Revenue Bonds. The bonds bear annual interest at 2.95% which is payable semi-annually on March 1 and September 1 of each year through 2036. Principal payments are due annually beginning on September 1, 2016 through 2036. The bond is secured with pledged net wastewater revenues. As of June 30, 2024, the principal balance of outstanding bonds was \$5,633,000.

Future debt service payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 362,000	\$ 160,834	\$ 522,834
2026	372,000	150,008	522,008
2027	381,000	138,901	519,901
2028	395,000	127,455	522,455
2029	404,000	115,670	519,670
2030-2034	2,217,000	389,090	2,606,090
2035-2037	1,502,000	67,378	1,569,378
Total	\$ 5,633,000	\$ 1,149,336	\$ 6,782,336

2016 Clean Water State Revolving Fund

In May 2016, the City entered into a loan agreement with the State of California Water Resources Control Board to provide funding for its 50% share of upgrades to the Pinole-Hercules Wastewater Pollution Control Plant to achieve compliance with Regional Water Quality Board NPDES. Funds are drawn on the agreement as work is completed up to a maximum amount of \$26.7 million plus any construction period interest. The loan accrues interest at a rate of 1.7 percent annually. Annual principal payments are due each July 1, commencing July 1, 2020. Final payment is due July 2049. Net revenues, defined as all sewer enterprise fund revenues less operations and maintenance costs (excluding depreciation and amortization expenses), is pledged for future debt service. As of June 30, 2024, the total debt outstanding on the loan is \$22,735,634.

Future debt service payments are as follows:

Year Ending June 30,	Principal	Interest	Total
2025	\$ 702,678	\$ 386,506	\$ 1,089,184
2026	714,624	374,560	1,089,184
2027	726,772	362,412	1,089,184
2028	739,127	350,057	1,089,184
2029	751,693	337,491	1,089,184
2030-2034	3,954,545	1,491,375	5,445,920
2035-2039	4,302,306	1,143,614	5,445,920
2040-2044	4,680,649	765,271	5,445,920
2045-2049	5,092,263	353,657	5,445,920
2050	1,070,977	18,207	1,089,184
Total	\$ 22,735,634	\$ 5,583,150	\$ 28,318,784

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 8 – Interfund Transactions

A. Interfund Transfers to/from Other Funds

Transfers between funds during the fiscal year ended June 30, 2024 were as follows:

Transfers In	Transfers Out	
	General Fund ^{1,2}	Total
General Fund	\$ 3,146,313	\$ 3,146,313
Building & Planning Fund	67,000	67,000
Nonmajor Governmental Funds	2,228,594	2,228,594
Total	\$ 5,441,907	\$ 5,441,907

¹Pension Trust contribution to the General Fund and General fund contribution to the General Reserve.

²General Fund and Measure S Fund support of recreation, PCTV, and certain capital projects: General fund contribution to community development information system.

B. Due to/from Other Funds

These balances represent short term loans between funds which are expected to be reimbursed within one year. The composition of due to/from balances at June 30, 2024 consisted of the following:

Due From	Due To	Description	Amount
General Fund	Storm Water Fund	Deficit cash balance	\$ 211,640
General Fund	Building and Planning Fund	Deficit cash balance	2,323,391
General Fund	Public Works Capital Projects Funds	Deficit cash balance	82,515
General Fund	Cable Access TV	Deficit cash balance	19,140
	Total		\$ 2,636,686

Note 9 – Defined Benefit Pension Plan

A. 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 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 safety and miscellaneous pools. The City sponsors five rate plans (two miscellaneous and three safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 9 – Defined Benefit Pension Plan (Continued)

A. General Information about the Pension Plans (Continued)

Benefits Provided - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non- duty disability benefits after 5 years of service. The death benefit is one of the following: the Special Death Benefit (Safety only), the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The rate plan provisions and benefits in effect for the year ended June 30, 2024, are summarized as follows:

Hire Date	Miscellaneous Cost- Sharing Plans		
	Classic	PEPRA	
Benefit formula	2% @ 55	2% @ 62	
Benefit vesting schedule	5 years service	5 years service	
Benefit payments	Monthly for life	Monthly for life	
Retirement age	55	62	
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	2.0%	
Required employee contribution rates	8.000%	7.750%	
Required employer contribution rates	14.060%	7.680%	
Final Annual Compensation	1 year	3 year	

Hire Date	Safety Cost-Sharing Plans		
	Classic	PEPRA Police	PEPRA Fire
Benefit formula	3% @ 55	2.7% @ 57	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	55	50 - 57	50 - 57
Monthly benefits, as a % of eligible compensation	3.000%	2.700%	2.700%
Required employee contribution rates	9.00%	13.750%	13.750%
Required employer contribution rates	24.150%	13.540%	13.540%
Final Annual Compensation	1 year	3 years	3 years

Employees Covered

At June 30, 2023, the measurement date, the following employees were covered by the benefit terms for the Plan:

	Miscellaneous Plans	Safety Plans
Active employees	74	26
Transferred and terminated employees	97	54
Retired employees and beneficiaries	128	108
Total	299	188

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 9 – Defined Benefit Pension Plan (Continued)

A. General Information about the Pension Plans (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law ("PERL") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

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

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2023, the total pension liability was determined by rolling forward the June 30, 2022 total pension liability. The June 30, 2023 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	6.90%
Mortality Rate Table ¹	Derived using CalPERS' Membership Data for all Funds. .
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

¹ The mortality table used for June 30, 2022 was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

Long-Term Expected Rate of Return

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

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 9 – Defined Benefit Pension Plan (Continued)

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

Long-Term Expected Rate of Return (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points. The expected real rates of return by asset class are as follows:

Asset Class	Asset	Real Return
Public equity	42.00%	4.54%
Private equity	13.00%	3.84%
Fixed income	30.00%	7.28%
Real assets	15.00%	0.27%
Private debt	5.00%	0.50%
Strategic leverage	-5.00%	-59.00%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the net pension liability of the plans as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90%) or 1 percentage-point higher (7.90%) than the current rate:

	Plan's Aggregate Net Pension Liability/(Asset)		
	Discount Rate - 1% (5.90%)	Current Discount Rate (6.90%)	Discount Rate + 1% (7.90%)
Miscellaneous Plan	\$ 27,273,574	\$ 19,140,570	\$ 12,446,409
Safety Plan	38,607,343	26,305,611	16,248,070
	\$ 65,880,917	\$ 45,446,181	\$ 28,694,479

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 9 – Defined Benefit Pension Plan (Continued)

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

Pension Plan Fiduciary Net Position

Detailed information about the plan’s fiduciary net position is available in the separately issued CalPERS financial report.

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan’s proportionate share of the risk pool collective net pension liability over the measurement period:

	Increase (Decrease)		
	Plan Total Pension Liability	Plan Fiduciary Net Position	Plan Net Pension Liability/(Asset)
Miscellaneous			
Balance at: 6/30/22 (Valuation date)	\$ 56,951,625	\$ 38,857,646	\$ 18,093,979
Balance at: 6/30/23 (Measurement date)	60,135,008	40,994,438	19,140,570
Net Changes during 2022-2023	3,183,383	2,136,792	1,046,591
Safety			
Balance at: 6/30/22 (Valuation date)	\$ 85,101,396	\$ 60,886,598	\$ 24,214,798
Balance at: 6/30/23 (Measurement date)	89,674,397	63,368,786	26,305,611
Net Changes during 2022-2023	4,573,001	2,482,188	2,090,813

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

	Miscellaneous	Safety
Proportion June 30, 2023	0.38669%	0.35239%
Proportion June 30, 2024	0.38278%	0.35192%
Change - Increase (Decrease)	-0.00391%	-0.00047%

For the year ended June 30, 2024, the City recognized pension expense in the amounts of \$2,250,481 and \$4,292,423 for the miscellaneous plan and safety plan, respectively, for a total of \$6,542,904.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 9 – Defined Benefit Pension Plan (Continued)

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

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

As of June 30, 2023, the measurement date, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Miscellaneous Plan		Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions made subsequent to measurement date	\$ 2,209,061	\$ -	\$ 2,401,947	\$ -
Difference between expected and actual experience	977,804	(151,681)	1,931,317	(165,341)
Changes in assumptions	1,155,602	-	1,535,231	-
Differences difference between projected and actual investment earnings	3,099,031	-	3,599,916	-
Adjustment due to differences in proportions	-	(1,305,969)	837,057	-
Difference between the City's contributions and proportionate share of contributions	333,529	(58,184)	43,678	(1,033,541)
Total	\$ 7,775,027	\$ (1,515,834)	\$ 10,349,146	\$ (1,198,882)

\$2,209,061 and \$2,401,947 reported as deferred outflows of resources related to pensions for miscellaneous plan and safety plan, respectively, resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the collective net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in the future pension expense as follows:

Year Ended June 30,	Deferred Outflows/(Inflows) of Resources	
	Miscellaneous Plan	Safety Plan
2025	\$ 872,723	\$ 2,172,653
2026	667,120	1,544,806
2027	2,421,365	2,930,378
2028	88,924	100,480
2029	-	-
Thereafter	-	-
	\$ 4,050,132	\$ 6,748,317

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 10 – Other Post-Employment Benefits (OPEB)

A. Summary

	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Employer contributions made subsequent to the measurement date	\$ 1,363,421	\$ 151,491	\$ 1,514,912
Difference between expected and actual experience	2,492,725	276,969	2,769,694
Changes in assumptions	2,745,853	305,095	3,050,948
Total deferred outflows of resources	\$ 6,601,999	\$ 733,555	\$ 7,335,554
Total OPEB liability:			
Total OPEB liability, due within one year	\$ 1,460,008	\$ 162,223	\$ 1,622,231
Total OPEB liability, due in more than one year	30,018,712	3,335,413	33,354,125
Total OPEB liability	\$ 31,478,720	\$ 3,497,636	\$ 34,976,356
Deferred inflows of resources:			
Difference between expected and actual experience	\$ 2,286,362	\$ 254,040	\$ 2,540,402
Changes in assumptions	10,187,428	1,131,937	11,319,365
Total deferred inflows of resources	\$ 12,473,790	\$ 1,385,977	\$ 13,859,767
OPEB Expense	\$ 1,041,263	\$ 115,696	\$ 1,156,959

B. Description of the Plan

The City sponsors and administers a single-employer health care plan for its employees. The plan includes healthcare coverage to long-service retirees. At retirement, City employees can elect Blue Shield, Kaiser, PERS Care, or PERS Choice medical coverage through the City at the City's expense. As the City's OPEB benefits are administered by City personnel, no separate financial statements are issued.

C. Employees Covered

As of the June 30, 2023, measurement date (June 30, 2023 valuation date), the following current and former employees were covered by the benefit terms under the Plan:

Active employees	102
Retired employees and beneficiaries	104
Total	<u>206</u>

D. Contributions

Employees hired before July 1, 2010 receive a City contribution toward their retiree health premium equal to that provided to current active employees. Employees shall be offered the option to opt into the vesting program as soon after the program implementation as allowed per CalPERS regulations.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 10 – Other Post-Employment Benefits (OPEB) (Continued)

D. Contributions (Continued)

Employees hired on or after July 1, 2010 receive a City contribution toward their retiree health premium in an amount as described by Government Code Section 22893 (the PERS vesting schedule). Government Code Section 22893 currently reads that the percentage of employer contribution payable for postretirement health benefits for an employee of a contracting agency subject to this section shall, except as provided in subdivision (b) be based on the member's completed years of credited state service at retirement as shown in the following table:

Credited Years of Service	Percentage of Employer Contributions
10	50
11	55
12	60
13	65
14	70
15	75
16	80
17	85
18	90
19	95
20 or more	100

E. Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2023, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2023. The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement date.

Actuarial Cost Method	Entry-Age Normal, Level Percentage of Salary
Valuation Date	June 30, 2023
Discount Rate	3.86%
Inflation	2.30%
Salary Increases	Base salary increases in year one: 2.80% Base salary increases in subsequent years: 2.80% Additional merit-based increases based on CalPERS
Investment rate of return	5.10%
Healthcare Trend Rate	7.4% (Non-Medicare) / 4.2% (Medicare) in 2023, decreasing gradually to an ultimate rate of 4.14% by 2075
Mortality rate	Derived using CalPERS' Membership Date for all Funds

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 10 – Other Post-Employment Benefits (OPEB) (Continued)

F. Discount Rate

The discount rate used to measure the total OPEB liability was 3.86%. The City’s OPEB Plan is an unfunded plan, therefore the discount rate was set to the rate of tax-exempt, high quality 20-year municipal bonds, as of the valuation date.

G. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at June 30, 2022 (Measurement Date)	\$ 36,286,025
Changes Recognized for the Measurement Period:	
Service Cost	1,435,271
Interest on the total OPEB liability	1,311,164
Difference between expected and actual experience	3,334,938
Changes of assumptions	(6,025,520)
Implicit Subsidy Credit	(144,415)
Benefit payments	(1,221,107)
Net Changes during July 1, 2022 to June 30, 2023	(1,309,669)
Balance at June 30, 2023 (Measurement Date)	\$ 34,976,356

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

Plan's Total OPEB Liability		
Discount Rate - 1% (2.86%)	Current Discount Rate (3.86%)	Discount Rate + 1% (4.86%)
\$ 40,098,095	\$ 34,976,356	\$ 30,853,392

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rate – The following presents the total OPEB liability of the City for the Plan, calculated using the healthcare cost trend rate for the Plan, as well as what the City’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

Plan's Total OPEB Liability		
Healthcare Cost		
-1% (6.40%)	Trend Rates (7.40%)	1% (8.40%)
\$ 30,577,343	\$ 34,976,356	\$ 40,466,766

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 10 – Other Post-Employment Benefits (OPEB) (Continued)

H. Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss: using 5 years, straight line of amortization for the net difference between projected and actual earnings on OPEB plan investment, and using expected average remaining service lifetime (EARSLS) for all amounts. The City’s total OPEB liability is generally liquidated by the general fund and wastewater fund.

I. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2024, the City recognized OPEB expense of \$1,156,959. For the fiscal year ended June 30, 2024, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred outflows of Resources	Deferred inflows of Resources
Employer contributions made subsequent to the measurement date	\$ 1,514,912	\$ -
Difference between expected and actual experience	2,769,694	(2,540,402)
Changes of assumptions	3,050,948	(11,319,365)
Total	\$ 7,335,554	\$ (13,859,767)

The \$1,514,912 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2023 measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ending June 30, 2025. Other amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ended June 30	Deferred Outflows/ (Inflows) of Resources
2025	\$ (1,419,181)
2026	(1,372,997)
2027	(2,778,308)
2028	(2,058,212)
2029	(410,427)
Thereafter	-
	\$ (8,039,125)

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 11 – Deferred Compensation Plan

A. 457 Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan is available to full-time employees. The Internal Revenue Service regulations allow an employer to designate a 457(b) Deferred Compensation Plan as an alternative to social security. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in trust by Mission Square, the City's third-party administrator, for the exclusive benefit of the plan participants and their beneficiaries as prescribed by Internal Revenue Code Section 457(g). Accordingly, these assets have been excluded from the City's Annual Comprehensive Financial Report.

In the year 2021, the City evaluated the requirements of GASB Statement No. 84, *Fiduciary Activities* and GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans* and determined that plan didn't meet the criteria to be reported as a fiduciary activity, as required by the above mentioned GASB Statements. Moreover, the plan is classified as other employee benefits for financial reporting purposes.

As of June 30, 2024, the amount held by the Trustee for the City employees is \$9,106,471.

Note 12 – Fund Balance

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

The City of Pinole has established the following fund balance policies:

Committed Fund Balance: Only the City Council may have the authority to create or change a fund balance commitment. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally.

Assigned Fund Balance: Amounts that are constrained by the City's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. The policy hereby delegates the authority to assign amounts to be used for specific purposes to the City Manager and the Finance Director for the purpose of reporting these amounts in the annual financial statements.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 12 – Fund Balance (Continued)

The accounting policies of the City consider restricted fund balance to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the City considers committed amounts to be reduced first, followed by assigned amounts, and unassigned amounts.

The City classifies fund balances, as shown on the Balance Sheet – Governmental Funds, as follows as of June 30, 2024:

	General Fund	Housing Programs Fund	Building & Planning Fund	Non-major Governmental Funds	Total
Nonspendable					
Prepaid items	\$ 18,627	\$ -	\$ -	\$ 320,552	\$ 339,179
Inventory	15,360	-	-	-	15,360
Total nonspendable	33,987	-	-	320,552	354,539
Restricted					
Housing Redevelopment	-	8,267,771	-	-	8,267,771
Real estate maintenance	133,438	-	-	-	133,438
Public safety	-	-	-	1,044,309	1,044,309
Growth impact	-	-	-	3,503,560	3,503,560
Gas Tax	-	-	-	1,589,060	1,589,060
Parkland Dedication	-	-	-	116	116
Measure C	-	-	-	2,041,642	2,041,642
Refuse Management	-	-	-	31,420	31,420
Community development	-	-	-	6,102	6,102
Solid Waste	-	-	-	2,915,814	2,915,814
CASP Certification	-	-	-	49,439	49,439
Rate Stabilization	-	-	-	216,047	216,047
Pension Fund	13,585,182	-	-	-	13,585,182
Total restricted	13,718,620	8,267,771	-	11,397,509	33,383,900
Committed					
General reserve	10,266,058	-	-	-	10,266,058
Equipment reserve	378,780	-	-	-	378,780
Emergency reserve	100,000	-	-	-	100,000
Total committed	10,744,838	-	-	-	10,744,838
Assigned					
Capital projects	-	-	-	3,856,760	3,856,760
Total assigned	-	-	-	3,856,760	3,856,760
Unassigned (deficit)	7,841,433	-	(2,226,680)	(142,430)	5,472,323
Total fund balances	\$ 32,338,878	\$ 8,267,771	\$ (2,226,680)	\$ 15,432,391	\$ 53,812,360

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 13 – Risk Management

The City manages risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters by participating in the public entity risk pools described below and by retaining certain risks.

Public entity risk pools are formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California which exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each risk pool is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective risk pool, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities of these risk pools are not the member's responsibility.

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

Type of Coverage (Deductible)	Coverage Limits
Liability (\$25,000) including errors and omissions for Public Officials	\$ 34,500,000
All Risk Fire and Property (\$25,000)	1,000,000,000
Workers' Compensation (no deductible)	50,000,000
Vehicle Physical Damage (\$3,000 for police, \$2,000 all others)	250,000

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

The City's deposits with the MPA are in accordance with formulas established by the MPA. Actual surpluses or losses are shared according to a formula developed from overall loss costs and spread to member entities on a percentage basis after a retrospective rating.

During the fiscal year ended June 30, 2024, the City contributed \$1,866,922 for coverage.

Financial statements may be obtained from Municipal Pooling Authority of Northern California, 1911 San Miguel Drive, Suite 200, Walnut Creek, CA 94596.

Note 14 – Stewardship, Compliance, and Accountability

A. Deficit Fund Balances/Net Position

As of June 30, 2024, the following funds had a fund deficit:

Fund	Fund Type	Deficit
Recreation Fund	Special Revenue Fund	\$ (13,804)
Building & Planning Fund	Special Revenue Fund	(2,226,680)
Storm Water	Special Revenue Fund	(123,626)

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 14 – Stewardship, Compliance, and Accountability (Continued)

B. Expenditures in Excess of Appropriations

The following funds had expenditures in excess of appropriations:

Fund	Appropriations	Expenditures	Excess Expenditures over Appropriations
Major Governmental Funds:			
General Fund			
General administration	\$ 4,473,552	\$ 4,521,144	\$ (47,592)
Public safety	16,672,418	17,686,177	(1,013,759)
Debt Service - Principal	207,790	336,809	(129,019)
Debt Service - Interest and fiscal charges	403,317	418,148	(14,831)
Nonmajor Governmental Funds:			
Gas Tax Special Revenue Fund			
Public works	547,941	556,732	(8,791)
Police Special Revenue Fund			
Public safety	534,703	531,504	3,199
Recreation Special Revenue Fund			
General administration	-	7,338	(7,338)
CASP Certification & Training Special Revenue Fund			
Community development	-	1,040	(1,040)

Note 15 – Successor Agency Private Purpose Trust for Assets of Former Redevelopment Agency

The Pinole Redevelopment Agency (the "former RDA") was formed in 1972 to finance redevelopment projects in the Agency of Pinole pursuant to the State of California Health and Safety Code, Section 3300. On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 that provided for the dissolution of all redevelopment agencies in the State of California as of February 1, 2012, at which time the City of Pinole elected to take over as the Successor Agency (the "Agency").

The asset and liabilities of the former RDA were transferred to the Successor Agency on February 1, 2012 as a result of the dissolution. The Successor Agency acts in a fiduciary capacity to wind down affairs of the former RDA which includes disposing of the assets and liabilities, and its activities are reported in the fiduciary private-purpose trust fund.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 15 – Successor Agency Private Purpose Trust for Assets of Former Redevelopment Agency (Continued)

A. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2024 was as follows:

	Balance July 1, 2023	Additions	Balance June 30, 2024
Capital assets, not being depreciated			
Land	\$ 2,429,793	\$ -	\$ 2,429,793
Total capital assets, not being depreciated	<u>2,429,793</u>	<u>-</u>	<u>2,429,793</u>
Capital assets, being depreciated			
Building and improvements	9,193,612	-	9,193,612
Infrastructure	3,617,484	-	3,617,484
Total capital assets, being depreciated	<u>12,811,096</u>	<u>-</u>	<u>12,811,096</u>
Accumulated depreciation:			
Building and improvements	(3,708,818)	(188,954)	(3,897,772)
Infrastructure	(1,883,432)	(66,716)	(1,950,148)
Total accumulated depreciation	<u>(5,592,250)</u>	<u>(255,670)</u>	<u>(5,847,920)</u>
Total capital assets, being depreciated, net	<u>7,218,846</u>	<u>(255,670)</u>	<u>6,963,176</u>
Total capital assets, net	<u>\$ 9,648,639</u>	<u>\$ (255,670)</u>	<u>\$ 9,392,969</u>

B. Long-term Liabilities

The following is a summary of changes in the Agency's long-term liabilities related to governmental activities for the fiscal year ended June 30, 2024:

	Balance July 1, 2023	Debt Issued	Debt Retired	Balance June 30, 2024	Classification	
					Due within One Year	Due in More Than One Year
Public borrowings:						
2015 Series A Bonds - Successor Agency Private Purpose Trust	\$ 3,570,000	\$ -	\$ (3,570,000)	\$ -	\$ -	\$ -
Total	<u>\$ 3,570,000</u>	<u>\$ -</u>	<u>\$ (3,570,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

2015 Series A Tax Allocation Bond

On August 6, 2015, the Successor Agency to the Pinole Redevelopment Agency issued \$29,735,000 of tax allocation refunding bonds to redeem bonds held by the former Pinole Redevelopment Agency (1998A, 1998B, 1999, 2003A, 2003B, 2004 (Housing), 2004B (2nd Subordinate), 2004A (2nd Subordinate), 2004A (3rd Subordinate). The 2015A Tax Allocation Refunding Bond (Tax-Exempt) in the amount of \$19,810,000 bears an interest rate of 2.270% which is payable semi-annually on February 1 and August 1 of each year through 2023. Principal payments are due annually on August 1 through 2023. As of June 30, 2024, the principal balance of outstanding bonds was paid off.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 16 – Contingencies and Commitments

The City is subject to litigation arising in the normal course of business. In the opinion of the City Attorney there is no pending litigation which is likely to have a material adverse effect on the financial position of the City.

Grant Awards - The City participates in certain Federal and State assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

Note 17 – Net Investment in Capital Assets

Net Investment in Capital Assets at June 30, 2024 consisted of the following:

	Governmental Activities	Business-Type Activities
Net investment in capital assets:		
Capital assets, nondepreciable	\$ 9,164,522	\$ 367,638
Capital assets, depreciable/amortizable, net	22,069,067	35,976,518
Long-term debt:		
Retention payable	(30,213)	-
Leases payable	(30,976)	-
Subscription payable	(199,399)	-
2016 Wastewater Revenue Refunding Bond	-	(5,633,000)
2016 Clean Water State Revolving Fund	-	(22,735,634)
Total net investment in capital assets	\$ 30,973,001	\$ 7,975,522

Note 18 – Joint Powers Agreements

The City is a member of the joint powers agency described below. This agency is governed by a board, which controls their operation, including selection of management and approval of operating budgets, independent of influence by member municipalities beyond their representation on the board.

A. Pinole/Hercules Wastewater Treatment Plant

On January 23, 2001, the cities of Pinole and Hercules entered into a joint powers agreement for the operation and ownership of the Pinole/Hercules Wastewater Treatment Plant (Plant). The City of Hercules retains responsibility for the operation and maintenance of its wastewater collection system. The City of Hercules has an undivided fifty percent (50%) ownership interest in the Plant. The City of Pinole has the right and responsibility to manage and operate the Plant. Also, the City of Pinole maintains the records and accounts for all the transactions.

City of Pinole
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2024

Note 19 – Prior Period Adjustments

The City made following prior period adjustments and restatements as of July 1, 2023:

	Governmental Activities
Net position, as previously reported, at July 1, 2023	\$ 21,051,804
To correct deposit payable	(109,982)
Net position at July 1, 2023, as restated	\$ 20,941,822

The beginning fund balance at July 1, 2023 of the Building and Planning Fund financial statement was restated as follows:

Fund balance, as previously reported, at July 1, 2023	\$ (1,526,215)
To correct deposit payable	(109,982)
Fund balance at July 1, 2023, as restated	\$ (1,636,197)

Note 20 – Changes to or within the Financial Reporting Entity

The Building and Planning Special Revenue Fund was previously reported as a nonmajor fund, but due to the City expending the majority of the funds, the fund now meets the quantitative threshold requiring the fund to be reported as a major fund for the fiscal year ended June 30, 2024. The changes to or within the financial reporting entity resulted in adjustments to and restatements of beginning fund balance, as follows:

	June 30,2023 As Previously Reported	Change to or with the Financial Reporting Entity	Prior Period Adjustment	June 30, 2023 As Restated
Governmental Funds				
Major Funds				
General Fund	\$ 36,555,146	\$ -	\$ -	\$ 36,555,146
Housing Programs Fund	8,203,719	-	-	8,203,719
Building and Planning Fund	-	(1,636,197)	-	(1,636,197)
Non-major Funds	12,435,695	1,636,197	(109,982)	13,961,910
Total Governmental Funds	\$ 57,194,560	\$ -	\$ (109,982)	\$ 57,084,578

REQUIRED SUPPLEMENTARY INFORMATION

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City of Pinole
Required Supplementary Information
Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2024

Budget and Budgetary Accounting

The City followed these procedures in establishing the budgetary data reflected in the General-Purpose Financial Statements:

- 1 Annually, the City Manager submits to the City Council a proposed operating budget for the following fiscal year. This budget includes proposed expenditures, by fund and department, and the revenues expected to finance them. Public hearings are conducted to obtain taxpayer comments and the budget is legally enacted through passage of a resolution. Any revisions which alter total expenditures of any fund must be approved by the City Council.
- 2 Budgets are adopted on a basis consistent with generally accepted accounting principles. Budget to actual comparisons in this report use this budgetary basis. Unexpended appropriations lapse at year-end and must be re-appropriated in the following year.
- 3 Budgeted amounts are as originally adopted, or as amended by the City Council.
- 4 Budgeted appropriations for the various governmental funds become effective each July 1. The City Council may amend the budget during the fiscal year. The legal level of budgetary control has been established at function level. Appropriations generally lapse at the end of the fiscal year to the extent they have not been expended.

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City of Pinole
Schedule of Revenues, Expenditures, and Change in Fund Balance - Budget and Actual
General Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 21,362,009	\$ 21,312,009	\$ 21,918,629	\$ 606,620
Intergovernmental revenues	112,907	112,907	216,894	103,987
Investment earnings	1,152,468	1,152,468	1,914,632	762,164
Rents and ground leases	126,712	126,712	86,084	(40,628)
Charges for services	1,593,468	1,854,468	2,317,447	462,979
Fines, forfeitures and penalties	22,050	22,050	29,716	7,666
Other revenues	24,488	24,488	91,876	67,388
Total revenues	24,394,102	24,605,102	26,575,278	1,970,176
EXPENDITURES:				
Current:				
General administration	4,305,427	4,473,552	4,521,144	(47,592)
Public safety	16,633,697	16,672,418	17,686,177	(1,013,759)
Public works	3,151,812	3,582,150	2,583,978	998,172
Recreation	395,886	395,886	325,040	70,846
Community development	625,617	619,883	547,005	72,878
Capital outlay	6,581,387	6,727,217	2,204,005	4,523,212
Debt Service:				
Principal	207,790	207,790	336,809	(129,019)
Interest and fiscal charges	403,317	403,317	418,148	(14,831)
Total expenditures	32,304,933	33,082,213	28,622,306	4,459,907
Excess (deficiency) of revenues over expenditures	(7,910,831)	(8,477,111)	(2,047,028)	6,430,083
OTHER FINANCING SOURCES (USES):				
Proceeds from sale of asset	1,000	1,000	139	(861)
Proceeds from issuance of debt	-	-	126,215	126,215
Transfers in	3,160,000	3,160,000	3,146,313	(13,687)
Transfers out	(4,619,255)	(5,455,594)	(5,441,907)	13,687
Total other financing sources (uses)	(1,458,255)	(2,294,594)	(2,169,240)	125,354
NET CHANGES IN FUND BALANCE	\$ (9,369,086)	\$ (10,771,705)	(4,216,268)	\$ 6,555,437
FUND BALANCE:				
Beginning of year			36,555,146	
End of year			<u>\$ 32,338,878</u>	

City of Pinole
Budgetary Comparison Schedule
Housing Programs Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment earnings	\$ 50,000	\$ 50,000	\$ 188,166	\$ 138,166
Other revenues	5,000	5,000	13,237	8,237
Total revenues	<u>55,000</u>	<u>55,000</u>	<u>201,403</u>	<u>146,403</u>
EXPENDITURES:				
Current:				
Community development	339,254	339,254	137,351	201,903
Total expenditures	<u>339,254</u>	<u>339,254</u>	<u>137,351</u>	<u>201,903</u>
NET CHANGES IN FUND BALANCE	<u>\$ (284,254)</u>	<u>\$ (284,254)</u>	64,052	<u>\$ 348,306</u>
FUND BALANCE:				
Beginning of year			<u>8,203,719</u>	
End of year			<u>\$ 8,267,771</u>	

City of Pinole
Budgetary Comparison Schedule
Building and Planning Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 477,883	\$ 477,883	\$ 625,076	\$ 147,193
Intergovernmental revenues	40,000	109,795	227,421	117,626
Investment earnings	7,000	7,000	(2,735)	(9,735)
Charges for services	860,593	860,593	738,480	(122,113)
Fines, forfeitures and penalties	20,000	20,000	32,809	12,809
Other revenues	6,000	6,000	15	(5,985)
Total revenues	<u>1,411,476</u>	<u>1,481,271</u>	<u>1,621,066</u>	<u>139,795</u>
EXPENDITURES:				
Current:				
Community development	2,147,428	2,287,208	2,278,549	8,659
Capital outlay	4,000	4,000	-	4,000
Total expenditures	<u>2,151,428</u>	<u>2,291,208</u>	<u>2,278,549</u>	<u>12,659</u>
Excess (deficiency) of revenues over expenditures	<u>(739,952)</u>	<u>(809,937)</u>	<u>(657,483)</u>	<u>152,454</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	67,000	67,000	-
Total other financing sources (uses)	<u>-</u>	<u>67,000</u>	<u>67,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (739,952)</u>	<u>\$ (742,937)</u>	<u>(590,483)</u>	<u>\$ 152,454</u>
FUND BALANCE (DEFICIT):				
Beginning of year, as restated (Note 19)			<u>(1,636,197)</u>	
End of year			<u>\$ (2,226,680)</u>	

City of Pinole
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios
Cost-Sharing Multiple Employer Miscellaneous Plan
For the Year Ended June 30, 2024

	Miscellaneous Plan				
Measurement period, year ended	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>
Plan's proportion of the net pension liability	0.2649900%	0.2655100%	0.2659200%	0.2713000%	0.2715300%
Plan's proportionate share of the net pension liability	\$ 19,140,570	\$ 18,093,979	\$ 10,920,678	\$ 16,004,315	\$ 15,121,848
Plan's covered-employee payroll	\$ 7,462,350	\$ 5,876,649	\$ 5,330,477	\$ 4,879,830	\$ 4,196,794
Plan's proportionate share of the net pension liability as a percentage of covered-employee payroll	256.50%	307.90%	211.80%	334.60%	348.11%
Plan's fiduciary net position	\$ 40,994,438	\$ 38,857,645	\$ 42,169,171	\$ 35,326,833	\$ 33,710,618
Plan's fiduciary net position as a percentage of the total pension liability	68.17%	68.23%	79.43%	68.82%	69.03%

City of Pinole
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios (Continued)
Cost-Sharing Multiple Employer Miscellaneous Plan
For the Year Ended June 30, 2024

	Miscellaneous Plan				
Measurement period, year ended	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Plan's proportion of the net pension liability	0.2770700%	0.2846100%	0.2849400%	0.2990880%	0.1255000%
Plan's proportionate share of the net pension liability	\$ 14,125,442	\$ 14,317,779	\$ 12,368,264	\$ 10,147,708	\$ 7,809,298
Plan's covered-employee payroll	\$ 4,073,566	\$ 4,081,438	\$ 3,473,271	\$ 3,762,767	\$ 3,929,312
Plan's proportionate share of the net pension liability as a percentage of covered-employee payroll	339.74%	350.80%	356.10%	269.69%	198.74%
Plan's fiduciary net position	\$ 32,674,876	\$ 31,266,917	\$ 28,655,555	\$ 30,646,409	\$ 12,287,961
Plan's fiduciary net position as a percentage of the total pension liability	69.82%	68.59%	69.85%	75.12%	61.14%

City of Pinole
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios (Continued)
Cost-Sharing Multiple Employer Safety Plan
For the Year Ended June 30, 2024

	Safety Plan				
Measurement period, year ended	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>
Plan's proportion of the net pension liability	0.301440%	0.303110%	0.297990%	0.304450%	0.311100%
Plan's proportionate share of the net pension liability	\$ 26,305,611	\$ 24,214,798	\$ 12,714,382	\$ 20,693,050	\$ 18,793,747
Plan's covered-employee payroll	\$ 4,737,035	\$ 4,754,353	\$ 4,359,543	\$ 4,197,326	\$ 4,144,060
Plan's proportionate share of the net pension liability as a percentage of covered-employee payroll	555.32%	509.32%	129.11%	241.00%	224.74%
Plan's fiduciary net position	\$ 63,368,786	\$ 60,886,598	\$ 65,389,834	\$ 54,757,252	\$ 54,136,140
Plan's fiduciary net position as a percentage of the total pension liability	70.67%	71.55%	83.72%	72.57%	74.23%

City of Pinole
Required Supplementary Information
Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios (Continued)
Cost-Sharing Multiple Employer Safety Plan
For the Year Ended June 30, 2024

	Safety Plan				
Measurement period, year ended	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>6/30/2014</u>
Plan's proportion of the net pension liability	0.308530%	0.310790%	0.315420%	0.318363%	0.172860%
Plan's proportionate share of the net pension liability	\$ 17,290,615	\$ 17,051,864	\$ 14,755,488	\$ 11,004,090	\$ 10,753,040
Plan's covered-employee payroll	\$ 5,496,056	\$ 3,655,556	\$ 3,827,739	\$ 3,931,175	\$ 3,889,522
Plan's proportionate share of the net pension liability as a percentage of covered-employee payroll	213.58%	219.99%	196.37%	161.75%	151.85%
Plan's fiduciary net position	\$ 50,751,672	\$ 48,664,063	\$ 45,052,163	\$ 46,720,579	\$ 45,904,832
Plan's fiduciary net position as a percentage of the total pension liability	74.59%	74.05%	75.33%	80.94%	81.02%

City of Pinole
Required Supplementary Information
Schedule of Contributions - Pensions
Cost-Sharing Multiple Employer Miscellaneous Plan
For the Year Ended June 30, 2024

Fiscal Year:	Miscellaneous Plan				
	2023-24	2022-23	2021-22	2020-21	2019-20
Contractually determined contribution (actuarially determined)	\$ 2,209,061	\$ 2,148,835	\$ 1,888,941	\$ 1,689,822	\$ 1,503,913
Contributions in relation to the actuarially determined contributions	(2,209,061)	(2,148,835)	(1,888,941)	(1,689,822)	(1,503,913)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,671,296	\$ 7,462,350	\$ 5,876,649	\$ 5,330,477	\$ 4,879,830
Contributions as a percentage of covered payroll	28.80%	28.80%	32.64%	32.77%	31.45%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2022-23 were derived from the June 30, 2022 funding valuation report.

Actuarial cost method	Entry Age Normal
Amortization method/period	Level percentage of payroll
Asset valuation method	Fair Value of Assets.
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll growth	2.800%
Investment rate of return	7.00% Net of pension plan investment and administrative expenses; includes Inflation.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

City of Pinole
Required Supplementary Information
Schedule of Contributions - Pensions (Continued)
Cost-Sharing Multiple Employer Miscellaneous Plan
For the Year Ended June 30, 2024

Fiscal Year:	Miscellaneous Plan				
	2018-19	2017-18	2016-17	2015-16	2014-15
Contractually determined contribution (actuarially determined)	\$ 1,302,704	\$ 1,058,603	\$ 941,653	\$ 853,299	\$ 641,629
Contributions in relation to the actuarially determined contributions	(1,302,704)	(1,058,603)	(941,653)	(853,299)	(641,629)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,196,794	\$ 4,073,566	\$ 4,081,438	\$ 3,473,271	\$ 3,762,767
Contributions as a percentage of covered payroll	29.99%	25.99%	23.07%	24.57%	17.05%

City of Pinole
Required Supplementary Information
Schedule of Contributions - Pensions (Continued)
Cost-Sharing Multiple Employer Safety Plan
For the Year Ended June 30, 2024

Fiscal Year:	Safety Plan				
	2023-24	2022-23	2021-22	2020-21	2019-20
Contractually determined contribution (actuarially determined)	\$ 2,401,947	\$ 2,584,516	\$ 2,386,694	\$ 2,099,289	\$ 1,863,419
Contributions in relation to the actuarially determined contributions	(2,401,947)	(2,584,516)	(2,386,694)	(2,099,289)	(1,863,419)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,869,672	\$ 4,737,035	\$ 4,754,358	\$ 4,359,543	\$ 4,197,326
Contributions as a percentage of covered payroll	49.32%	54.56%	50.20%	48.15%	44.40%

Notes to Schedule

Methods and assumptions used to determine contribution rates:

The actuarial methods and assumption used to set the actuarially determined contributions for Fiscal Year 2022-23 were derived from the June 30, 2022 funding valuation report.

Actuarial cost method	Entry Age Normal
Amortization method/period	Level percentage of payroll
Asset valuation method	Fair Value of Assets.
Inflation	2.50%
Salary increases	Varies by entry age and service
Payroll growth	2.800%
Investment rate of return	7.00% Net of pension plan investment and administrative expenses; includes Inflation.
Retirement age	The probabilities of retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

City of Pinole
Required Supplementary Information
Schedule of Contributions - Pensions (Continued)
Cost-Sharing Multiple Employer Safety Plan
For the Year Ended June 30, 2024

Fiscal Year:	Safety Plan				
	2018-19	2017-18	2016-17	2015-16	2014-15
Contractually determined contribution (actuarially determined)	\$ 1,584,004	\$ 1,239,511	\$ 1,125,572	\$ 1,027,403	\$ 826,196
Contributions in relation to the actuarially determined contributions	(1,584,004)	(1,239,511)	(1,125,572)	(1,027,403)	(826,196)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,144,060	\$ 5,496,056	\$ 3,655,556	\$ 3,827,739	\$ 3,931,175
Contributions as a percentage of covered payroll	38.22%	22.55%	30.79%	26.84%	21.02%

City of Pinole
Required Supplementary Information
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
For the Year Ended June 30, 2024

Measurement period, year ending:	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Total OPEB liability					
Service cost	\$ 1,435,271	\$ 1,960,338	\$ 2,241,980	\$ 1,615,428	\$ 1,227,488
Interest	1,311,164	984,103	1,063,633	1,308,423	1,391,794
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	3,334,938	(343,035)	(4,050,407)	-	(2,333,030)
Changes of assumptions	(6,025,520)	(9,270,071)	(270,144)	8,431,861	1,956,937
Benefit payments, including refunds of member contributions	(1,221,107)	(1,283,772)	(1,258,835)	(1,223,092)	(1,199,486)
Implicit Subsidy Credit	(144,415)	-	-	-	-
Change in total OPEB liability	(1,309,669)	(7,952,437)	(2,273,773)	10,132,620	1,043,703
Total OPEB liability - beginning	36,286,025	44,238,462	46,512,235	36,379,615	35,335,912
Total OPEB liability - ending (a)	\$ 34,976,356	\$ 36,286,025	\$ 44,238,462	\$ 46,512,235	\$ 36,379,615
Covered-employee payroll	\$ 13,547,474	\$ 11,487,256	\$ 10,998,667	\$ 10,708,319	\$ 10,199,027
Plan net OPEB liability as a percentage of covered-employee payroll	258.18%	315.88%	402.22%	434.36%	356.70%

Notes to Schedule

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

¹ Information only presented from the implementation year

Change of assumptions:

June 30, 2020, discount rate was updated based on municipal bond rate and ACA Excise Tax removed

June 30, 2021, discount rate has decreased from 2.21% to 2.16% based on updated municipal bond index

June 30, 2022, discount rate has increased from 2.16% to 3.54% based on updated municipal bond index

June 30, 2023, discount rate has increased from 3.54% to 3.86% based on updated municipal bond index

City of Pinole
Required Supplementary Information
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios (Continued)
For the Year Ended June 30, 2024

Measurement period, year ending:	6/30/2018	6/30/2017 ¹
Total OPEB liability		
Service cost	\$ 1,274,335	\$ 1,472,000
Interest	1,298,734	1,128,000
Changes of benefit terms	-	-
Differences between expected and actual experience	-	-
Changes of assumptions	(1,655,481)	(4,636,000)
Benefit payments, including refunds of member contributions	(1,169,676)	(986,000)
Implicit Subsidy Credit	-	-
Change in total OPEB liability	(252,088)	(3,022,000)
Total OPEB liability - beginning	35,588,000	38,610,000
Total OPEB liability - ending (a)	\$ 35,335,912	\$ 35,588,000
Covered-employee payroll	\$ 9,399,404	\$ 9,306,000
Plan net OPEB liability as a percentage of covered-employee payroll	375.94%	382.42%

Notes to Schedule

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

¹ Information only presented from the implementation year

Change of assumptions:

June 30, 2020, discount rate was updated based on municipal bond rate and ACA Excise Tax removed

June 30, 2021, discount rate has decreased from 2.21% to 2.16% based on updated municipal bond index

June 30, 2022, discount rate has increased from 2.16% to 3.54% based on updated municipal bond index

June 30, 2023, discount rate has increased from 3.54% to 3.86% based on updated municipal bond index

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SUPPLEMENTARY INFORMATION

Non-Major Governmental Funds

Capital Projects Funds:

Public Works Capital Projects Fund - This fund is used to account for financial resources that are restricted, committed, or assigned for expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Special Revenue Funds:

Growth Impact Fund - This fund is used to account for development fees collected to mitigate the impact of new development. Specifically, it provides for the expansion, design, construction, or upgrade to facilities, roadways, and equipment. The City collects impact fees for police, fire protection, municipal, community, water, roadways and drainage.

Gas Tax Fund - This fund is used to account for the receipt and subsequent expenditure of the City's share of the State levied tax on gasoline and other vehicle fuels.

Parkland Dedication Fund - This fund is used to account for development fees collected to mitigate the impact of new development on parks and open space.

Measure C Fund - This fund is used to account for special override sales tax revenues collected by the Contra Costa Transportation Authority (CCTA) and reapportioned to the cities for local street projects.

Storm Water Fund - This fund is used to account for moneys received from the Contra Costa County Flood Control and Water Conservation District for use in funding the National Pollutant Discharge Elimination System Program and Drainage System Maintenance activities.

Refuse Management Fund - This fund is used to account for funds received from Republic Services, Inc. from a surcharge it assesses on customer rates for solid waste services.

Adjudicated Asset Seizure Fund - This fund is used to account for receipt and subsequent expenditure of various asset seizure moneys.

Police Fund - This fund is used to account for various grants received to augment law enforcement services and traffic safety.

Cable TV Fund - This fund is used to account for revenues and expenditures related to the operation of the Pinole Community Television (PCTV). Revenue is received from video production charges to other cities, Public, Educational, and Governmental (PEG) access fees and the General Fund. PEG fees are designated for equipment

Recreation Fund - This fund is used to account for program fees, fundraising proceeds, and donations for Recreation programs. Resources are used towards staffing and maintenance costs to operate the programs.

Rate Stabilization Fund - This fund is used to account for funds received from Republic Services, Inc. from a surcharge it assesses on customer rates for solid waste services. The portion in of revenue allocated to this fund is set aside as a rate stabilization fund.

Development Services Fund - This fund is used to account for developer deposits.

Solid Waste Fund - This fund is used to account for funds received from Republic Services, Inc. from a surcharge it assesses on customer rates for solid waste services. These funds are set aside for future solid waste capital projects and for a rate stabilization fund. This fund accounts for the capital projects portion.

Non-Major Governmental Funds (Continued)

Special Revenue Funds (Continued):

CASP Certification and Training Fund - This fund is used to account for moneys collected from business license applicants. The funds will be used for increased certified access specialists (CASP) training and certification and to facilitate compliance with construction-related accessibility requirements.

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City of Pinole
Combining Balance Sheet
Non-Major Governmental Funds
June 30, 2024

	Capital Projects Fund		Special Revenue Funds			
	Public Works		Growth Impact	Gas Tax	Parkland Dedication	Measure C
	Capital Projects					
ASSETS						
Cash and investments	\$ 3,969,336	\$ 3,473,372	\$ 1,386,982	\$ 115	\$ 2,067,767	
Accounts receivable	-	-	196,685	-	-	
Lease receivable	-	-	-	-	-	
Interest receivable	1,240	30,188	11,138	1	17,028	
Prepaid items and supplies	-	-	-	-	315,552	
Total assets	<u>\$ 3,970,576</u>	<u>\$ 3,503,560</u>	<u>\$ 1,594,805</u>	<u>\$ 116</u>	<u>\$ 2,400,347</u>	
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	31,301	-	5,745	-	43,153	
Accrued liabilities	-	-	-	-	-	
Unearned revenue	-	-	-	-	-	
Deposits payable	-	-	-	-	-	
Due to other funds	82,515	-	-	-	-	
Total liabilities	<u>113,816</u>	<u>-</u>	<u>5,745</u>	<u>-</u>	<u>43,153</u>	
Fund Balances (Deficits):						
Nonspendable	-	-	-	-	315,552	
Restricted	-	3,503,560	1,589,060	116	2,041,642	
Assigned	3,856,760	-	-	-	-	
Unassigned (deficit)	-	-	-	-	-	
Total fund balances (deficits)	<u>3,856,760</u>	<u>3,503,560</u>	<u>1,589,060</u>	<u>116</u>	<u>2,357,194</u>	
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 3,970,576</u>	<u>\$ 3,503,560</u>	<u>\$ 1,594,805</u>	<u>\$ 116</u>	<u>\$ 2,400,347</u>	

(Continued)

City of Pinole
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2024

Special Revenue Funds

	Storm Water	Refuse Management	Adjudicated Asset Seizure	Police	Cable TV
ASSETS					
Cash and investments	\$ -	\$ 21,085	\$ 19,522	\$ 971,059	\$ -
Accounts receivables	92,813	10,030	-	45,885	36,724
Lease receivable	-	-	-	-	-
Interest receivable	49	305	197	8,530	-
Prepaid items and supplies	-	-	-	-	-
Total assets	<u>\$ 92,862</u>	<u>\$ 31,420</u>	<u>\$ 19,719</u>	<u>\$ 1,025,474</u>	<u>\$ 36,724</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	848	-	884	-	869
Accrued liabilities	-	-	-	-	8,070
Unearned revenue	-	-	-	-	6,524
Deposits payable	4,000	-	-	-	-
Due to other funds	211,640	-	-	-	19,140
Total liabilities	<u>216,488</u>	<u>-</u>	<u>884</u>	<u>-</u>	<u>34,603</u>
Fund Balances (Deficits):					
Nonspendable	-	-	-	-	-
Restricted	-	31,420	18,835	1,025,474	2,121
Assigned	-	-	-	-	-
Unassigned (deficit)	(123,626)	-	-	-	-
Total fund balances (deficits)	<u>(123,626)</u>	<u>31,420</u>	<u>18,835</u>	<u>1,025,474</u>	<u>2,121</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 92,862</u>	<u>\$ 31,420</u>	<u>\$ 19,719</u>	<u>\$ 1,025,474</u>	<u>\$ 36,724</u>

(Continued)

City of Pinole
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2024

Special Revenue Funds

	Recreation	Rate Stabilization	Development Services	Solid Waste Fund	CASP Certification & Training
ASSETS					
Cash and investments	\$ 62,012	\$ 214,193	\$ 70,078	\$ 2,791,573	\$ 50,561
Accounts receivables	13,631	-	-	116,654	-
Lease receivable	11,386	-	-	-	-
Interest receivable	-	1,854	606	23,486	-
Prepaid items and supplies	5,000	-	-	-	-
Total assets	\$ 92,029	\$ 216,047	\$ 70,684	\$ 2,931,713	\$ 50,561
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	56,373	-	7,582	15,899	1,122
Accrued liabilities	26,084	-	-	-	-
Unearned revenue	10,311	-	-	-	-
Deposits payable	13,065	-	59,121	-	-
Due to other funds	-	-	-	-	-
Total liabilities	105,833	-	66,703	15,899	1,122
Fund Balances (Deficits):					
Nonspendable	5,000	-	-	-	-
Restricted	-	216,047	3,981	2,915,814	49,439
Assigned	-	-	-	-	-
Unassigned (deficit)	(18,804)	-	-	-	-
Total fund balances (deficits)	(13,804)	216,047	3,981	2,915,814	49,439
Total liabilities, deferred inflows of resources, and fund balances	\$ 92,029	\$ 216,047	\$ 70,684	\$ 2,931,713	\$ 50,561

(Continued)

City of Pinole
Combining Balance Sheet (Continued)
Non-Major Governmental Funds
June 30, 2024

	Total
	Nonmajor Governmental Funds
ASSETS	
Cash and investments	\$ 15,097,655
Accounts receivables	512,422
Lease receivable	11,386
Interest receivable	94,622
Prepaid items and supplies	320,552
Total assets	\$ 16,036,637
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable	163,776
Accrued liabilities	34,154
Unearned revenue	16,835
Deposits payable	76,186
Due to other funds	313,295
Total liabilities	604,246
Fund Balances (Deficits):	
Nonspendable	320,552
Restricted	11,397,509
Assigned	3,856,760
Unassigned (deficit)	(142,430)
Total fund balances (deficits)	15,432,391
Total liabilities, deferred inflows of resources, and fund balances	\$ 16,036,637

City of Pinole
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended June 30, 2024

	Capital Projects Fund		Special Revenue Funds			
	Public Works Capital Projects		Growth Impact	Gas Tax	Parkland Dedication	Measure C
REVENUES:						
Taxes and assessments	\$ 57,680	\$ -	\$ -	\$ -	\$ -	
Intergovernmental revenues	289,239	-	1,008,910	-	640,200	
Investment earnings (losses)	1,647	194,306	66,310	(290)	94,071	
Rents and ground leases	-	-	-	-	-	
Charges for services	153	27,202	-	-	-	
Fines, forfeitures and penalties	-	-	-	-	-	
Other revenues	-	-	3,737	-	-	
Total revenues	348,719	221,508	1,078,957	(290)	734,271	
EXPENDITURES:						
Current:						
General administration	-	-	-	-	-	
Public safety	-	-	-	-	-	
Public works	30,085	-	556,732	-	203,281	
Recreation	-	-	-	-	-	
Community development	-	-	-	-	-	
Capital outlay	242,559	57,982	65,036	-	316,165	
Total expenditures	272,644	57,982	621,768	-	519,446	
Excess (deficiency) of revenues over expenditures	76,075	163,526	457,189	(290)	214,825	
OTHER FINANCING SOURCES (USES):						
Transfers in	500,000	-	-	-	-	
Total other financing sources (uses)	500,000	-	-	-	-	
NET CHANGES IN FUND BALANCE	576,075	163,526	457,189	(290)	214,825	
FUND BALANCES (DEFICITS):						
Beginning of year, as previously reported	3,280,685	3,340,034	1,131,871	406	2,142,369	
Prior period adjustment (Note 19)	-	-	-	-	-	
Change with financial reporting entity (major and non-major fund classification) (Note 20)	-	-	-	-	-	
Beginning of year, as restated (Note 19)	3,280,685	3,340,034	1,131,871	406	2,142,369	
End of year	\$ 3,856,760	\$ 3,503,560	\$ 1,589,060	\$ 116	\$ 2,357,194	

(Continued)

City of Pinole
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2024

Special Revenue Funds

	Storm Water	Refuse Management	Adjudicated Asset Seizure	Police	Cable TV
REVENUES:					
Taxes and assessments	\$ 240,048	\$ -	\$ -	\$ 216,797	\$ 16,928
Intergovernmental revenues	-	62,080	-	186,159	-
Investment earnings (losses)	107	2,986	1,626	63,816	-
Rents and ground leases	-	-	-	-	-
Charges for services	-	-	-	-	192,464
Fines, forfeitures and penalties	-	-	226	20,434	-
Other revenues	-	-	-	364	390
Total revenues	240,155	65,066	1,852	487,570	209,782
EXPENDITURES:					
Current:					
General administration	-	-	-	-	553,444
Public safety	-	-	19,113	531,504	-
Public works	363,781	131,547	-	5,685	-
Recreation	-	-	-	-	-
Community development	-	-	-	-	-
Capital outlay	-	-	-	270,595	2,075
Total expenditures	363,781	131,547	19,113	807,784	555,519
Excess (deficiency) of revenues over expenditures	(123,626)	(66,481)	(17,261)	(320,214)	(345,737)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	336,276
Total other financing sources (uses)	-	-	-	-	336,276
NET CHANGES IN FUND BALANCE	(123,626)	(66,481)	(17,261)	(320,214)	(9,461)
FUND BALANCES (DEFICITS):					
Beginning of year, as previously reported	-	97,901	36,096	1,345,688	11,582
Prior period adjustment (Note 19)	-	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 20)	-	-	-	-	-
Beginning of year, as restated (Note 19)	-	97,901	36,096	1,345,688	11,582
End of year	\$ (123,626)	\$ 31,420	\$ 18,835	\$ 1,025,474	\$ 2,121

(Continued)

City of Pinole
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2024

Special Revenue Funds

	Recreation	Rate Stabilization	Development Services	Solid Waste Fund	CASP Certification & Training
REVENUES:					
Taxes and assessments	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental revenues	31,362	-	-	75,000	-
Investment earnings (losses)	-	11,685	3,787	140,233	-
Rents and ground leases	25,863	-	-	-	-
Charges for services	438,014	-	-	-	7,535
Fines, forfeitures and penalties	-	-	-	-	-
Other revenues	21,100	-	-	460,096	-
Total revenues	516,339	11,685	3,787	675,329	7,535
EXPENDITURES:					
Current:					
General administration	7,338	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	108,328	-
Recreation	1,866,987	-	-	-	-
Community development	-	-	-	-	1,040
Capital outlay	27,101	-	-	-	-
Total expenditures	1,901,426	-	-	108,328	1,040
Excess (deficiency) of revenues over expenditures	(1,385,087)	11,685	3,787	567,001	6,495
OTHER FINANCING SOURCES (USES):					
Transfers in	1,392,318	-	-	-	-
Total other financing sources (uses)	1,392,318	-	-	-	-
NET CHANGES IN FUND BALANCE	7,231	11,685	3,787	567,001	6,495
FUND BALANCES (DEFICITS):					
Beginning of year, as previously reported	(21,035)	204,362	194	2,348,813	42,944
Prior period adjustment (Note 19)	-	-	-	-	-
Change with financial reporting entity (major and non-major fund classification) (Note 20)	-	-	-	-	-
Beginning of year, as restated (Note 19)	(21,035)	204,362	194	2,348,813	42,944
End of year	\$ (13,804)	\$ 216,047	\$ 3,981	\$ 2,915,814	\$ 49,439

(Continued)

City of Pinole
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Non-Major Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue Funds	Total
	Building & Planning Fund	Nonmajor Funds Total
REVENUES:		
Taxes and assessments		\$ 531,453
Intergovernmental revenues		2,292,950
Investment earnings (losses)		580,284
Rents and ground leases		25,863
Charges for services		665,368
Fines, forfeitures and penalties		20,660
Other revenues		485,687
Total revenues		4,602,265
EXPENDITURES:		
Current:		
General administration		560,782
Public safety		550,617
Public works		1,399,439
Recreation		1,866,987
Community development		1,040
Capital outlay		981,513
Total expenditures		5,360,378
Excess (deficiency) of revenues over expenditures		(758,113)
OTHER FINANCING SOURCES (USES):		
Transfers in		2,228,594
Total other financing sources (uses)		2,228,594
NET CHANGES IN FUND BALANCE		1,470,481
FUND BALANCES (DEFICITS):		
Beginning of year, as previously reported	\$ (1,526,215)	12,435,695
Prior period adjustment (Note 19)	(109,982)	(109,982)
Change with financial reporting entity (major and non-major fund classification) (Note 20)	1,636,197	1,636,197
Beginning of year, as restated (Note 19)	-	13,961,910
End of year	\$ -	\$ 15,432,391

(Continued)

City of Pinole
Budgetary Comparison Schedule
Public Works Capital Projects
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 56,411	\$ 56,411	\$ 57,680	\$ 1,269
Intergovernmental revenues	2,004,441	2,004,441	289,239	(1,715,202)
Investment earnings	-	-	1,647	1,647
Rents and ground leases	15,000	15,000	-	(15,000)
Charges for services	-	-	153	153
Other revenues	7,500	7,500	-	(7,500)
Total revenues	<u>2,083,352</u>	<u>2,083,352</u>	<u>348,719</u>	<u>(1,734,633)</u>
EXPENDITURES:				
Current:				
Public works	194,457	194,457	30,085	164,372
Capital outlay	2,966,348	2,966,348	242,559	2,723,789
Total expenditures	<u>3,160,805</u>	<u>3,160,805</u>	<u>272,644</u>	<u>2,888,161</u>
Excess (deficiency) of revenues over expenditures	<u>(1,077,453)</u>	<u>(1,077,453)</u>	<u>76,075</u>	<u>1,153,528</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	500,000	500,000	500,000	-
Total other financing sources (uses)	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (577,453)</u>	<u>\$ (577,453)</u>	<u>576,075</u>	<u>\$ 1,153,528</u>
FUND BALANCE:				
Beginning of year			<u>3,280,685</u>	
End of year			<u>\$ 3,856,760</u>	

City of Pinole
Budgetary Comparison Schedule
Growth Impact Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 194,306	\$ 194,306
Charges for services	1,039,594	1,039,594	27,202	(1,012,392)
Total revenues	<u>1,039,594</u>	<u>1,039,594</u>	<u>221,508</u>	<u>(818,086)</u>
EXPENDITURES:				
Current:				
Capital outlay	1,348,000	1,348,000	57,982	1,290,018
Total expenditures	<u>1,348,000</u>	<u>1,348,000</u>	<u>57,982</u>	<u>1,290,018</u>
NET CHANGE IN FUND BALANCE	<u>\$ (308,406)</u>	<u>\$ (308,406)</u>	163,526	<u>\$ 471,932</u>
FUND BALANCE:				
Beginning of year			<u>3,340,034</u>	
End of year			<u>\$ 3,503,560</u>	

City of Pinole
Budgetary Comparison Schedule
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ 1,033,764	\$ 1,033,764	\$ 1,008,910	\$ (24,854)
Investment earnings	5,000	5,000	66,310	61,310
Other revenues	7,636	7,636	3,737	(3,899)
Total revenues	<u>1,046,400</u>	<u>1,046,400</u>	<u>1,078,957</u>	<u>32,557</u>
EXPENDITURES:				
Current:				
Public works	547,941	547,941	556,732	(8,791)
Capital outlay	1,433,045	1,433,045	65,036	1,368,009
Total expenditures	<u>1,980,986</u>	<u>1,980,986</u>	<u>621,768</u>	<u>1,359,218</u>
NET CHANGE IN FUND BALANCE	<u>\$ (934,586)</u>	<u>\$ (934,586)</u>	457,189	<u>\$ 1,391,775</u>
FUND BALANCE:				
Beginning of year			<u>1,131,871</u>	
End of year			<u>\$ 1,589,060</u>	

City of Pinole
Budgetary Comparison Schedule
Parkland Dedication Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ (290)	\$ (290)
Total revenues	<u>-</u>	<u>-</u>	<u>(290)</u>	<u>(290)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (290)</u>	<u>\$ (290)</u>
FUND BALANCE:				
Beginning of year			<u>406</u>	
End of year			<u>\$ 116</u>	

City of Pinole
Budgetary Comparison Schedule
Measure C Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ 1,144,257	\$ 1,144,257	\$ 640,200	\$ (504,057)
Investment earnings	8,000	8,000	94,071	86,071
Total revenues	<u>1,152,257</u>	<u>1,152,257</u>	<u>734,271</u>	<u>(417,986)</u>
EXPENDITURES:				
Current:				
Public works	272,069	272,069	203,281	68,788
Capital outlay	751,650	751,650	316,165	435,485
Total expenditures	<u>1,023,719</u>	<u>1,023,719</u>	<u>519,446</u>	<u>504,273</u>
NET CHANGE IN FUND BALANCE	<u>\$ 128,538</u>	<u>\$ 128,538</u>	\$ 214,825	<u>\$ 86,287</u>
FUND BALANCE:				
Beginning of year			<u>2,142,369</u>	
End of year			<u>\$ 2,357,194</u>	

City of Pinole
Budgetary Comparison Schedule
Storm Water Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 253,272	\$ 253,272	\$ 240,048	\$ (13,224)
Investment earnings	150	150	107	(43)
Total revenues	<u>253,422</u>	<u>253,422</u>	<u>240,155</u>	<u>(13,267)</u>
EXPENDITURES:				
Current:				
Public works	374,769	374,769	363,781	10,988
Total expenditures	<u>374,769</u>	<u>374,769</u>	<u>363,781</u>	<u>10,988</u>
NET CHANGE IN FUND BALANCE	<u>\$ (121,347)</u>	<u>\$ (121,347)</u>	(123,626)	<u>\$ (2,279)</u>
FUND BALANCE (DEFICIT):				
Beginning of year			-	
End of year			<u>\$ (123,626)</u>	

City of Pinole
Budgetary Comparison Schedule
Refuse Management Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ 60,060	\$ 60,060	\$ 62,080	\$ 2,020
Investment earnings	6,000	6,000	2,986	(3,014)
Total revenues	<u>66,060</u>	<u>66,060</u>	<u>65,066</u>	<u>(994)</u>
EXPENDITURES:				
Current:				
Public works	174,358	174,358	131,547	42,811
Total expenditures	<u>174,358</u>	<u>174,358</u>	<u>131,547</u>	<u>42,811</u>
NET CHANGE IN FUND BALANCE	<u>\$ (108,298)</u>	<u>\$ (108,298)</u>	(66,481)	<u>\$ 41,817</u>
FUND BALANCE:				
Beginning of year			<u>97,901</u>	
End of year			<u>\$ 31,420</u>	

City of Pinole
Budgetary Comparison Schedule
Adjudicated Asset Seizure Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 1,626	\$ 1,626
Fines, forfeitures and penalties	-	-	226	226
Total revenues	<u>-</u>	<u>-</u>	<u>1,852</u>	<u>1,852</u>
EXPENDITURES:				
Current:				
Public safety	41,236	41,236	19,113	22,123
Total expenditures	<u>41,236</u>	<u>41,236</u>	<u>19,113</u>	<u>22,123</u>
NET CHANGE IN FUND BALANCE	<u>\$ (41,236)</u>	<u>\$ (41,236)</u>	(17,261)	<u>\$ 23,975</u>
FUND BALANCE:				
Beginning of year			<u>36,096</u>	
End of year			<u>\$ 18,835</u>	

City of Pinole
Budgetary Comparison Schedule
Police Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 239,353	\$ 239,353	\$ 216,797	\$ (22,556)
Intergovernmental revenues	165,000	165,000	186,159	21,159
Investment earnings	5,600	5,600	63,816	58,216
Fines, forfeitures and penalties	45,000	45,000	20,434	(24,566)
Other revenues	-	-	364	364
Total revenues	<u>454,953</u>	<u>454,953</u>	<u>487,570</u>	<u>32,617</u>
EXPENDITURES:				
Current:				
Public safety	534,703	534,703	531,504	3,199
Public works	35,000	35,000	5,685	29,315
Capital outlay	308,765	308,765	270,595	38,170
Total expenditures	<u>878,468</u>	<u>878,468</u>	<u>807,784</u>	<u>70,684</u>
NET CHANGE IN FUND BALANCE	<u>\$ (423,515)</u>	<u>\$ (423,515)</u>	(320,214)	<u>\$ 103,301</u>
FUND BALANCE:				
Beginning of year			<u>1,345,688</u>	
End of year			<u>\$ 1,025,474</u>	

City of Pinole
Budgetary Comparison Schedule
Cable TV Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Taxes and assessments	\$ 52,972	\$ 26,486	\$ 16,928	\$ (9,558)
Charges for services	316,956	316,956	192,464	(124,492)
Other revenues	5,000	5,000	390	(4,610)
Total revenues	<u>374,928</u>	<u>348,442</u>	<u>209,782</u>	<u>(138,660)</u>
EXPENDITURES:				
Current:				
General administration	631,669	631,669	553,444	78,225
Capital outlay	50,387	50,387	2,075	48,312
Total expenditures	<u>682,056</u>	<u>682,056</u>	<u>555,519</u>	<u>126,537</u>
Excess (deficiency) of revenues over expenditures	<u>(307,128)</u>	<u>(333,614)</u>	<u>(345,737)</u>	<u>(12,123)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	160,124	336,276	336,276	-
Total other financing sources (uses)	<u>160,124</u>	<u>336,276</u>	<u>336,276</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (147,004)</u>	<u>\$ 2,662</u>	<u>(9,461)</u>	<u>\$ (12,123)</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>11,582</u>	
End of year			<u>\$ 2,121</u>	

City of Pinole
Budgetary Comparison Schedule
Recreation Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ 51,268	\$ 81,996	\$ 31,362	\$ (50,634)
Rents and ground leases	21,313	19,413	25,863	6,450
Charges for services	377,786	358,827	438,014	79,187
Other revenues	39,500	39,500	21,100	(18,400)
Total revenues	<u>489,867</u>	<u>499,736</u>	<u>516,339</u>	<u>16,603</u>
EXPENDITURES:				
Current:				
General administration	-	-	7,338	(7,338)
Recreation	2,021,764	2,167,323	1,866,987	300,336
Capital outlay	113,500	101,744	27,101	74,643
Total expenditures	<u>2,135,264</u>	<u>2,269,067</u>	<u>1,901,426</u>	<u>367,641</u>
Excess (deficiency) of revenues over expenditures	<u>(1,645,397)</u>	<u>(1,769,331)</u>	<u>(1,385,087)</u>	<u>384,244</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	799,131	1,392,318	1,392,318	-
Total other financing sources (uses)	<u>799,131</u>	<u>1,392,318</u>	<u>1,392,318</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (846,266)</u>	<u>\$ (377,013)</u>	7,231	<u>\$ 384,244</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(21,035)</u>	
End of year			<u>\$ (13,804)</u>	

City of Pinole
Budgetary Comparison Schedule
Development Services Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 3,787	\$ 3,787
Total revenues	-	-	3,787	3,787
NET CHANGE IN FUND BALANCE	\$ -	\$ -	3,787	\$ 3,787
FUND BALANCE (DEFICIT):				
Beginning of year			194	
End of year			\$ 3,981	

City of Pinole
Budgetary Comparison Schedule
Solid Waste Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Intergovernmental revenues	\$ -	\$ -	\$ 75,000	\$ 75,000
Investment earnings	8,000	8,000	140,233	132,233
Other revenues	360,000	360,000	460,096	100,096
Total revenues	<u>368,000</u>	<u>368,000</u>	<u>675,329</u>	<u>307,329</u>
EXPENDITURES:				
Current:				
Public works	164,381	164,381	108,328	56,053
Capital outlay	425,000	425,000	-	425,000
Total expenditures	<u>589,381</u>	<u>589,381</u>	<u>108,328</u>	<u>481,053</u>
NET CHANGE IN FUND BALANCE	<u>\$ (221,381)</u>	<u>\$ (221,381)</u>	567,001	<u>\$ 788,382</u>
FUND BALANCE:				
Beginning of year			<u>2,348,813</u>	
End of year			<u>\$ 2,915,814</u>	

City of Pinole
Budgetary Comparison Schedule
CASP Certification & Training Special Revenue Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Charges for services	\$ -	\$ -	\$ 7,535	\$ 7,535
Total revenues	-	-	7,535	7,535
EXPENDITURES:				
Current:				
Community development	-	-	1,040	(1,040)
Total expenditures	-	-	1,040	(1,040)
NET CHANGE IN FUND BALANCE	\$ -	\$ -	6,495	\$ 6,495
FUND BALANCE:				
Beginning of year			42,944	
End of year			<u>\$ 49,439</u>	

City of Pinole
Budgetary Comparison Schedule
Rate Stabilization Fund
For the Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Favorable/ (Unfavorable)
	Original	Final		
REVENUES:				
Investment earnings	\$ -	\$ -	\$ 11,685	\$ 11,685
Other revenues	15,000	15,000	-	(15,000)
Total revenues	<u>15,000</u>	<u>15,000</u>	<u>11,685</u>	<u>(3,315)</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ 15,000</u>	 <u>\$ 15,000</u>	 11,685	 <u>\$ (3,315)</u>
 FUND BALANCE:				
Beginning of year			<u>204,362</u>	
End of year			<u>\$ 216,047</u>	

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FIDUCIARY FUNDS

Custodial Funds:

Unadjudicated Asset Seizure Fund - This fund is used to account for receipt of various asset seizure moneys awaiting adjudication.

Developer Fees - This fund is used to account for receipt of developer deposits.

Pinole Public School Fund - This fund is used to account for receipt and subsequent expenditure of donations to fund public school projects or programs.

Community Assistance Program Fund - This fund is used to account for receipt and subsequent expenditure of donations for community assistance programs or events.

Police Evidence Fund - This fund is used to account for moneys collected as police evidence.

City of Pinole
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2024

	Unadjudicated Asset Seizure Fund	Developer Fees Fund
ASSETS		
Cash and investments	\$ 26,354	\$ 4,869
Interest receivable	228	-
Total assets	26,582	4,869
LIABILITIES		
Accounts payable	11,448	-
Deposit payable	-	-
Unearned Revenue	-	-
Total liabilities	11,448	-
NET POSITION		
Restricted for:		
Held in trust for dissolution of RDA	-	-
Individuals, organizations, and other governments	15,134	4,869
Total net position	\$ 15,134	\$ 4,869

City of Pinole
Combining Statement of Fiduciary Net Position (Continued)
Custodial Funds
June 30, 2024

	Pinole Public School Funds	Community Assistance Program Fund	Police Evidence Fund	Total
ASSETS				
Cash and investments	\$ 1,847	\$ 25,150	\$ 118,191	\$ 176,411
Interest receivable	16	-	-	244
Total assets	1,863	25,150	118,191	176,655
LIABILITIES				
Accounts payable	-	-	-	11,448
Deposit payable	-	-	117,958	117,958
Unearned Revenue	-	25,150	-	25,150
Total liabilities	-	25,150	117,958	154,556
NET POSITION				
Restricted for:				
Held in trust for dissolution of RDA	-	-	-	-
Individuals, organizations, and other governments	1,863	-	233	22,099
Total net position	\$ 1,863	\$ -	\$ 233	\$ 22,099

City of Pinole
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended June 30, 2024

	Unadjudicated Asset Seizure Fund	Developer Fees Fund
ADDITIONS:		
Investment income	\$ 1,438	\$ -
Total additions	1,438	-
Change in net position	1,438	-
NET POSITION:		
Beginning of year	13,696	4,869
End of year	\$ 15,134	\$ 4,869

City of Pinole
Combining Statement of Changes in Fiduciary Net Position (Continued)
Custodial Funds
For the Year Ended June 30, 2024

	Pinole Public School Funds	Community Assistance Program Fund	Police Evidence Fund	Total Custodian Funds
ADDITIONS:				
Investment income	\$ 101	\$ -	\$ 12	\$ 1,551
Total additions	<u>101</u>	<u>-</u>	<u>12</u>	<u>1,551</u>
Change in net position	101	-	12	1,551
NET POSITION:				
Beginning of year	1,762	-	221	20,548
End of year	<u>\$ 1,863</u>	<u>\$ -</u>	<u>\$ 233</u>	<u>\$ 22,099</u>

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STATISTICAL SECTION
(Unaudited)

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City of Pinole
Statistical Section
For the Year Ended June 30, 2024

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City of Pinole
Net Position by Component
Last Ten Fiscal Years

	2015	2016	2017	2018	2019
<i>Governmental activities</i>					
Net investment in capital assets	\$ 34,962,909	\$ 33,764,294	\$ 32,700,833	\$ 31,758,414	\$ 29,977,958
Restricted	2,591,393	2,591,393	17,755,625	17,938,328	31,048,458
Unrestricted (deficit)	(21,819,095)	(17,014,950)	(31,148,654)	(34,044,994)	(41,104,957)
Total governmental activities net position	<u>\$ 15,735,207</u>	<u>\$ 19,340,737</u>	<u>\$ 19,307,804</u>	<u>\$ 15,651,748</u>	<u>\$ 19,921,459</u>
<i>Business-type activities</i>					
Net investment in capital assets	\$ 11,223,296	\$ 13,869,394	\$ 14,364,860	\$ 13,381,134	\$ 13,088,528
Unrestricted	4,984,154	4,584,135	5,649,110	6,241,700	7,883,837
Total business-type activities net position	<u>\$ 16,207,450</u>	<u>\$ 18,453,529</u>	<u>\$ 20,013,970</u>	<u>\$ 19,622,834</u>	<u>\$ 20,972,365</u>
<i>Primary government</i>					
Net investment in capital assets	\$ 46,186,205	\$ 47,633,688	\$ 47,065,693	\$ 45,139,548	\$ 43,066,486
Restricted	2,591,393	2,591,393	17,755,625	17,938,328	31,048,458
Unrestricted (deficit)	(16,834,941)	(12,430,815)	(25,499,544)	(27,803,294)	(33,221,120)
Total primary government net position	<u>\$ 31,942,657</u>	<u>\$ 37,794,266</u>	<u>\$ 39,321,774</u>	<u>\$ 35,274,582</u>	<u>\$ 40,893,824</u>

Source: City of Pinole Finance

City of Pinole
Net Position by Component (Continued)
Last Ten Fiscal Years

	2020	2021	2022	2023	2024
<i>Governmental activities</i>					
Net investment in capital assets	\$ 30,774,116	\$ 31,008,808	\$ 31,695,972	\$ 30,207,077	\$ 30,973,001
Restricted	32,045,457	33,528,931	34,342,971	29,854,090	29,675,938
Unrestricted (deficit)	(41,984,038)	(44,487,476)	(52,223,172)	(39,009,363)	(43,775,850)
Total governmental activities net position	<u>\$ 20,835,535</u>	<u>\$ 20,050,263</u>	<u>\$ 13,815,771</u>	<u>\$ 21,051,804</u>	<u>\$ 16,873,089</u>
<i>Business-type activities</i>					
Net investment in capital assets	\$ 12,452,490	\$ 12,783,593	\$ 12,863,679	\$ 7,718,239	\$ 7,975,522
Unrestricted	10,243,444	10,795,126	11,022,842	12,544,816	14,072,542
Total business-type activities net position	<u>\$ 22,695,934</u>	<u>\$ 23,578,719</u>	<u>\$ 23,886,521</u>	<u>\$ 20,263,055</u>	<u>\$ 22,048,064</u>
<i>Primary government</i>					
Net investment in capital assets	\$ 43,226,606	\$ 43,792,401	\$ 44,559,651	\$ 37,925,316	\$ 38,948,523
Restricted	32,045,457	33,528,931	34,342,971	29,854,090	29,675,938
Unrestricted (deficit)	(31,740,594)	(33,692,350)	(41,200,330)	(26,464,547)	(29,703,308)
Total primary government net position	<u>\$ 43,531,469</u>	<u>\$ 43,628,982</u>	<u>\$ 37,702,292</u>	<u>\$ 41,314,859</u>	<u>\$ 38,921,153</u>

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

	2015	2016	2017	2018	2019
Expenses					
Governmental Activities:					
General government	\$ 4,373,166	\$ 4,368,671	\$ 5,952,688	\$ 3,482,534	\$ 4,931,705
Public safety	9,321,934	10,086,963	10,326,947	12,202,527	12,060,171
Public services	2,673,746	3,878,498	2,568,265	3,217,759	3,416,574
Recreation	1,150,267	1,067,952	1,151,760	1,145,227	1,069,375
Community development	833,061	1,184,385	1,065,848	1,642,031	2,338,177
Interest and fiscal changes	290,860	305,569	338,507	331,464	287,729
Total government activity expenses	<u>\$ 18,643,034</u>	<u>\$ 20,892,038</u>	<u>\$ 21,404,015</u>	<u>\$ 22,021,542</u>	<u>\$ 24,103,731</u>
Business-type activities:					
Wastewater utility	4,883,256	5,316,022	4,597,454	5,193,994	4,930,113
Total business-type activities expenses	<u>4,883,256</u>	<u>5,316,022</u>	<u>4,597,454</u>	<u>5,193,994</u>	<u>4,930,113</u>
Total primary government expenses	<u><u>\$ 23,526,290</u></u>	<u><u>\$ 26,208,060</u></u>	<u><u>\$ 26,001,469</u></u>	<u><u>\$ 27,215,536</u></u>	<u><u>\$ 29,033,844</u></u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 590,359	\$ 236,512	\$ 354,357	\$ 648,409	\$ 643,524
Public safety	534,095	461,330	640,785	1,435,741	1,186,008
Public services	573,320	545,273	310,073	153,810	169,758
Recreation	998,792	871,497	783,783	846,822	770,397
Community development	666,863	244,449	162,634	1,153,907	2,368,209
Operating grants and contributions	1,203,058	1,464,456	227,184	11,483,081	2,136,212
Capital grants and contributions	1,068,087		1,262,813	-	-
Total governmental program revenues	<u>5,634,574</u>	<u>3,823,517</u>	<u>3,741,629</u>	<u>15,721,770</u>	<u>7,274,108</u>
Business-type activities:					
Charges for services:					
Wastewater utility	6,912,213	7,541,964	6,315,563	6,524,537	7,211,834
Capital grants and contributions	-	-	-	-	-
Total business-type program revenues	<u>6,912,213</u>	<u>7,541,964</u>	<u>6,315,563</u>	<u>6,524,537</u>	<u>7,211,834</u>
Total primary government program revenues	<u>\$ 12,546,787</u>	<u>\$ 11,365,481</u>	<u>\$ 10,057,192</u>	<u>\$ 22,246,307</u>	<u>\$ 14,485,942</u>
Net (Expense)/Revenue					
Net (Expense)/Revenue Governmental	(13,008,460)	(17,068,521)	(17,662,386)	(6,299,772)	(16,829,623)
Net (Expense)/Revenue Business-type	2,028,957	2,225,942	1,718,109	1,330,543	2,281,721
Total primary government net (Expense)/Revenue	<u>(10,979,503)</u>	<u>(14,842,579)</u>	<u>(15,944,277)</u>	<u>(4,969,229)</u>	<u>(14,547,902)</u>
Change in Net Position					
Governmental activities	(4,193,825)	(1,293,805)	(32,933)	12,710,019	2,874,178
Business-type activities	(2,037,223)	(2,246,079)	1,721,679	1,389,501	2,411,362
Total primary government	<u><u>\$ (6,231,048)</u></u>	<u><u>\$ (3,539,884)</u></u>	<u><u>\$ 1,688,746</u></u>	<u><u>\$ 14,099,520</u></u>	<u><u>\$ 5,285,540</u></u>

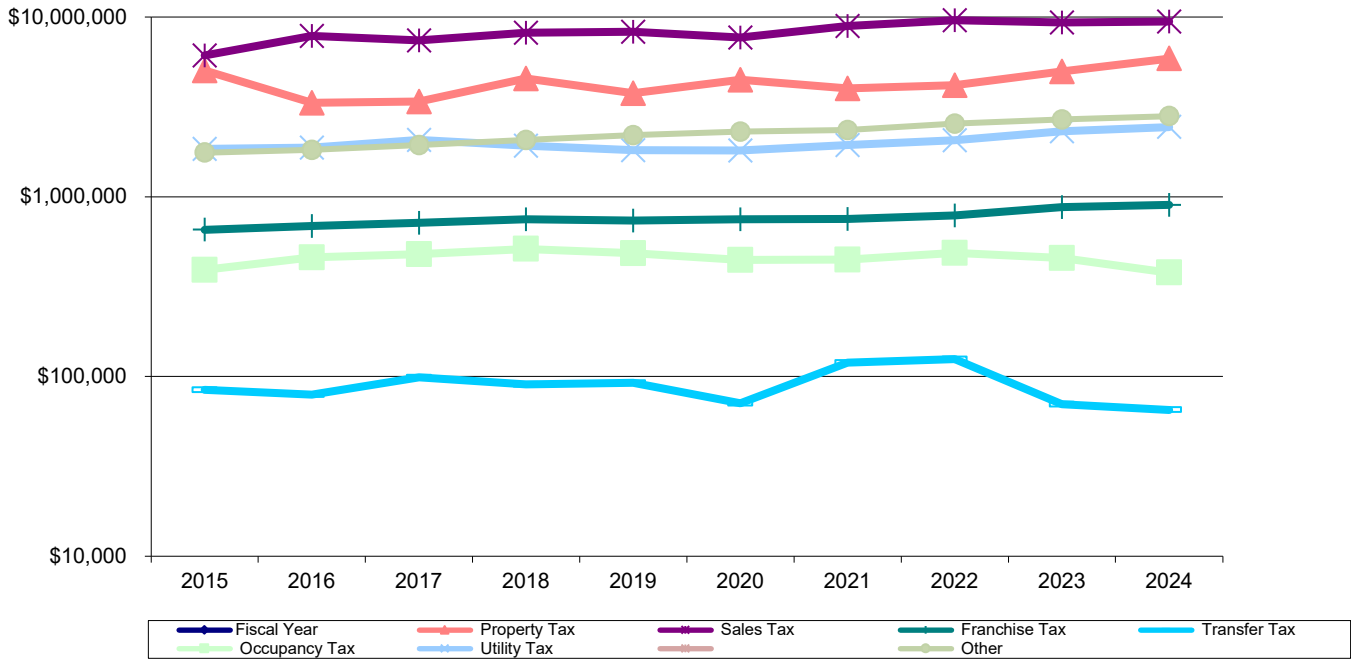
Source: City of Pinole Finance

City of Pinole
Changes in Net Position (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	2020	2021	2022	2023	2024
Expenses					
Governmental Activities:					
General government	\$ 4,596,909	\$ 4,957,477	\$ 5,539,414	\$ 4,226,526	\$ 5,439,951
Public safety	14,937,597	15,895,381	19,255,147	12,985,795	20,226,459
Public services	3,488,882	4,541,157	3,943,251	4,391,992	5,734,403
Recreation	1,146,587	949,734	1,878,342	1,926,541	2,275,235
Community development	1,365,580	1,275,333	2,271,609	2,982,917	2,968,511
Interest and fiscal changes	304,844	331,218	388,876	410,766	424,186
Total government activity expenses	<u>\$ 25,840,399</u>	<u>\$ 27,950,300</u>	<u>\$ 33,276,639</u>	<u>\$ 26,924,537</u>	<u>\$ 37,068,745</u>
Business-type activities:					
Wastewater utility	5,704,747	6,688,530	7,266,212	5,787,622	6,812,685
Total business-type activities expenses	<u>5,704,747</u>	<u>6,688,530</u>	<u>7,266,212</u>	<u>5,787,622</u>	<u>6,812,685</u>
Total primary government expenses	<u><u>\$ 31,545,146</u></u>	<u><u>\$ 34,638,830</u></u>	<u><u>\$ 40,542,851</u></u>	<u><u>\$ 32,712,159</u></u>	<u><u>\$ 43,881,430</u></u>
Program Revenues					
Governmental Activities:					
Charges for services:					
General government	\$ 678,065	\$ 686,519	\$ 2,106,826	\$ 936,883	\$ 752,366
Public safety	1,388,295	1,440,572	1,925,962	1,840,283	1,908,034
Public services	66,676	74,897	739,693	365,748	502,517
Recreation	501,860	172,486	378,787	711,156	481,813
Community development	736,346	503,324	902,764	1,236,488	1,423,431
Operating grants and contributions	1,790,729	1,795,055	2,020,534	5,594,961	2,939,589
Capital grants and contributions	-	-	712,728	865,743	500,258
Total governmental program revenues	<u>5,161,971</u>	<u>4,672,853</u>	<u>8,787,294</u>	<u>11,551,262</u>	<u>8,508,008</u>
Business-type activities:					
Charges for services:					
Wastewater utility	7,093,734	7,527,056	7,770,772	7,831,703	8,114,292
Capital grants and contributions	-	-	-	-	-
Total business-type program revenues	<u>7,093,734</u>	<u>7,527,056</u>	<u>7,770,772</u>	<u>7,831,703</u>	<u>8,114,292</u>
Total primary government program revenues	<u>\$ 12,255,705</u>	<u>\$ 12,199,909</u>	<u>\$ 16,558,066</u>	<u>\$ 19,382,965</u>	<u>\$ 16,622,300</u>
Net (Expense)/Revenue					
Net (Expense)/Revenue Governmental	(20,678,428)	(23,277,447)	(24,489,345)	(15,373,275)	(28,560,737)
Net (Expense)/Revenue Business-type	1,388,987	838,526	504,560	2,044,081	1,301,607
Total primary government net (Expense)/Revenue	<u>(19,289,441)</u>	<u>(22,438,921)</u>	<u>(23,984,785)</u>	<u>(13,329,194)</u>	<u>(27,259,130)</u>
Change in Net Position					
Governmental activities	(50,793)	(785,272)	(6,234,493)	7,162,251	(4,068,733)
Business-type activities	1,673,561	882,785	307,802	1,869,392	1,785,009
Total primary government	<u>\$ 1,622,768</u>	<u>\$ 97,513</u>	<u>\$ (5,926,691)</u>	<u>\$ 9,031,643</u>	<u>\$ (2,283,724)</u>

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City of Pinole
General Fund Tax Revenue by Source
Last Ten Fiscal Years



Fiscal Year	(b)		Franchise Tax	Transfer Tax	Occupancy Tax	(a)		Other	Total
	Property Tax	Sales Tax				Utility Tax			
2015	\$ 5,048,149	\$ 6,120,157	\$ 656,564	\$ 84,136	\$ 391,165	\$ 1,843,618	\$ 1,762,254	\$ 15,906,044	
2016	3,333,712	7,859,195	687,737	79,181	459,393	1,876,318	1,826,513	16,122,050	
2017	3,392,870	7,411,905	717,013	98,593	478,940	2,066,623	1,942,511	16,108,455	
2018	4,555,300	8,162,816	747,625	90,328	513,368	1,926,796	2,068,842	18,065,075	
2019	3,775,074	8,281,048	735,311	91,954	485,499	1,812,844	2,205,899	17,387,628	
2020	4,473,828	7,689,917	750,002	70,764	444,453	1,809,832	2,304,932	17,543,727	
2021	4,001,411	8,927,361	751,598	119,254	446,105	1,939,726	2,354,617	18,540,071	
2022	4,182,262	9,613,625	788,146	124,946	487,687	2,063,773	2,550,587	19,811,026	
2023	4,985,909	9,328,351	875,058	69,881	456,288	2,312,830	2,689,580	20,717,898	
2024	5,883,627	9,430,219	901,208	65,183	378,622	2,445,715	2,814,056	21,918,629	

(a) City of Pinole utility tax went into effect July 1991. This tax was repealed by the voters in November 1997 and reinstated in November 1998, and reaffirmed by voters in November 2004, November 2012, and November 2018.

(b) Voter ratification November 2006 of 1/2-cent local user tax applied to retail sales effective April 2007. Voter ratification November 2014 of additional 1/2-cent local user tax applied to retail sales effective April 2015.

(c) Includes Business License Taxes

Source: City of Pinole Finance

City of Pinole
Fund Balances Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ -	\$ 7,275	\$ 6,712	\$ 12,669	\$ 13,178
Restricted	-	-	-	133,586	17,346,090
Assigned	1,030,000	-	-	2,531,677	2,531,677
Committed	-	-	-	-	-
Unassigned	4,261,995	9,062,287	11,700,289	23,249,204	14,909,608
Total General Fund	<u>\$ 5,291,995</u>	<u>\$ 9,069,562</u>	<u>\$ 11,707,001</u>	<u>\$ 25,927,136</u>	<u>\$ 34,800,553</u>
All Other Governmental Funds					
Nonspendable		\$ 2,591,393	\$ 6,882,968	\$ -	\$ -
Restricted	14,074,122	11,665,834	10,872,657	18,250,952	14,306,945
Assigned	3,661,477	-	-	2,366,429	2,800,614
Committed	-	-	2,304,515	-	-
Unassigned reported in:					
Special revenue funds	(611,270)	4,248,108	(371,162)	(43,673)	(29,052)
Capital project funds	(265,778)	-	-	-	-
Debt service funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 16,858,551</u>	<u>\$ 18,505,335</u>	<u>\$ 19,688,978</u>	<u>\$ 20,573,708</u>	<u>\$ 17,078,507</u>

Source: City of Pinole Finance

City of Pinole
Fund Balances Governmental Funds (Continued)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2020	2021	2022	2023	2024
General Fund					
Nonspendable	\$ 463,067	\$ 18,782	\$ 45,296	\$ 243,904	\$ 33,987
Restricted	18,255,487	19,623,678	17,271,818	14,775,559	13,718,620
Assigned	7,672,065	7,836,178	8,533,768	-	-
Committed	579,257	-	-	9,412,029	10,744,838
Unassigned	10,828,937	12,488,562	9,406,554	12,123,654	7,841,433
Total General Fund	<u>\$ 37,798,813</u>	<u>\$ 39,967,200</u>	<u>\$ 35,257,436</u>	<u>\$ 36,555,146</u>	<u>\$ 32,338,878</u>
All Other Governmental Funds					
Nonspendable	\$ 315,552	\$ 315,552	\$ 315,552	\$ 328,952	\$ 320,552
Restricted	13,756,009	13,905,253	17,236,034	18,590,427	19,665,280
Assigned	2,751,350	2,526,571	2,069,093	3,280,685	3,856,760
Committed	-	-	-	-	-
Unassigned reported in:					
Special revenue funds	(35,900)	(137,880)	(600,971)	(1,560,650)	(2,369,110)
Capital project funds	-	-	-	-	-
Debt service funds	-	-	-	-	-
Total all other governmental funds	<u>\$ 16,787,011</u>	<u>\$ 16,609,496</u>	<u>\$ 19,019,708</u>	<u>\$ 20,639,414</u>	<u>\$ 21,473,482</u>

City of Pinole
Changes in Fund Balances Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 15,111,311	\$ 15,111,374	\$ 15,453,213	\$ 16,599,387	\$ 15,853,006
Intergovernmental	3,313,973	3,462,621	877,090	1,460,655	2,188,347
Loan repayments	45,666	85,849	145,457	15,023	1,656,645
Contributions	51,313	65,317	146,112	30,595	22,746
Investment earnings	311,168	188,790	16,188	88,092	1,529,630
Rents and ground leases	264,301	224,952	300,441	303,618	274,153
Charges for service	2,929,952	3,892,535	3,997,423	5,307,234	4,616,561
Fines, forfeitures and penalties	58,863	41,564	48,442	75,670	89,911
Other revenues	778,737	365,857	532,173	834,086	746,909
Total revenues	22,865,284	23,438,859	21,516,539	24,714,360	26,977,908
Expenditures					
General administration	2,411,271	3,007,506	3,035,822	3,257,220	3,802,406
Public safety	9,165,922	9,635,264	10,067,977	10,535,903	11,801,897
Public services	1,628,204	2,460,827	1,712,315	1,485,090	1,648,377
Recreation	1,107,168	906,302	1,042,006	960,325	1,069,375
Community development	818,580	945,646	935,276	1,596,240	1,237,892
Debt service - Principal	373,007	369,177	363,151	361,674	356,117
Debt service - Interest	290,860	305,569	338,507	331,464	287,729
Capital outlay	368,007	1,289,967	200,403	1,098,789	1,419,264
Total expenditures	16,163,019	17,695,457	17,695,457	19,626,705	21,623,057
Other financing sources (uses)					
Bond, note and loan proceeds	-	-	-	-	-
Gain (loss) on sale of property	17,259	1,909	-	10,017,210	3,140
Transfers in	447,050	446,000	671,364	826,926	7,135,205
Transfers out	(447,050)	(446,000)	(671,364)	(826,926)	(7,135,205)
Total other financing sources	17,259	1,909	-	10,017,210	3,140
Net change in fund balance	\$ 6,719,524	\$ 23,440,768	\$ 3,821,082	\$ 15,104,865	\$ 5,357,991
 Debt service as a % of noncapital expenditures	 4.2%	 -52.3%	 4.0%	 3.7%	 3.2%

City of Pinole
Changes in Fund Balances Governmental Funds (Continued)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2020	2021	2022	2023	2024
Revenues					
Taxes	\$ 15,874,731	\$ 19,055,833	\$ 20,403,637	\$ 21,782,789	\$ 23,075,158
Intergovernmental	1,860,599	1,856,343	2,837,951	6,204,016	2,737,265
Loan repayments	544,892	107,912	11,658	-	-
Contributions	24,889	14,274	10,574	-	-
Investment earnings	1,790,740	2,888,309	(2,754,154)	1,508,707	2,680,347
Rents and ground leases	185,594	131,335	121,141	116,688	111,947
Charges for service	4,726,675	2,444,899	5,581,014	3,930,060	3,728,715
Fines, forfeitures and penalties	68,576	41,236	39,392	52,592	75,765
Other revenues	709,677	541,679	515,174	491,936	590,815
Total revenues	25,786,373	27,081,820	26,766,387	34,086,788	33,000,012
Expenditures					
General administration	4,029,981	4,319,504	4,775,249	4,800,746	5,081,926
Public safety	12,975,773	13,889,090	15,143,959	17,104,181	18,236,794
Public services	1,680,617	1,448,818	2,448,651	3,069,163	3,985,102
Recreation	1,000,400	820,918	1,573,083	1,930,222	2,192,027
Community development	1,333,476	1,205,200	2,143,148	3,218,011	2,962,260
Debt service - Principal	301,709	227,389	244,820	338,125	336,809
Debt service - Interest	304,844	331,218	388,876	401,206	418,148
Capital outlay	1,466,664	2,932,020	2,627,507	1,447,983	3,185,518
Total expenditures	23,093,464	25,174,157	29,345,293	32,309,637	36,398,584
Other financing sources (uses)					
Bond, note and loan proceeds	-	-	-	165,695	126,215
Gain (loss) on sale of property	13,855	83,209	279,354	944,424	139
Transfers in	1,170,058	1,681,841	2,129,233	8,886,672	5,441,907
Transfers out	(1,170,058)	(1,681,841)	(2,129,233)	(8,886,672)	(5,441,907)
Total other financing sources	13,855	83,209	279,354	1,110,119	126,354
Net change in fund balance	\$ 2,706,764	\$ 1,990,872	\$ (2,299,552)	\$ 2,887,270	\$ (3,272,218)
 Debt service as a % of noncapital expenditures	 2.8%	 2.5%	 2.4%	 2.4%	 2.3%

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City of Pinole
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

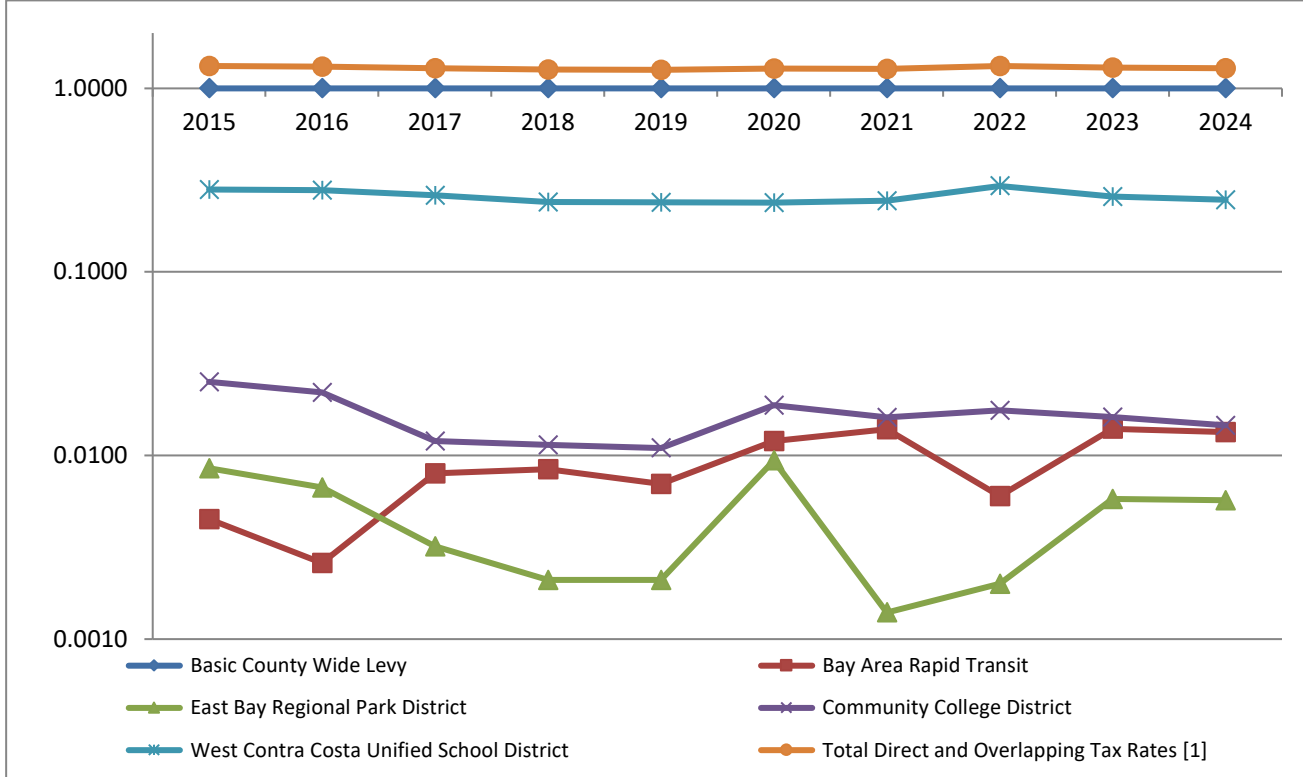
Fiscal Year	Real Property				Total Real Secured Property	Unsecured Property	Total Assessed (a)	Estimated Full Market (a)	Total Direct (b)
	Residential Property	Commercial Property	Industrial Property	Other					
2015	\$ 1,496,137,773	\$ 339,520,240	\$ 2,617,605	\$ 72,710,914	\$ 1,910,986,532	\$ 63,501,588	\$ 1,974,488,120	\$ 2,346,481,682	0.1884%
2016	1,607,057,208	373,896,531	2,669,901	71,708,925	2,055,332,565	57,423,148	2,112,755,713	2,510,798,889	0.1884%
2017	1,712,024,334	424,465,946	2,710,613	40,142,846	2,179,343,739	52,646,667	2,231,990,406	2,652,497,398	0.1884%
2018	1,815,946,452	437,410,538	2,764,822	52,717,127	2,308,838,939	50,669,026	2,359,507,965	2,804,039,266	0.1884%
2019	1,930,860,892	481,974,623	21,572,321	17,844,755	2,452,252,591	54,318,451	2,506,571,042	2,978,809,026	0.1884%
2020	2,054,262,264	510,162,994	22,004,780	17,718,345	2,604,148,383	55,881,828	2,660,030,211	3,161,179,903	0.1884%
2021	2,156,140,583	520,189,147	22,444,868	19,105,066	2,717,879,664	58,104,679	2,775,984,343	3,298,979,793	0.1884%
2022	2,243,018,566	523,349,776	25,857,496	20,790,834	2,813,016,672	56,076,525	2,869,093,197	3,409,630,355	0.1884%
2023	2,420,638,572	535,935,832	28,005,918	23,417,929	3,007,998,251	59,630,604	3,067,628,855	3,645,570,131	0.1884%
2024	2,536,358,260	549,704,741	28,566,028	22,939,428	3,137,568,457	63,987,571	3,201,556,028	3,804,729,184	0.1884%

Source: Contra Costa County Assessor Combined Tax Rolls-HdL Coren & Cone report.

[a] 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 overrides. These values are considered to be full market values.

[b] 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 Pinole
Property Tax Rates
Direct and Overlapping Governments
Per \$100 of Assessed Value
Last Ten Fiscal Years



Fiscal Year	Basic County Wide Levy	Bay Area Rapid Transit	East Bay Regional Park District	Community College District	West Contra Costa Unified School District	Total Direct and Overlapping Tax Rates [1]
2015	1.0000	0.0045	0.0085	0.0252	0.2803	1.3185
2016	1.0000	0.0026	0.0067	0.0220	0.2781	1.3094
2017	1.0000	0.0080	0.0032	0.0120	0.2604	1.2836
2018	1.0000	0.0084	0.0021	0.0114	0.2397	1.2616
2019	1.0000	0.0070	0.0021	0.0110	0.2390	1.2591
2020	1.0000	0.0120	0.0094	0.0188	0.2379	1.2781
2021	1.0000	0.0139	0.0014	0.0161	0.2432	1.2746
2022	1.0000	0.0060	0.0020	0.0176	0.2939	1.3195
2023	1.0000	0.0140	0.0058	0.0162	0.2564	1.2924
2024	1.0000	0.0134	0.0057	0.0146	0.2464	1.2801

Source : Contra Costa County Auditor-Controller Office

[1] Rates are per \$100 of assessed value.

City of Pinole
Principal Property Taxpayers
Current and Nine Years Prior

Taxpayer	2023-24		2014-15	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Appian Associates			\$ 15,477,287	0.78%
Che Chen and Shu Fen Liu Trust	\$ 24,472,217	0.78%	36,909,755	1.87%
Fairfield Bayside LLC	40,634,046	1.30%		0.00%
Gateway Pinole Vista LLC	76,191,025	2.43%	24,158,860	1.22%
Joe Cheuk W Chan Living Trust			13,411,455	0.68%
Kaiser Foundation Health Plan	37,639,335	1.20%	35,996,507	1.82%
KW Pinole			21,925,133	1.11%
NHI-Reit of Next House LLC	21,090,878	0.67%	19,102,106	0.97%
Pinole Ridge Mall LLC	21,361,332	0.68%		
ROIC Pinole Vista LLC	43,253,166	1.38%	21,724,166	1.10%
SCG Pinole Valley Shopping Center	44,932,054	1.43%	38,046,950	1.93%
Target Corporation	20,813,760	0.66%	19,409,017	0.98%
Thomas Fitzgerald Trust	17,826,231	0.57%	-	0.00%
	<u>\$ 348,214,044</u>	<u>11.10%</u>	<u>\$ 246,161,236</u>	<u>12.47%</u>

Total Net Assessed Valuation:

Fiscal Year 2023-24	\$ 3,137,568,457
Fiscal Year 2014-15	\$ 1,974,488,120

Source: Contra Costa County Assessor Combined Tax Rolls-HdL Coren & Cone reports.

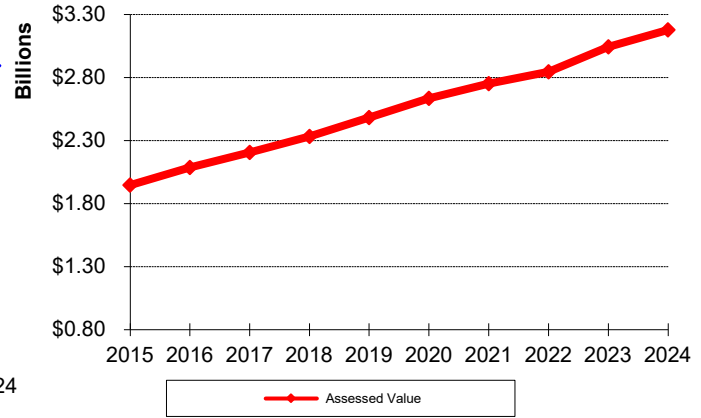
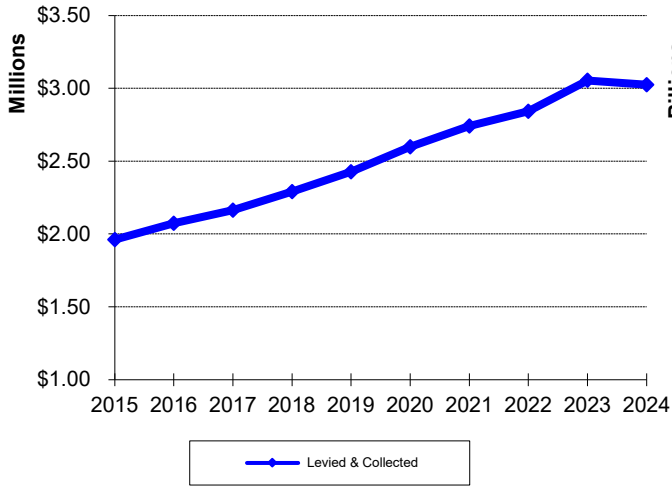
Note: Information is shown in alphabetical order.

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City of Pinole

Property Tax Levies and Collections

Last Ten Fiscal Years



Fiscal Year	Redevelopment/ Successor Agency		Total Property Tax Levied & Collected	Percent of Levy Collected	Value of		Local Tax Rate Applied to Assessed Value	Effective Taxrate for City Levy	Effective Taxrate for Agency Levy
	City Property Tax Levied & Collected	Property Tax Levied & Collected			Value of City Property Subject to Local Tax Rate	Value of Redevelopment Property Subject to Local Tax Rate			
2015	\$ 1,856,378	\$ 105,121 [1]	\$ 1,961,498	100%	\$ 990,967,092	\$ 956,240,628	\$ 1,947,207,720	0.19%	0.01%
2016	1,967,011	105,121 [1]	2,072,131	100%	1,048,130,045	1,037,786,268	2,085,916,313	0.19%	0.01%
2017	2,059,786	104,251 [1]	2,164,037	100%	1,105,435,408	1,100,258,798	2,205,694,206	0.19%	0.01%
2018	2,185,033	104,295 [1]	2,289,328	100%	1,170,940,384	1,162,783,781	2,333,724,165	0.19%	0.01%
2019	2,321,597	104,321 [1]	2,425,918	100%	1,242,741,110	1,238,557,132	2,481,298,242	0.19%	0.01%
2020	2,493,410	104,354 [1]	2,597,764	100%	1,332,924,560	1,302,307,451	2,635,232,011	0.19%	0.01%
2021	2,635,767	104,548 [1]	2,740,315	100%	1,404,683,713	1,346,717,824	2,751,401,537	0.19%	0.01%
2022	2,736,121	104,569 [1]	2,840,690	100%	1,457,104,818	1,387,850,611	2,844,955,429	0.19%	0.01%
2023	2,949,258	104,569 [1]	3,053,827	100%	1,568,575,641	1,475,686,706	3,044,262,347	0.19%	0.01%
2024	3,073,266	99,078 [1]	3,023,486	100%	1,640,416,041	1,538,201,879	3,178,617,920	0.19%	0.01%

Source: Contra Costa County

Notes:

[1] The City of Pinole serves as the Successor Agency to the Pinole Redevelopment Agency which dissolved effective 02/01/2012 pursuant to State Law (ABx1-26)

City of Pinole
Taxable Sales by Category
Last Ten Fiscal Years

	2014-15	2015-16	2016-17	2017-18	2018-19
	[b]				
Major Business Groups					
Autos and Transportation	\$ 128,585	\$ 143,531	\$ 142,634	\$ 129,758	\$ 149,328
Building and Construction	228,851	235,399	256,743	252,433	248,668
Business and Industry	74,621	74,664	69,064	68,148	81,173
Food and Drugs	369,426	354,347	366,064	376,151	408,251
Fuel and Service Stations	431,453	393,583	355,390	362,450	482,117
General Consumer Goods	1,229,774	1,298,176	1,343,309	1,347,691	1,323,599
Restaurants and Hotels	660,763	711,659	715,966	715,885	813,411
Adjustments & Others [a]	(50,925)	24,448	-	506	5,972
Point of Sale s/totals	3,072,548	3,235,807	3,249,170	3,253,022	3,512,519
County Pool Allocations	408,386	431,500	499,708	490,660	519,400
State Pool Allocations	2,129	2,400	2,637	1,903	1,829
Local Transaction Tax	1,894,578	3,789,711	3,953,872	4,089,586	4,402,698
Administrative Cost - SBE	(58,890)	(82,268)	(95,537)	(90,183)	(87,797)
Fiscal Year Totals	<u>\$ 5,318,751</u>	<u>\$ 7,377,150</u>	<u>\$ 7,609,850</u>	<u>\$ 7,744,988</u>	<u>\$ 8,348,649</u>
City Direct Sales Tax Rate	1.25%	1.75%	1.75%	1.75%	1.75%

Notes:

- [a] "Adjustment" reflects "True-up" reconciliation payment for "Triple-Flip" Reimbursement for State Fiscal Recovery Bond Financing Program.
[b] Effective 04/01/15 additional 1/2% local transaction tax (Measure "S" 2014) authorized

Source: HdL Coren & Cone

City of Pinole
Taxable Sales by Category (Continued)
Last Ten Fiscal Years

	2019-20	2020-21	2021-22	2022-23	2023-24
Major Business Groups					
Autos and Transportation	\$ 125,285	\$ 131,364	\$ 145,204	\$ 141,027	\$ 154,626
Building and Construction	240,333	287,086	253,926	236,384	206,948
Business and Industry	80,562	66,279	79,061	69,661	59,575
Food and Drugs	422,665	467,507	435,658	440,943	437,077
Fuel and Service Stations	370,686	412,186	596,460	351,757	343,203
General Consumer Goods	1,110,168	1,299,328	1,333,100	1,364,953	1,443,935
Restaurants and Hotels	724,290	741,032	936,053	1,011,530	1,047,325
Adjustments & Others	1,211	484	5,260	11,511	3,620
Point of Sale s/totals	<u>3,075,200</u>	<u>3,405,266</u>	<u>3,784,722</u>	<u>3,627,766</u>	<u>3,696,309</u>
County Pool Allocations	747,782	927,704	861,541	798,304	744,707
State Pool Allocations	1,710	2,650	343	1,966	2,329
Local Transaction Tax [a]	3,944,917	4,654,311	5,041,168	4,976,048	5,051,749
Administrative Cost - SBE	(79,691)	(62,570)	(74,149)	(75,735)	(64,876)
Fiscal Year Totals	<u>\$ 7,689,918</u>	<u>\$ 8,927,361</u>	<u>\$ 9,613,625</u>	<u>\$ 9,328,349</u>	<u>\$ 9,430,218</u>
City Direct Sales Tax Rate	1.75%	1.75%	1.75%	1.75%	1.75%

Notes:

- [a] "Adjustment" reflects "True-up" reconciliation payment for "Triple-Flip" Reimbursement for State Fiscal Recovery Bond Financing Program.
[b] Effective 04/01/15 additional 1/2% local transaction tax (Measure "S" 2014) authorized

Source: HdL Coren & Cone

City of Pinole
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Taxing Jurisdiction / Purpose	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	[c]									
Overlapping Sales Taxes										
State General Fund	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
State Fiscal Recovery Fund	0.25%	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
State Education Protection Account	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
County Health & Welfare Programs	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
[a] City/County Public Safety Programs	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
County of Contra Costa Transactions and Use Tax	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.50%	0.50%	0.50%	0.50%
Contra Costa Transportation Authority	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Bay Area Rapid Transit	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
West County Transit Authority	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%
Overlapping Sales Taxes	7.75%	7.75%	7.50%	7.50%	7.50%	7.50%	8.00%	8.00%	8.00%	8.00%
City Direct Sales Taxes										
Bradley Burns Authority	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
[b] Measure "S" Authority - 2006	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
[c] Measure "S" Authority - 2014	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Direct Sales Taxes	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
[d] Total Sales Tax Levy - City of Pinole	9.50%	9.50%	9.25%	9.25%	9.25%	9.25%	9.75%	9.75%	9.75%	9.75%

Notes:

- [a] Effective 01/01/94 SCA-1 (Proposition-172) additional 1/2% statewide sales tax restricted to public safety programs
- [b] Effective 04/01/07 additional 1/2% local transaction tax (Measure "S" 2006) authorized
- [c] Effective 04/01/15 additional 1/2% local transaction tax (Measure "S" 2014) authorized
- [d] The City direct sales tax rate may only be changed with ratification by the electors of the City. The maximum levy permitted by the State Legislature for combined direct and overlapping sales tax is 10.25%

Source: California Department of Tax and Fee Administration

City of Pinole
Top 25 Sales Tax Producers
Year Ended June 30, 2024

BUSINESS NAME	BUSINESS CATEGORY
1. APPIAN CHEVRON	SERVICE STATIONS
2. BEST BUY	ELECTRONICS/APPLIANCE STORES
3. BEVMO	CONVENIENCE STORES/LIQUOR
4. BURLINGTON COAT FACTORY	FAMILY APPAREL
5. CHIPOTLE	QUICK-SERVICE RESTAURANTS
6. DOLAN'S PINOLE LUMBER	BUILDING MATERIALS
7. FOOD MAXX	GROCERY STORES
8. HOME GOODS	FURNITURE STORES
9. IN-N-OUT BURGER	QUICK-SERVICE RESTAURANTS
10. MCDONALDS	QUICK-SERVICE RESTAURANTS
11. NORDSTROM	FAMILY APPAREL
12. O'REILLY AUTO PARTS	AUTOMOTIVE SUPPLY STORES
13. ORIGINAL MELS DINER	QUICK-SERVICE RESTAURANTS
14. PANDA EXPRESS	LIMITED-SERVICE RESTAURANTS
15. PETSMART	SPECIALTY STORES
16. PINOLE CHEVRON	SERVICE STATIONS
17. PINOLE SHELL	SERVICE STATIONS
18. PINOLE VALLEY ARCO	SERVICE STATIONS
19. SAFEWAY	GROCERY STORES
20. TARGET	DISCOUNT DEPARTMENT STORES
21. TJ MAXX	FAMILY APPAREL
22. TRADER JOES	GROCERY STORES
23. ULTA BEAUTY	SPECIALTY STORES
24. WESTLAKE ACE HARDWARE	BUILDING MATERIALS
25. WINGSTOP	QUICK-SERVICE RESTAURANTS

PERCENT OF FISCAL YEAR TOTAL PAID BY TOP 25 ACCOUNTS = 56.70%

Source: State Board of Equalization (HdL Companies)

Note: Information is shown in alphabetical order.

City of Pinole
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities			Business-type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Pension Obligation Bonds	Leases Payable	Subscription Payable	Wastewater Revenue Bonds	Clean Water State Revolving Fund			
2015	\$ 4,206,695	\$ 506,973	\$ -	\$ 8,775,000	\$ -	\$ 13,488,668	1.4%	\$ 718
2016	3,941,977	402,514	-	8,251,000	-	12,595,491	1.3%	665
2017	3,686,615	294,724	-	7,866,000	6,786,599	18,633,938	1.7%	982
2018	3,436,175	183,490	-	7,576,000	15,164,357	26,360,022	2.3%	1,370
2019	3,194,853	68,695	-	7,278,000	21,741,571	32,283,119	2.6%	1,656
2020	2,961,839	-	-	6,968,000	25,456,833	35,386,672	2.5%	1,814
2021	2,734,450	-	-	6,650,000	24,773,976	34,158,426	2.0%	1,764
2022	2,512,885	72,619	118,626	6,321,000	24,105,950	33,131,080	1.9%	1,779
2023	2,297,299	56,609	176,570	5,980,000	23,426,566	31,937,044	1.8%	1,751
2024	2,089,509	30,976	199,399	5,633,000	22,735,634	30,688,518	1.8%	1,687

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

City of Pinole
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding				Percentage of Taxable Value of Property	Per Capita
	Pension Obligation Bonds	Bonds Paid with Restricted Redevelopment Tax Increments	Total - Net of Bonds Paid with Restricted Tax Levies			
2015	\$ 4,206,695	-	\$ 4,206,695	0.42%	[a]	\$ 222
2016	3,941,977	-	3,941,977	0.38%	[a]	210
2017	3,986,615	-	3,986,615	0.36%	[a]	210
2018	3,436,175	-	3,436,175	0.29%	[a]	179
2019	3,194,853	-	3,194,853	0.26%	[a]	164
2020	2,961,839	-	2,961,839	0.22%	[a]	152
2021	2,734,450	-	2,734,450	0.19%	[a]	141
2022	2,512,885	-	2,512,885	0.17%	[a]	135
2023	2,297,299	-	2,297,299	0.15%	[a]	126
2024	2,089,509	-	2,089,509	0.13%	[a]	115

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

[a] Based on Assessment Value net of restricted Redevelopment Tax Increment

[b] Due to the dissolution of Redevelopment Agencies effective February 1, 2012, these bonds and notes were transferred to the Successor Agency to the Pinole Redevelopment Agency.

Sources:

City Finance Department

Contra Costa County Office of the Auditor-Controller

City of Pinole
Direct and Overlapping Governmental Activities Debt
June 30, 2024

2023-24 Assessed Valuation: \$3,201,556,028

	Total Debt 6/30/2024	[1] % Applicable	City's Share of Debt 6/30/24
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Bay Area Rapid Transit District	\$ 2,445,575,000	0.317%	\$ 7,752,473
Contra Costa Community College District	618,770,000	1.197%	7,406,677
West Contra Costa Unified School District	1,107,363,504	7.750%	85,820,672
West Contra Costa Healthcare District Parcel Tax Obligations	41,605,000	7.271%	3,025,100
East Bay Regional Park District	144,520,000	0.498%	719,710
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			104,724,629
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Contra Costa County General Fund Obligations	\$ 171,495,000	1.193%	\$ 2,045,935
West Contra Costa Unified School District Certificates of Participation	3,205,000	7.750%	248,388
City of Pinole Pension Obligation Bonds	2,089,508	100.000%	2,089,508
City of Pinole Capital Lease Obligations	30,976	100.000%	30,976
Alameda-Contra Costa Transit District Certificates of Participation	10,420,000	0.031%	3,230
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 4,418,037
Less: Contra Costa County obligations supported from revenue funds			484,803
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 3,933,234
TOTAL DIRECT DEBT			\$ 2,120,484
TOTAL GROSS OVERLAPPING DEBT			\$ 107,022,182
TOTAL NET OVERLAPPING DEBT			\$ 106,537,379
GROSS COMBINED TOTAL DEBT			\$ 109,142,666 [2]
NET COMBINED TOTAL DEBT			\$ 108,657,863

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....	3.27%
Total Direct Debt (\$2,120,484).....	0.07%
Gross Combined Total Debt.....	3.41%
Net Combined Total Debt	3.39%

Notes:

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

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

City of Pinole
Computation of Legal Debt Margin
Last Ten Fiscal Years

ASSESSED VALUATION:

Secured property assessed value, net of exempt real property \$ 3,178,617,920

BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) [a] \$ 119,198,172

AMOUNT OF DEBT SUBJECT TO LIMIT: \$ 2,089,509

LEGAL BONDED DEBT MARGIN: \$ 121,287,681

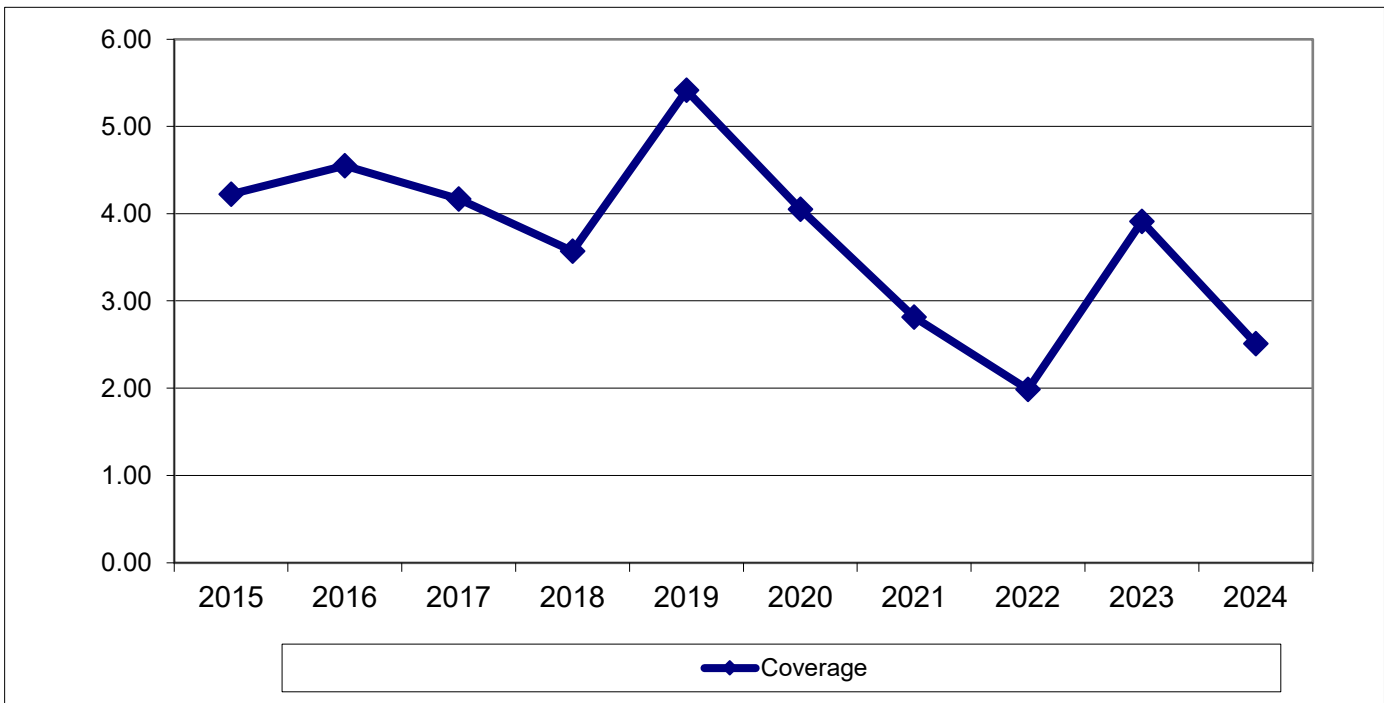
Fiscal Year	Total assessed value of all real and personal property		Total Net Debt		Legal Debt Margin	Total net Debt applicable to the limit as a percentage of debt limit
		Debt Limit [a]	Applicable to Limit			
2015	\$ 1,947,207,720	\$ 73,020,290	\$ 4,206,695	\$ 68,813,595	5.76%	
2016	2,085,916,313	78,221,862	3,941,977	74,279,885	5.04%	
2017	2,205,694,206	82,713,533	3,686,615	79,026,918	4.46%	
2018	2,333,724,165	87,514,656	3,436,176	84,078,480	3.93%	
2019	2,481,298,242	93,048,684	3,194,854	89,853,830	3.43%	
2020	2,635,232,011	98,821,200	2,961,839	95,859,361	3.00%	
2021	2,751,401,537	103,177,558	2,734,450	100,443,108	2.65%	
2022	2,844,955,429	106,685,829	2,512,885	104,172,944	2.36%	
2023	3,044,262,347	114,159,838	2,297,299	111,862,539	2.01%	
2024	3,178,617,920	119,198,172	2,089,509	117,108,663	1.75%	

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.

Source: City of Pinole Finance Department

City of Pinole
Revenue Bond Coverage
Wastewater Revenue Bonds
Last Ten Fiscal Years



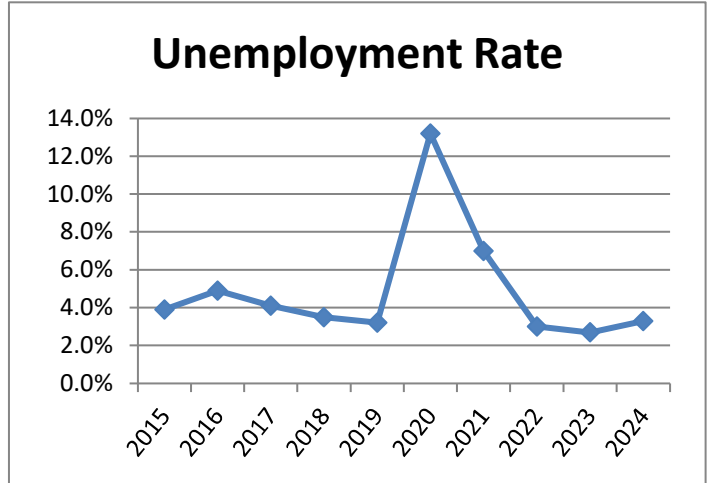
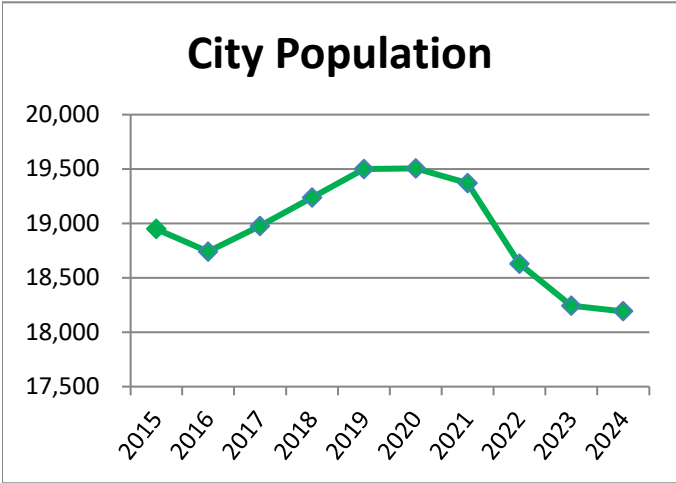
Fiscal Year	Gross Revenue [a]	Operating Expenses [b]	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	\$ 6,912,213	\$ 4,253,609	\$ 2,658,605	\$ 230,000	\$ 399,648	\$ 629,648	4.22
2016	7,541,964	4,688,712	2,853,252	240,000	387,310	627,310	4.55
2017	6,315,563	4,055,187	2,260,376	385,000	157,267	542,267	4.17
2018	6,524,537	4,676,225	1,848,313	290,000	227,770	517,770	3.57
2019	7,211,834	4,413,017	2,798,818	298,000	219,097	517,097	5.41
2020	7,093,734	4,986,437	2,107,297	310,000	210,129	520,129	4.05
2021	7,527,056	6,067,198	1,459,858	318,000	200,866	518,866	2.81
2022	7,770,772	6,736,755	1,034,017	329,000	191,322	520,322	1.99
2023	7,831,703	5,787,622	2,044,081	341,000	181,440	522,440	3.91
2024	8,114,292	6,812,685	1,301,607	347,000	171,292	518,292	2.51

Notes:

- [a] Includes all wastewater operating revenue, non-operating interest revenue, connection fees and other non-operating revenue.
- [b] Includes all wastewater operating expenses less depreciation.

Source: City of Pinole Finance

**City of Pinole
Demographic Statistics
Last Ten Fiscal Years**



Fiscal Year	City Population [a]	Personal Income [b]	Median Household Income [c]	Per Capita Personal Income [d]	School Enrollment [e]	Unemployment Rate [f]
2015	18,946	\$ 1,207,845,392	\$ 93,500	\$ 63,752	3,348	3.9%
2016	18,739	1,007,052,599	93,600	53,741	3,260	4.9%
2017	18,975	1,069,696,650	97,400	56,374	3,192	4.1%
2018	19,236	1,150,235,856	104,400	59,796	3,190	3.5%
2019	19,498	1,239,234,386	111,700	63,557	3,255	3.2%
2020	19,505	1,419,281,325	119,200	72,765	3,463	13.2%
2021	19,369	1,672,687,471	125,600	86,359	3,498	7.0%
2022	18,628	1,766,567,752	142,800	94,834	3,802	3.0%
2023	18,244	1,734,037,468	147,900	95,047	3,747	2.7%
2024	18,192	1,877,741,856	155,700	103,218	3,739	3.3%

Data Sources:

- (a) State of California Department of Finance, estimated population.
- (b) Bureau of Economic Analysis, U.S. Department of Commerce.
- (c) State of California, Department of Housing and Community Development, Division of Housing Policy Development.
- (d) Bureau of Economic Analysis, U.S. Department of Commerce.
- (e) State of California Department of Education.
- (f) State of California Employment Development Department

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**City of Pinole
Principal Employers
Current and Nine Years Ago**

Employer	2024		Employer	2015	
	Employee Count	Percentage of City Total		Employee Count	Percentage of City Total
Target	185	1.99%	West Contra Costa USD	273	6.35%
West Contra Costa USD	161	1.73%	Target	240	5.58%
Kaiser Health Center	144	1.55%	K-Mart	124	2.88%
City of Pinole	121	1.30%	Best Buy	108	2.51%
Trader Joes	114	1.23%	City of Pinole	103	2.40%
In-N-Out Burger	109	1.17%	Lucky's/Food Maxx	101	2.35%
Sprouts Farmers Market	95	1.02%	Kaiser Health Center	101	2.35%
MV Public Transportation, Inc	94	1.01%	Pathway to Choices	85	1.98%
Lucky	84	0.90%	MV Public Transportation, Inc.	79	1.84%
Pathways To Choices	72	0.77%	Applebees	75	1.74%
Top 10 Employer Count	1,179			1,289	
Total Workforce	9,300	12.68%		4,299	29.98%

Data Sources:

- City of Pinole (Business Licensing)
- California Department of Education
- Employment Development Department

City of Pinole

Operating Indicators by Function/Program

Last Ten Fiscal Years

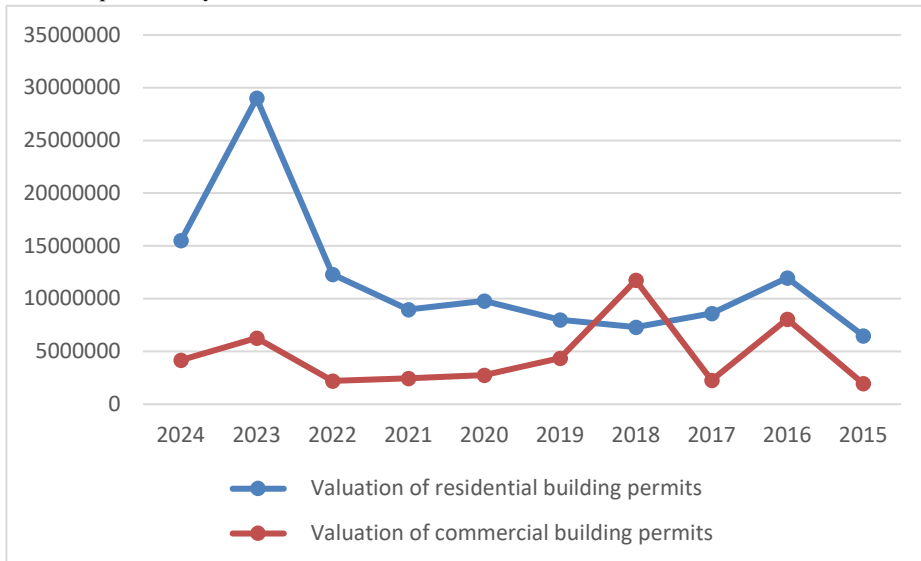
Date of Incorporation	1903
Form of Government	Council-Manager
Number of Employees(including police & fire)	
Full-time	93
Part-time	28
Area in square miles	5 square miles

<u>Statistics by Fiscal Year</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Fire Protection:**					
Number of fire personnel & officers (incl. Reserves)	0	0	17	15	15
Number of calls answered	Not Available	Not Available	2,548	2,086	2,574
Number of inspections conducted	Not Available	Not Available	491	375*	231
Number of building plan reviews	Not Available	Not Available	46	35	29
Number of fire investigations	Not Available	Not Available	Not Available	Not Available	Not Available
Police Protection :					
Number of police personnel & officers (incl. Reserves)	49.3	49.3	47.3	46	46
Number of police personnel per thousand population	2.71	2.70	2.54	2.37	2.36
Community Development:					
Number of residential building permits	1134	1018	1038	905	843
Valuation of residential building permits	\$ 15,523,604	\$ 29,010,799	\$ 12,320,050	\$ 8,978,646	\$ 7,043,338
Number of commercial building permits	43	46	45	45	43
Valuation of commercial building permits	\$ 4,170,802	\$ 6,281,089	\$ 2,197,897	\$ 2,453,802	\$ 2,749,091
Sewer System:					
Daily average treatment in gallons	2,870,000	3,120,000	2,726,016	2,553,562	2,255,055
Maximum daily capacity of treatment plant in gallons	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000

Source: City of Pinole Finance

*A contributing factor to the increase is the implementation of the Fire operation permit.

** Fire Protection Services are provided by ConFire effective March 2023



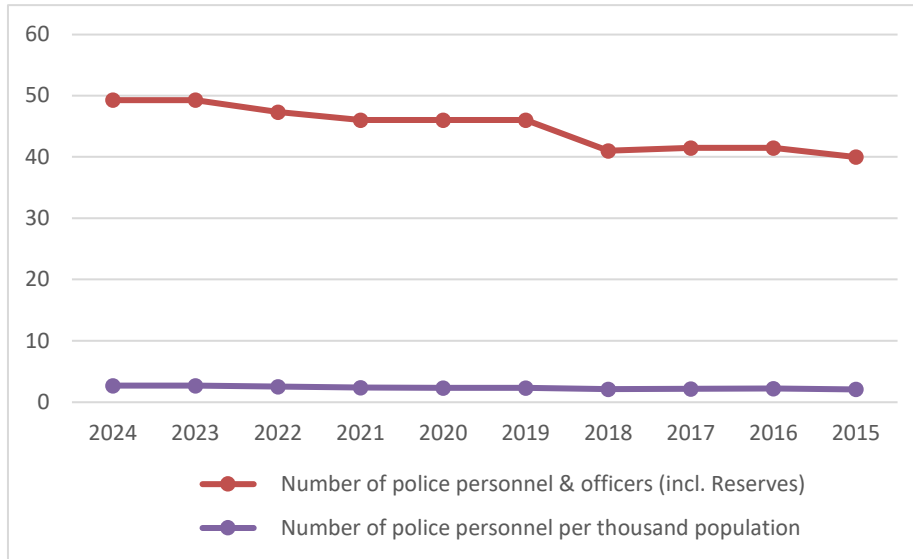
City of Pinole
Operating Indicators by Function/Program (Continued)
Last Ten Fiscal Years

Date of Incorporation	1903
Form of Government	Council-Manager
Number of Employees(including police & fire)	
Full-time	93
Part-time	28
Area in square miles	5 square miles

	<u>Statistics by Fiscal Year</u>				
	2019	2018	2017	2016	2015
Fire Protection:**					
Number of fire personnel & officers (incl. Reserves)	15	15	15	15	15
Number of calls answered	2,493	2,515	2,647	2,406	1,908
Number of inspections conducted	168	26	45	404	60
Number of building plan reviews	28	14	34	66	50
Number of fire investigations	Not Available	Not Available	Not Available	Not Available	2
Police Protection :					
Number of police personnel & officers (incl. Reserves)	46	41	41.5	41.5	40
Number of police personnel per thousand population	2.36	2.13	2.19	2.21	2.11
Community Development:					
Number of residential building permits	749	690	777	1027	1061
Valuation of residential building permits	\$ 8,012,647	\$ 7,293,429	\$ 8,613,376	\$ 11,969,126	\$ 6,485,860
Number of commercial building permits	153	84	92	46	22
Valuation of commercial building permits	\$ 4,354,070	\$ 11,752,779	\$ 2,275,774	\$ 8,053,064	\$ 1,961,346
Sewer System:					
Daily average treatment in gallons	2,277,331	2,151,096	2,914,000	2,381,151	2,449,863
Maximum daily capacity of treatment plant in gallons	4,060,000	4,060,000	4,060,000	4,060,000	4,060,000

*A contributing factor to the increase is the implementation of the Fire operation permit.

** Fire Protection Services are provided by ConFire effective March 2023



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City of Pinole
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function / Program [a]	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government										
Administration	5.0	5.0	5.0	5.0	5.5	5.5	6.5	7.5	9.0	8.3
Finance	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.8
Planning	1.0	1.0	1.0	1.0	1.0	1.0	1.5	2.0	2.0	2.0
Building	2.0	2.0	2.5	3.5	3.5	4.0	4.0	5.0	5.5	5.5
Other	4.0	3.0	3.0	3.0	3.0	2.8	3.8	-	-	-
Police										
Sworn	27.0	27.0	27.0	28.0	28.0	28.0	28.0	28.0	30.0	30.0
Non-sworn	13.0	14.5	14.5	17.5	18.0	18.5	18.2	19.3	19.3	19.3
Fire [b]										
Sworn	15.0	15.0	14.0	14.0	14.0	14.0	14.0	16.0	-	-
Non-sworn	-	0.5	1.0	1.0	1.0	1.0	1.0	1.0	-	-
Public Works										
Engineering	3.0	3.0	3.0	3.0	3.0	3.0	2.5	4.0	6.5	6.5
Maintenance	6.0	10.0	10.0	10.0	10.0	11.3	10.3	12.3	12.3	12.3
Redevelopment	-	-	-	-	-	-	-	-	-	-
Parks and recreation	11.0	13.0	13.0	13.0	13.0	11.5	11.5	15.3	16.2	16.2
Wastewater collection and treatment	13.0	10.5	10.5	10.5	10.5	10.5	10.5	11.5	11.5	11.5
Total	103.5	108.0	108.0	113.0	114.0	114.4	115.2	125.2	115.6	115.1

Notes:

[a] Paid employees only (excluding reserves and volunteers)

[b] Fire protection services are provided by ConFire effective March 2023.

Source: City of Pinole Annual Budget Documents

City of Pinole
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

City Streets:

Miles of streets 63
 Number of street lights 374 (city owned)
 971 (electric & private utility)

<u>Statistics by Fiscal Year</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Police Protection :					
Number of patrol units	13	11	11	13	13
Number of security units	2	3	2	2	2
Recreation and culture :					
Swim Center	1	1	1	1	1
Community Theater	1	1	1	1	1
Senior Center	1	1	1	1	1
Youth Center	1	1	1	1	1
Pre-school Center	1	1	1	1	1
Number of parks & park acreage	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres
Sewer System:					
Sanitary sewers	50 miles	50 miles	50 miles	50 miles	50 miles
Miles of storm drains	34 miles	34 miles	34 miles	34 miles	34 miles
Number of treatment plants	1	1	1	1	1
Number of service connections	5,455	5,455	5,416	5,416	5,416
Schools:					
Elementary-public	5	5	5	5	5
Elementary-private	2	2	2	2	2
Junior High School-public	1	1	1	1	1
High School-public	1	1	1	1	1

*Fire protection services are provided by ConFire

Source: City of Pinole Finance

City of Pinole
Capital Asset Statistics by Function/Program (Continued)
Last Ten Fiscal Years

City Streets:

Miles of streets 63
 Number of street lights 374 (city owned)
 971 (electric & private utility)

<u>Statistics by Fiscal Year</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Police Protection :					
Number of patrol units	13	13	13	13	13
Number of security units	2	2	2	2	2
Recreation and culture :					
Swim Center	1	1	1	1	1
Community Theater	1	1	1	1	1
Senior Center	1	1	1	1	1
Youth Center	1	1	1	1	1
Pre-school Center	1	1	1	1	1
Number of parks & park acreage	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres	15; 64 total acres
Sewer System:					
Sanitary sewers	50 miles	50 miles	50 miles	50 miles	50 miles
Miles of storm drains	34 miles	34 miles	34 miles	34 miles	34 miles
Number of treatment plants	1	1	1	1	1
Number of service connections	5,416	5,416	5,416	5,416	5,416
Schools:					
Elementary-public	5	5	4	4	4
Elementary-private	2	2	2	2	1
Junior High School-public	1	1	1	1	1
High School-public	1	1	1	1	1

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pinole, California (the "City"), as of and for the year ended June 30, 2024, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated December 27, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

To the Honorable Mayor and Members of the City Council
of the City of Pinole
Pinole, California
Page 2

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

The PwC Group, LLP

Santa Ana, California
December 27, 2024