



# CITY OF MENLO PARK, CALIFORNIA COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2020



CITY OF MENLO PARK, CALIFORNIA  
FINANCIAL STATEMENTS  
FOR FISCAL YEAR ENDED JUNE 30, 2020

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# **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Fiscal Year Ended June 30, 2020**

**CITY OF MENLO PARK, CALIFORNIA**

PREPARED BY  
Administrative Services

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CITY OF MENLO PARK  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 FOR FISCAL YEAR ENDED JUNE 30, 2020

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# INTRODUCTORY SECTION

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December 4, 2020

Honorable Mayor  
Members of the City Council  
And Residents of Menlo Park

We are pleased to submit the comprehensive annual financial report for the City of Menlo Park, California, for the fiscal year ended June 30, 2020. Responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the data is accurate in all material respects and is reported fairly and honestly. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities are included.

The comprehensive annual financial report (CAFR) is presented in three major sections that provide introductory, financial, and statistical information about the City. The introductory section includes this transmittal letter, the City's organizational chart and a list of the City's principal officials. The financial section includes the independent auditor's report, basic financial statements, and notes to basic financial statements, required supplementary information and supplementary information on non-major funds. The statistical section, which is unaudited, includes selected financial and demographic information in the format of charts and graphs.

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

Generally accepted accounting principles (GAAP) require that management provide a narrative of introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter complements the MD&A and should be read in conjunction with it. The City of Menlo Park's MD&A can be found in the financial section of this document, immediately following the report of the independent auditors.

## **Background**

The City of Menlo Park is located in San Mateo County, midway between the cities of San Francisco and San Jose. It is an area of comparatively high property values and is a vital part of the region commonly referred to as the Silicon Valley. One of its noteworthy neighbors is Stanford University. Many venture capital firms are located in Menlo Park.

The City maintains a healthy balance of residential, commercial and industrial uses. Residential home prices are still among the highest in the area, reflecting the desirability of living in the community. Home to the headquarters of social networking giant Facebook, other major companies that have facilities in Menlo Park include the Rosewood Hotel, Pacific Biosciences, and SRI International. Menlo Park is also home a major Veterans Affairs medical facility, and the U.S. Department of Energy-funded SLAC National Accelerator Laboratory.

## **Reporting Entity**

The legal entity of the City of Menlo Park is the reporting entity for these financial statements. This includes all activities under the City such as departments and functions conducted by the City. The City uses fund accounting to ensure that restricted sources of funds are properly used and these financial statements contain the activities and positions both separately and combined. The dissolution of the Community Development Agency on January 31, 2012 resulted in the transfer of its financial activities to a successor agency, whose financial statements are also included in this document and reported as a Private-Purpose Trust Fund.

The City of Menlo Park provides a varied range of services, including police protection, public works (engineering, streets, parks, building and vehicle maintenance, water distribution and maintenance and transportation services), library and community services (recreation, child care, senior services, and library services), community development (planning, zoning, housing and economic development and building inspection), code and parking enforcement, and general administration (finance, human resources, information technology, public engagement, environmental sustainability, legal and city clerk services). Fire protection services are provided by the Menlo Park Fire Protection District, an entity separate and distinct from the City. Sanitary sewer services are also provided by a special district, the West Bay Sanitary Sewer District. The City supplies water to approximately 16,000 City residents, while three separate suppliers provide water to the remainder of the City.

## **Economic Condition and Outlook**

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

### **Local economy**

Through February 2020, the City's economy was very strong, but as with the rest of the country and much of the rest of the world, the public health emergency brought on by the novel coronavirus and the COVID-19 pandemic had a direct result on the economic conditions of the area. The City issued a proclamation of local emergency on March 11, 2020 and was followed by an area-wide stay-at-home order on March 16, 2020. This stay-at-home order drastically affected a variety of activities including dining establishments, hotel operations, and retail shopping. While a substantial portion of the economic activity within the City was able to continue under remote working conditions, the four-month period from March to June, 2020, materially affected the trajectory of the local economy.

The unemployment rate in San Mateo County has risen from 1.9% in 2019 to 10.8% in 2020. The Menlo Park unemployment rate remains lower than that of the County at 6.0%. This compares with an unemployment rate of 14.9% for California and 11.2% for the nation during the same period. As of June 2020, there were an estimated 441,700 jobs in San Mateo County, a decrease of 5,600 jobs from a year earlier.

The City's largest revenue source, property tax, continues to exhibit rapid growth, while other significant tax revenues have declined. Property tax increases remain strong with the total taxable assessed valuation of real property increasing 10.46% or \$1.97 billion from 2019 to 2020. This increase in assessed valuation resulted in secured property tax revenues increasing \$2.35 million, year-over-year. The City's second largest single revenue source, sales tax, experienced some loss year-over-year primarily as a result of the aforementioned pandemic. For the fiscal year ended June 30, 2020, sales taxes declined by \$0.13 million or 1.79% year-over-year. This decline was lower than expected due to the impact of the public health crisis but is a noticeable reduction in available resources. The City's third largest tax revenue source, hotel occupancy tax, decreased compared to the prior year, a decline solely attributable to the effect of the public health crisis around the pandemic and the stay-at-home order which drastically reduced business and leisure travel. For the fiscal year ended June 30, 2020, hotel occupancy tax decreased \$3,795,185 or 36.86% due to the effects of the pandemic. In addition, the City Council authorized a waiver to late penalties applied to remittance of hotel occupancy taxes collected between January 1 and June 30, 2020, if remitted by October 31, 2020, resulting in some hotel occupancy taxes being unavailable revenue as of June 30, 2020. While the increase in property tax supported ongoing City operations, the rapid and unexpected declines in sales and hotel occupancy taxes as well as the suspension of a number of user fee supported programs forced the City to reduce service levels across a number of program areas, with the largest affected area

being recreation and library programs which each saw a substantial layoff of temporary employees as of June 30, 2020.

### **Outlook**

Despite the effect of the public health emergency and the accompanying economic uncertainty, the City's financial outlook remains sound. Property values continue their upward trend, and with a number of large-scale development projects in process, the outlook for future property tax revenue growth is strong. Being the General Fund's largest revenue source, at 43.82 percent of the total excluding transfers, a healthy property tax base is essential for continued sustainability. In addition, the City Council took swift action in the face of the economic emergency, reducing services to a level commensurate with expected structural revenues, both in general taxes and in fee-for-service categories. While these reductions were painful and the community will receive fewer services as a result, these actions help to ensure that services continue to be provided at a sustainable level.

One major reduction in fiscal year 2019-20 was the abrupt and unexpected loss of hotel occupancy tax. This had been a growing source of revenue prior years as new facilities began operations and room and occupancy rates steadily increased; however, the stay-at-home order and public health emergency resulted in temporary closures for a number of operators and a substantial reduction in business and leisure travel. This revenue source is not expected to be permanently depressed, but will likely require outside factors to return, with either the development and widespread deployment of an effective vaccine for the novel coronavirus or a robust test-and-trace program which mitigates the future spread of the virus. As such, the return of this revenue source is uncertain and likely to remain lower than historical levels for at least a full fiscal year.

Another ongoing threat to the property tax base is the uncertainty of what is called "excess ERAF" (educational revenue augmentation fund). San Mateo County is one of several counties in the State of California where the amount generated from a shift of local property tax exceeds the amount required to meet funding levels for local schools. As a consequence, those funds collected in excess of the requirement have traditionally been redistributed back to the taxing entities. With such a unique circumstance, this revenue source is under scrutiny at the state level, leaving applicable local agencies to determine how to handle the uncertainty in their financial forecasts. To be conservative, the City of Menlo Park's fiscal year 2020-21 adopted budget reflects receiving 50 percent of this revenue and the eventual disappearance of the revenue. This assumption reflects the overall uncertainty of this revenue source, both in magnitude and a potential change within the foreseeable future. This is a highly speculative assumption that simply serves to keep the uncertainty of this significant revenue plainly visible.

On the expenditure side, the City's largest single category is that of personnel costs, with direct wages and salaries being a substantial portion of those costs. In its role as a service organization, the City's costs are largely proportional to the levels provided.

As mentioned, the City Council took swift action to reduce the number of staff in order to not exceed the revenue sources available to cover these costs. The majority of these service level changes will affect fiscal year 2020-21 and later fiscal years, but the staffing levels of temporary, non-benefited staff were substantially reduced as of June 30, 2020 as well. Additionally, two of the City's organized labor units negotiated their contracts with the City to delay an agreed-upon cost of living increase to wages until revenues returned to historical levels, limiting increases in costs to the City starting in fiscal year 2020-21.

Beyond the direct costs of staffing, the City is closely monitoring increases in employee benefit costs. One area of particular note is the City's cost for pension benefits provided by the California Public Employees' Retirement System (CalPERS). In December 2016, the CalPERS board voted to reduce its assumed rate of return on investment income, commonly referred to as the "discount rate", net of expenses, from 7.5 percent to 7.0 percent over three years beginning on July 1, 2018. The reduction in discount rate has resulted in greater unfunded pension liabilities as of the most recent valuation, in addition to growing costs to the City in future years. The City has traditionally made only the required contributions to CalPERS to meet the standard 30-year amortization schedule of unfunded liabilities and ongoing obligations. After a review of outstanding liabilities and funding strategies with an independent actuary in November 2018, the City adopted its own accelerated payment schedule for unfunded liabilities in fiscal year 2019–20. This additional expense is recognized in the City's financial position as of June 30, 2020, but has the effect of avoiding interest payments on that same expense in future years.

Staff will continue to monitor the long-term budget situation, both locally and at the State and Federal level, to keep the City Council informed of critical economic events that may impact the sustainability of the City's spending plan. Further, staff will continue to be proactive in developing plans to promote economic development in the City, aggressively pursue grant funding for significant infrastructure improvements, and continually assess the City's operations and service delivery models to achieve efficiencies where possible.

While the City's financial situation is strong, particularly in a relative sense, the City must remain vigilant when making spending decisions. The City Council and prior Councils have positioned the City well, with substantial reserves available, but these are one-time money rather than structural needs, and the City must continue to make decisions which align available resources with the services provided to the community.

### **Major Initiatives**

FOR THE YEAR:

The ongoing economic strength has continued to drive interest in development projects



and a robust business atmosphere, leading to a commensurate growth in demand for City services. As a result of local revenue drivers and the City's cost recovery policy for services, the City maintains budgetary resources to provide these increased services, but maintaining balance between services offered and resources available proves difficult in light of the substantial uncertainty introduced by the ongoing public health emergency. Nevertheless, the City continues to judiciously deploy resources available in order to prioritize service levels according to community values and needs..

In 2019-20, the **Community Development Department** adopted the 2019 California Building Standards Code and Local Amendments, including a reach code requiring all new buildings to be fully electric. The department also successfully launched Accela, the City's new permit tracking and land data system, to increase functionality and better manage workflows while providing improved tools and transparency to the public. Additionally, the department coordinated City Council approval of a loan of \$635,502 of Below Market Rate (BMR) housing funds to support the preservation of MidPen's Willow Court affordable rental housing with a total of 6 units designated for very low and low income tenants. Finally, the department modified/repurposed the Tenant Relocation Assistance Program to the Tenant Assistance Program, making \$100,000 available for emergency rental assistance.

In 2019-20 the **Library and Community Services Department** completed the Park and Recreation Master Plan, which was adopted by City Council in October, 2019. The department completed the Nealon Park Nature Play Area, the City's first all-abilities inclusive playground and completed Nealon Park Tennis Court repairs and reconstruction projects. The department also received a higher quality tier rating from Quality Rating and Improvement System (QRIS) for the Belle Haven Child Development Center and due to the increased rating the program received an additional grant in the amount of \$22,500 from QRIS. The department launched a high-quality After School Homework Support Center at Belle Haven Branch Library with the support of skilled community volunteers and grant funding from the State of California. Finally, the department launched the Books By Mail and Seeds By Mail beta tests to provide continuity of service to the Menlo Park community during the Covid-19 stay-at-home order and temporary library facility closures.

Over the course of 2019-20, the **Police Department** continued its tradition of collaboration and worked in partnership with the Office of Traffic Safety to pursue funding allowing the department to institute several traffic related operations. The department also administered specialized training for officers staffing the Bayfront "Beat 4" Community Response Team (CRT). Finally, the department sponsored six new police officers who graduated from the College of San Mateo and Coyote Valley Police Academies and filled seven vacant officer positions and three professional staff positions.

The **Public Works Department** continued to exemplify the spirit of Menlo Park by receiving the Tree City USA Growth Award from the Arbor Day Foundation, and

coordinated with sustainability to update the City's Heritage Tree Ordinance requirements. In 2019-20, the department also completed several initiatives including: completing construction of the corporation yard emergency water supply well; completing construction of the Monte Rosa Drive water main replacement project; finishing the 2019 street resurfacing program, maintaining the City's pavement condition index of 75 ("good", as compared to the regional average of 67 "fair"); finalizing construction of new sidewalks, protected bicycle lanes and green storm water infrastructure on Chilco Street, including installation of a new traffic signal and crosswalk enhancements near the Dumbarton railroad tracks; forming three underground utility districts in downtown, on Alma Street near Burgess Park, and along Middlefield Road to utilize Rule 20A funds; and securing funds for Haven Avenue streetscape improvements (\$674,000 from C/CAG and Caltrans), Chrysler Avenue pump station (\$5m from Federal Emergency Management Agency), Middle Avenue bicycle and pedestrian crossing project (\$1m from the Stanford Recreation Mitigation Fund), and repaving Santa Cruz and Middle Avenues (\$620,000 from the One Bay Area grant program)

#### FOR THE FUTURE:

##### **Financial Planning and Fiscal Policies**

Maintaining a sustainable City budget is a top priority for Menlo Park. The City has, for many years, strived to record and report all expenses in the proper fiscal year, avoid unintended subsidization of nonessential programs with tax revenues, resist the creation of future liabilities and identify plans to eliminate long-term liabilities that currently exist. Such long-term financial planning efforts are essential to the City's prudent financial management and are particularly powerful when combined with sound financial policies.

Rating agencies recognize the City's financial strength and policies when assigning excellent ratings to Menlo Park general obligation bond issuances. The City continues to focus strategically on appropriate funding strategies for not only current operations and top-ranked priority capital improvement projects, but also to cover long-term ongoing expenses. To that end, the operating budget includes annual funding for large infrastructure projects and ongoing retiree medical benefit obligations. In addition, the fiscal sustainability of all funds is regularly evaluated to avoid any future burden on the General Fund.

Menlo Park strives to maintain fiscal policies that will provide guidance on preserving its sound financial standing in the long term. Several years ago, a General Fund Reserve Policy was finalized, incorporating requirements of Governmental Accounting Standards Board (GASB Statement No. 54). The policy outlines the City Council's formal commitment of amounts of fund balance to be set aside specifically for emergency contingencies, economic stabilization, and strategic pension contingencies. The policy also outlines assigned fund balances to ensure subsequent year funding of

capital improvements, encumbrances, and community development services.

In accordance with the policy guidelines discussed above, as of June 30, 2020 the General Fund held a combined unrestricted fund balance of \$41.52 million or 71 percent of the 2020-21 General Fund operating budget. The total goal range for the City's unrestricted fund balances is 43 to 55 percent of General Fund expenditures, though it is important to note that the budgeted expenditures were dramatically reduced in light of the aforementioned economic crisis and public health emergency while the fund balance was not proportionally affected despite a decline due to the use of a portion of the economic stabilization reserve.

Although reserves are available to provide temporary financing for extraordinary events such as an economic recession or localized disaster, the City must continue to distinguish between structural operating deficits and deficits resulting from temporary downturns in the economy or significant capital expenditures. Keeping these requirements and constraints in mind will remain essential for future budgeting cycles, and the City Council must remain prudent when balancing baseline services with current and future structural resources. In addition, infrastructure maintenance, comprehensive planning activities, technology upgrades, storm water programs, and standard City service delivery are all part of a comprehensive and sustainable fiscal plan for the City that must be considered as limited resources are allocated.

The City administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected and that adequate accounting data are compiled to prepare financial statements in conformity with GAAP. These internal controls include measures implemented during processes such as setting up new employees and vendors, entering and depositing payroll, paying vendors, handling cash, processing credit card payments and accessing bank accounts. In addition, the City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual budget approved by the City's governing body. The City also maintains sound financial management through an encumbrance accounting system demonstrated by the statements and schedules included in the financial section of this report.

In addition, the City has established certain fiscal policies defining its long-term financial objectives. For example, the Cost Recovery/Subsidization Policy minimizes the unintentional subsidization of certain services by the General Fund, allowing general tax dollars to be available for greater public benefit. The City also maintains an Investment Policy, reviewed annually, defining (by limiting the types of investments permitted and providing guidelines for duration and diversification) the level of risk that is appropriate in the City's portfolio.

The City will continue to follow established cash management, accounting, budgetary, and risk management policies and processes essential to the City's long-term fiscal health. In addition, the strategic direction provided in the 5-Year Capital Improvement

Plan and the General Plan will be used in the City's efforts to maintain a sustainable budget for the future.

## **Other Information**

*Purpose and Management Responsibility.* The report consists of management's representations concerning the finances of the City of Menlo Park. Management assumes full responsibility for the completeness and reliability of all the information presented. To provide a reasonable basis for making these representations, management of the City of Menlo Park has established a comprehensive internal control framework that is designed to both protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Menlo Park'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.

*Statistical Section.* Issued in May 2004, the Governmental Accounting Standards Board (GASB) Statement No. 44, Economic Condition Reporting: the Statistical Section, significantly changed the content and presentation of information reported in the statistical section of a comprehensive annual financial report. The new statistical section structure was developed to assist the reader in understanding financial trends, assessing the City's revenue capacity, gauging the affordability of outstanding debt, and understanding the environment in which the City's financial activities take place. Operating information is included to help the reader understand how the data in the City's financial report relate to services the City provides. Over time, the intent is to accumulate meaningful trend information useful in assessing performance.

*Independent Audit.* State statutes require an annual audit of the City's financial systems by independent certified public accountants. The accounting firm of Lance, Soll & Lunghard, LLP was selected by the City for this purpose. The auditor's report and unmodified opinion on the general purpose financial statements and combining and individual fund statements is included in the financial section of this report.

*Awards and Acknowledgments.* The Government Finance Officers' Association (GFOA) of the United States has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year ended June 30, 2019. In order to receive this certificate, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report, and satisfy both GAAP and applicable legal requirements. The award is valid for a period of one year. We believe our current report continues to meet the Certificate of Achievement Program's requirements.

Preparation of the Comprehensive Annual Financial Statements is not possible without the hard work of the entire Administrative Services Department. Of particular note, we

would like to recognize Senior Accountant Patricia Barboza, Accountant Ying Chen, Accountant Ruru Tang, Accounting Assistant Melody Chau, Accounting Assistant Angela Tran, Management Analyst Kristen Middleton, finance specialist John McGirr, and independent contractor Leticia DeDios of Maze & Associates for their extraordinary commitment to completing this document. We would also like to thank the City Council and the Finance and Audit Committee for their continued focus on fiscal sustainability which has positioned the City well to weather financial uncertainties.

Respectfully submitted,

DocuSigned by:  
*Starla Jerome-Robinson*  
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Starla Jerome-Robinson  
City Manager

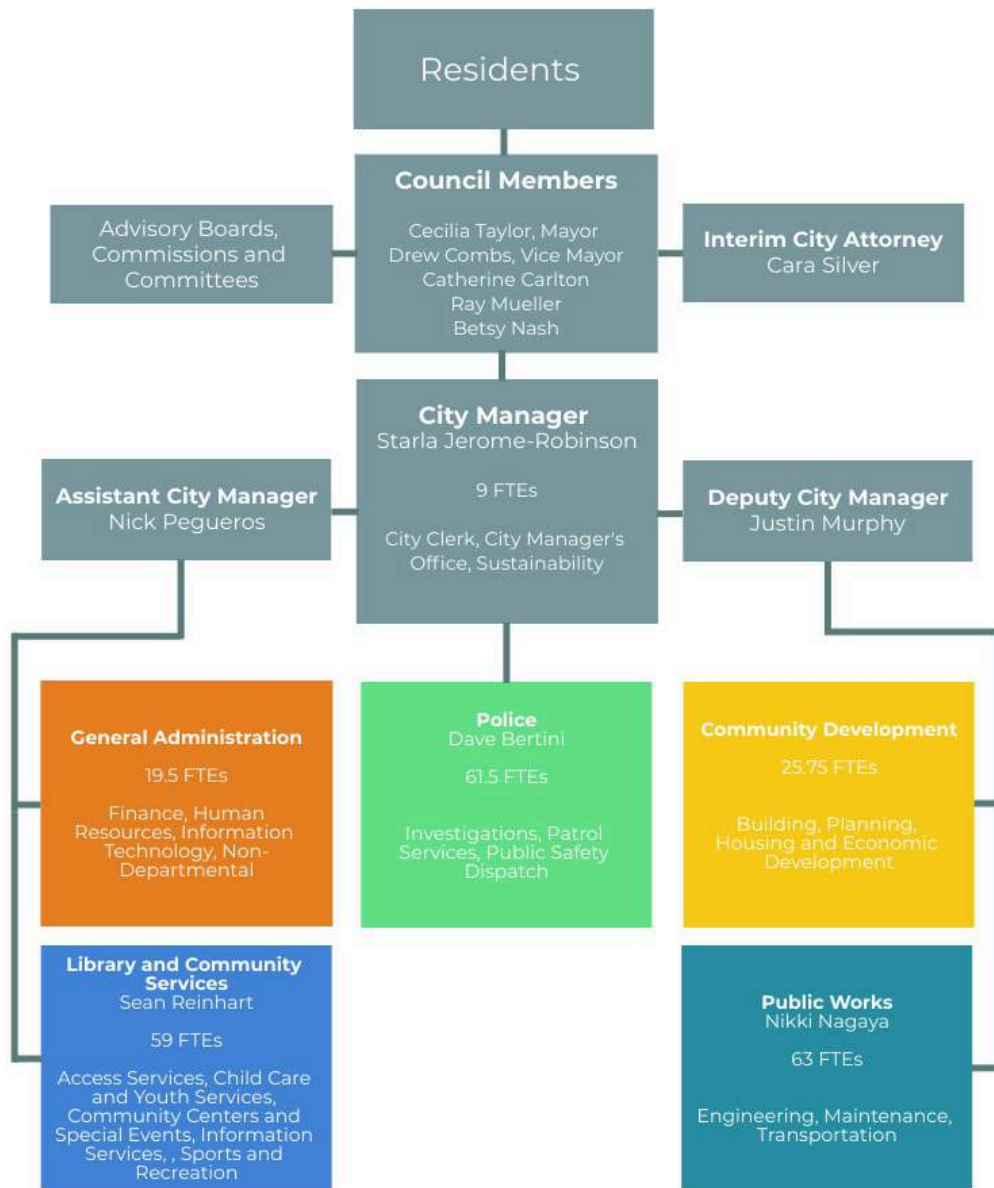
DocuSigned by:  
*Dan Jacobson*  
C1C68D7595BB4E9...  
Dan Jacobson  
Assistant Administrative Services  
Director

# CITY OF MENLO PARK, CALIFORNIA

## ORGANIZATIONAL CHART

JUNE 30, 2020

### ORGANIZATIONAL CHART



**CITY OF MENLO PARK, CALIFORNIA**

**LIST OF CITY OFFICIALS**

**JUNE 30, 2020**

**CITY COUNCIL**

Cecilia Taylor, **Mayor**

Drew Combs, **Vice Mayor**

Catherine Carlton, Councilmember

Ray Mueller, Councilmember

Betsy Nash, Councilmember

**City Council appointed**

City Manager.....Starla Jerome-Robinson  
Interim City Attorney.....Cara Silver

**City Manager appointed**

Assistant City Manager ..... Nick Pegueros  
City Clerk.....Judi Herren  
Deputy City Manager..... Justin Murphy  
Library and Community Services Director ..... Sean Reinhart  
Police Chief ..... David Bertini  
Public Engagement Manager .....Clay Curtin  
Public Works Director..... Nikki Nagaya



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Menlo Park  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



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# FINANCIAL SECTION

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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members of the City Council  
City of Menlo Park California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Menlo Park, California, (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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



To the Honorable Mayor and Members of the City Council  
City of Menlo Park, California

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Menlo Park, California, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund, below market rate housing and transportation impact fees special revenue funds, the schedule of changes in net pension liability and related ratio, the schedules of plan contributions, the schedule of proportionate share of the net pension liability, the schedule of changes in net OPEB asset and related ratios, and the schedule of OPEB contributions be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Information*

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

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

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



To the Honorable Mayor and Members of the City Council  
City of Menlo Park, California

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 4, 2020 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Lance, Solt & Lughard, LLP*

Sacramento, California  
December 4, 2020

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Fiscal Year Ended June 30, 2020

This section of the City of Menlo Park's Comprehensive Annual Financial Report provides a narrative overview of the City's financial activities for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with the Transmittal Letter and accompanying Basic Financial statements.

#### FINANCIAL HIGHLIGHTS

- The City's Net Position, an indicator of its overall financial state, increased by \$17.69 million to \$500.20 million
- Total revenues increased by \$3.81 million to \$105.27 million and total expenses increased by \$2.19 million to \$87.58 million
- General Fund revenues decreased by \$5.16 million to \$65.07 million and expenditures increased by \$2.32 million to \$59.41 million
- The General Fund unrestricted fund balance decreased by \$0.94 million to \$41.52 million

#### Government-Wide Financial Statement Highlights:

*Net Position* - The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at fiscal year ending June 30, 2020, by \$500.20 million, up 3.5% from prior year. Of this amount, \$37.89 million was reported as "unrestricted net position" and may be used to meet ongoing obligations.

*Changes in Net Position* – The City's total net position increased by \$17.69 million in fiscal year 2019–20. Net position of governmental activities increased by \$12.09 million, which is due in large part to an increase in cash and investments and deferred outflow of resources. Net position of the business-type activities increased by \$5.59 million, reflecting the year's net gain for the Menlo Park Municipal Water District.

*Long-term Debt* - The City's total bonded debt obligations, Note 6, decreased by \$0.49 million during fiscal year 2019–20 due to the scheduled annual payment of principal balances of outstanding debt. The largest principal payment of \$0.40 million was made on the 2012 General Obligation Refunding Bonds, leaving a remaining balance for this obligation of \$6.73 million as of June 30, 2020. The 2009 Series A and B General Obligation Bonds were refunded in August 2019 and replaced by 2019 General Obligation Refunding Bonds at a lower total interest cost with an estimated net present value of savings of \$2.55 million.

All long-term debt shown on the Government-wide Financial Statements are general obligations funded by dedicated property tax revenue for the term of the debt service. In addition to the General obligations, the City serves as fiduciary for debt issued by the Successor Agency of the Las Pulgas Redevelopment



Project area. As of June 30, 2020, the Successor Agency Trust Fund's outstanding debt was \$44.74 million. The County of San Mateo provides the Successor Agency Trust Fund with sufficient revenue on an annual basis to meet current year debt service requirements.

**Fund Financial Statement Highlights:**

*Governmental Funds* – As of the close of fiscal year 2019–20, the City's governmental funds reported a combined ending fund balance of \$156.93 million. This is an \$11.71 million increase from the prior year, which is primarily the result of an increase in cash and investments.

The total combined balance for governmental funds as of June 30, 2020, \$156.93 million, is classified into five categories of fund balance (nonspendable, restricted, committed, assigned, and unassigned) to provide the reader of these financial statements with a better understanding of the City's available resources as well as its plans to ensure fiscal stability in the near term. A detailed explanation of these categories can be found in Note 10 to the financial statements. Of the total, \$0.02 million is categorized as "nonspendable", \$77.03 million is "restricted", \$38.43 million is "committed", \$35.04 million is "assigned" and the remaining \$6.41 million is "unrestricted".

The City's largest and most active government fund is the General Fund which decreased in fiscal year 2019–20 by \$0.94 million compared to prior year. General Fund revenues, transfers-in, and extraordinary gains totaled \$65.62 million and expenditures/transfers out totaled \$66.56 million. This decrease represents the use of the City's economic stabilization reserve, authorized by City Council in April in recognition of the extraordinary pressure put on City finances due to the economic crisis driven by the COVID-19 public health emergency. General Fund revenues and expenditures for the reporting period will be discussed in more detail later in the MD&A.

*Proprietary Funds* – The City maintains proprietary funds, enterprise and internal service funds, to account for activities that are financed and operated in a manner similar to private business enterprises.

*Enterprise Fund* – Enterprise funds are established to account for the financing of goods and services provided to external users. The water distribution operations of the Menlo Park Municipal Water District are the only enterprise activities of the City. As of the close of fiscal year 2019–20, the City's Water Fund reported an ending net position of \$38.48 million. This is a \$5.59 million increase from the prior year and is primarily the result of an increase in capital assets.

*Internal Service Funds* – These funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis. As of the close of fiscal year 2019–20, the City's internal service funds reported a combined ending net position of \$6.52 million. This is a \$0.41 million increase from the prior year and is primarily the result of an increase in cash and investments.

**City Highlights:**

Total governmental fund revenues for 2019–20, as presented on the Statement of Revenues, Expenditures, and Changes in Fund Balances, were down \$11.91 million over fiscal year 2018-19. All

major General Fund revenue categories experienced a year-over-year decrease, with the largest decrease, \$5.16 million year-over-year, experienced in the charges for services category. This category was heavily affected by the stay-at-home order which suspended a number of recreation and culture services previously provided. Similarly, General Fund taxes decreased \$1.84 million year-over-year, driven by the reduction in business and leisure travel and its pursuant impact on hotel occupancy taxes, despite an increase in property tax collections.

Governmental fund expenditures, excluding transfers, increased approximately \$7.28 million in fiscal year 2019–20, compared to prior year. The increase was driven in part by higher personnel costs compared to the prior year due in large part to accelerated payments made toward the City’s pension obligations and despite a decrease in staffing immediately prior to the fiscal year-end. Non-major governmental funds expenditures increased \$2.86 million driven in part by higher personnel costs.

## **DISCUSSION OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements, which 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 supplementary information in addition to the basic financial statements themselves.

### **Government-Wide Financial Statements**

The Statement of Net Position and the Statement of Activities and Changes in Net Position include information about the City as a whole and about its activities. These statements include all assets, deferred outflows of resources (if applicable), liabilities, and deferred inflows of resources (if applicable) of the City using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year’s revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City’s overall net position and changes in that net position year-over-year. Net position is defined as the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, and this is one way to measure the City’s financial health, or financial position. Over time, increases or decreases in the City’s net position are an indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the City’s property tax base, the condition of the City’s roads and municipal buildings, and service offerings.

In the Statement of Net Position and the Statement of Activities and Changes in Net Position, City activities are separated as follows:

*Governmental activities*—Most of the City’s basic services are reported in this category, including the General Government, Public Safety, Public Works, Culture and Recreation (including library services) and Community Development. Property and sales taxes, user fees, interest income, franchise fees, and state and federal grants finance these activities.

*Proprietary or Business-type activities*—The City charges a fee to customers to cover the cost of water distribution services, including a surcharge for future capital improvements as necessary. The City’s water system activities are the only activities reported in this category.

## **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds. Some funds are required to be established by State law and by bond covenants. However, management establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money.

*Governmental funds*—Most of the City’s basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation schedule following each governmental fund financial statement.

*Proprietary funds*—When the City charges customers for the services it provides—whether to outside customers (enterprise funds) or to other units of the City (internal service funds)—these services are generally reported in proprietary funds. The City’s Water Fund is the single enterprise fund that accounts for the business-type activities reported in the government-wide statements. Five internal service funds account for administrative activities that are provided to other funds and departments on a cost-reimbursement basis. These are included as governmental activities in the government-wide statements. Together, these proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Fund Net Position. In addition, a statement of cash flows is provided.

*Fiduciary funds*—The City is the trustee, or fiduciary, for certain funds held in a trustee or agency on behalf of individuals, private organizations, other governments, and/or other funds. The City’s fiduciary activities are reported in separate Statements of Fiduciary Net Position. These activities are excluded from the City’s other financial statements because the City cannot use these funds’ assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

## **Notes to the Financial Statements**

The notes provide additional information essential to a full understanding of the data in the government-wide and fund financial statements.

## Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information providing a budgetary comparison statement for the General Fund and all major funds. It also includes a schedule of funding for the employee pension plan.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Statement of Net Position combines and consolidates government funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Program expenses by function, general revenues by major source, excess and/or deficiency of revenues over expenses before contributions to fund principal, special and extraordinary items, and total assets are presented in the Statement of Activities and Changes in Net Position. Both statements are condensed below for purposes of this analysis.

City of Menlo Park's Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Current Assets	\$ 164,099,184	\$ 150,703,296	\$ 20,201,226	\$ 17,418,448	\$ 184,300,410	\$ 168,121,744
Noncurrent Assets	18,575,823	17,277,817	-	-	18,575,823	17,277,817
Capital Assets	366,053,740	365,443,917	21,497,250	18,392,507	387,550,990	383,836,424
<b>Total Assets</b>	<b>548,728,747</b>	<b>533,425,030</b>	<b>41,698,476</b>	<b>35,810,955</b>	<b>590,427,223</b>	<b>569,235,985</b>
Deferred Outflows of Resources	15,195,763	13,415,862	384,726	343,510	15,580,489	13,759,372
Current Liabilities	15,731,064	15,348,969	1,773,459	1,586,057	17,504,523	16,935,026
Noncurrent Liabilities	82,329,908	77,862,862	1,770,064	1,609,809	84,099,972	79,472,671
<b>Total Liabilities</b>	<b>98,060,972</b>	<b>93,211,831</b>	<b>3,543,523</b>	<b>3,195,866</b>	<b>101,604,495</b>	<b>96,407,697</b>
Deferred Inflows of Resources	4,142,107	3,429,198	62,695	75,222	4,204,802	3,504,420
Net Investments in Capital Assets	349,179,690	348,415,016	21,497,250	18,392,507	370,676,940	366,807,523
Restricted	77,029,948	69,167,245	14,597,745	14,500,909	91,627,693	83,668,154
Unrestricted	35,511,793	32,617,602	2,381,989	(10,039)	37,893,782	32,607,563
<b>Total Net Position</b>	<b>\$ 461,721,431</b>	<b>\$ 450,199,863</b>	<b>\$ 38,476,984</b>	<b>\$ 32,883,377</b>	<b>\$ 500,198,415</b>	<b>\$ 483,083,240</b>

Source: Audited Fin. St. pg - 25

The City's programs for governmental activities include General Government, Public Safety, Public Works, Culture and Recreation, and Community Development. The programs for the business-type activities consist of water services provided by the Menlo Park Municipal Water District.

As noted earlier, the City as a whole has net position of \$500.20 million. The largest portion of the City's net position (\$370.68 million, approximately 74 percent) reflects its investment in capital assets

(e.g., land, buildings, equipment, improvements, construction in progress, and infrastructure); less any related debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in 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 the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the City's net position (\$91.64 million, 18 percent) represents resources that are subject to external restrictions on how they may be utilized. The remaining balance of unrestricted net assets (\$37.89 million, 8 percent) may be used to meet the government's ongoing obligation to citizens and creditors, an increase of \$5.29 million compared to prior year due primarily to an increase in cash and investments.

Total net position of the City increased \$17.12 million in the fiscal year ended June 30, 2020. This was primarily related to an increase in in the City's cash position, particularly as aforementioned in the governmental activities.

City of Menlo Park's Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
<b>Revenues:</b>						
<b>Program Revenues:</b>						
Charges for Services	\$ 26,792,717	\$ 28,150,123	\$ 14,870,751	\$ 12,850,561	\$ 41,663,468	\$ 41,000,684
Operating Grants and Contributions	3,695,265	1,994,449	-	-	3,695,265	1,994,449
<b>General Revenue:</b>						
Property Taxes	28,478,935	26,066,433	-	-	28,478,935	26,066,433
Sales Taxes	6,922,306	7,156,070	-	-	6,922,306	7,156,070
Transient Occupancy Taxes	7,283,528	10,296,163	-	-	7,283,528	10,296,163
Other Taxes	9,168,081	9,124,553	-	-	9,168,081	9,124,553
Investment Earnings	6,364,737	4,944,823	698,787	514,878	7,063,524	5,459,701
Miscellaneous	995,603	367,025	-	-	995,603	367,025
<b>Total Revenues</b>	<b>89,701,172</b>	<b>88,099,639</b>	<b>15,569,538</b>	<b>13,365,439</b>	<b>105,270,710</b>	<b>101,465,078</b>
<b>Expenses:</b>						
General Government	11,877,351	8,208,369	-	-	11,877,351	8,208,369
Public Safety	21,487,258	19,688,473	-	-	21,487,258	19,688,473
Public Works	21,656,255	24,979,226	-	-	21,656,255	24,979,226
Culture and Recreation	15,184,705	14,532,416	-	-	15,184,705	14,532,416
Community Development	7,096,824	7,171,610	-	-	7,096,824	7,171,610
Interest on Long-term Debt	527,161	730,531	-	-	527,161	730,531
Water Operations	-	-	9,752,931	10,080,419	9,752,931	10,080,419
<b>Total Expenses</b>	<b>77,829,554</b>	<b>75,310,625</b>	<b>9,752,931</b>	<b>10,080,419</b>	<b>87,582,485</b>	<b>85,391,044</b>
<b>Inc/Dec in Net Position before Transfers</b>	<b>11,871,618</b>	<b>12,789,014</b>	<b>5,816,607</b>	<b>3,285,020</b>	<b>17,688,225</b>	<b>16,074,034</b>
Transfers	223,000	193,175	(223,000)	(193,175)	-	-
<b>Changes in Net Position</b>	<b>12,094,618</b>	<b>12,982,189</b>	<b>5,593,607</b>	<b>3,091,845</b>	<b>17,688,225</b>	<b>16,074,034</b>
<b>Net Position - Beginning of the Year, as restated</b>	<b>449,626,813</b>	<b>437,217,674</b>	<b>32,883,377</b>	<b>29,791,532</b>	<b>482,510,190</b>	<b>467,009,206</b>
<b>Net Position - End of the Year</b>	<b>\$ 461,721,431</b>	<b>\$ 450,199,863</b>	<b>\$ 38,476,984</b>	<b>\$ 32,883,377</b>	<b>\$ 500,198,415</b>	<b>\$ 483,083,240</b>

Source: Audited Fin. St. pg – 26 & 27

## **Governmental Activities**

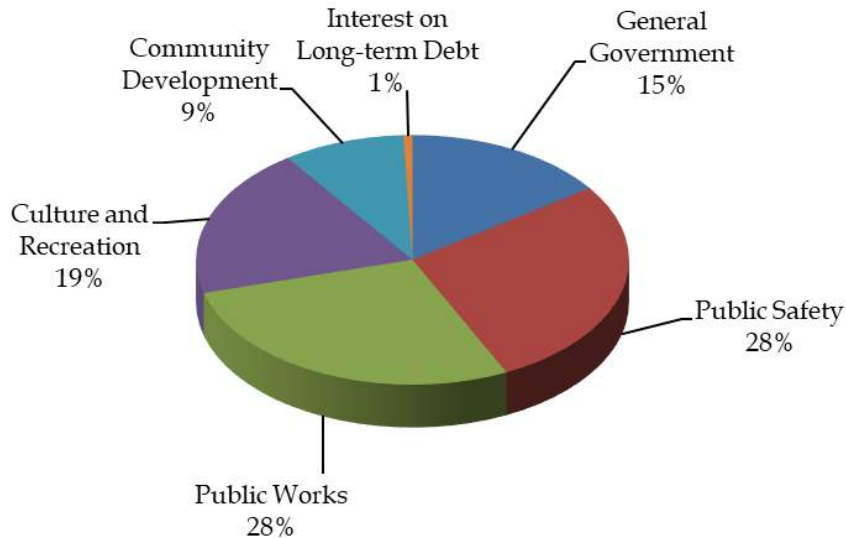
Total governmental activities increased the City of Menlo Park's net position by \$12.09 million, as overall revenues closed the year well above expenses which is similar to the prior three fiscal years. Governmental Activities revenues and expenses were up in fiscal year 2019–20 over fiscal year 2018–19, with revenues increasing by \$1.60 million and expenses increasing by \$2.52 million.

Revenues increased in fiscal year 2019–20 by \$1.60 million largely due to substantial development impact fee collections and an increase in property tax, offset by decreases in charges for services and transient occupancy taxes. Property taxes continued to experience a positive year with significant growth in assessed valuations and continuation of the excess ERAF revenue as discussed below under fiscal outlook. Transient occupancy taxes decreased as a result of the stay-at-home order and the global health emergency resulting from the novel coronavirus. Charges for services were similarly impacted by the stay-at-home order, reducing recreation and culture services and temporarily halting development revenues such as plan check fees.

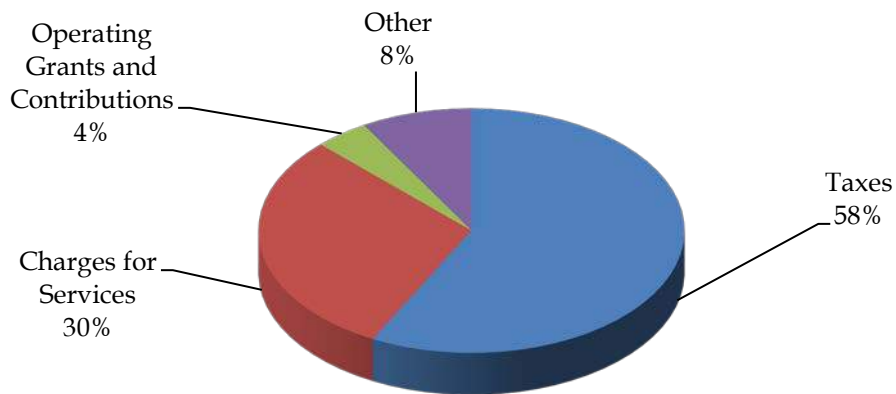
Expenses increased in fiscal year 2019–20 by \$2.52 million in large part due to additional discretionary payments made to the California Public Employee Retirement System (CalPERS) in order to reduce the unfunded actuarially accrued liability for both the miscellaneous and safety pension plans. This prepayment resulted in additional expense in fiscal year 2019–20 but would have been incurred, with additional interest, in future periods if not otherwise prepaid.

The following charts of expenses and sources of funding for the City's various governmental activities have been derived from the Statement of Activities and Changes in Net Position. The first pie chart reflects expenses incurred in each area as a percentage of the total expense of governmental activities (\$77.83 million in fiscal year 2019–20). The second pie chart reflects the sources of funding available to cover the expenses of the governmental activities (\$89.70 million in fiscal year 2019–20). After applying program revenues (charges for services, grants, and contributions) to the cost of governmental activity programs, remaining expenses must be funded out of the City's general revenues – primarily taxes and investment earnings. Areas with the highest program revenues (i.e., Public Works, Culture and Recreation, and Community Development) are able to offset relatively more costs than activities that have fewer opportunities to derive program revenues (such as Public Safety). In total, program revenues covered 39 percent of governmental activity expenses in fiscal year 2019–20, which is down when compared to fiscal year 2018–19 primarily as a result of the reduction in charges for services due to the stay-at-home order beginning in March, 2020.

### Governmental Expense by Activity



### Governmental Revenue by Source



#### *Business Type Activities*

The final net position for business-type activities in fiscal year 2019–20 was \$38.48 million. Total program revenues for business-type activities (operation of the Menlo Park Municipal Water District) were \$15.57 million, which consisted solely of charges for services related to water usage and capital surcharge fees. Total expenses for the business-type activities were \$9.75 million during fiscal year 2019–20, nearly all of which were related to water operations. Overall net position increased by \$5.59 million in 2019–20.

## FINANCIAL ANALYSIS OF INDIVIDUAL FUNDS

### Major Fund Balances – Governmental Funds

A key function of fund accounting is to segregate resources. In order to reduce frustration when different individual funds are combined for financial reporting purposes and because it is common for governments to have too many funds to include information on each individual fund within the basic financial statements, Major Fund reporting was implemented with Government Accounting Standards Board (GASB) Statement 34. Each major individual fund is required to be presented separately and all non-major governmental funds to be aggregated into a single other governmental fund category. The General Fund is always considered a major fund. The criteria to determine what other funds must be reported as a major fund are:

- Ten percent criterion. An individual fund reports at least 10 percent of any of the following:
  - total governmental fund assets,
  - total governmental fund liabilities,
  - total governmental fund revenues, or
  - total governmental fund expenditures.
- Five percent criterion. An individual governmental fund reports at least 5 percent of the total for both governmental and enterprise funds of any one of the items for which it met the 10 percent criterion.

There are four major funds in the Governmental Funds category, with the City electing to include the Transportation Impact Fee Fund in addition to those meeting the aforementioned criteria. Below is a table with a comparison of the fund balance for each of these six funds, as well as the non-major funds in aggregate, at June 30, 2020 and June 30, 2019.

<u>Governmental Fund Balances</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Positive (Negative) Change</u>
General Fund	\$ 41,521,322	\$ 42,458,618	\$ (937,296)
Below Market Rate Housing Fund	31,313,226	25,399,279	5,913,947
Transportation Impact Fees Fund	7,703,953	7,420,062	283,891
General Capital Improvement Project Fund	25,769,497	22,071,982	3,697,515
Measure T Debt Services	2,951,714	2,474,696	477,018
Other Governmental Funds	47,672,027	45,395,556	2,276,471
<b>TOTAL</b>	<b><u>\$ 156,931,739</u></b>	<b><u>\$ 145,220,193</u></b>	<b><u>\$ 11,711,546</u></b>

*Source: Audited Fin. St.*



### *General Fund Balance*

As noted, the General Fund is always one of the major governmental funds and is the primary operating fund of the City. Most City services are accounted for in the General Fund, including most public safety, public works, parks and community services, library, planning and community development, and general government.

At the end of the fiscal year 2019–20 reporting period, the fund balance of the City’s General Fund was \$41.52 million, a decrease of \$0.94 million from the prior year. Of the \$41.52 million General Fund fund balance as of June 30, 2020, \$0.02 million of the fund balance was categorized as “nonspendable”, flat with the prior year and representing prepayments. In addition to the nonspendable category, the City’s General Fund Reserve Policy sets aside (“committed” fund balance) \$10.30 million for emergency contingencies, \$12.94 million to mitigate the effects of major economic uncertainties, and \$4.68 million for strategic pension funding opportunities. The pension-related reserve is slated to grow when the General Fund achieves a net operating surplus in a given year. The reserve policy affirms the Council’s desire to limit use of General Fund balances to address unanticipated, one-time needs or opportunities, and establishes a goal range for the City’s unrestricted fund balance (including commitments and assignments of fund balance) of 43-55 percent of General Fund expenditures. In fiscal year 2019–20, the City Council elected to use a portion of the economic stabilization reserve to respond to the unanticipated effects of the economic crisis following the public health emergency, reducing this committed amount by \$0.93 million. As of June 30, 2020, the City’s General Fund unrestricted fund balance equaled 71 percent of the fund’s budgeted fiscal year 2019–20 expenditures, including transfers and primarily reflects the drastic reductions in budgeted expenditures for fiscal year 2020–21 rather than a change in the fund balance policy.

### *Below Market Rate Housing Fund Balance*

The Below Market Rate Housing (BMR) Fund became a major fund for financial statement purposes starting in fiscal year 2011-12, based on the assets of the fund relative to the City’s total governmental fund assets. The BMR Housing Program was established in 1987 to increase the housing supply for people who live and/or work in Menlo Park and have limited income per the limits established by San Mateo County. The program requires the provision of BMR units or in-lieu fees for certain development projects. State law requires that all BMR in-lieu fees be committed to affordable housing development within five years of collection. During the 2019–20 fiscal year, the fund had revenue that included \$5.44 million of BMR in-lieu fees and \$0.99 million in interest on outstanding loans and interest earnings from resources held in cash and investments. The fund had expenditures of \$0.52 million for the overall administration of the BMR program and for maintenance and rehabilitation work on various properties.

At June 30, 2020, the BMR Housing Fund balance was \$31.31 million. While this amount is significant, it is not all available for use on new BMR housing projects. Included in the fund balance are assets totaling \$9.05 million held as receivables or loans provided to non-profit affordable housing developers. When deducted from the fund balance, the available balance for projects in future fiscal years is approximately \$22.26 million. Of that amount, \$9.33 million has been committed to a new project sponsored by Mid Pen Housing at 1317-1385 Willow Road and \$0.64 million at 1105 and 1141 Willow Road.

### *Transportation Impact Fees Fund Balance*

Instituted in 2009 in response to increased development and allowing a study to determine the nexus between development and increased transportation needs, the Transportation Impact Fees is assessed on developers through Menlo Park Municipal Code section 13.26 for the purpose of mitigating the transportation impact of new development projects. Similar to the Below Market Rate Housing Fund, State law requires that payments made to this fund be committed to reducing the effects of development on transportation within five years of collection. The designation of the Transportation Impact Fee Fund as a major fund since 2016 demonstrates a significant source of funding for transportation-related projects. In fiscal year 2019-20, the fund had revenue of \$0.87 million including payment made by developers and interest earnings from fund balance. The fund had expenditures of \$0.59 million on project related to transportation. This increase in fund balance is not irregular as funds are accumulated over several years and then spent on large-scale projects.

### *General Capital Improvement Project Fund Balance*

The General Capital Improvement Project Fund is also a major fund for financial statement purposes, based on the relative amount of assets in the fund. In fiscal year 2019–20, fund expenditures were \$3.65 million and included work on major projects such as new sidewalks, downtown streetscape improvements, and improvements to City buildings. Total fund balance increased \$3.70 million from prior fiscal year due to transfers in which exceeded expenditures in anticipation of future year capital needs. While the revenues over expenditures for this fund were a negative \$3.42 million, the fund received a substantial planned transfer from the General Fund to significantly offset the deficit between revenue and expenditures and prepare for expenditures planned in future fiscal years. With the \$7.12 million of transfers in from other funds, the ending fund balance as of June 30, 2020 was \$25.77 million. The accumulation in fund balance in this single year is not irregular and various City Council approved projects will result in the fund balance being fully expended over time.

### *Measure T Debt Service Fund Balance (Previously 2002 Recreation GO Bond Debt Service Fund)*

The City of Menlo Park is authorized by laws of the State of California to issue general obligation bonds to finance the construction of municipal improvements. The purpose of Measure T was to renovate and expand the City's parks and Recreation facilities and authorized to issue \$38,000,000 in General Obligation Bonds phased over several years for the construction, acquisition, and improvement of such facilities. Election was held on November 6, 2001 to authorize the sale of up to thirty-eight million dollars in bonds. The first issuance of the General Obligation Bonds, series of 2002 was \$13,245,000. On July 2009, the City issued a second series of the Measure T General Obligation Bonds in the amount of \$10,440,000. The financing was used to fund new construction facilities, specifically a new gymnasium and new gymnastic center on the burgess campus. The decision to include build America Bonds (BABs) in the financing allowed the City to generate additional \$1,049,000 over the tax-exempt bonds. The series A (Tax Exempt) Bonds totaled \$1,080,000. The Series B (Taxable Build America) totaled \$9,360,000.

In September 2019, the City issued \$9,640,000 in 2019 general Obligation Refunding Bonds for the purpose of refunding at lower interest rates the City's outstanding Series 2009 General Obligation Bonds. Measure T Debt Service Fund revenue for fiscal year 2019-20 excluding the refunding bonds and premium was \$1.59 million compared to 1.57 million in fiscal year 2019-19, an increase of \$0.02 million dollars. Expenditures for fiscal year 2019-20 excluding the payment of refunded bond was \$1.4 million

compared to \$1.20 million, an increase of \$0.20 million. The net change in fund balance is \$477,018 in part due to the refunding of the 2009 General Obligation Bonds.

#### *Other Governmental Funds Balances*

At the end of the 2019–20 fiscal year, the total fund balance of the City’s 35 other non-major governmental funds was \$47.67 million. This represents a decrease of \$0.2 million when compared to prior fiscal year and which is discussed in more detail below.

The fund balances consist of 33 special revenue funds, 1 debt service funds, and 2 capital projects funds. Within the special revenue funds, twenty three fund balances increased over the course of the fiscal year, while twelve experienced a decrease. The largest fund balance increases were the Construction Impact Fee Fund, \$1.81 million and, the Landfill Post-Closure Fund, \$0.67 million. Both funds are utilized to fund capital infrastructure projects, and as such, large fluctuations in fund balance year-over-year are not uncommon as revenues can accumulate over several years to ensure adequate funding for large projects. The largest decrease in fund balance was experienced in the Highway Users Tax Fund with a \$1.16 million decline, attributed to capital investment in transportation-related projects.

#### **Proprietary Funds**

Proprietary Funds are comprised of enterprise funds and internal service funds. The City has one enterprise operation, which is the Water Fund. An enterprise fund accounts for activities that are financed and operated in a manner similar to private business enterprises. The Menlo Park Municipal Water District (MPMWD) is a self-supporting enterprise in which the sale of water to customers generates the revenue needed to support the operations and capital needs of the district.

The Water Fund accounts for water supplied to the approximately 4,300 customers of the MPMWD. The net position of the fund at June 30, 2020 was \$38.48 million, an increase of \$5.59 million from the prior fiscal year. Revenue from water sales increased \$2.02 million in fiscal year 2019–20 compared to prior fiscal year while expenses including transfers also decreased modestly by \$0.31 million.

#### *Internal Service Funds*

The City uses internal service funds to account for five major administrative activities: Workers’ Compensation Insurance, General Liability Insurance, Retiree Medical Benefits, Information Technology, and Vehicle Replacement. Separation of these programs from the General Fund allows for better tracking and allocation of the costs associated with these “overhead” activities and provides a mechanism for funding those costs in the year incurred.

The Vehicle Replacement Fund collected charges for services of \$0.80 million in fiscal year 2019–20 for the cost of anticipated vehicle replacements. As of June 30, 2020, the Fund’s net position is \$3.35 million. The Workers’ Compensation Insurance Fund collected charges for services in the amount of \$1.19 million. The net position of the Workers’ Compensation Insurance Fund had been negative in prior years but as of June 30, 2020, was \$0.60 million. The General Liability Fund collected charges for services in the amount of \$0.99 million and expenses in the amount of \$1.80 million.

The Other Post Employment Benefits Fund was created in 2008-09 for the sole purpose of providing contributions to the California Employers Retiree Benefits Trust (CERBT), the funding vehicle for the City's long-term obligations under its retiree medical benefits program. \$9.2 million was sufficient to fund the accumulated liability of these benefits in fiscal year 2007-08. Going forward, the amount of the contributions are generated as a percentage-of-payroll charge, actuarially calculated to reflect full funding of the normal (annual) cost of these benefits. In fiscal year 2019–20 these costs were \$0.81 million, while charges for services amounted to \$0.85 million. Overall the Fund had a net position of \$0.95 million at the end of the fiscal year.

The information technology internal service fund is the most active of all internal services with staff to support the vast majority of technological needs of the organization. Charges for services in this fund totaled \$3.05 million offset by expenses of \$2.85 million in fiscal year 2019–20. As of June 30, 2020, the fund's net position is \$1.95 million.

### **Fiduciary Operations**

Fiduciary Fund Financial Statements are presented in the Basic Financial Statements separately from the Government-Wide Financial Statements. Prior to 2011-12, the City's only fiduciary funds were agency funds, used to account for certain assets held on behalf of others. As the City's role is purely custodial in these cases, all assets reported in the agency funds are offset by a liability to the party on whose behalf they are held. Total assets of the agency funds held by the City decreased from \$2.21 million to \$2.04 million, comprised largely of refundable deposits held for current development projects.

A new private-purpose trust fund was established in 2011-12 to account for the activities related to the dissolution of the former Redevelopment Agency of the City of Menlo Park. As previously discussed, the former redevelopment agency was eliminated by State law as of February 1, 2012. All assets and obligations (including long-term debt) of the former agency were transferred to the City, as Successor Agency, as of that date. Housing loans are reported as assets in that governmental fund, but all other assets and liabilities are held in trust capacity in a fiduciary fund. Unlike agency funds, trust funds report an "income statement". As such, the activity of the Successor Agency Trust from 2019–20 is reported in the Statement of Changes in Fiduciary Net Position. Because the transferred debt exceeded the transferred assets of the former agency when this trust was established, the fund ended the 2011-12 fiscal year with a negative net position of \$26.84 million. Continued disposition of assets of the former Redevelopment agency in led to extraordinary losses in the amount of \$17.15 million in 2012-13 and \$7.37 million in 2013-14. As of June 30, 2020, the fund's net position was a negative \$27.09 million, a positive improvement over the June 30, 2019 net position by \$3.04 million. For additional information on this trust fund, please see Notes 6 and 16 to the financial statements. It is important to note, however, that because the net negative position is primarily a function of long-term liabilities (debt service), which will be paid by future property tax revenues in the former redevelopment project area, there is no impact on the primary government's current or future financial position.

### **DEBT ADMINISTRATION**

As of June 30, 2020, the City's debt obligations were comprised of General Obligation Bonds. The City's two voter approved "Measure T" general obligation bonds had a balance of \$16.90 million as of June 30, 2020. Of this amount, \$6.73 million is outstanding on the 2012 General Obligation Bond

refunding. In August 2019, the City refunded the series 2009 A and 2009 B General Obligation Bonds and issued 2019 General Obligation Refunding Bonds with \$9.64 million outstanding. The refunding is expected to produce a net present value of savings of \$2.55 million. For more information, see Note 6 to the financial statements.

In October 2015, the City's Community Development Agency issued Tax Allocation Refunding Bonds in a par amount of \$60.3 million for the purpose of refunding at lower interest rates outstanding 2006 Las Pulgas Project Tax Allocation Bonds. The original bonds had been issued to finance capital projects of benefit to the Las Pulgas Community Development Project Area. With the dissolution of redevelopment agencies in 2012, this bonded debt is no longer reported in the Government Wide Financial Statements. These obligations are included in Fiduciary Fund Financial Statements. Additional information on the City's long-term debt can be found in Note 6 of this report.

As disclosed in the Note 14 to the Basic Financial Statements, a liability has been recorded to reflect the City's obligation to provide post-closure care of the landfill at Bayfront Park. Although the City has established a revenue stream to fund landfill post-closure care, governmental accounting standards require the calculation and recording of the liability associated with this activity. The liability as of June 30, 2020 is estimated at \$2.91 million.

### **CAPITAL ASSETS**

The City's net investment in capital assets for its governmental and business-type activities as of June 30, 2020 and 2019 amounts to \$370.65 million, net of accumulated depreciation. This investment in capital assets includes land, buildings, improvements, machinery and equipment, infrastructure and construction in progress. Infrastructure assets are items that are normally immovable and of value only to the City such as roads, bridges, streets and sidewalks, drainage systems, lighting systems and similar items. The City's capital assets net of accumulated depreciation (note 4) totaled \$387.55 million for fiscal year 2019–20. This amount is reduced by accumulated depreciation charges of \$8.20 million and net retirements of assets totaling \$0.04 million. The total increase in the City's investment in capital assets net of depreciation for the current fiscal year was \$3.71 million. Most of the increase can be credited to infrastructure assets still in construction in progress. Detailed information on the City's capital assets can be found in Note 4 of this report.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The 2019–20 fiscal year amended budget for the General Fund reflected an operating deficit of \$3.98 million with revenue totaling \$60.36 million and expenditures totaling \$64.34 million. The adopted revenue and expenditures budgets were drastically reduced in April 2020 in recognition of the impact of the economic crisis following the public health emergency and included City Council authorization for use of up to \$2.90 million in assigned fund balance from the economic stabilization reserve. At the end of fiscal year 2019–20, however, expenditures inclusive of transfers exceeded revenues inclusive of transfers by a lower amount, resulting in an operating deficit of \$0.94 million and reducing the economic stabilization reserve by a commensurate amount.

*General Fund Revenues*

The General Fund experienced a year-over-year revenue decline for the first time in six years. Overall, revenues, including transfers and asset sales, totaled \$65.62 million, which was a \$5.11 million decline over the prior fiscal year. Property taxes experienced growth, while sales taxes declined slightly; however, transient occupancy tax and charges for services saw dramatic declines due to the public health emergency and stay-at-home order intended to blunt its effects.

*General Fund Expenditures*

Total General Fund expenditures, excluding transfers out, totaled \$59.41 million and were 4 percent higher than fiscal year 2019–20. This increase was experienced primarily in personnel costs, as the City initially had increased personnel costs due to required pension payments and negotiated cost of living increases, though offset somewhat by reduction in temporary staffing at the end of the fiscal year. Also of note were the aforementioned accelerated pension payments to avoid interest costs in future periods.

**DEFINED BENEFIT PENSION PLAN**

The City contracts with the California Public Employee Retirement System (CalPERS) to provide defined benefit pension plans to its regular employees, who do not participate in or earn service credit from Social Security during the course of their employment. This defined benefit plan includes ongoing costs and represents a substantial portion of the total personnel costs to provide service to the community, costs which are split between the City and its employees. Within this system, the total value of all earned future payments is the total pension liability while plan assets, plus deferred outflows of resources, minus liabilities, minus deferred inflows of resources, is the plan fiduciary net position. The difference between these two measures is the net pension liability/(asset). Plans differ between safety positions, or sworn peace officers, and miscellaneous positions, or all other regular positions citywide. As of June 30, 2020 (measurement date 2019), the total liability across plans is \$244.29 million, fiduciary net position across plans totals \$183.69 million, and net pension liability totals \$60.59 million. The fiduciary net position as a percentage of total liability is 75.2 percent. More information about the defined benefit pension plan is available in Note 12 of this report.

<b>Plan Type</b>	<b>Total Liability</b>	<b>Fiduciary Net Position</b>	<b>Net Pension Liability/(Asset)</b>	<b>Fiduciary Net Position as Percentage of Total Liability</b>
Miscellaneous	\$ 141,085,627	\$ 107,999,171	\$ 33,086,456	76.5%
Safety	103,199,884	75,694,278	27,505,607	73.3%
<b>TOTAL</b>	<b>\$ 244,285,511</b>	<b>\$ 183,693,449</b>	<b>\$60,592,063</b>	<b>75.2%</b>

## **ECONOMIC CONDITION AND OUTLOOK**

The City's financial outlook remains sound despite the difficulties brought on by the novel coronavirus and the ensuing public health emergency and economic crisis. Property values remain high and, at 43 percent of total General Fund revenue, remain a reliable resource to support City operations. While other revenue sources, including charges for services and transient occupancy tax, have seen dramatic declines due to the pandemic, the swift but painful action taken by the City Council to align service levels with structural resources allows the City to maintain very strong levels of reserves and can look toward restoration of services in future periods as supporting resources return.

Staff will continue to monitor the long-term budget situation, both locally and at the State level, to keep the City Council informed of critical economic events that may impact the sustainability of the City's spending plan. Further, staff will continue to be proactive in developing plans to promote economic development in the City, aggressively pursue grant funding for significant infrastructure improvements, and continually assess the City's operations and service delivery models to achieve efficiencies where possible.

While in an enviable financial position considering the ongoing economic uncertainty, the City must continue to focus its efforts on priority fiscal initiatives such as adequate funding of infrastructure, careful comprehensive planning, and optimization of business and residential development opportunities. Further, as new long-term needs are identified, the appropriate resources to meet those needs must also be identified. And finally, the City must maintain financial flexibility to ensure it is able to continue to quickly respond changes in the economy and major revenue sources as evidenced by the current uncertain and unprecedented situation.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Menlo Park Administrative Services Department, 701 Laurel Street, Menlo Park, California 94025.

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# **BASIC FINANCIAL STATEMENTS**

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# **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

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## CITY OF MENLO PARK

STATEMENT OF NET POSITION  
JUNE 30, 2020

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>Assets:</b>			
Current Assets:			
Pooled cash and investments	\$ 155,024,079	\$ 17,657,441	\$ 172,681,520
Receivables:			
Accounts	1,679,947	2,449,174	4,129,121
Accrued interest	685,348	94,611	779,959
Prepaid costs	417,843	-	417,843
Due from other governments	2,637,094	-	2,637,094
Land held for resale	3,640,419	-	3,640,419
Restricted assets:			
Cash with fiscal agent	14,454	-	14,454
<b>Total Current Assets</b>	<b>164,099,184</b>	<b>20,201,226</b>	<b>184,300,410</b>
Noncurrent Assets:			
Notes and loans	14,830,732	-	14,830,732
Net OPEB Asset	3,745,091	-	3,745,091
Capital assets not being depreciated	240,228,906	11,211,122	251,440,028
Capital assets, net of depreciation	125,824,834	10,286,128	136,110,962
<b>Total Noncurrent Assets</b>	<b>384,629,563</b>	<b>21,497,250</b>	<b>406,126,813</b>
<b>Total Assets</b>	<b>548,728,747</b>	<b>41,698,476</b>	<b>590,427,223</b>
<b>Deferred Outflows of Resources:</b>			
Deferred charge on refunding	30,875	-	30,875
Pension related amounts	14,213,732	384,726	14,598,458
OPEB related amounts	951,156	-	951,156
<b>Total Deferred Outflows of Resources</b>	<b>15,195,763</b>	<b>384,726</b>	<b>15,580,489</b>
<b>Liabilities:</b>			
Current Liabilities:			
Accounts payable	5,313,420	1,643,224	6,956,644
Accrued liabilities	1,073,939	37,754	1,111,693
Accrued interest	226,442	-	226,442
Unearned revenue	699,000	-	699,000
Deposits payable	4,656,925	38,501	4,695,426
Compensated absences due in one year	1,692,609	53,980	1,746,589
Claims payable due in one year	1,001,526	-	1,001,526
Landfill postclosure care due in one year	482,203	-	482,203
Bonds payable due in one year	585,000	-	585,000
<b>Total Current Liabilities</b>	<b>15,731,064</b>	<b>1,773,459</b>	<b>17,504,523</b>
Noncurrent liabilities:			
Compensated absences due in more than one year	1,554,308	49,568	1,603,876
Claims payable due in more than one year	3,160,628	-	3,160,628
Landfill postclosure care due in more than one year	2,423,480	-	2,423,480
Bonds payable due in more than one year	16,319,925	-	16,319,925
Net pension liability	58,871,567	1,720,496	60,592,063
<b>Total Noncurrent Liabilities</b>	<b>82,329,908</b>	<b>1,770,064</b>	<b>84,099,972</b>
<b>Total Liabilities</b>	<b>98,060,972</b>	<b>3,543,523</b>	<b>101,604,495</b>
<b>Deferred Inflows of Resources:</b>			
Pension related amounts	3,075,667	62,695	3,138,362
OPEB related amounts	1,066,440	-	1,066,440
<b>Total Deferred Inflows of Resources</b>	<b>4,142,107</b>	<b>62,695</b>	<b>4,204,802</b>
<b>Net Position:</b>			
Net investment in capital assets	349,179,690	21,497,250	370,676,940
Restricted for:			
Community development projects	39,340,727	-	39,340,727
Special projects	11,690,934	-	11,690,934
Capital projects	22,687,512	14,597,745	37,285,257
Debt service	3,310,775	-	3,310,775
Unrestricted	35,511,793	2,381,989	37,893,782
<b>Total Net Position</b>	<b>\$ 461,721,431</b>	<b>\$ 38,476,984</b>	<b>\$ 500,198,415</b>

CITY OF MENLO PARK

STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020

	<u>Program Revenues</u>		
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Contributions and Grants</u>
<b>Functions/Programs</b>			
<b>Primary Government:</b>			
Governmental Activities:			
General government	\$ 11,877,351	\$ 3,743,014	\$ -
Public safety	21,487,258	3,339,637	205,437
Community development	6,506,060	4,337,747	416,787
Culture and recreation	15,184,705	2,866,141	1,616,534
Public works	21,656,255	6,745,172	1,456,507
Urban development and housing	590,764	5,761,006	-
Interest on long-term debt	527,161	-	-
<b>Total Governmental Activities</b>	<b><u>77,829,554</u></b>	<b><u>26,792,717</u></b>	<b><u>3,695,265</u></b>
Business-Type Activities:			
Water Fund	9,752,931	14,870,751	-
<b>Total Business-Type Activities</b>	<b><u>9,752,931</u></b>	<b><u>14,870,751</u></b>	<b><u>-</u></b>
<b>Total Primary Government</b>	<b><u>\$ 87,582,485</u></b>	<b><u>\$ 41,663,468</u></b>	<b><u>\$ 3,695,265</u></b>

**General Revenues:**

Taxes:

Property taxes, levied for general purpose

Transient occupancy taxes

Sales taxes

Franchise taxes

Business licenses taxes

Utility users tax

Other taxes

Motor vehicle in lieu - unrestricted

Use of money and property

Other

**Transfers**

**Total General Revenues  
and Transfers**

Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position

**Net Position at End of Year**

**Net (Expenses) Revenues and Changes in  
Net Position  
Primary Government**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (8,134,337)	\$ -	\$ (8,134,337)
(17,942,184)	-	(17,942,184)
(1,751,526)	-	(1,751,526)
(10,702,030)	-	(10,702,030)
(13,454,576)	-	(13,454,576)
5,170,242	-	5,170,242
(527,161)	-	(527,161)
<b>(47,341,572)</b>	<b>-</b>	<b>(47,341,572)</b>
-	5,117,820	5,117,820
-	<b>5,117,820</b>	<b>5,117,820</b>
<b>(47,341,572)</b>	<b>5,117,820</b>	<b>(42,223,752)</b>
28,478,935	-	28,478,935
7,283,528	-	7,283,528
6,922,306	-	6,922,306
2,203,964	-	2,203,964
1,790,482	-	1,790,482
1,626,569	-	1,626,569
3,497,812	-	3,497,812
49,254	-	49,254
6,364,737	698,787	7,063,524
995,603	-	995,603
223,000	(223,000)	-
<b>59,436,190</b>	<b>475,787</b>	<b>59,911,977</b>
12,094,618	5,593,607	17,688,225
450,199,863	32,883,377	483,083,240
(573,050)	-	(573,050)
<b>\$ 461,721,431</b>	<b>\$ 38,476,984</b>	<b>\$ 500,198,415</b>

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# **FUND FINANCIAL STATEMENTS**

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# **GOVERNMENTAL FUND FINANCIAL STATEMENTS**

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CITY OF MENLO PARK

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020

	General	Special Revenue Funds		Capital Projects Funds
		Below Market Rate Housing Special Revenue Fund	Transportation Impact Fees Fund	General Capital Improvement Project Fund
<b>Assets:</b>				
Pooled cash and investments	\$ 46,522,704	\$ 22,584,958	\$ 7,893,178	22,726,468
Receivables:				
Accounts	1,502,393	38,478	-	7,459
Notes and loans	-	8,894,776	-	-
Accrued interest	271,317	119,115	41,706	-
Prepaid costs	18,687	-	-	-
Due from other governments	1,511,599	-	281,191	30,784
Due from other funds	274,719	-	-	-
Land held for resale	-	-	-	3,640,419
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
<b>Total Assets</b>	<b>\$ 50,101,419</b>	<b>\$ 31,637,327</b>	<b>\$ 8,216,075</b>	<b>\$ 26,405,130</b>
<b>Liabilities, Deferred inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 2,007,016	\$ 31,528	\$ 68,350	\$ 613,783
Accrued liabilities	914,490	10,902	3,440	21,850
Unearned revenues	699,000	-	-	-
Deposits payable	4,177,041	-	440,332	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>7,797,547</b>	<b>42,430</b>	<b>512,122</b>	<b>635,633</b>
<b>Deferred inflows of resources:</b>				
Unavailable revenues	782,550	281,671	-	-
<b>Total Deferred inflows of Resources</b>	<b>782,550</b>	<b>281,671</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	18,687	-	-	-
Restricted	-	31,313,226	7,703,953	-
Committed	27,918,200	-	-	-
Assigned	7,177,514	-	-	25,769,497
Unassigned	6,406,921	-	-	-
<b>Total Fund Balances</b>	<b>41,521,322</b>	<b>31,313,226</b>	<b>7,703,953</b>	<b>25,769,497</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 50,101,419</b>	<b>\$ 31,637,327</b>	<b>\$ 8,216,075</b>	<b>\$ 26,405,130</b>

CITY OF MENLO PARK

BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2020

	Debt Service Funds		
	Measure T Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets:</b>			
Pooled cash and investments	\$ 2,917,057	\$ 43,176,927	\$ 145,821,292
Receivables:			
Accounts	-	131,617	1,679,947
Notes and loans	-	5,935,956	14,830,732
Accrued interest	14,656	186,630	633,424
Prepaid costs	-	6,523	25,210
Due from other governments	5,547	807,973	2,637,094
Due from other funds	-	-	274,719
Land held for resale	-	-	3,640,419
Restricted assets:			
Cash and investments with fiscal agents	14,454	-	14,454
<b>Total Assets</b>	<b>\$ 2,951,714</b>	<b>\$ 50,245,626</b>	<b>\$ 169,557,291</b>
<b>Liabilities, Deferred inflows of Resources, and Fund Balances:</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ 1,885,217	\$ 4,605,894
Accrued liabilities	-	79,245	1,029,927
Unearned revenues	-	-	699,000
Deposits payable	-	39,552	4,656,925
Due to other funds	-	274,719	274,719
<b>Total Liabilities</b>	<b>-</b>	<b>2,278,733</b>	<b>11,266,465</b>
<b>Deferred inflows of resources:</b>			
Unavailable revenues	-	294,866	1,359,087
<b>Total Deferred inflows of Resources</b>	<b>-</b>	<b>294,866</b>	<b>1,359,087</b>
<b>Fund Balances:</b>			
Nonspendable	-	6,523	25,210
Restricted	2,951,714	35,061,055	77,029,948
Committed	-	10,514,058	38,432,258
Assigned	-	2,090,391	35,037,402
Unassigned	-	-	6,406,921
<b>Total Fund Balances</b>	<b>2,951,714</b>	<b>47,672,027</b>	<b>156,931,739</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,951,714</b>	<b>\$ 50,245,626</b>	<b>\$ 169,557,291</b>

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**CITY OF MENLO PARK**

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION  
YEAR ENDED JUNE 30, 2020**

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Fund balances of governmental funds		\$ 156,931,739
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		364,207,222
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Bonds payable	\$ (16,365,000)	
Unamortized bond premiums/discounts	(539,925)	
Unamortized loss on defeasance	30,875	
Compensated absences	<u>(3,184,758)</u>	(20,058,808)
Net pension liability not included in the governmental fund activity		(58,871,567)
Net OPEB asset not included in the governmental fund activity		3,745,091
Deferred outflows related to pension items are not included in the governmental fund activity		14,213,732
Deferred inflows to pension items are not included in the governmental fund activity		(3,075,667)
Deferred outflows related to OPEB items are not included in the governmental fund activity		951,156
Deferred inflows related to OPEB items are not included in the governmental fund activity		(1,066,440)
Landfill postclosure care costs do not require current financial resources and are not reported as a liability in the governmental funds.		(2,905,683)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(226,442)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		1,359,087
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		<u>6,518,011</u>
<b>Net Position of Governmental Activities</b>		<b><u>\$ 461,721,431</u></b>

CITY OF MENLO PARK

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

	General	Special Revenue Funds		Capital Projects Funds
		Below Market Rate Housing Special Revenue Fund	Transportation Impact Fees Fund	General Capital Improvement Project Fund
<b>Revenues:</b>				
Taxes	\$ 47,629,234	\$ -	\$ -	\$ 100,476
Special assessments	-	-	-	-
Licenses and permits	2,326,200	-	-	-
Intergovernmental	1,640,825	-	313,641	30,784
Charges for services	9,607,262	5,437,462	255,091	95,697
Use of money and property	3,055,307	991,642	303,892	-
Fines and forfeitures	733,053	-	-	-
Miscellaneous	81,482	-	-	-
<b>Total Revenues</b>	<b>65,073,363</b>	<b>6,429,104</b>	<b>872,624</b>	<b>226,957</b>
<b>Expenditures:</b>				
Current:				
General government	9,948,748	32,241	-	-
Public safety	19,614,650	-	-	-
Community development	5,503,474	-	-	-
Culture and recreation	12,463,101	-	-	-
Public works	11,562,448	-	237,563	366,981
Urban development and housing	96,261	482,916	-	-
Capital outlay	222,658	-	351,170	3,283,980
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
<b>Total Expenditures</b>	<b>59,411,340</b>	<b>515,157</b>	<b>588,733</b>	<b>3,650,961</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,662,023	5,913,947	283,891	(3,424,004)
<b>Other Financing Sources (Uses):</b>				
Transfers in	547,200	-	-	7,121,519
Transfers out	(7,146,519)	-	-	-
Refunding bonds issued	-	-	-	-
Bond premium	-	-	-	-
Payment to refunded bond escrow agent	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(6,599,319)</b>	<b>-</b>	<b>-</b>	<b>7,121,519</b>
Net Change in Fund Balances	(937,296)	5,913,947	283,891	3,697,515
Fund Balances, Beginning of Year	42,458,618	25,399,279	7,420,062	22,071,982
<b>Fund Balances, End of Year</b>	<b>\$ 41,521,322</b>	<b>\$ 31,313,226</b>	<b>\$ 7,703,953</b>	<b>\$ 25,769,497</b>

CITY OF MENLO PARK

STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

	<u>Debt Service Funds</u>		
	<u>Measure T Debt Service</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>Revenues:</b>			
Taxes	\$ -	\$ 3,397,336	\$ 51,127,046
Special assessments	1,496,360	338,183	1,834,543
Licenses and permits	-	386,511	2,712,711
Intergovernmental	-	2,123,357	4,108,607
Charges for services	-	5,645,404	21,040,916
Use of money and property	96,580	1,555,665	6,003,086
Fines and forfeitures	-	-	733,053
Miscellaneous	-	631,653	713,135
<b>Total Revenues</b>	<b><u>1,592,940</u></b>	<b><u>14,078,109</u></b>	<b><u>88,273,097</u></b>
<b>Expenditures:</b>			
Current:			
General government	273,386	373,813	10,628,188
Public safety	-	77,569	19,692,219
Community development	-	764,874	6,268,348
Culture and recreation	-	110,429	12,573,530
Public works	-	5,262,820	17,429,812
Urban development and housing	-	11,587	590,764
Capital outlay	-	4,901,346	8,759,154
Debt service:			
Principal retirement	475,000	-	475,000
Interest and fiscal charges	650,276	-	650,276
<b>Total Expenditures</b>	<b><u>1,398,662</u></b>	<b><u>11,502,438</u></b>	<b><u>77,067,291</u></b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>194,278</u>	<u>2,575,671</u>	<u>11,205,806</u>
<b>Other Financing Sources (Uses):</b>			
Transfers in	-	312,158	7,980,877
Transfers out	-	(611,358)	(7,757,877)
Refunding bonds issued	9,640,000	-	9,640,000
Bond premium	605,007	-	605,007
Payment to refunded bond escrow agent	(9,962,267)	-	(9,962,267)
<b>Total Other Financing Sources (Uses)</b>	<b><u>282,740</u></b>	<b><u>(299,200)</u></b>	<b><u>505,740</u></b>
Net Change in Fund Balances	477,018	2,276,471	11,711,546
Fund Balances, Beginning of Year	<u>2,474,696</u>	<u>45,395,556</u>	<u>145,220,193</u>
<b>Fund Balances, End of Year</b>	<b><u>\$ 2,951,714</u></b>	<b><u>\$ 47,672,027</u></b>	<b><u>\$ 156,931,739</u></b>



CITY OF MENLO PARK

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020**

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Net change in fund balances - total governmental funds \$ 11,711,546

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 8,578,784	
Depreciation	(7,385,088)	
Gain/(loss) on sale of capital assets	(41,235)	1,152,461

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repayments	475,000	
Issuance of debt	(10,245,007)	
Defeasance of 2009A & 2009B general obligation bonds	9,931,392	
Interest expense on 2009A & 2009B general obligation bonds	(56,411)	
Deferred charges on refunding 2009A & 2009B general obligation bonds	30,875	
Amortization of bond premiums/discounts	19,002	154,851

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period. 160,524

Compensated absences 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. (102,866)

Pension expenses recognized in accordance with GASB 68 not recognized in the governmental fund activity. (3,359,967)

OPEB expenses recognized in accordance with GASB 75 not recognized in the governmental fund activity. 681,807

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 783,956

Expenses for landfill postclosure costs are expenditures in the governmental fund financial statements but reduce the liability in the government-wide financial statements 506,510

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities. 405,796

**Change in Net Position of Governmental Activities \$ 12,094,618**

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# PROPRIETARY FUND FINANCIAL STATEMENTS

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CITY OF MENLO PARK

STATEMENT OF NET POSITION  
 PROPRIETARY FUNDS  
 JUNE 30, 2020

	<b>Business-Type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Funds</b>
	<b>Water Fund</b>	
<b>Assets:</b>		
Current:		
Pooled cash and investments	\$ 17,657,441	\$ 9,202,787
Receivables:		
Accounts	2,449,174	-
Accrued interest	94,611	51,924
Prepaid costs	-	392,633
<b>Total Current Assets</b>	<b>20,201,226</b>	<b>9,647,344</b>
Noncurrent:		
Capital assets - net of accumulated depreciation	21,497,250	1,846,518
<b>Total Noncurrent Assets</b>	<b>21,497,250</b>	<b>1,846,518</b>
<b>Total Assets</b>	<b>41,698,476</b>	<b>11,493,862</b>
<b>Deferred Outflows of Resources:</b>		
Pension related amounts	384,726	-
<b>Total Deferred Outflows of Resources</b>	<b>384,726</b>	<b>-</b>
<b>Liabilities:</b>		
Current:		
Accounts payable	1,643,224	707,526
Accrued liabilities	37,754	44,012
Deposits payable	38,501	-
Accrued compensated absences	53,980	32,380
Accrued claims and judgments	-	1,001,526
<b>Total Current Liabilities</b>	<b>1,773,459</b>	<b>1,785,444</b>
Noncurrent:		
Net pension liability	1,720,496	-
Accrued compensated absences	49,568	29,779
Accrued claims and judgments	-	3,160,628
<b>Total Noncurrent Liabilities</b>	<b>1,770,064</b>	<b>3,190,407</b>
<b>Total Liabilities</b>	<b>3,543,523</b>	<b>4,975,851</b>
<b>Deferred Inflows of Resources:</b>		
Pension related amounts	62,695	-
<b>Total Deferred Inflows of Resources</b>	<b>62,695</b>	<b>-</b>
<b>Net Position:</b>		
Investment in capital assets	21,497,250	1,846,518
Restricted for capital projects	14,597,745	-
Unrestricted	2,381,989	4,671,493
<b>Total Net Position</b>	<b>\$ 38,476,984</b>	<b>\$ 6,518,011</b>

CITY OF MENLO PARK

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
YEAR ENDED JUNE 30, 2020

	<b>Business-Type Activities - Enterprise Funds</b>	<b>Governmental Activities - Internal Service Funds</b>
	<b>Water Fund</b>	
<b>Operating Revenues:</b>		
Charges for services	\$ 14,870,751	\$ 6,808,989
<b>Total Operating Revenues</b>	<b>14,870,751</b>	<b>6,808,989</b>
<b>Operating Expenses:</b>		
Cost of sales and services	9,200,745	-
Personnel services	-	2,070,353
General and administrative	248,327	1,814,927
Insurance	-	2,669,054
Depreciation expense	319,959	492,978
<b>Total Operating Expenses</b>	<b>9,769,031</b>	<b>7,047,312</b>
Operating Income (Loss)	5,101,720	(238,323)
<b>Nonoperating Revenues:</b>		
Interest and investment earnings	698,787	361,651
Contributions	-	217,765
Gain on disposal of capital assets	16,100	64,703
<b>Total Nonoperating Revenues</b>	<b>714,887</b>	<b>644,119</b>
Income Before Transfers	5,816,607	405,796
Transfers in	3,424,702	-
Transfers out	(3,647,702)	-
Changes in Net Position	5,593,607	405,796
<b>Net Position:</b>		
Beginning of Year	32,883,377	6,112,215
<b>End of Fiscal Year</b>	<b>\$ 38,476,984</b>	<b>\$ 6,518,011</b>

CITY OF MENLO PARK

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS  
 YEAR ENDED JUNE 30, 2020

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Funds
	Water Fund	
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers and users	\$ 14,027,482	\$ -
Cash received from interfund service provided	-	6,746,218
Cash paid to suppliers for goods and services	(9,502,128)	(1,898,040)
Cash paid to employees for services	(167,980)	(3,958,667)
<b>Net Cash Provided by Operating Activities</b>	<b>4,357,374</b>	<b>889,511</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>		
Cash transfers out	(223,000)	-
Contributions to other funds	(3,424,702)	-
<b>Net Cash Used by Non-Capital Financing Activities</b>	<b>(3,647,702)</b>	<b>-</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition and construction of capital assets	-	(305,625)
Proceeds from sales of capital assets	16,100	64,703
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>16,100</b>	<b>(240,922)</b>
<b>Cash Flows from Investing Activities:</b>		
Interest received	714,776	369,327
<b>Net Cash Provided by Investing Activities</b>	<b>714,776</b>	<b>369,327</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>1,440,548</b>	<b>1,017,916</b>
Cash and Cash Equivalents at Beginning of Year	16,216,893	8,184,871
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 17,657,441</b>	<b>\$ 9,202,787</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>		
Operating income (loss)	\$ 5,101,720	\$ (238,323)
<b>Adjustments to Reconcile Operating Income (loss) Net Cash Provided by Operating Activities:</b>		
Depreciation	319,959	492,978
(Increase) decrease in accounts receivable	(1,358,266)	-
(Increase) decrease in prepaid expense	47	(116,948)
(Increase) decrease in pension outflows	(41,216)	-
Increase (decrease) in accounts payable	173,356	236,875
Increase (decrease) in accrued liabilities	6,091	8,641
Increase (decrease) in deposits payable	(7,876)	-
Increase (decrease) in claims and judgments	-	588,316
Increase (decrease) in net pension liability	145,718	-
Increase (decrease) in pension inflows	(12,527)	-
Increase (decrease) in compensated absences	30,368	(82,028)
<b>Total Adjustments</b>	<b>(744,346)</b>	<b>1,127,834</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 4,357,374</b>	<b>\$ 889,511</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>		
Transfer of Construction-In-Progress assets	\$ 3,424,702	\$ -
Capital contributions	-	217,765

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# **FIDUCIARY FUND FINANCIAL STATEMENTS**

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CITY OF MENLO PARK

STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 JUNE 30, 2020

	<u>Agency Funds</u>	<u>Private-Purpose Trust Fund</u>
		<u>Successor Agency</u>
<b>Assets:</b>		
Pooled cash and investments	\$ 1,648,566	\$ 9,145,299
Receivables:		
Accounts	961	-
Prepaid costs	393,272	-
Restricted assets:		
Cash and investments with fiscal agents	-	2,000
<b>Total Assets</b>	<b><u>\$ 2,042,799</u></b>	<b><u>9,147,299</u></b>
<b>Deferred Outflows of Resources:</b>		
Deferred charge on refunding	\$ -	9,085,624
<b>Total Deferred Outflows of Resources</b>	<b><u>\$ -</u></b>	<b><u>9,085,624</u></b>
<b>Liabilities:</b>		
Accounts payable	\$ 661,577	600
Accrued interest	-	476,557
Deposits payable	1,381,222	108,891
Long-term liabilities:		
Bonds payable due in one year	-	3,395,000
Bonds payable due in more than one year	-	41,341,108
<b>Total Liabilities</b>	<b><u>\$ 2,042,799</u></b>	<b><u>45,322,156</u></b>
<b>Net Position:</b>		
Held in trust for other purposes		(27,089,233)
<b>Total Net Position</b>		<b><u>\$ (27,089,233)</u></b>

CITY OF MENLO PARK

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 YEAR ENDED JUNE 30, 2020

	<u>Private-Purpose Trust Fund</u>
	<u>Successor Agency</u>
<b>Additions:</b>	
Taxes	\$ 5,333,000
<b>Total Additions</b>	<u>5,335,000</u>
<b>Deductions:</b>	
Interest expense	<u>2,293,422</u>
<b>Total Deductions</b>	<u>2,293,422</u>
<b>Changes in Net Position</b>	<b>3,041,578</b>
Net Position - Beginning of the Year	<u>(30,130,811)</u>
<b>Net Position - End of the Year</b>	<u><b>\$ (27,089,233)</b></u>

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## **Note 1: Summary of Significant Accounting Policies**

### **a. Reporting Entity**

The City of Menlo Park (City) was incorporated under the General Laws of the State of California and enjoys all the rights and privileges pertaining to such “General Law” cities. The City uses the City Council/Manager form of government. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government’s operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Statements No. 61, The Financial Reporting Entity. The City is the primary government unit based on the foundation of a separately elected governing board that is elected by the citizens in a general public election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The City is financially accountable if it appoints a voting majority of the organization’s governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

As of June 30, 2020, the City did not include component units, because as of February 1, 2012, the Community Development Agency was dissolved through State Assembly Bill 1X 26, which dissolved redevelopment agencies throughout the State of California. The activity of the former Community Development Agency was reported in the City’s financial statements for the shortened period of July 1, 2012 through January 31, 2012. Subsequent to that, all remaining assets were transferred to the Successor Agency of the former Community Development Agency. The Successor Agency is reported in the City’s financial statements as a fiduciary private-purpose trust fund.

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

### **Government–Wide Financial Statements**

The City Government–Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City, the primary government, accompanied by a total column. Fiduciary activities of the City are not included in these statements.

These 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, deferred outflows of resources, liabilities (including capital assets and related infrastructure assets and long-term liabilities), and deferred inflows of resources are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position.

**Note 1: Summary of Significant Accounting Policies (Continued)**

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.

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 as prescribed by GASB Statement No. 34 in regard 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. However, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

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

The City applies all applicable GASB pronouncements (including all NCGA Statements and Interpretations currently in effect) under Governmental Accounting Statements No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.

**b. Basis of Accounting and Measurement Focus**

**Governmental Fund Financial Statements**

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

General Fund - Accounts for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police, planning, engineering, public works operations and maintenance, library, recreational programs and legal and administrative services.

Below Market Rate Housing Special Revenue Fund – Utilized to account for fees collected from developers of 10 or more residential units, which are used to develop below market rate housing units through down payment assistance loans. In addition, it is utilized to account for fees collected from commercial and industrial developers, which are used to expand the stock of low and moderate income houses for people who work in the City.

**Note 1: Summary of Significant Accounting Policies (Continued)**

Transportation Impact Fees Fund - Accounts for fees paid by developers of certain residential, commercial, and industrial properties and projects funded by those fees to mitigate traffic problems resulting either directly or indirectly from the development.

General Capital Improvement Project Fund – Utilizes General Fund transfers to provide adequate funding for the maintenance of the City’s existing infrastructure and other non-recurring initiatives.

Measure T Debt Service Fund – Established to account for the accumulation and disbursement of monies to comply with the interest and redemption requirements of various general obligation bonds issued through Measure T. The City reclassified the title of this fund during fiscal year 2019-20, this fund was previously the 2002 Recreation GO Bond Debt Service Fund.

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 Changes in Fund Balances present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current position. 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 recorded when received in cash, except those revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unearned revenues arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the deferred revenue is removed from the balance sheet and revenue is recognized.

The Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements is provided to explain the differences created by the integrated approach of GASB Statement No. 34.

**Proprietary Fund Financial Statements**

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

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 in 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.

**Note 1: Summary of Significant Accounting Policies (Continued)**

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

There are two types of proprietary funds: enterprise funds and internal service funds. The City accounts for the activities of the Menlo Park Municipal Water District as its only enterprise fund. As such, the fund comprises the only business-type activities reported in the City-wide financial statements. Activities of the City's Workers' Compensation, General Liability, Retiree Medical Benefit, Information Technology, and Vehicle Replacement programs are accounted for in five separate internal service funds. These activities are included in the City-wide financial statements as governmental activities.

**Fiduciary Fund Financial Statements**

Fiduciary fund financial statements include a Statement of Fiduciary Net Position. The City's fiduciary funds represent agency funds, which are custodial in nature and do not involve measurement of results of operations. The agency funds are accounted for using the accrual basis of accounting. Agency funds are used to account for Refundable Deposits, Cash Bonds Payable and the Payroll Revolving Fund.

The City also maintains fiduciary funds (private-purpose trust funds) for the Successor Agency to the former Community Development Agency. Private-purpose trust funds include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position.

**c. Cash and Investments**

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

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

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

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

In accordance with GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, highly liquid market investments with maturities of one year or less at the time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available.

**Note 1: Summary of Significant Accounting Policies (Continued)**

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

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the City and are presented as "Cash and Investments" in the accompanying Basic Financial Statements.

**d. Capital Assets**

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated assets are valued at acquisition value on the date donated. City policy has set the capitalization threshold for reporting capital assets at \$5,000. Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings	40 years
Other improvements	40 years
Equipment	3-15 years
Infrastructure	15-50

In June 1999, the Governmental Accounting Standards Board (GASB) issued Statement No. 34 which requires the inclusion of infrastructure capital assets in local governments' basic financial statements. In accordance with GASB Statement No. 34, the City has included all infrastructure into the current Basic Financial Statements.

The City defines infrastructure as the basic physical assets that allow the City to function. The assets include streets, sewer, and park lands. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Interest accrued during capital assets construction, if any, is capitalized for the business-type and proprietary funds as part of the asset cost.

For all infrastructure systems, the City elected to use the Basic Approach as defined by GASB Statement No. 34 for infrastructure reporting. The City commissioned an appraisal of City owned infrastructure and property as of June 30, 2002. This appraisal determined the original cost, which is defined as the actual cost to acquire new property in accordance with market prices at the time of first construction/acquisition. Original costs were developed in one of three ways: (1) historical records; (2) standard unit costs appropriate for the construction/acquisition date; or (3) present cost indexed by a reciprocal factor of the price increase from the construction/acquisition date to the current date. The accumulated depreciation, defined as the total depreciation from the date of construction/acquisition to the current date on a straight line, unrecovered cost method was computed using industry accepted life expectancies for each infrastructure subsystem. The book value was then computed by deducting the accumulated depreciation from the original cost.



**Note 1: Summary of Significant Accounting Policies (Continued)**

**e. Long-Term Obligations**

In the Government-Wide Financial Statements, the long-term obligations are reported as liabilities in the appropriate funds. The Fund Financial Statements do not present long-term debt but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Assets.

**f. Net Position and Fund Equity**

In the Government-Wide Financial Statements, net position is classified in the following categories:

**Net Investment in Capital Assets** – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets.

**Restricted** – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

**Unrestricted** – This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted.”

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

**Fund Financial Statements**

In the Fund Financial Statements, fund balances are in classifications that comprise a hierarchy based primarily on the extent to which government is bound to observe constraints imposed upon the use of resources reported in the governmental funds. Fund balances are classified in the following categories:

**Non-spendable** – Items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, 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 through resolutions and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City.

**Note 1: Summary of Significant Accounting Policies (Continued)**

**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 the purpose. The City Council has given the authorization to the City Manager to assign any net fund resources.

**Unassigned** – This category is for any balances that have no restrictions placed upon them.

In October 2014, the City Council updated the fund balance policy for net position and fund equity. Due to the nature of the restrictions of Non-spendable and Restricted fund balances, the policy focuses on financial reporting of unrestricted fund balance, or the last three categories listed above. As the highest level of decision-making authority, City Council may commit fund balances for specific purposes pursuant to constraints imposed by formal actions taken, such as an ordinance or resolution. The policy delegates the authority to assign fund balance amounts to be used for specific purposes to the City Manager for the purpose of reporting these amounts in the annual financial statements. Restricted fund balances will be expended before unrestricted fund balances when expenditures are incurred for purposes for which both are available. Unrestricted fund balances will be exhausted in the order of assigned, unassigned and committed when expenditures are incurred for which any of these fund balances are available.

**g. Use of Estimates**

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

**h. Compensated Absences**

City employees have vested interests in varying levels of vacation, sick leave, and compensatory time. If compensated absences are not used by the employee during the term of employment, compensation is payable to the employee at the time of retirement or termination. Such compensation is calculated at the employees’ then prevalent rate at the time of retirement or termination. Whereas vacation and compensatory time is compensated at 100% of accumulated hours, sick leave is accrued and compensated only at retirement at 15% of accumulated hours. On termination, only accrued vacation and compensatory time is compensated, not sick leave. The liabilities for compensated absences of the governmental activities are recorded in the Government-Wide Financial Statements. However, the General Fund is liable for 90% of the total city-wide compensated absence liability. The liabilities of compensated absences of proprietary funds are recorded as liabilities in the appropriate proprietary fund and in the business-type activities in the Government-Wide Financial Statements. The liabilities of compensated absences in the governmental funds are reported in those funds only if there is an unused reimbursable leave still outstanding following an employee’s resignation or retirement as of June 30, 2020.

**Note 1: Summary of Significant Accounting Policies (Continued)**

A recap of the maximum accruals by bargaining unit is as follows:

<u>Bargaining Unit</u>	<u>Vacation</u>	<u>Sick Leave</u>
SEIU	336 hours	1,440 hours
AFSCME	336 hours	1,440 hours
POA	440 hours	1,500 hours
PSA	1,400 hours combined	
Unrepresented Management	1,200 hours combined	

**i. Property Taxes**

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes which are receivable from the County of San Mateo (County) within sixty days after year-end.

<u>Lien Date</u>	<u>March 1</u>
Levy Date	July 1
Due Date	November 1 and February
Collection	December 10 and April 10

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

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

**Note 1: Summary of Significant Accounting Policies (Continued)**

**k. Other Post-employment Benefits (OPEB)**

For purposes of measuring the net OPEB asset, 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 plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

**l. Deferred Outflows/Inflows of Resources**

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

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

**m. Interfund Balances/Internal Balances**

Advances to and advances from other funds represent interfund loans in the fund financial statements. Advances between funds are offset by a fund balance reservation or by unearned revenue in the applicable governmental funds to indicate that they are not available financial resources. Any unpaid interest due to lack of funds in the borrowing fund increases the principal owed and is reported in the lending fund as unearned revenue. All other outstanding balances between funds are reported as due to and due from other funds. These are generally repaid within the following fiscal year. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

**Note 2: Cash and Investments**

The City maintains a cash and investment pool for all funds. Certain restricted funds, which are held and invested by independent outside custodians through contractual agreements, are not pooled. These restricted funds are reported as cash with fiscal agents.

**a. Reporting Entity**

The following is a summary of pooled cash and investments at June 30, 2020:

	Government-Wide Statement of Net Position			Fund Financials	Grand Total
	Governmental Activities	Business-Type Activities	Total	Fiduciary Funds Statement of Net Position	
Cash and Investments	\$ 155,024,079	\$ 17,657,441	\$ 172,681,520	\$ 10,793,865	\$ 183,475,385
Restricted Cash and Investments with Fiscal Agents	14,154	-	14,454	2,000	16,454
	<u>\$ 155,038,233</u>	<u>\$ 17,657,441</u>	<u>\$ 172,695,974</u>	<u>\$ 10,795,865</u>	<u>\$ 183,491,839</u>

Cash and investments as of June 30, 2020, consist of the following:

Cash on hand	\$ 20,679
Deposits with financial institution	28,498,422
Total cash on hand and deposits	<u>28,519,101</u>
Local Agency Investment funds	66,025,604
Investments held by custodian	88,930,680
Investments Authorized by Debt Agreements	16,454
Total investments	<u>154,972,738</u>
<b>Total cash and investments</b>	<u><b>\$ 183,491,839</b></u>

As of June 30, 2020, the City had the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in years)		
		1 Year or less	1-2 years	2-5 years
Securities of U.S. Government				
Treasury Notes	\$ 12,998,466	\$ 3,034,755	\$ 2,556,328	\$ 7,407,383
Government Agencies	37,327,075	10,147,217	8,214,678	18,965,180
Corporate Bonds	38,605,139	15,909,279	5,977,737	16,718,123
Local Agency Investment Funds	66,025,604	66,025,604	-	-
Money Market Mutual Funds	16,454	16,454	-	-
<b>Total</b>	<u><b>\$ 154,972,738</b></u>	<u><b>\$ 95,133,309</b></u>	<u><b>\$ 16,748,743</b></u>	<u><b>\$ 43,090,686</b></u>

**Note 2: Cash and Investments (Continued)**

**b. Deposits**

At June 30, 2020, the carrying amount of the City's deposits was \$28,498,422 and the bank balance was \$29,454,539. The total bank balance was covered by federal depository insurance or by collateral held by the City's agent in the City's name.

All pooled certificates of deposit and bank balances are entirely insured or collateralized. The California Government Code requires California banks and savings and loan associations to secure an agency's deposits by pledging government securities as collateral. The fair value of the pledged securities must equal at least 110% of an agency's deposits. California law also allows financial institutions to secure local agency deposits by pledging first trust deed mortgage notes having a value of 150% of a local agency's deposits. The City may waive collateral requirements for deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC).

**c. Authorized Investments**

The City will not invest in securities maturing more than five years from the date of purchase, unless the Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

The investments made by the City Treasurer are limited to those allowable under State statutes as incorporated into the City's Investment Policy, which is adopted annually and is more conservative than that allowed by State statute.

Under provisions of this policy, the City is authorized to invest in the following types of investments:

- Certificates of Deposit
- Bankers Acceptances
- Commercial Papers
- Repurchase Agreements
- Government Agency Securities
- Treasury Bills and Notes
- Medium Term Notes
- Money Market Funds
- State of California Local Agency Investment Fund

GASB Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, requires that the City's investments be carried at fair value instead of cost. Accordingly, the City adjusts the carrying value of its investments to reflect their fair value at each fiscal year-end, and the effects of these adjustments are included in income for that fiscal year. Changes in fair value in the fiscal year ended June 30, 2020 amounted to an increase of \$2,674,439.

Investment income earned on pooled cash and investments (including realized and unrealized gains and losses) is allocated monthly to the various funds based on monthly cash balances. Investment income from cash and investments with fiscal agents is credited directly to the related funds.

**Note 2: Cash and Investments (Continued)**

**External Investment Pool**

The City's investments with LAIF at June 30, 2020 included a small portion of the pooled funds invested in Structured Notes and Asset-Backed Securities. These investments may include the following:

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

**Asset-Backed Securities** – generally mortgage-backed securities which entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

As of June 30, 2020, the City had \$66,025,604 invested in LAIF, which had invested 3.37% of the pool investment funds in Structured Notes and Asset-Back Securities. LAIF determines fair value of 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 fair value is not readily available. The City valued its investments in LAIF as of June 30, 2020, by multiplying its account balance with LAIF times a fair value factor determined by LAIF. This fair value factor was determined by dividing all LAIF participants' total aggregate amortized cost by total aggregate fair value. Accordingly, the City used the LAIF fair value factor of 1.004912795 to calculate the fair value of the investments in LAIF as of June 30, 2020.

**Successor Agency Pooled Cash and Investments**

Cash and investments consisted of \$10,793,865 at June 30, 2020. The Agency pools cash from all sources and all funds with the City so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. Restricted cash and investments consisted of \$2,000 at June 30, 2020. The Agency holds these funds with fiscal agents related to debt service bank accounts.

**d. Risks Disclosures**

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy provides that final maturities of securities cannot exceed five years. Specific maturities of investments depend on liquidity needs. At June 30, 2020, the City's pooled cash and investments had the following maturities:

<u>Maturity</u>	<u>Percentage of Investment</u>
Less than one year	61%
One to two years	11%
Two to five years	28%

**Note 2: Cash and Investments (Continued)**

**Credit Risk:** It is the City's policy that commercial paper have a rating of "A-1" or higher by a nationally recognized statistical rating organization (NRSRO) and with a maturity date not exceeding 270 days from the date of purchase. Medium-term notes, with a final maturity not exceeding four years from the date of purchase, must have a rating of AA or the equivalent by a NRSRO. Medium-term notes with a final maturity exceeding four years from the date of purchase shall be rated at least AAA or the equivalent by a NRSRO at the time of purchase. According to the City's investment policy, the aggregate investment in medium-term notes will not exceed 30% of the City's total portfolio. The Local Agency Investment Fund (LAIF), administered by the State of California, has a separate investment policy, governed by Government Code Sections 16480-16481.2, that provides credit standards for its investments.

Issuer	Type	Rating	
		Standard & Poor's	Moody's
American Express Credit	Corporate Bond	A-	A2
America Honda Finance	Corporate Bond	A-	A3
Apple Inc.	Corporate Bond	AA+	Aa1
Bank of America Corp	Corporate Bond	A-	A2
Caterpillar FNL Service	Corporate Bond	A	A3
Cisco Systems Inc	Corporate Bond	AA-	A1
Citibank	Corporate Bond	A+	Aa3
Coca-Cola Co	Corporate Bond	A+	A1
John Deere Capital	Corporate Bond	A	A2
JPMorgan Chase & Co	Corporate Bond	A-	A2
Microsoft Corp	Corporate Bond	AAA	Aaa
Oracle Corp	Corporate Bond	A	A3
PNC Financial Services	Corporate Bond	A-	A3
PNC Bank NA	Corporate Bond	A	A2
PPG Industries Inc	Corporate Bond	BBB+	A3
Proctor & Gamble Corp	Corporate Bond	AA-	A1
Toyota Motor Credit	Corporate Bond	A+	A1
US Bank	Corporate Bond	AA-	A1
Walmart Inc	Corporate Bond	AA	Aa2
Wells Fargo & Company	Corporate Bond	A-	A2
Wells Fargo Bank NA	Corporate Bond	A+	Aa2

**Custodial Credit Risk:** For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All securities, with the exception of the money market funds and LAIF, are held by a third-party custodian (Union Bank of California Trust Division). Union Bank is a registered member of the Federal Reserve Bank. The securities held by Union Bank are in street name, and an account number assigned to the City identifies ownership.



**Note 2 Cash and Investments (Continued)**

**e. Investment Valuation**

Investments (except for money market accounts, time deposits, and commercial paper) are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (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. Investment fair value measurements at June 30, 2020 are described below.

Investments included in LAIF and restricted cash and investments included money market accounts and guaranteed investment contracts are not subject to fair value measurement.

Investment Type	Fair Value	Fair Value Measurement Using		
		Level 1	Level 2	Level 3
Investments subject to levels				
Government Bonds	\$ 12,998,466	\$ -	\$ 12,998,466	\$ -
Government Agencies	37,327,075	-	37,327,075	-
Corporate Bonds	38,605,139	-	38,605,139	-
Subtotal investments subject to levels	88,930,680	-	88,930,680	-
Investments with fiscal agents subject to levels				
Money Market Mutual Funds	16,454	-	16,454	-
Grand total investments subject to levels	88,947,134	\$ -	\$ 88,947,134	\$ -
Investments not subject to levels				
Local Agency Investment Fund	66,025,604			
<b>Total Investments</b>	<b>\$ 154,972,738</b>			

Government bonds, government agencies and corporate bonds categorized as Level 2 are valued based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-based valuations for which all significant assumptions are observable or can be corroborated by observable market data.

**Note 3: Receivables**

**a. Accounts Receivable**

As of June 30, 2020, summary of accounts receivable is as follows:

	Governmental Activities	Business-Type Activities
Accounts receivable	\$ 1,679,947	\$ 2,449,174
Due from other governments	2,367,094	-
<b>Total receivables</b>	<b>\$ 4,047,041</b>	<b>\$ 2,449,174</b>

**Note 3: Receivables (Continued)**

As of June 30, 2020, accounts receivable consisted of the following:

	Governmental Activities	Business-Type Activities	Total
Taxes:			
Occupancy Taxes	\$ 982,919	\$ -	\$ 982,919
Utility Taxes	200,080	-	200,080
Total Taxes	<u>1,182,999</u>	<u>-</u>	<u>1,182,999</u>
Fines and Forfeitures	10,000	-	10,000
Franchise Fees	16,616	-	16,616
Rental Income	4,330	-	4,330
General Government	19,127	-	19,127
Police	17,829	-	17,829
Public Works	129,125	-	129,125
Water service fees	-	2,449,174	2,449,174
Community Development	299,921	-	299,921
Recreation Programs	-	-	-
<b>Total accounts receivable</b>	<u>\$ 1,679,947</u>	<u>\$ 2,449,174</u>	<u>\$ 4,129,121</u>

**b. Notes Receivable**

As of June 30, 2020, notes receivable consisted of the following:

	<u>Notes Receivable</u>
Major Funds:	
Below Market Rate Housing	<u>\$ 8,894,776</u>
Total Major Funds	8,894,776
Other Governmental Funds:	
Housing Fund	5,620,848
Community Development Block Grant	290,988
Federal Revenue Sharing Fund	<u>24,120</u>
Total Non-Major Funds	<u>5,935,956</u>
Total notes receivable	<u>\$ 14,830,732</u>

**Community Development Block Grant**

The City administers home improvement loans to seniors and very low-income residents using Community Development Block Grant (CDBG) funds. The program provides for no or very low interest loans, which are secured by deeds of trust. Although payments for some loans are amortized over an established schedule, some loans allow for deferred payment of accrued interest and principal until the property changes ownership. Repayments received from outstanding loans are used to make additional housing rehabilitation loans. Outstanding loans at June 30, 2020, were \$290,988.

**Note 3: Receivables (Continued)**

**Housing Fund**

With the dissolution of the Menlo Park Community Development Agency (Agency) as of February 1, 2012, the City has assumed all the loans from the Agency.

The City assumed a loan the Agency made to Peninsula Habitat for Humanity for purchase of two mini-park lots as sites to develop two single-family houses for very low-income homeowners. Loan repayment is structured as a zero interest note with a twenty-year term. The outstanding balance was fully paid off as of June 30, 2020.

The City has housing rehabilitation loans to six eligible participants. Loans bear no or very low interest and are not due until the property changes ownership. The outstanding balance of these loans at June 30, 2020 was \$212,398.

**Gateway** – In June 1987, the Agency issued \$8,605,000 of multifamily housing revenue bonds for Menlo Gateway, Inc., a California nonprofit public benefit corporation, to fund a mortgage loan for paying the costs of acquisition and rehabilitation of a 130-unit multifamily housing project known as The Gateway, designed for occupancy by persons eligible for assistance under Section 8 of the United States Housing Act of 1937. The bonds had interest rates ranging from 5.75% to 8.25%, with payments which were to be made semi-annually on June 1 and December 1 through 2028. The bonds were payable solely from and were secured by a pledge of payments and other amounts due to the Menlo Gateway Inc. The bonds did not constitute a debt or liability of the Agency of the City and, therefore, were not reflected in the financial statements. In addition, the City did not act in any capacity in making debt service payments.

On October 28, 2002, the Agency made a loan to Menlo Gateway, Inc. to refinance Menlo Gateway's debt in the amount of \$4,022,157. The loan had a compounded interest rate of 3% per annum. The payment was secured by the Deed of Trust with the final payment due on February 15, 2043. During the year ended June 30, 2016, Menlo Gateway Inc. sold a portion of the property. Therefore, on December 31, 2015, the outstanding loan was split between Menlo Gateway and Sequoia Belle Haven for an amount of \$3,221,558 and \$1,892,026 respectively and new promissory notes were signed with the same terms as were on the original loan agreement. As of June 30, 2020, the total outstanding loan was \$5,408,450 with accrued interest thereon for \$294,865.

**Note 3: Receivables (Continued)**

**Below Market Rate Housing**

The City uses Below Market Rate Housing Reserve funds to provide residents and employees who work in Menlo Park with second mortgage loans to purchase their first home in Menlo Park. These "PAL" loans are amortized over 30 years and are currently restricted to purchasers of Below Market Rate Housing units, which are income and price restricted housing units produced through the City's Below Market Rate Housing program.

The outstanding balance of these loans at June 30, 2020 was \$8,894,776.

**Emergency Repair Loan (ERL)**

The Emergency Repair Loan (ERL) Program is designed to assist lower income households with minor emergency repairs to their home. The revolving loan program was originally funded by a Federal Revenue Sharing Grant. The maximum loan amount is \$10,000 at 3% interest per annum, with a loan term of either 5, 10, or 15 years. The outstanding balance of these loans at June 30, 2020 was \$24,120.

**Note 4: Capital Assets**

The following is a summary of capital assets for governmental activities:

	Balance June 30, 2019	Adjustments (Note 20)	Additions	Retirements	Transfers/ Reclassifications	Balance June 30, 2020
<b>Governmental Activities:</b>						
Capital assets, not being depreciated/ amortized:						
Land	\$ 199,998,884	\$ -	\$ -	\$ -	\$ -	\$ 199,998,884
Land improvements	32,921,636	-	-	-	-	32,921,636
Construction in progress	2,051,667	(573,050)	5,846,960	-	(17,191)	7,308,386
Total capital assets, not being depreciated	234,972,187	(573,050)	5,846,960	-	(17,191)	240,228,906
Capital assets, being depreciated/ amortized:						
Buildings	82,745,716	-	8,590	-	9,011	82,763,317
Shared use facilities	2,600,000	-	-	-	-	2,600,000
Equipment	9,248,866	-	1,471,039	(359,497)	-	10,360,408
Other improvements	18,572,743	-	999,755	(19,543)	8,180	19,561,135
Infrastructure	133,369,517	-	775,830	(402,412)	-	133,742,935
Total capital assets, being depreciated/ amortized	246,536,842	-	3,255,214	(781,452)	17,191	249,027,795
<i>Less accumulated depreciation/amortization for:</i>						
Buildings	(26,670,157)	-	(1,867,719)	-	-	(28,537,876)
Shared use facilities	(988,000)	-	(104,000)	-	-	(1,092,000)
Equipment	(6,183,408)	-	(815,012)	357,430	-	(6,640,990)
Other improvements	(10,438,630)	-	(881,592)	19,543	-	(11,300,679)
Infrastructure	(71,784,917)	-	(4,209,743)	363,244	-	(75,631,416)
Total accumulated depreciation	(116,065,112)	-	(7,878,066)	740,217	-	(123,202,961)
Total capital assets, being depreciated/ amortized, net	130,471,730	-	(4,622,852)	(41,235)	17,191	125,824,834
<b>Governmental activities capital assets, net</b>	<b>\$ 365,443,917</b>	<b>\$ (573,050)</b>	<b>\$ 1,224,108</b>	<b>\$ (41,235)</b>	<b>\$ -</b>	<b>\$ 366,053,740</b>

Depreciation expense was charged to the various governmental activities as follows:

General government	\$ 1,009,867
Public safety	160,696
Public works	4,082,827
Culture and recreation	2,131,698
Internal service funds	492,978
<b>Total depreciation expense - governmental activities</b>	<b>\$ 7,878,066</b>

**Note 4: Capital Assets (Continued)**

The following is a summary of capital assets for business-type activities:

	Balance June 30, 2019	Additions	Retirements	Balance June 30, 2020
<b>Business Activities:</b>				
Capital assets, not being depreciated/ amortized:				
Land	\$ 1,066,454	\$ -	\$ -	\$ 1,066,454
Construction in progress	6,719,966	3,424,702	-	10,144,668
Total capital assets, not being depreciated	<u>7,786,420</u>	<u>3,424,702</u>	<u>-</u>	<u>11,211,122</u>
Capital assets, being depreciated/ amortized:				
Buildings	7,831,636	-	-	7,831,636
Equipment	485,573	-	(39,452)	446,121
Infrastructure	10,111,881	-	-	10,111,881
Total capital assets, being depreciated/ amortized	<u>18,429,090</u>	<u>-</u>	<u>(39,452)</u>	<u>18,389,638</u>
<i>Less accumulated depreciation/amortization for:</i>				
Buildings	(2,393,818)	(171,434)	-	(2,565,252)
Equipment	(438,255)	(9,222)	39,452	(408,025)
Infrastructure	(4,990,930)	(139,303)	-	(5,130,233)
Total accumulated depreciation	<u>(7,823,003)</u>	<u>(319,959)</u>	<u>39,452</u>	<u>(8,103,510)</u>
Total capital assets, being depreciated/ amortized, net	<u>10,606,087</u>	<u>(319,959)</u>	<u>-</u>	<u>10,286,128</u>
<b>Business activities capital assets, net</b>	<u>\$ 18,392,507</u>	<u>\$ 3,104,743</u>	<u>\$ -</u>	<u>\$ 21,497,250</u>

Depreciation expense for all proprietary funds was \$319,959 for the year ended June 30, 2020, which was recorded in the City's water business-type activity.

**Note 5: Unearned Revenue**

Unearned revenues represent amounts for which revenues have not been earned. At June 30, 2020, unearned revenues were as follows:

	Governmental Activities
Recreation Summer Programs	\$ 429,079
Office Lease	91,202
Percent of Art Deferrand	8,647
Friends of the Library Deposit	170,072
Total	<u>\$ 699,000</u>

**Note 6: Long-Term Debt**

**a. Long-Term Obligations**

Summary of changes in long-term debt transactions for the year ended June 30, 2020 was as follows:

	Balance June 30, 2019	Additions	Deletions	Defeased	Balance June 30, 2020	Due within one year
<u>Governmental Activities - Public Offerings</u>						
2009A General Obligation Bonds	\$ 545,000	\$ -	\$ 80,000	\$ 465,000	\$ -	\$ -
2009B General Obligation Bonds	9,360,000	-	-	9,360,000	-	-
Premium on 2009 General Obligation Bonds	49,981	-	-	49,981	-	-
2012 General Obligation Refunding Bonds	7,120,000	-	395,000	-	6,725,000	410,000
Discount on 2012 General Obligation Bonds	(46,080)	-	(3,686)	-	(42,394)	-
2019 General Obligation Refunding Bonds	-	9,640,000	-	-	9,640,000	175,000
Premium on 2019 General Obligation Bonds	-	605,007	22,688	-	582,319	-
<b>Total governmental activities</b>	<b>\$ 17,028,901</b>	<b>\$ 10,245,007</b>	<b>\$ 494,002</b>	<b>\$ 9,874,981</b>	<b>\$ 16,904,925</b>	<b>\$ 585,000</b>
<u>Fiduciary Activities - Public Offerings</u>						
2015 Las Pulgas Project Tax Allocation Bonds	\$ 42,060,000	\$ -	\$ 3,300,000	\$ -	\$ 38,760,000	\$ 3,395,000
Premium on 2015 Las Pulgas Project Tax Allocation Bonds	6,605,172	-	629,064	-	5,976,108	-
<b>Total fiduciary activities</b>	<b>\$ 48,665,172</b>	<b>\$ -</b>	<b>\$ 3,929,064</b>	<b>\$ -</b>	<b>\$ 44,736,108</b>	<b>\$ 3,395,000</b>

**2009 General Obligations Bond**

On July 1, 2009, the City issued a second series of the “Measure T” General Obligation bonds in the amount of \$10,440,000. The financing was used to fund new recreation facilities, specifically, a new gymnasium and new gymnastic center on the Burgess campus. The decision to include Build America Bonds (BABs) in the financing allowed the City to generate an additional \$1,049,000 over the tax-exempt bonds. The overall “total issuance cost” for the series was 4.638%.

The Series A (Tax Exempt) Bonds totaled \$1,080,000; the (serial) bonds bear an annual interest of 5% and mature annually from 2010 to 2024 on August 1 in amounts ranging from \$10,000 to \$100,000. The Series B (Taxable Build America) Bonds totaled \$9,360,000; the (term) bonds bear an annual interest at rates between 6.82% and 7.02% and mature annually from 2025 to 2039 on August 1 in amounts ranging from \$110,000 to \$1,355,000. During September 2019, The City refunded the 2009A and 2009B bonds and issued the 2019 General Obligation Refunding Bonds.

**Note 6: Long-Term Debt (Continued)**

**2012 General Obligation Bonds**

In January 2012, the City of Menlo Park issued General Obligation Bonds in a par amount of \$9,830,000 for the purpose of refunding at lower interest rates the City's outstanding Series 2002 General Obligation Bonds. The bonds bear an interest rate of 3.75% annually between January 2012 and August 1, 2032. The bonds mature on August 1 of each year starting in 2013 and ending 2032 in amounts ranging from \$180,000 to \$640,000. No amount of the bonds are to mature before August 1, 2012. Interest is paid semi-annually on February 1 and August 1 of each year. The bonds are paid from special assessments to property owners within the City. The outstanding balance from this public offering contains a provision for security of the refunding bonds. The City Council has the power to direct the County to levy ad valorem taxes upon all property within the City subject to taxation without limitation of rate or amount, for the payment of the bonds and the interest thereon. The City directs the County to levy on all the taxable property in the City, in addition to all other taxes, a continuing direct and ad valorem tax annually during the period the Refunding Bonds are Outstanding in an amount sufficient to pay the principal of and interest on the Refunding Bonds when due, without limitation of rate or amount.

The annual debt service requirements to maturity for the 2012 General Obligation Bonds outstanding at June 30, 2020, were as follows

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 410,000	\$ 244,500	\$ 654,500
2022	425,000	228,844	653,844
2023	445,000	212,531	657,531
2024	460,000	195,563	655,563
2025	480,000	177,937	657,937
2026-2030	2,655,000	603,094	3,258,094
2031-2033	1,850,000	105,750	1,955,750
<b>Total</b>	<u>\$ 6,725,000</u>	<u>\$ 1,768,219</u>	<u>\$ 9,942,563</u>



**Note 6: Long-Term Debt (Continued)**

**2019 General Obligation Refunding Bonds**

In September 2019, the City issued \$9,640,000 in 2019 General Obligation Refunding Bonds for the purpose of refunding at lower interest rates the City's outstanding Series 2009 General Obligation Bonds. The bonds bear annual interest at rates between 4.50% and 5.75%, with interest payments made semi-annually on February 1 and August 1. Additionally, the City placed \$9,962,267 into escrow. This refunding provided the City with a present value savings of \$2.55 million.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 175,000	\$ 294,313	\$ 469,313
2022	100,000	287,438	387,438
2023	100,000	282,438	382,438
2024	110,000	277,188	387,188
2025	110,000	271,688	381,688
2026-2030	655,000	1,266,313	1,921,313
2031-2035	2,600,000	1,068,544	3,668,544
2036-2040	5,790,000	443,850	6,233,850
<b>Total</b>	<u>\$ 9,640,000</u>	<u>\$ 4,191,772</u>	<u>\$ 13,831,772</u>

**b. Prior Years' Defeased Obligations**

**1996 and 2000 Tax Allocation Bonds**

During fiscal year 2005-06, the City's former Community Development Agency issued \$72,430,000 of 2006 Tax Allocation Refunding Bonds to refund and defease the Agency's outstanding principal of \$25,515,000 of the 1996 Tax Allocation Refunding Bonds and the outstanding principal of \$43,215,000 of the 2000 Tax Allocation Refunding Bonds. Both the 1996 and 2000 series bonds have been 100% defeased and the liability has been removed from the long-term debt.

The refunding's were undertaken to reduce total debt service payments over the next 25 years and to obtain an estimated net savings of over \$5,122,000 over the life of the bonds.

**2002 General Obligation Bonds**

As noted previously, the City issued \$13,245,000 of the 2002 General Obligation Bonds known as "Measure T" bonds. This financing was used to fund various parks and recreation projects in the City. The bonds bear annual interest at rates between 4.50% and 5.75%, with interest payments made semi-annually on February 1 and August 1. In January 2012, the City issued \$9,830,000 in 2012 General Obligation Bonds for the purpose of refunding the 2002 General Obligation bonds, and the 2002 General Obligation Bonds have been 100% defeased and the liability has been removed from long-term debt. Additionally, the City placed \$1,460,000 into escrow. Future debt service payments were reduced by \$2,349,066 with a present value savings of \$999,288.

**Note 6: Long-Term Debt (Continued)**

**c. Fiduciary Fund Long Term Obligations**

**2015 Tax Allocation Refunding Bonds**

On October 14, 2015, the Successor Agency issued 2015 Tax Allocation Refunding Bonds for \$51,505,000. The bonds were issued to refund the 2006 Tax Allocation Bonds and pay \$11,172,000 for the swap termination relating to the 2006 Bonds. The economic gain on refunding of these bonds was \$3,590,680. The 2015 Refunding Bonds mature annually starting April 1, 2016 through 2029, with installments ranging from \$3,115,000 to \$4,405,000. The interest on the Bonds is payable semi-annually on each April 1 and October 1, starting on April 1, 2016 with coupon rates ranging from 2.00% to 5.00%. The 2015 Refunding Bonds are subject to early redemption. The outstanding balance from this public offering contains a provision that upon the occurrence and continuance of any event of default, the trustee shall declare the principal of the bonds, together with the accrued interest thereon, to be due and payable immediately. The trustee shall also exercise any other remedies available to the trustee in law or at equity.

The annual debt service requirements of the Series 2015A bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 3,395,000	\$ 1,853,125	\$ 5,248,125
2022	3,500,000	1,680,750	5,180,750
2023	3,585,000	1,503,625	5,088,625
2024	3,690,000	1,321,750	5,011,750
2025	3,800,000	1,229,500	5,029,500
2026-2030	20,790,000	3,179,000	23,969,000
<b>Total</b>	<b>\$ 38,760,000</b>	<b>\$ 10,767,750</b>	<b>\$ 49,527,750</b>

**Pledged Revenues**

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

**Note 7: Compensated Absences**

Compensated absences at June 30, 2020, were as follows:

	<u>Balance</u>		<u>Deletions</u>	<u>Balance</u>	<u>Due within</u>	<u>Due in more</u>
	<u>June 30, 2019</u>	<u>Additions</u>		<u>June 30, 2020</u>	<u>one year</u>	<u>than one year</u>
Governmental Activities	\$ 3,226,079	\$ 2,016,317	\$ 1,995,479	\$ 3,246,917	\$ 1,692,609	\$ 1,554,308
Business-Type Activities	73,180	80,294	49,926	103,548	53,980	49,568
Total Compensated absences	<u>\$ 3,299,259</u>	<u>\$ 2,096,611</u>	<u>\$ 2,045,405</u>	<u>\$ 3,350,465</u>	<u>\$ 1,746,589</u>	<u>\$ 1,603,876</u>

As previously stated, the General Fund contributes to over 90% of the compensated absences liability for the governmental activities.

**Note 8: Risk Management**

The City is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disaster. The City participates in pooled insurance programs offered by the Bay Cities Joint Powers Insurance Authority (BCJPIA) for losses in excess of specific program deductibles. The purpose of the pool is to provide certain levels of liability coverage, claims administration, and loss control support to member Cities. The bylaws of the BCJPIA, the risk coverage agreement, and an associated memorandum of coverage govern the rights and responsibilities of the BCJPIA's 19 members. Each member chooses its self-insured liability retention levels. Each member has a vote in approving the pool's self-insured retention level, in setting the coverage limits, in establishing the level of pool reserves and in approving the premium allocation methodology used for setting the premiums for each member.

Complete financial statements for the BCJPIA may be obtained from the offices of Bickmore Risk Services & Consulting at the following address:

Bay Cities Joint Powers Insurance Authority  
1750 Creekside Oaks Drive, Suite 200  
Sacramento, California 95833

The City's Liability program has a per claim deductible of \$250,000 and a policy limit of \$29,000,000. The Employment Practices program has a per claim deductible of \$250,000 and a policy limit of \$1,000,000. The Property and Fire program has a per claim deductible of \$10,000 and a policy limit of replacement value.

The City's Workers' Compensation program has a per claim deductible of \$350,000 and through the Authority, pooled coverage and reinsurance up to statutory limits.

Claims for long-term disability are covered by standard insurance.

Estimated reserves for all claims are recorded in internal service funds. No claim settlement has exceeded the coverage amounts in place for any of the years shown. The amount of claims due in one year from June 30, 2020, is estimated to total \$1,001,526.

Changes in the balances of the City's claims liabilities during the years ended June 30, 2020, 2019, and 2018 were as follows:

	Beginning of Year Liability	Current Year Claims and Changes in Estimates	Claim Payments for Current and Prior Years	End of Year Liability	Claim Payments Due Within One Year
2017-2018	\$ 4,148,535	\$ 1,013,716	\$ (1,041,885)	\$ 4,120,366	\$ 971,501
2018-2019	4,120,366	938,454	(1,484,982)	3,573,838	875,399
2019-2020	3,573,838	1,183,390	(595,074)	4,162,154	1,001,526

**Note 9: Interfund Transactions**

Interfund receivables and payables at June 30, 2020, were as follows:

**Due To / From Other Funds**

Interfund due to/due from represent short term loans owed for purposed of covering short term negative cash positions and will be repaid when fund revenues are received. The composition of due to/from other funds as of June 30, 2020, is as follows:

<b>Due to other funds</b>	<b>Due from other funds</b>	
	General Fund	Total
Non-Major Governmental Fund	\$ 274,719	\$ 274,719
<b>TOTAL</b>	<b>\$ 274,719</b>	<b>\$ 274,719</b>

All Due To/From Other Funds were established as of June 30, 2020, to cover short-term negative cash balances.

**Interfund Transfers**

Interfund transfers for the year ended June 30, 2020, were as follows:

	<b>Transfers In</b>				
	General Fund	General Capital Improvement Project Fund	Nonmajor Governmental Funds	Water Fund	Total
General Fund	\$ -	\$ 7,121,519	\$ 25,000	\$ -	\$ 7,146,519
Nonmajor Governmental Funds	324,200	-	287,158	-	611,358
Water Fund	223,000	-	-	3,424,702	3,647,702
<b>TOTAL</b>	<b>\$ 547,200</b>	<b>\$ 7,121,519</b>	<b>\$ 312,158</b>	<b>\$ 3,424,702</b>	<b>\$ 11,405,579</b>

The \$7,121,519 transfer from the General Fund to Capital Improvement Fund was for approved capital projects and funding for future projects. The \$25,000 transfer from the general fund to the nonmajor governmental funds was for grant and program operations.

The \$324,200 transfer from nonmajor governmental funds to the general fund were for recovery of administrative costs. The \$287,158 transfers from nonmajor governmental funds to other nonmajor governmental funds were to cover operating deficits for the current fiscal year.

The \$223,000 transfer from the Water fund to the General fund was for recovery of administrative costs. Within the Water fund was an additional \$3,424,702 transfer from the Water Capital Improvement Fund to the Water Operations Fund for the transfer of capital assets. Further information can be found in the Water Fund Combining Statement of Revenues, Expenses and Changes in Fund Net Position.

**Note 10: Fund Balance**

In the fund financial statements, governmental funds report restriction of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. The various committed and assigned balances are established by actions of the City Council and Management and can be increased, reduced or eliminated by similar actions. The following are the classifications that were implemented according to GASB Statement No. 54, at June 30, 2020:

	General Fund	Below Market Rate Housing Special Revenue	Transportation Impact Fees	General Capital Improvement Project Funds	Measure T Debt Service	Non-Major Governmental Funds	Total
<b>Nonspendable:</b>							
Deposits and prepaid items	\$ 18,687	\$ -	\$ -	\$ -	\$ -	\$ 6,523	\$ 25,210
Total nonspendable	18,687	-	-	-	-	6,523	25,210
<b>Restricted to:</b>							
Housing	-	31,313,226	-	-	-	7,804,959	39,118,185
Public safety	-	-	-	-	-	312,921	312,921
Debt Service	-	-	-	-	2,951,714	359,061	3,310,775
Streets and sidewalks	-	-	7,703,953	-	-	13,873,185	21,577,138
Transportation	-	-	-	-	-	2,608	2,608
Leisure and cultural activities	-	-	-	-	-	3,152,033	3,152,033
Solid waste	-	-	-	-	-	7,436,666	7,436,666
Public Facilities	-	-	-	-	-	1,132,012	1,132,012
Other Purposes	-	-	-	-	-	377,073	377,073
Stormwater	-	-	-	-	-	610,537	610,537
Total restricted	-	31,313,226	7,703,953	-	2,951,714	35,061,055	77,029,948
<b>Committed to:</b>							
Leisure and cultural activities	-	-	-	-	-	1,584,541	1,584,541
Streets, sidewalks and parking	-	-	-	-	-	5,201,967	5,201,967
Solid waste	-	-	-	-	-	2,632,758	2,632,758
Landscape maintenance	-	-	-	-	-	1,094,792	1,094,792
Strategic pension funding	4,680,000	-	-	-	-	-	4,680,000
Emergency contingency	10,300,000	-	-	-	-	-	10,300,000
Economic stabilization	12,938,200	-	-	-	-	-	12,938,200
Total committed	27,918,200	-	-	-	-	10,514,058	38,432,258
<b>Assigned to:</b>							
Capital projects	3,002,400	-	-	25,769,497	-	1,766,144	30,538,041
Debt service	-	-	-	-	-	324,247	324,247
Public Safety Development	2,607,766	-	-	-	-	-	2,607,766
Other purposes	1,567,348	-	-	-	-	-	1,567,348
Total assigned	7,177,514	-	-	25,769,497	-	2,090,391	35,037,402
<b>Unassigned</b>							
	6,406,921	-	-	-	-	-	6,406,921
Total Fund Balance	\$ 41,521,322	\$ 31,313,226	\$ 7,703,953	\$ 25,769,497	\$ 2,951,714	\$ 47,672,027	\$ 156,931,739

**Note 10: Fund Balance (Continued)**

**Non-spendable Amounts** - represents amounts that cannot be spent or appropriated because they are not in spendable form or are legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

**Restricted Amounts** – includes amounts that can be spent only for specific purposes stipulated by external sources, constitutionally or through enabling legislation. Restrictions may be effectively changed or lifted only by the consent of the resource provider.

**Committed Amounts** – represent amounts that are only to be used for specific purposes pursuant to the constraints imposed by formal action of the City Council. The committed amounts cannot be used for any other purposes unless the Council removes or changes the specified use by taking the same action it used to previously commit those amounts.

The emergency contingency and economic stabilization fund balance amounts in this category, which are considered stabilization arrangements under GASB 54, were established by resolution of the City Council in 2011 and updated on December 7, 2014 as part of the creation of a formal policy on fund balance in the General Fund. The emergency contingency balance as of June 30, 2020 was \$10,300,000 however, the City Council may increase or decrease this amount as it deems necessary. The goal for this portion of fund balance is to provide an amount equivalent to 15-20 percent of the General Fund’s annual operating budget. These funds can only be used if there is a declaration of a state or federal state of emergency or a local emergency as defined in the Menlo Park Municipal Code Section 2.44.010. The economic stabilization balance as of June 30, 2020 was \$12,938,200. Like the emergency contingency balance, this amount can be increased or decreased by the City Council. The goal for this portion of fund balance is to provide an amount equivalent to 20-25 percent of the General Fund’s annual operating budget. Council approval is required before expending any portion of this fund balance, and access to these funds is reserved for economic emergency situations such as unplanned major events like a catastrophic disaster requiring expenditures that exceed the amount of the emergency contingency reserve; budgeted revenue being taken over by another entity; or a drop in projected/actual revenue of more than five percent of the General Fund’s adopted revenue budget.

This category also includes strategic pension funding reserve which was established by the City Council to mitigate the operational impact of employer contribution rate volatility due to actions outside of the City’s control, as well as to set aside funding for strategic opportunities to reduce the City’s pension liability. The strategic pension funding reserve balance as of June 30, 2020 was \$4,680,000. The Council approval is required before expending any portion of this reserve balance.

**Assigned Amounts** - represents funds that are constrained by the City’s intent to be used for a specific purpose that are neither restricted nor committed. Intent is expressed by the City Council or City Manager, to which the City Council has delegated the authority through a resolution, to assign amounts to be used for specific purposes.

Pursuant to the authority delegated by City Council, the City Manager determines the amount of assigned fund balances. This can include, but not limited to, such items as encumbrances and constrained amounts when it is the City’s intent to use proceeds or collections for specific purposes, and residual fund balances, if any, of special revenue, capital projects, and debt service funds which have not been restricted or committed.

**Note 10: Fund Balance (Continued)**

**Unassigned amounts** – represents the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. In other governmental funds, if expenditures exceed amounts restricted, committed, or assigned, the negative amount is reflected as negative unassigned fund balance.

**Note 11: Encumbrances/Commitments**

The City had various commitments totaling \$7,680,079 as of June 30, 2020. The most significant commitments are for plan check services and environmental impact reviews for new developments of the capital improvement projects which include but are not limited to city buildings maintenance, street resurfacing projects, and traffic congestion projects. All commitments are evidenced by contractual agreements with contractors. The encumbrances listed by fund are as follows:

<b>Major:</b>	
General Fund	\$ 567,348
Transportation Impact Fees Fund	571,557
General Capital Improvement Fund	1,524,394
<b>Non-Major Funds</b>	<u>5,016,780</u>
<b>Total</b>	<u><u>\$ 7,680,079</u></u>

**Note 12: Defined Benefit Pension Plan**

**a. Summary of Pension Plan Balances**

Pension related balances presented on the Statement of Net Position as of June 30, 2020 by individual plan are described in the following table. In previous years, of the governmental funds, the General Fund, General Capital Improvement Project Fund and Nonmajor Governmental funds were used to liquidate pension liabilities:

	<u>Deferred Employer Contributions</u>	<u>Deferred Outflows - Pension</u>	<u>Net Pension Liability</u>	<u>Deferred Inflows - Pension</u>	<u>Pension expense</u>
CALPERS Miscellaneous					
Agent Multiple Employer Plan	\$ 5,714,049	\$ 1,684,510	\$ 33,086,456	\$ 1,205,671	\$ 7,482,985
CALPERS Safety					
Cost Sharing Plan	<u>3,519,360</u>	<u>3,680,539</u>	<u>27,505,607</u>	<u>1,932,691</u>	<u>5,202,545</u>
<b>Total</b>	<u><u>\$ 9,233,409</u></u>	<u><u>\$ 5,365,049</u></u>	<u><u>\$ 60,592,063</u></u>	<u><u>\$ 3,138,362</u></u>	<u><u>\$ 12,685,530</u></u>

**b. CalPERS Plan**

**General Information about the Pension Plan**

**Plan Description** – All qualified permanent and probationary employees are eligible to participate in the City’s Miscellaneous Plan, an agent multiple-employer defined benefit pension plan, administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. All safety qualified permanent and probationary employees are eligible to participate in the City’s Safety Plan, a cost-sharing multiple-employer defined benefit pension plan, administered by the California Public Employees’ Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers.

**Note 12: Defined Benefit Pension Plan (Continued)**

Benefit provisions under the Plan are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

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

The Plan’s provisions and benefits in effect as of the June 30, 2019 measurement date, are summarized as follows:

	<u>Miscellaneous Classic</u>	<u>Miscellaneous Second Tier Classic</u>	<u>Miscellaneous PEPRA</u>
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payment	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	50	52
Monthly benefits, as a % of annual salary	2.70% at age 55	2.00% at age 60	2.00% at age 62
Required employee contribution rates	7.403%	7.000%	6.250%
Required employer normal contribution rates	9.485%	9.485%	9.485%
Required UAL payment	\$ 2,246,912	\$ -	\$ -

	<u>Safety Classic</u>	<u>Safety Second Tier Classic</u>	<u>Safety PEPRA</u>
Hire Date	Prior to January 1, 2013	On or after January 1, 2013	On or after January 1, 2013
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life
Retirement age	50	55	57
Monthly benefits, as a % of annual salary	3.00%	3.00%	2.70%
Required employee contribution rates	9.00%	9.000%	12.000%
Required employer normal contribution rates	20.556%	17.614%	12.14%
Required UAL payment	\$ 1,347,451	\$ 2,347	\$ 2,037

**Employees Covered** – At June 30, 2020, the following employees were covered by the benefit terms for the Miscellaneous Plan:

Inactive employees or beneficiaries currently receiving benefits	111
Inactive employees entitled to but not yet receiving benefits	59
Active employees	<u>263</u>
Total	<u><u>433</u></u>



**Note 12: Defined Benefit Pension Plan (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. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2020, the employer contributions recognized as a reduction to the net pension liability were \$3,908,065 and \$2,373,439, for the miscellaneous plan and the safety rate plan, respectively.

**Net Pension Liability**

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the following page.

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary increases	Varies by Entry Age and Service
Mortality <sup>(1)</sup>	Derived using CALPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

<sup>(1)</sup> The mortality table used was developed based on CALPERS' specific data. The table includes 15 years of mortality improvements using society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

**Discount Rate** – The discount rate used to measure the total pension liability was 7.15% for the Plan. The projection of cash flows used to determine the discount rate 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.

**Note 12: Defined Benefit Pension Plan (Continued)**

**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.

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

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

Asset Class	Assumed Asset Allocation	Real Return Years 1-10 <sup>(a)</sup>	Real Return Years 11+ <sup>(b)</sup>
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

(a) An expected inflation of 2.0% used for this period.

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

**Note 12: Defined Benefit Pension Plan (Continued)**

**Changes in the Net Pension Liability**

The changes in the Net Pension Liability for the Miscellaneous Plan follow:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/ (Asset)
<b>Balance at June 30, 2018 (MD)</b>	\$ 132,809,645	\$ 102,525,454	\$ 30,284,191
<b>Changes in the year:</b>			
Service cost	3,042,903	-	3,042,903
Interest on the total pension liability	9,527,938	-	9,527,938
Differences between actual and expected experience	2,148,396	-	2,148,396
Contribution - employer	-	3,908,243	(3,908,243)
Contribution - employee	-	1,325,573	(1,325,573)
Net Investment income	-	6,756,082	(6,756,082)
Benefit payments, including refunds of employee contributions	(6,443,255)	(6,443,255)	-
Administrative expenses	-	(73,164)	73,164
Other miscellaneous income/(expense)	-	238	(238)
<b>Net changes</b>	<u>8,275,982</u>	<u>5,473,717</u>	<u>2,802,265</u>
<b>Balance at June 30, 2019 (MD)</b>	<u>\$ 141,085,627</u>	<u>\$ 107,999,171</u>	<u>\$ 33,086,456</u>

As of June 30, 2020, the City reported a net pension liability of \$27,505,607 for its proportionate share of the net pension liability of the safety plan.

The City's proportionate share of the net pension liability of the safety risk pool for the safety plan as of measurement dates June 30, 2018 and 2019 were as follows:

Proportion - June 30, 2018	0.262820%
Proportion - June 30, 2019	<u>0.268420%</u>
Change - Increase (Decrease)	<u>0.005600%</u>

**Note 12: Defined Benefit Pension Plan (Continued)**

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

	<u>Miscellaneous Plan</u>	<u>Safety Plan</u>
1% Decrease	6.15%	
Net Pension Liability	\$ 51,914,883	\$ 41,648,468
Current Discount Rate	7.15%	
Net Pension Liability	\$ 33,086,456	\$ 27,505,607
1% Increase	8.15%	
Net Pension Liability	\$ 17,556,551	\$ 15,910,676

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

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

For the year ended June 30, 2020, the City recognized pension expense of \$7,482,985 and \$5,202,545, for the Miscellaneous and Safety plan, respectively. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
<b>Miscellaneous Plan</b>		
Pension contributions subsequent to measurement date	\$ 5,714,049	\$ -
Differences between actual and expected experience	1,455,365	281,771
Changes in assumptions	229,145	341,616
Net differences between projected and actual earnings on pension plan investments	-	582,284
Total	<u>\$ 7,398,559</u>	<u>\$ 1,205,671</u>
<b>Safety Plan</b>		
Pension contributions subsequent to measurement date	\$ 3,519,360	\$ -
Differences between actual and expected experience	1,795,868	-
Changes in assumptions	1,127,407	220,012
Net differences between projected and actual earnings on pension plan investments	-	378,386
Adjustment due to differences in proportions	757,264	61,646
Difference in proportionate share of contributions	-	1,272,647
Total	<u>7,199,899</u>	<u>1,932,691</u>
<b>Total All Plans</b>	<u>\$ 14,598,458</u>	<u>\$ 3,138,362</u>

**Note 12: Defined Benefit Pension Plan (Continued)**

The \$5,714,049 and \$3,519,360 for the Miscellaneous and Safety plan, respectively, reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plan will be recognized as pension expense as follows:

Fiscal Year Ending June 30,	Deferred Outflow/(Inflows) of Resources		
	Miscellaneous Plan	Safety Plan	Total
2021	\$ 789,262	\$ 1,697,223	\$ 2,486,485
2022	(316,999)	(237,866)	(554,865)
2023	(96,156)	214,867	118,711
2024	102,732	73,624	176,356
<b>Total</b>	<b>\$ 478,839</b>	<b>\$ 1,747,848</b>	<b>\$ 2,226,687</b>

**Note 13: Other Post-Employment Benefits (OPEB)**

**Plan Description**

The City sponsors and administers an agent-multiple employer defined benefit postemployment healthcare plan (the Plan) to provide healthcare insurance benefits to eligible retired employees and their dependents. Benefit provisions are established and may be amended by the City.

The City participates in the CalPERS healthcare program (PEMHCA) and allows retirees to continue participation in the medical insurance program after retirement. The following summarizes the retiree healthcare benefits:

**PEMHCA Minimum:** The City pays the PEMHCA minimum required employer contribution for retirees participating in PEMHCA towards the retiree monthly premium.

**Retiree Health Benefit Credits (RHBC):** Employees can convert unused sick or general leave balance (up to a maximum) to RHBC at retirement. The City pays retiree medical or dental coverage based on RHBC. Sick leave hour accrual and RHBC conversion rates vary by bargaining unit and service.

**Implied Subsidy:** An implied subsidy generally exists when retiree premiums are based on blended active and retiree experience. In May 2014, the American Academy of Actuaries released a new version of Actuarial Standard of Practice No. 6 (ASOP No. 6). The revised ASOP No. 6 requires the implied subsidy to be valued for community plans such as PEMHCA.

**Employees Covered**

Inactive employees or beneficiaries currently receiving benefits	111
Inactive employees entitled to but not yet receiving benefits	59
Active employees	263
<b>Total</b>	<b>433</b>

**Note 13: Other Post-Employment Benefits (OPEB) (Continued)**

**Contributions**

The City pre-funds the Plan through CalPERS OPEB Trust (CERBT) by contributing the City's Annual Required Contribution (ARC) every year. For the measurement period 2018-19, the City contributed \$895,000 including \$732,000 in benefit payments, \$161,000 in implicit rate subsidy, and \$2,000 of expenses paid outside of the trust.

CERBT is a tax qualified irrevocable trust, organized under Internal Revenue Code (IRC) Section 115, established to prefund OPEB as described in GASB Statement 45. The CERBT issues a publicly available financial report that included financial statements and required supplementary information for the City, not individualizing, but in aggregate with the other CERBT participants. That report may be obtained by contacting CalPERS.

**Net OPEB Asset**

The City's net OPEB asset was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation dated June 30, 2018, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.75%
Inflation	2.75%
Contribution Policy	Contributes full ADC
Salary Increases	Varies by Entry Age and Service
Projected Salary Increase	3.00%
Investment Rate of Return	6.75%
Mortality	CalPERS 1997-2015 Experience Study
Post Retirement Benefit Increase	Post-retirement mortality projected fully generational with Scale MP-2019
Healthcare Trend	Non-Medicare - 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years Medicare - 6.3% for 2021, decreasing to an ultimate rate 4.0% in 2076

**Note 13: Other Post-Employment Benefits (OPEB) (Continued)**

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

Asset Class	Target Allocation*	Expected Real Rate of Return
Global Equity	59.00%	4.82%
Fixed Income	25.00%	1.47%
TIPS	5.00%	1.29%
Commodities	3.00%	0.84%
REITS	8.00%	3.76%
Assumed Long-Term Rate of Inflation		2.75%
Expected Long-Term Net Rate of Return, Rounded		6.75%
Discount Rate**		6.75%

\*Provided by CalPERS' Strategic Asset Allocation Analysis Overview in October 2018 – Strategy 1.

\*\*The fiduciary net position is projected to be sufficient to make projected benefit payments, and the plan assets are expected to be invested using the strategy to achieve the expected return.

**Discount Rate**

The discount rate used to measure the total OPEB liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**Note 13: Other Post-Employment Benefits (OPEB) (Continued)**

**Changes in the Net OPEB Asset**

The changes in the net OPEB asset for the OPEB Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability / (Asset)
<b>Balance at June 30, 2018 (MD)</b>	\$ 18,109,000	\$ 20,732,000	\$ (2,623,000)
<b>Changes in the year:</b>			
Service Cost	666,188	-	666,188
Interest	1,237,187	-	1,237,187
Actual vs. expected experience	(880,930)	-	(880,930)
Changes in assumptions	22,596	-	22,596
Contribution - employer	-	895,000	(895,000)
Net investment income	-	1,278,573	(1,278,573)
Administrative expenses	-	(6,441)	6,441
Benefit payments , including refunds of employee contributions	(893,000)	(893,000)	-
<b>Net changes</b>	<u>152,041</u>	<u>1,274,132</u>	<u>(1,122,091)</u>
<b>Balance at June 30, 2019 (MD)</b>	<u>\$ 18,261,041</u>	<u>\$ 22,006,132</u>	<u>\$ (3,745,091)</u>

**Sensitivity of the Net OPEB Asset to Changes in the Discount Rate**

The following presents the net OPEB asset of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease (5.75%)	Current Discount (6.75%)	1% Increase (7.75%)
Net OPEB Asset	\$ (1,844,454)	\$ (3,745,091)	\$ (5,377,656)

**Sensitivity of the Net OPEB Asset to Changes in the Health Care Cost Trend Rates**

The following presents the net OPEB asset of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease	Current Healthcare Trend Rate	1% Increase
Net OPEB Asset	\$ (5,614,641)	\$ (3,745,091)	\$ (1,517,701)



**Note 13: Other Post-Employment Benefits (OPEB) (Continued)**

**Recognition of Deferred Outflow and Deferred Inflows of Resources**

Gains and losses related to changes in total OPEB liability and fiduciary net position 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:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other gains/losses	7.8 years

**OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB**

For the fiscal year ended June 30, 2020, the City recognized OPEB expense of \$249,650. For the fiscal year ended June 30, 2020, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 931,457	\$ -
Differences between expected and actual experience	-	767,990
Changes in Assumptions	19,699	-
Net differences between projected and actual earnings on plan investments	-	298,450
<b>Total</b>	<b>\$ 951,156</b>	<b>\$ 1,066,440</b>

The \$931,457 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2019 measurement date will be recognized as an increase of the net OPEB asset during the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ending June 30:	Deferred Inflows of Resources
2021	\$ (260,906)
2022	(258,906)
2023	(132,906)
2024	(85,904)
2025	(110,043)
Thereafter	(198,076)
<b>Total</b>	<b>\$ (1,046,741)</b>

**Note 14: Landfill Post-Closure Care**

The City owns and maintains a closed, municipal, non-hazardous solid waste landfill known as the Marsh Road Landfill. Landfill operations began at the site in 1957 through a Joint Exercise of Powers Agreement initiated by San Mateo County. In 1968, the City took responsibility for the landfill and its eventual post-closure maintenance. The landfill ceased the receipt of wastes in May of 1984. In 1995, the construction of Bayfront Park was completed, incorporating required features such as a gas recovery and leachate control system.

State and Federal laws and regulations require that the City perform certain maintenance and monitoring functions at the landfill site at Bayfront Park through the year 2025. These same regulations require the City to make annual contributions and/or provide an alternative funding mechanism to finance closure and post-closure care costs. In January 2003, the City Council approved a plan for a 5.4% surcharge on solid waste collection fees, increasing at a rate of 0.2% per year, in order to cover these costs. The surcharge is currently 7.2 percent.

The City’s outstanding future post-closure care costs were estimated at \$2,905,683 at June 30, 2020. This estimate is based upon the present value of future cash flows associated with the landfill site’s post-closure costs, discounted using the City’s projected return on investment. The amount of fund balance within the Landfill Special Revenue Fund is not sufficient to cover such a liability, though the revenue stream provided by the solid waste collection surcharge and all post-closure costs will be accounted for in this fund. The City has recorded the post-closure cost liability as part of governmental activities in the government-wide financial statements.

The City will fund on-going post-closure costs with a combination of revenues from the surcharge and interest earnings. However, if these revenues are inadequate or additional post-closure care requirements are determined (due to changes in technology, applicable laws or regulations, for example), these costs may need to be covered by additional garbage surcharges or from future tax revenue. The following is the activity for landfill post closure care for fiscal year 2020:

	Balance June 30, 2019	Deletions	Balance June 30, 2020	Due within one year	Due in more than one year
<b>Governmental Activities</b>	\$ 3,412,193	\$ (506,510)	\$ 2,905,683	\$ 482,203	\$ 2,423,480

**Note 15: Community Development Agency of The City of Menlo Park**

The former Community Development Agency of the City of Menlo Park (Agency) was established in 1981 with the adoption of the Las Pulgas Community Development Plan (1981 Plan). Since 1981, the Agency has implemented numerous programs to improve housing in the project area. During the fiscal year 2011-12, the Agency was dissolved in accordance to State Assembly Bill 1X26. All assets of the Agency were transferred to the Successor Agency private-purpose trust fund. More information on the Successor Agency can be found in Note 16.

**Note 16: Successor Agency Trust for The Former Community Development Agency**

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. This action impacted the reporting entity of the City of Menlo Park that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the “successor agency” to hold the assets of the former redevelopment agency until they are distributed to other units of state and local government. On January 10, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 6043.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011), all redevelopment agencies in the State of California were dissolved and ceased to operate as legal entities as of February 1, 2012.

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

During the year ended June 30, 2016, all of the assets of the former Community Development Agency have been liquidated and distributed among the affected taxing districts. The Successor Agency’s remaining responsibility is for the maintenance of the former agency’s debt, which consists of the 2015 Tax Allocation Refunding Bonds. More information on these bonds can be found in Section C of Note 6.

**Note 17: Contingencies**

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

**Note 18: Litigation**

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

**Note 19: Joint Ventures**

**General**

The City of Menlo Park participates in joint ventures through Joint Powers Authorities (JPAs) established under the Joint Exercise of Powers Act of the State of California. Obligations and liabilities of the JPAs are not those of the City.

**San Francisquito Creek**

The San Francisquito Creek Joint Powers Authority (SFCJPA) was created in May 1999 as a joint powers authority by the City of Menlo Park, the City of Palo Alto, the City of East Palo Alto, the Santa Clara Valley Water District and the San Mateo Flood Control District. The Authority's board is comprised of one director appointed by each of these member entities and is a legally separate and fiscally independent entity.

The Authority was formed to manage the joint contribution of services and provide policy direction on issues of mutual concern related to the San Francisquito Creek, including bank stabilization, channel clearing and other creek maintenance, planning of flood control measures, preserving environmental values and instream uses and emergency response coordination. The SFCJPA and U.S. Army Corps of Engineers are presently working together with the area's Congressional delegation to secure Federal funding for studies needed to identify a comprehensive flood management and ecosystem restoration project within the Creek watershed.

In the fiscal year ended June 30, 2020, each member entity contributed \$185,000 to cover Authority administrative costs for the year.

Complete financial statements for the SFCJPA may be obtained from their offices at the following address:

San Francisquito Creek Joint Powers Authority  
1231 Hoover Street  
Menlo Park, California 94025

**South Bayside Waste Management Authority**

The City of Menlo Park is one of twelve members of the South Bayside Waste Management Authority (SBWMA). The SBWMA was formed in October 1999 for the purpose of joint ownership, financing and administration of solid waste transfer and recycling facilities; and the planning, administration management review, monitoring, enforcement and reporting of solid waste, recyclable material and plant material collection activities within the Authority's service area.

**Note 19: Joint Ventures (Continued)**

The Authority is controlled by a twelve-member board consisting of one representative from each member entity. None of the SBWMA member entities exercise specific control over the budgeting and financing of the Authority's activities beyond their representation of the board.

Through the operation of franchise agreements with each member, Recology San Mateo County (Recology) collects fees charged for the use of the Authority's facilities and remits them to the Authority. Pursuant to an operations agreement with the Authority effective through December 31, 2020, Recology operates the facilities and is paid compensation based on costs, a provision for profit and incentives for cost savings and performance.

Complete financial statement for the SBWMA may be obtained from their offices at the following address:

South Bayside Management Authority  
610 Elm Street, Suite 202  
San Carlos, CA 94070

**Note 20: Restatement of Prior Year Balance**

Beginning Net Position of the governmental activities were restated due to the removal of \$573,050 of prior year construction-in-progress costs (CIP). It was determined that these costs expended in the prior year were not capitalizable, and as such have been removed in fiscal year 2019-20.

**Note 21: Subsequent Events**

On March 27, 2020, in response to the economic fallout of the Coronavirus pandemic in the United States, Congress passed the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, which provided \$2.2 trillion in economic stimulus funding through a variety of channels. The State of California received a \$500 million allocation to provide cities which did not receive a direct federal allocation through the CARES Act. The City entered into an agreement with the State of California in July 2020 to receive their allocation of the CARES Act funding. The funding is to be received in 3 monthly installments of \$72,548 and an additional payment of \$217,642, with the first installment received by the City in July 2020. The total amount of CARES Act funding to be received by the City is \$435,286. This funding was for the reimbursement of costs incurred by the City since the start of the pandemic.

**REQUIRED SUPPLEMENTARY INFORMATION**

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 49,497,620	\$ 45,641,763	\$ 47,629,234	\$ 1,987,471
Licenses and permits	2,786,000	2,249,806	2,326,200	76,394
Intergovernmental	1,388,200	1,307,268	1,640,825	333,557
Charges for services	11,160,750	8,821,518	9,607,262	785,744
Use of money and property	2,468,200	1,659,266	3,055,307	1,396,041
Fines and forfeitures	950,000	628,285	733,053	104,768
Miscellaneous	66,046	50,457	81,482	31,025
<b>Total Revenues</b>	<b>68,316,816</b>	<b>60,358,362</b>	<b>65,073,363</b>	<b>4,715,001</b>
<b>Expenditures:</b>				
Current:				
General government	10,693,825	9,663,669	9,948,748	(285,079)
Public safety	21,055,372	20,837,511	19,614,650	1,222,861
Community development	8,083,183	7,324,184	5,503,474	1,820,710
Parks and recreation	13,882,977	13,143,097	12,463,101	679,996
Public works	13,107,657	12,746,379	11,562,448	1,183,931
Urban development and housing	119,500	119,500	96,261	23,239
Capital outlay	488,691	503,796	222,658	281,138
<b>Total Expenditures</b>	<b>67,431,205</b>	<b>64,338,136</b>	<b>59,411,340</b>	<b>4,926,796</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	885,611	(3,979,774)	5,662,023	9,641,797
<b>Other Financing Sources (Uses):</b>				
Transfers in	547,200	547,200	547,200	-
Transfers out	(3,179,900)	(3,506,100)	(7,146,519)	3,640,419
<b>Total Other Financing Sources (Uses)</b>	<b>(2,632,700)</b>	<b>(2,958,900)</b>	<b>(6,599,319)</b>	<b>3,640,419</b>
Net Change in Fund Balances	(1,747,089)	(6,938,674)	(937,296)	13,282,216
Fund Balances, Beginning of Year	42,458,618	42,458,618	42,458,618	-
<b>Fund Balances, End of Year</b>	<b>\$ 40,711,529</b>	<b>\$ 35,519,944</b>	<b>\$ 41,521,322</b>	<b>\$ 13,282,216</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 BELOW MARKET RATE HOUSING SPECIAL REVENUE FUND  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 1,127,500	\$ 1,127,500	\$ 5,437,462	\$ 4,309,962
Use of money and property	254,400	254,400	991,642	737,242
<b>Total Revenues</b>	<b>1,381,900</b>	<b>1,381,900</b>	<b>6,429,104</b>	<b>5,047,204</b>
<b>Expenditures:</b>				
Current:				
General government	37,138	37,137	32,241	4,896
Urban development and housing	327,990	327,990	482,916	(154,926)
<b>Total Expenditures</b>	<b>365,128</b>	<b>365,128</b>	<b>515,157</b>	<b>(150,029)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,016,772	1,016,772	5,913,947	4,897,175
Net Change in Fund Balances	1,016,772	1,016,772	5,913,947	4,897,175
Fund Balances, Beginning of Year	25,399,279	25,399,279	25,399,279	-
<b>Fund Balances, End of Year</b>	<b>\$ 26,416,051</b>	<b>\$ 26,416,051</b>	<b>\$ 31,313,226</b>	<b>\$ 4,897,175</b>



CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 TRANSPORTATION IMPACT FEES FUND  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 6,349,000	\$ 6,349,000	\$ 313,641	\$ (6,035,359)
Charges for services	1,000,000	1,000,000	255,091	(744,909)
Use of money and property	22,800	22,800	303,892	281,092
<b>Total Revenues</b>	<b>7,371,800</b>	<b>7,371,800</b>	<b>872,624</b>	<b>(6,499,176)</b>
<b>Expenditures:</b>				
Current:				
Public works	6,328,597	6,792,787	237,563	6,555,224
<b>Total Expenditures</b>	<b>6,328,597</b>	<b>6,792,787</b>	<b>588,733</b>	<b>6,204,054</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,043,203	579,013	283,891	(295,122)
Net Change in Fund Balances	1,043,203	579,013	283,891	(295,122)
Fund Balances, Beginning of Year	7,420,062	7,420,062	7,420,062	-
<b>Fund Balances, End of Year</b>	<b>\$ 8,463,265</b>	<b>\$ 7,999,075</b>	<b>\$ 7,703,953</b>	<b>\$ (295,122)</b>

CITY OF MENLO PARK

MISCELLANEOUS PLAN - AGENT MULTIPLE-EMPLOYER  
 SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2015	2016	2017	2018	2019	2020
Measurement Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
<b>TOTAL PENSION LIABILITY</b>						
Service Cost	\$ 2,430,975	\$ 2,360,735	\$ 2,532,940	\$ 2,948,588	\$ 3,064,496	\$ 3,042,903
Interest	7,464,650	7,827,343	8,311,199	8,613,664	8,947,116	9,527,938
Difference between Expected and Actual Experience	-	(690,951)	850,983	(1,154,146)	(867,180)	2,148,396
Changes in Assumptions	-	(1,888,285)	-	7,103,534	(620,756)	-
Benefit Payments, Including						
Refunds of Employee Contributions	(4,401,346)	(4,582,081)	(5,018,466)	(5,328,833)	(5,608,391)	(6,443,255)
<b>Net Change in Total Pension Liability</b>	<b>5,494,279</b>	<b>3,026,761</b>	<b>6,676,656</b>	<b>12,182,807</b>	<b>4,915,285</b>	<b>8,275,982</b>
<b>Total Pension Liability - Beginning</b>	<b>100,513,857</b>	<b>106,008,136</b>	<b>109,034,897</b>	<b>115,711,553</b>	<b>127,894,360</b>	<b>132,809,645</b>
<b>Total Pension Liability - Ending (a)</b>	<b>\$ 106,008,136</b>	<b>\$ 109,034,897</b>	<b>\$ 115,711,553</b>	<b>\$ 127,894,360</b>	<b>\$ 132,809,645</b>	<b>\$ 141,085,627</b>
<b>PLAN FIDUCIARY NET POSITION</b>						
Contributions - Employer	\$ 2,231,189	\$ 2,607,401	\$ 2,978,937	\$ 3,599,142	\$ 3,519,321	\$ 3,908,243
Contributions - Employee	1,006,903	1,080,371	1,150,378	1,299,175	1,357,733	1,325,573
Plan to Plan Resource Movement	-	-	-	-	(238)	-
Net Investment Income	12,874,205	1,934,950	450,209	9,694,557	8,121,487	6,756,082
Benefit Payments, Including						
Refunds of Employee Contributions	(4,401,346)	(4,582,081)	(5,018,466)	(5,328,833)	(5,608,391)	(6,443,255)
Administrative Expense	-	-	-	-	(148,920)	(73,164)
Other Miscellaneous Income/(Expense)	-	(97,826)	(52,975)	(127,609)	(282,802)	238
<b>Net Change in Fiduciary Net Position</b>	<b>11,710,951</b>	<b>942,815</b>	<b>(491,917)</b>	<b>9,136,432</b>	<b>6,958,190</b>	<b>5,473,717</b>
<b>Plan Fiduciary Net Position - Beginning</b>	<b>74,268,983</b>	<b>85,979,934</b>	<b>86,922,749</b>	<b>86,430,832</b>	<b>95,567,264</b>	<b>102,525,454</b>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<b>\$ 85,979,934</b>	<b>\$ 86,922,749</b>	<b>\$ 86,430,832</b>	<b>\$ 95,567,264</b>	<b>\$ 102,525,454</b>	<b>\$ 107,999,171</b>
<b>Plan Net Pension Liability/(Assets) - Ending (a) - (b)</b>	<b>\$ 20,028,202</b>	<b>\$ 22,112,148</b>	<b>\$ 29,280,721</b>	<b>\$ 32,327,096</b>	<b>\$ 30,284,191</b>	<b>\$ 33,086,456</b>
<b>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability</b>	<b>81.11%</b>	<b>79.72%</b>	<b>74.70%</b>	<b>74.72%</b>	<b>77.20%</b>	<b>76.55%</b>
<b>Covered Payroll</b>	<b>\$ 13,277,488</b>	<b>\$ 13,909,694</b>	<b>\$ 13,539,431</b>	<b>\$ 16,960,555</b>	<b>\$ 17,374,255</b>	<b>\$ 18,851,078</b>
<b>Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll</b>	<b>150.84%</b>	<b>158.97%</b>	<b>216.26%</b>	<b>190.60%</b>	<b>174.30%</b>	<b>175.51%</b>

(1) Historical information is required only for measurement years for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only six years are shown.

**Notes to Schedule:**

Benefit Changes:

There were no changes to benefit terms. However, the figures above do not include any liability impact that may have resulted from plan changes which occurred after the measurement dates. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions:

In 2019, there were no changes. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2018. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amount reported were based on the 7.5 percent discount rate.

CITY OF MENLO PARK

**MISCELLANEOUS PLAN - AGENT MULTIPLE-EMPLOYER  
SCHEDULE OF PLAN CONTRIBUTIONS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 2,604,813	\$ 2,978,780	\$ 3,599,540	\$ 3,518,244	\$ 3,908,065	\$ 5,714,049
Contribution in Relation to the Actuarially Determined Contribution	(2,604,813)	(2,978,780)	(3,599,540)	(3,518,244)	(3,908,065)	(5,714,049)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 13,909,694	\$ 13,539,431	\$ 16,960,555	\$ 17,374,255	\$ 18,851,078	\$ 19,731,998
Contributions as a Percentage of Covered Payroll	18.73%	22.00%	21.22%	20.25%	20.73%	28.96%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only six years are shown.

**Note to Schedule:**

Valuation Date: June 30, 2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method Entry Age Normal Cost Method  
Amortization method Level percentage of pay, a summary of the current policy is provided in the table below:

Driver	Source				
	(Gain)/Loss		Assumption/ Method Change	Benefit Change	Golden Handshake
	Investment	Non-investment			
Amortization Period	30 years	30 Years	20 Years	20 Years	5 Years
Escalation Rate					
- Active Plans	2.875%	2.875%	2.875%	2.875%	2.875%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	5	5	0	0
Ramp Down	5	5	5	0	0

Assets valuation method  
Projected Salary Increases  
Inflation  
Payroll growth  
Individual salary growth

Direct rate smoothing  
Varies by Entry Age and Service  
2.63%  
2.88%  
A merit scale varying by duration of employment coupled with an assumed annual inflation of 2.75% and an annual production growth of 0.25%.

Investment Rate of Return

7.00% (net of pension plan investment and administrative expenses, includes inflation)

Retirement Age

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

Mortality

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using 90 percent of Society of Actuaries' Scale 2016. For more details on this table, please refer to the 2017 experience study report.

CITY OF MENLO PARK

**COST-SHARING MULTIPLE EMPLOYER SAFETY PLAN  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS <sup>(1)</sup>**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Measurement Date	6/30/2014	6/30/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019
Proportion of the Net Pension Liability*	0.23051%	0.24430%	0.25092%	0.25240%	0.26282%	0.26842%
Proportionate Share of the Net Pension Liability	\$ 14,343,292	\$ 16,768,810	\$ 21,711,951	\$ 25,030,898	\$ 25,325,786	\$ 27,505,607
Covered Payroll	\$ 6,253,886	\$ 6,059,802	\$ 6,328,709	\$ 6,151,486	\$ 5,996,613	\$ 6,414,285
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	229.4%	276.7%	343.1%	406.9%	422.3%	428.8%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.43%	78.40%	74.06%	73.31%	75.26%	75.26%

\*Represents the proportion of the net pension liability compared to the total risk pool for both safety and miscellaneous plans.

**Notes to Schedule of Proportionate Share of the Net Pension Liability:**

Benefit Changes: None

Changes of Assumptions: In 2019, there were no changes. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2018. In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amount reported were based on the 7.5 percent discount rate.

<sup>(1)</sup> Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only six years are shown.

CITY OF MENLO PARK

**COST-SHARING MULTIPLE EMPLOYER SAFETY PLAN  
SCHEDULE OF PLAN CONTRIBUTIONS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS <sup>(1)</sup>**

	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 1,623,197	\$ 1,767,802	\$ 1,965,524	\$ 2,036,374	\$ 2,373,439	\$ 3,519,360
Contribution in Relation to the Actuarially Determined Contribution	(1,623,197)	(1,767,802)	(1,965,524)	(2,036,374)	(2,373,439)	(3,519,360)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 6,059,802	\$ 6,328,709	\$ 6,151,486	\$ 5,996,613	\$ 6,414,285	\$ 6,354,466
Contributions as a Percentage of Covered Payroll	26.8%	27.9%	32.0%	34.0%	37.0%	55.4%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only six years are shown.

**Note to Schedule:**

Valuation Date: June 30, 2017

Methods and assumptions used to determine contribution rates:

Actuarial cost method  
Amortization method

Entry Age Normal Cost Method

Level percentage of pay, a summary of the current policy is provided in the table below:

Driver	Source				
	(Gain)/Loss		Assumption/ Method Change	Benefit Change	Golden Handshake
	Investment	Non-investment			
Amortization Period	30 years	30 Years	20 Years	20 Years	5 Years
Escalation Rate					
- Active Plans	2.875%	2.875%	2.875%	2.875%	2.875%
- Inactive Plans	0%	0%	0%	0%	0%
Ramp Up	5	5	5	0	0
Ramp Down	5	5	5	0	0

Assets valuation method  
Projected Salary Increases  
Inflation  
Payroll growth  
Individual salary growth

Direct rate smoothing

Varies by Entry Age and Service

2.63%

2.88%

A merit scale varying by duration of employment coupled with an assumed annual inflation of 2.75% and an annual production growth of 0.25%.

Investment Rate of Return

7.00% (net of pension plan investment and administrative expenses, includes inflation)

Retirement Age

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report may be accessed on the CalPERS website at [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

Mortality

The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using 90 percent of Society of Actuaries' Scale 2016. For more details on this table, please refer to the 2017 experience study report.

CITY OF MENLO PARK

**SCHEDULE OF CHANGES IN THE NET OPEB ASSET AND RELATED RATIOS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2018</u>	<u>2019</u>	<u>2020</u>
<b>Total OPEB Liability</b>			
Service cost	\$ 628,000	\$ 647,000	\$ 666,188
Interest on the total OPEB liability	1,113,000	1,174,000	1,237,187
Actual and expected experience difference	-	-	(880,930)
Changes in assumptions	-	-	22,596
Benefit payments	(801,000)	(915,000)	(893,000)
<b>Net change in total OPEB liability</b>	<b>940,000</b>	<b>906,000</b>	<b>152,041</b>
<b>Total OPEB liability - beginning</b>	<b>16,263,000</b>	<b>17,203,000</b>	<b>18,109,000</b>
<b>Total OPEB liability - ending (a)</b>	<b>17,203,000</b>	<b>18,109,000</b>	<b>18,261,041</b>
<b>Plan Fiduciary Net Position</b>			
Contribution - employer	1,082,000	1,198,000	895,000
Net investment income	1,785,000	1,511,000	1,278,573
Benefit payments	(801,000)	(915,000)	(893,000)
Administrative expense	(12,000)	(38,000)	(6,441)
<b>Net change in plan fiduciary net position</b>	<b>2,054,000</b>	<b>1,756,000</b>	<b>1,274,132</b>
<b>Plan fiduciary net position - beginning</b>	<b>16,922,000</b>	<b>18,976,000</b>	<b>20,732,000</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>18,976,000</b>	<b>20,732,000</b>	<b>22,006,132</b>
<b>Net OPEB Assets - ending (a) - (b)</b>	<b>\$ (1,773,000)</b>	<b>\$ (2,623,000)</b>	<b>\$ (3,745,091)</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	110.31%	114.48%	120.51%
<b>Covered-employee payroll</b>	\$ 26,004,000	\$ 25,858,000	\$ 25,481,000
<b>Net OPEB asset as a percentage of covered-employee payroll</b>	6.82%	10.14%	14.70%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

**Notes to Schedule:**

**Changes in assumptions:** In 2019, mortality improvement scale was updated to Scale MP-2019.

CITY OF MENLO PARK

**SCHEDULE OF OPEB CONTRIBUTIONS  
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<b>2018</b>	<b>2019</b>	<b>2020</b>
Actuarially Determined Contribution	\$ 676,000	\$ 448,000	\$ 435,000
Contribution in Relation to the Actuarially Determined Contributions	(1,198,000)	(895,000)	931,457
Contribution Deficiency (Excess)	<u>\$ (522,000)</u>	<u>\$ (447,000)</u>	<u>\$ 1,366,457</u>
Covered-employee payroll	\$ 25,858,000	\$ 25,481,000	\$ 29,679,632
Contributions as a percentage of covered-employee payroll	2.61%	1.76%	1.47%

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

**Notes to Schedule:**

\*Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2020 were from the June 30, 2017 actuarial valuation.

**Methods and assumptions used to determine contributions:**

Actuarial Cost Method	Entry Age Normal
Amortization Valuation Method/Period	Level percent of payroll
Asset Valuation Method	Investment gains and losses spread over 5-year rolling
Discount Rate	6.75%
Inflation	2.75%
Mortality	CalPERS 1997 to 2015 Experience Study

## **Budgetary Principles**

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

1. City Council identifies the priority projects/programs for the budget at a study session with public input. The City Council annually adopts the budget for the ensuing fiscal year generally prior to July 1.
2. The City Manager is authorized to transfer budgetary amounts within a single fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.
3. Legally adopted budgets and formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, debt service funds, and capital projects funds. Proprietary funds and Agency funds are not budgeted.
4. Budgets for the general, special revenue and capital projects funds are adopted on a basis consistent with GAAP.
5. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2019, based on the calculations by City Management, proceeds of taxes did not exceed the appropriations limit.
6. Budgeted revenue amounts represent the original budget modified by adjustments authorized during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year which were contingent upon new or additional revenue sources and reappropriated amounts for prior year encumbrances. The City Manager must approve adjustments to departmental budgets; however, management may amend the budgeted amounts within departmental expenditure classifications.
7. Appropriations lapse at the end of the fiscal year and then are rebudgeted for the coming year.



### **Budgetary Principles (Continued)**

8. 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 the fund level. Appropriations generally lapse at the end of the fiscal year to the extent they have not been expended or encumbered.

For the fiscal year ending June 30, 2020, the following funds had no adopted annual budgets:

- Public Library Fund
- Literacy Grants Fund
- Bay Area Air Quality Management Fund
- Downtown Public Amenity Fund
- Measure W Fund
- Heritage Tree Fund
- Family Literacy Grant Fund

### **Encumbrances**

Under encumbrance accounting, purchase orders, contracts and other commitments for expenditures are recorded to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of formal budgetary accounting. Since encumbrances do not yet constitute expenditures or liabilities, encumbrances outstanding at year-end are reported as an assignment of fund balances.

### **Expenditures over Appropriations**

The following major funds had expenditures over appropriations for the fiscal year ended June 30, 2020:

- Below Market Rate Housing Fund - \$ 150,029

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# SUPPLEMENTARY INFORMATION

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## NON-MAJOR GOVERNMENTAL FUNDS

The following funds are reported in total on the Governmental Fund Financial Statements under the column Other Governmental Funds.

### SPECIAL REVENUE FUNDS

**Highway Users Tax** - Established to receive and expend the City's allocation of the State Gasoline taxes.

**Federal Revenue Sharing** - Established to account for Federal Revenue Sharing money used to make emergency repair loans to lower income owners of single-family owner-occupied properties.

**Landscape/Tree Assessment** - Established to account for property tax assessments collected under the Landscaping and Lighting Act of 1972 utilized for maintaining of City street trees.

**Sidewalk Assessment** - Established to account for property tax assessments collected under the Landscaping and Lighting Act of 1972 utilized for repair and replacement of hazardous sidewalks and curbs.

**Landfill Post-Closure** - Established to receive and expend increased solid waste surcharges and other revenues to cover the post-closure costs of the Marsh Road landfill at the Bayfront Park.

**County Transportation Tax** - Established to account for the City's portion of the County-wide ½ cent sales tax used for City transportation purposes.

**Public Library** - Established to provide supplementary funds to public libraries and to encourage local jurisdictions to maintain local support for their libraries.

**Literacy Grants** - Established to provide literacy services to adult learners.

**Narcotic Seizure** - Established to account for money seized in arrests for drug law violations used to purchase law enforcement equipment and supplies.

**Downtown Parking Permits** - Established to provide adequate parking within the Central Business District.

**Storm Drainage Fees** - Established to account for storm drainage fees used to mitigate City storm drainage problems either directly or indirectly resulting from the development.

**Solid Waste Service** - Utilized to provide a City-wide garbage pickup service in order to keep health standards high for the single-family residences.

**Bay Area Air Quality Management (AB 434)** - Established to account for City's share of surcharge funds from motor vehicle registration fees to be used for implementing eligible transportation programs.

**Housing Special Revenue Fund** - Accounts for loans transferred to the City when the former Community Development Agency was dissolved. Prior to the Agency's dissolution, the Agency used tax increment revenue restricted for low and moderate income housing to make the loans which were subsequently transferred to the City. This fund's only activity is current revenue and expenditures resulting from loan servicing activities.

**Transportation Fund** - Established to account for funding for infrastructures related to transportation such as streets/bike lanes/sidewalks/storm drains, etc.

**Storm Water Management (NPDES)** - Established to account for the local requirements delineated in the Storm Water Management Plan, funded by a City-wide fee per parcel.

## SPECIAL REVENUE FUNDS (CONTINUED)

**Supplemental Law Enforcement Services** - Established to account for funds received from Supplemental Law Enforcement Services Fund (SLESF) monies under AB3229 used to provide front line law enforcement services.

**Construction Impact Fee** - Established to account for developer fees paid to mitigate pavement damage due to heavy construction activity.

**Bayfront Park Maintenance** - Utilized to account for prior year fees residing in the fund balance that were charged to the public for trash hauled to the City landfill site. The interest earned on these fees are used to maintain the Bedwell Bayfront Park built on the site.

**Recreation In-Lieu** - Established to account for developer fees paid in-lieu of new recreation facilities. The funds are used to improve and expand recreation facilities.

**Sharon Hills Park** - Established to account for a developer payment to be used for maintenance of Sharon Hills Park.

**Vintage Oaks Landscape** - Established to account for a developer payment to be used for maintenance of the perimeter landscaping of the Vintage Oaks subdivision.

**Community Development Block Grant** - Established in 1981 to account for Federal Housing and Community Development Block Grant funds utilized for single family housing rehabilitation and related administration.

**Miscellaneous Trust** - Includes donations given to the City for certain programs within Library, Recreational and Public Safety services and deposits held by the City for environmental impact reports on small individual property developments.

**Shuttle Program** - Established to account for and segregate expenses and grant revenues related to shuttle services.

**Measure M** - Established to account for the City's portion of the annual fee of ten dollars (\$10) on motor vehicles registered in San Mateo County for transportation-related traffic congestion and water pollution mitigation programs. The fund is currently being used to pay for street sweeping services.

**Library System Improvement** - Established to account for the construction or renovation of systemwide library facilities.

**Downtown Public Amenity Fund** - Established to account for public parking in the downtown area.

**HUT Repair and Maintenance Fund** - Established to account for Highway User's Tax Road Maintenance, Section 2032 of the Streets & Highways Code.

**Measure W Fund** - Established to account for transit improvements and relieve traffic congestion.

**Heritage Tree Fund** - Established to account for planting additional trees, preserving existing trees with underlying treatment, and limiting infrastructure conflict (such as site modifications).

**Family Literacy Grant Fund** - Established to account for providing family-oriented literacy services in libraries (one-time only grant).

## **CAPITAL PROJECT FUNDS**

***Library Addition Fund*** - Established to account for proceeds of the 1990 Library Improvements Bond Issue used to construct improvements to the existing Library.

***Measure T Capital Projects Fund*** - Established to account for the proceeds of the 2002 Measure T Recreation Improvements Bond Issue used to construct improvements to the City's parks and recreation.

## **DEBT SERVICE FUNDS**

Debt service funds are established to account for the accumulation and disbursement of monies to comply with the interest and redemption requirements of the Library Bond and the Measure T GO Bond Obligations as well as the retirement of the former Community Development Agency's Series 2006 Refunding bonds.

CITY OF MENLO PARK

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2020

	<b>Special Revenue Funds</b>			
	<b>Highway Users Tax</b>	<b>Federal Revenue Sharing</b>	<b>Landscape/Tree Assessment</b>	<b>Sidewalk Assessment</b>
<b>Assets:</b>				
Pooled cash and investments	\$ 2,560,894	\$ 104,494	\$ 699,894	\$ 44,233
Receivables:				
Accounts	-	1,626	-	-
Notes and loans	-	24,120	-	-
Accrued interest	13,139	561	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,574,033</b>	<b>\$ 130,801</b>	<b>\$ 699,894</b>	<b>\$ 44,233</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 124,539	\$ 810	\$ 311,511	\$ 19,987
Accrued liabilities	2,233	-	11,310	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>126,772</b>	<b>810</b>	<b>322,821</b>	<b>19,987</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	2,447,261	129,991	377,073	24,246
Committed	-	-	-	-
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b>2,447,261</b>	<b>129,991</b>	<b>377,073</b>	<b>24,246</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,574,033</b>	<b>\$ 130,801</b>	<b>\$ 699,894</b>	<b>\$ 44,233</b>

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020

(CONTINUED)

	Special Revenue Funds			
	Landfill Post-Closure	County Transportation Tax	Public Library	Literacy Grants
<b>Assets:</b>				
Pooled cash and investments	\$ 7,426,576	\$ 743,133	\$ 83,414	\$ 53,579
Receivables:				
Accounts	67,127	4,842	-	-
Notes and loans	-	-	-	-
Accrued interest	39,267	4,476	-	-
Prepaid costs	4,263	-	-	-
Due from other governments	-	69,875	-	-
<b>Total Assets</b>	<b>\$ 7,537,233</b>	<b>\$ 822,326</b>	<b>\$ 83,414</b>	<b>\$ 53,579</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 92,453	\$ 447,073	\$ -	\$ -
Accrued liabilities	3,851	12,267	-	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>96,304</b>	<b>459,340</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	4,263	-	-	-
Restricted	7,436,666	362,986	-	-
Committed	-	-	83,414	53,579
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b>7,440,929</b>	<b>362,986</b>	<b>83,414</b>	<b>53,579</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 7,537,233</b>	<b>\$ 822,326</b>	<b>\$ 83,414</b>	<b>\$ 53,579</b>



CITY OF MENLO PARK

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2020

	<u>Special Revenue Funds</u>			
	<u>Narcotic Seizure</u>	<u>Downtown Parking Permits</u>	<u>Storm Drainage Fees</u>	<u>Solid Waste Service</u>
<b>Assets:</b>				
Pooled cash and investments	\$ 42,500	\$ 5,193,096	\$ 161,688	\$ 2,625,270
Receivables:				
Accounts	-	-	-	34,583
Notes and loans	-	-	-	-
Accrued interest	-	27,475	855	10,433
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 42,500</u></b>	<b><u>\$ 5,220,571</u></b>	<b><u>\$ 162,543</u></b>	<b><u>\$ 2,670,286</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 18,604	\$ -	\$ 32,140
Accrued liabilities	-	-	-	5,388
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>18,604</u></b>	<b><u>-</u></b>	<b><u>37,528</u></b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	42,500	-	162,543	-
Committed	-	5,201,967	-	2,632,758
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b><u>42,500</u></b>	<b><u>5,201,967</u></b>	<b><u>162,543</u></b>	<b><u>2,632,758</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 42,500</u></b>	<b><u>\$ 5,220,571</u></b>	<b><u>\$ 162,543</u></b>	<b><u>\$ 2,670,286</u></b>

CITY OF MENLO PARK

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2020

(CONTINUED)

	<b>Special Revenue Funds</b>			
	<b>Bay Area Air Quality Management</b>	<b>Housing Special Revenue Fund</b>	<b>Transportation Fund</b>	<b>Storm Water Management (NPDES)</b>
<b>Assets:</b>				
Pooled cash and investments	\$ 2,608	\$ 1,095,991	\$ 1,035,426	\$ 456,060
Receivables:				
Accounts	-	2,654	-	11,875
Notes and loans	-	5,620,848	-	-
Accrued interest	-	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	-	-	-	-
<b>Total Assets</b>	<b>\$ 2,608</b>	<b>\$ 6,719,493</b>	<b>\$ 1,035,426</b>	<b>\$ 467,935</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ 598	\$ -	\$ 10,476
Accrued liabilities	-	-	24,350	9,465
Deposits payable	-	-	38,404	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>598</b>	<b>62,754</b>	<b>19,941</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	294,866	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>294,866</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	2,608	6,424,029	972,672	447,994
Committed	-	-	-	-
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b>2,608</b>	<b>6,424,029</b>	<b>972,672</b>	<b>447,994</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 2,608</b>	<b>\$ 6,719,493</b>	<b>\$ 1,035,426</b>	<b>\$ 467,935</b>

CITY OF MENLO PARK

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020

	<b>Special Revenue Funds</b>			
	<b>Supplemental Law Enforcement Services</b>	<b>Construction Impact Fee</b>	<b>Bayfront Park Maintenance</b>	<b>Recreation In- Lieu</b>
<b>Assets:</b>				
Pooled cash and investments	\$ 180,510	\$ 9,628,168	\$ 1,146,529	\$ 3,038,128
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	867	48,360	6,133	21,354
Prepaid costs	-	-	-	-
Due from other governments	-	191,720	-	-
<b>Total Assets</b>	<b>\$ 181,377</b>	<b>\$ 9,868,248</b>	<b>\$ 1,152,662</b>	<b>\$ 3,059,482</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 40,947	\$ 229,471	\$ 75,755	\$ -
Accrued liabilities	-	8,364	96	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>40,947</b>	<b>237,835</b>	<b>75,851</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	140,430	9,630,413	-	3,059,482
Committed	-	-	1,076,811	-
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b>140,430</b>	<b>9,630,413</b>	<b>1,076,811</b>	<b>3,059,482</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 181,377</b>	<b>\$ 9,868,248</b>	<b>\$ 1,152,662</b>	<b>\$ 3,059,482</b>

CITY OF MENLO PARK

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020

(CONTINUED)

	<b>Special Revenue Funds</b>			
	<b>Sharon Hills Park</b>	<b>Vintage Oaks Landscape</b>	<b>Community Development Block Grant</b>	<b>Miscellaneous Trust</b>
<b>Assets:</b>				
Pooled cash and investments	\$ 6,162	\$ 10,364	\$ 1,082,380	\$ 1,785,933
Receivables:				
Accounts	-	-	8,710	200
Notes and loans	-	-	290,988	-
Accrued interest	33	64	-	782
Prepaid costs	-	-	-	2,260
Due from other governments	-	-	-	-
<b>Total Assets</b>	<b>\$ 6,195</b>	<b>\$ 10,428</b>	<b>\$ 1,382,078</b>	<b>\$ 1,789,175</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 6,000	\$ 2,642	-	\$ 339,367
Accrued liabilities	-	-	-	-
Deposits payable	-	-	1,148	-
Due to other funds	-	-	-	-
<b>Total Liabilities</b>	<b>6,000</b>	<b>2,642</b>	<b>1,148</b>	<b>339,367</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	2,260
Restricted	-	-	1,380,930	-
Committed	195	7,786	-	1,447,548
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b>195</b>	<b>7,786</b>	<b>1,380,930</b>	<b>1,449,808</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 6,195</b>	<b>\$ 10,428</b>	<b>\$ 1,382,078</b>	<b>\$ 1,789,175</b>

CITY OF MENLO PARK

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2020

	Special Revenue Funds			
	Shuttle Program	Measure M	Library System Improvement Fund	Downtown Public Amenity Fund
<b>Assets:</b>				
Pooled cash and investments	\$ -	\$ -	\$ 1,621,634	\$ 1,126,057
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	-	-	-	5,955
Prepaid costs	-	-	-	-
Due from other governments	267,443	77,705	-	-
<b>Total Assets</b>	<b>\$ 267,443</b>	<b>\$ 77,705</b>	<b>\$ 1,621,634</b>	<b>\$ 1,132,012</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ 113,966	\$ -	\$ 18,878	\$ -
Accrued liabilities	1,921	-	-	-
Deposits payable	-	-	-	-
Due to other funds	151,556	35,614	-	-
<b>Total Liabilities</b>	<b>267,443</b>	<b>35,614</b>	<b>18,878</b>	<b>-</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	-	-	-	1,132,012
Committed	-	-	-	-
Assigned	-	42,091	1,602,756	-
<b>Total Fund Balances</b>	<b>-</b>	<b>42,091</b>	<b>1,602,756</b>	<b>1,132,012</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 267,443</b>	<b>\$ 77,705</b>	<b>\$ 1,621,634</b>	<b>\$ 1,132,012</b>

CITY OF MENLO PARK

COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 JUNE 30, 2020

	<u>Special Revenue Funds</u>			
	<u>HUT Repair &amp; Mainenance Fund</u>	<u>Measure W</u>	<u>Heritage Tree</u>	<u>Family Literacy Grant Fund</u>
<b>Assets:</b>				
Pooled cash and investments	\$ 9,066	\$ 353,124	\$ 10,000	\$ 49,801
Receivables:				
Accounts	-	-	-	-
Notes and loans	-	-	-	-
Accrued interest	2,644	-	-	-
Prepaid costs	-	-	-	-
Due from other governments	94,659	63,663	-	42,750
<b>Total Assets</b>	<b><u>\$ 106,369</u></b>	<b><u>\$ 416,787</u></b>	<b><u>\$ 10,000</u></b>	<b><u>\$ 92,551</u></b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Deposits payable	-	-	-	-
Due to other funds	87,549	-	-	-
<b>Total Liabilities</b>	<b><u>87,549</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	-
Restricted	18,820	416,787	-	92,551
Committed	-	-	10,000	-
Assigned	-	-	-	-
<b>Total Fund Balances</b>	<b><u>18,820</u></b>	<b><u>416,787</u></b>	<b><u>10,000</u></b>	<b><u>92,551</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 106,369</u></b>	<b><u>\$ 416,787</u></b>	<b><u>\$ 10,000</u></b>	<b><u>\$ 92,551</u></b>

CITY OF MENLO PARK

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2020

(CONTINUED)

	Capital Projects Funds		Debt Service Funds	Total Other Governmental Funds
	Library Addition	Measure T Capital Projects	Library GO Bond 1990	
<b>Assets:</b>				
Pooled cash and investments	\$ 120,659	\$ 322,541	\$ 357,015	\$ 43,176,927
Receivables:				
Accounts	-	-	-	131,617
Notes and loans	-	-	-	5,935,956
Accrued interest	638	1,706	1,888	186,630
Prepaid costs	-	-	-	6,523
Due from other governments	-	-	158	807,973
<b>Total Assets</b>	<b>\$ 121,297</b>	<b>\$ 324,247</b>	<b>\$ 359,061</b>	<b>\$ 50,245,626</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 1,885,217
Accrued liabilities	-	-	-	79,245
Deposits payable	-	-	-	39,552
Due to other funds	-	-	-	274,719
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,278,733</b>
<b>Deferred Inflows of Resources:</b>				
Unavailable revenues	-	-	-	294,866
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>294,866</b>
<b>Fund Balances:</b>				
Nonspendable	-	-	-	6,523
Restricted	-	-	359,061	35,061,055
Committed	-	-	-	10,514,058
Assigned	121,297	324,247	-	2,090,391
<b>Total Fund Balances</b>	<b>121,297</b>	<b>324,247</b>	<b>359,061</b>	<b>47,672,027</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 121,297</b>	<b>\$ 324,247</b>	<b>\$ 359,061</b>	<b>\$ 50,245,626</b>

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CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	Highway Users Tax	Federal Revenue Sharing	Landscape/Tree Assessment	Sidewalk Assessment
<b>Revenues:</b>				
Taxes	\$ 835,628	\$ -	\$ 730,175	\$ 296,691
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Use of money and property	92,061	4,803	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>927,689</b>	<b>4,803</b>	<b>730,175</b>	<b>296,691</b>
<b>Expenditures:</b>				
Current:				
General government	2,556	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	84,785	-	842,003	984
Urban development and housing	-	3,328	-	-
Capital outlay	2,000,000	-	-	249,424
<b>Total Expenditures</b>	<b>2,087,341</b>	<b>3,328</b>	<b>842,003</b>	<b>250,408</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,159,652)	1,475	(111,828)	46,283
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	265,000	-
Transfers out	-	-	(78,000)	(24,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>187,000</b>	<b>(24,000)</b>
Net Change in Fund Balances	(1,159,652)	1,475	75,172	22,283
Fund Balances, Beginning of Year	3,606,913	128,516	301,901	1,963
<b>Fund Balances, End of Year</b>	<b>\$ 2,447,261</b>	<b>\$ 129,991</b>	<b>\$ 377,073</b>	<b>\$ 24,246</b>

## CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

(CONTINUED)

	Special Revenue Funds			
	Landfill Post- Closure	County Transportation Tax	Public Library	Literacy Grants
<b>Revenues:</b>				
Taxes	\$ -	\$ 914,964	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	87,026	-	-
Charges for services	904,281	-	-	-
Use of money and property	291,991	31,774	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>1,196,272</b>	<b>1,033,764</b>	<b>-</b>	<b>-</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	13,063
Public works	513,568	1,125,608	-	-
Urban development and housing	-	-	-	-
Capital outlay	-	614,666	-	-
<b>Total Expenditures</b>	<b>513,568</b>	<b>1,740,274</b>	<b>-</b>	<b>13,063</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	682,704	(706,510)	-	(13,063)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	3,468
Transfers out	(10,000)	(43,690)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(10,000)</b>	<b>(43,690)</b>	<b>-</b>	<b>3,468</b>
Net Change in Fund Balances	672,704	(750,200)	-	(9,595)
Fund Balances, Beginning of Year	6,768,225	1,113,186	83,414	63,174
<b>Fund Balances, End of Year</b>	<b>\$ 7,440,929</b>	<b>\$ 362,986</b>	<b>\$ 83,414</b>	<b>\$ 53,579</b>

CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	Narcotic Seizure	Downtown Parking Permits	Storm Drainage Fees	Solid Waste Service
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	386,511	-	-
Intergovernmental	-	-	-	-
Charges for services	3,794	-	6,150	488,922
Use of money and property	-	203,599	6,473	79,854
Miscellaneous	-	-	-	602,696
<b>Total Revenues</b>	<b>3,794</b>	<b>590,110</b>	<b>12,623</b>	<b>1,171,472</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	371,204
Public safety	3,365	10,167	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	142,461	24,978	21,943
Urban development and housing	-	-	-	-
Capital outlay	-	38,308	-	-
<b>Total Expenditures</b>	<b>3,365</b>	<b>190,936</b>	<b>24,978</b>	<b>393,147</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	429	399,174	(12,355)	778,325
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	(32,000)	-	(119,200)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>(32,000)</b>	<b>-</b>	<b>(119,200)</b>
Net Change in Fund Balances	429	367,174	(12,355)	659,125
Fund Balances, Beginning of Year	42,071	4,834,793	174,898	1,973,633
<b>Fund Balances, End of Year</b>	<b>\$ 42,500</b>	<b>\$ 5,201,967</b>	<b>\$ 162,543</b>	<b>\$ 2,632,758</b>

## CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

(CONTINUED)

	Special Revenue Funds			
	Bay Area Air Quality Management	Housing Special Revenue Fund	Transportation Fund	Storm Water Management (NPDES)
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	337,985
Licenses and permits	-	-	-	-
Intergovernmental	-	-	644,276	-
Charges for services	-	24,189	-	41,759
Use of money and property	-	161,139	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>-</b>	<b>185,328</b>	<b>644,276</b>	<b>379,744</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	53
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	-	-	409,968
Urban development and housing	-	2,160	-	-
Capital outlay	-	-	70,900	51,499
<b>Total Expenditures</b>	<b>-</b>	<b>2,160</b>	<b>70,900</b>	<b>461,520</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	183,168	573,376	(81,776)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	(45,000)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(45,000)</b>
Net Change in Fund Balances	-	183,168	573,376	(126,776)
Fund Balances, Beginning of Year	2,608	6,240,861	399,296	574,770
<b>Fund Balances, End of Year</b>	<b>\$ 2,608</b>	<b>\$ 6,424,029</b>	<b>\$ 972,672</b>	<b>\$ 447,994</b>

CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	Supplemental Law Enforcement Services	Construction Impact Fee	Bayfront Park Maintenance	Recreation In- Lieu
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	155,948	-	-	-
Charges for services	-	2,809,763	-	313,600
Use of money and property	6,961	372,498	45,786	156,964
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>162,909</b>	<b>3,182,261</b>	<b>45,786</b>	<b>470,564</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	64,037	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	1,128,716	138,219	1,180
Urban development and housing	-	-	-	-
Capital outlay	-	247,896	-	999,247
<b>Total Expenditures</b>	<b>64,037</b>	<b>1,376,612</b>	<b>138,219</b>	<b>1,000,427</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	98,872	1,805,649	(92,433)	(529,863)
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	(240,000)	-	(16,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(240,000)</b>	<b>-</b>	<b>(16,000)</b>	<b>-</b>
Net Change in Fund Balances	(141,128)	1,805,649	(108,433)	(529,863)
Fund Balances, Beginning of Year	281,558	7,824,764	1,185,244	3,589,345
<b>Fund Balances, End of Year</b>	<b>\$ 140,430</b>	<b>\$ 9,630,413</b>	<b>\$ 1,076,811</b>	<b>\$ 3,059,482</b>

## CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

(CONTINUED)

	Special Revenue Funds			
	Sharon Hills Park	Vintage Oaks Landscape	Community Development Block Grant	Miscellaneous Trust
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges for services	-	-	-	922,413
Use of money and property	119	443	4,950	5,842
Miscellaneous	-	-	-	28,957
<b>Total Revenues</b>	<b>119</b>	<b>443</b>	<b>4,950</b>	<b>957,212</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	764,874
Culture and recreation	-	-	-	73,943
Public works	6,000	19,246	-	-
Urban development and housing	-	-	6,099	-
Capital outlay	-	-	-	-
<b>Total Expenditures</b>	<b>6,000</b>	<b>19,246</b>	<b>6,099</b>	<b>838,817</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,881)	(18,803)	(1,149)	118,395
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	(5,881)	(18,803)	(1,149)	118,395
Fund Balances, Beginning of Year	6,076	26,589	1,382,079	1,331,413
<b>Fund Balances, End of Year</b>	<b>\$ 195</b>	<b>\$ 7,786</b>	<b>\$ 1,380,930</b>	<b>\$ 1,449,808</b>

CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	Shuttle Program	Measure M	Library System Improvement Fund	Downtown Public Amenity Fund
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	452,012	252,558	-	-
Charges for services	120,533	-	-	-
Use of money and property	-	-	-	44,441
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>572,545</b>	<b>252,558</b>	<b>-</b>	<b>44,441</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	582,329	133,000	87,832	-
Urban development and housing	-	-	-	-
Capital outlay	-	-	2,316	-
<b>Total Expenditures</b>	<b>582,329</b>	<b>133,000</b>	<b>90,148</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,784)	119,558	(90,148)	44,441
<b>Other Financing Sources (Uses):</b>				
Transfers in	43,690	-	-	-
Transfers out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>43,690</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balances	33,906	119,558	(90,148)	44,441
Fund Balances, Beginning of Year	(33,906)	(77,467)	1,692,904	1,087,571
<b>Fund Balances, End of Year</b>	<b>\$ -</b>	<b>\$ 42,091</b>	<b>\$ 1,602,756</b>	<b>\$ 1,132,012</b>

CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	HUT Repair & Maintenance Fund	Measure W	Heritage Tree	Family Literacy Grant Fund
<b>Revenues:</b>				
Taxes	\$ 619,878	\$ -	\$ -	\$ -
Special assessments	-	-	-	-
Licenses and permits	-	-	-	-
Intergovernmental	-	416,787	-	114,750
Charges for services	-	-	10,000	-
Use of money and property	14,398	-	-	-
Miscellaneous	-	-	-	-
<b>Total Revenues</b>	<b>634,276</b>	<b>416,787</b>	<b>10,000</b>	<b>114,750</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	18,731
Public works	-	-	-	-
Urban development and housing	-	-	-	-
Capital outlay	627,090	-	-	-
<b>Total Expenditures</b>	<b>627,090</b>	<b>-</b>	<b>-</b>	<b>18,731</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,186	416,787	10,000	96,019
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	-
Transfers out	-	-	-	(3,468)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,468)</b>
Net Change in Fund Balances	7,186	416,787	10,000	92,551
Fund Balances, Beginning of Year	11,634	-	-	-
<b>Fund Balances, End of Year</b>	<b>\$ 18,820</b>	<b>\$ 416,787</b>	<b>\$ 10,000</b>	<b>\$ 92,551</b>



CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED JUNE 30, 2020

(CONTINUED)

	Capital Project Funds		Debt Service Funds	Total Other Governmental Funds
	Library Addition	Measure T Capital Projects	Library GO Bond 1990	
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ -	\$ 3,397,336
Special assessments	-	-	198	338,183
Licenses and permits	-	-	-	386,511
Intergovernmental	-	-	-	2,123,357
Charges for services	-	-	-	5,645,404
Use of money and property	4,750	12,730	14,089	1,555,665
Miscellaneous	-	-	-	631,653
<b>Total Revenues</b>	<b>4,750</b>	<b>12,730</b>	<b>14,287</b>	<b>14,078,109</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	-	373,813
Public safety	-	-	-	77,569
Community development	-	-	-	764,874
Culture and recreation	4,692	-	-	110,429
Public works	-	-	-	5,262,820
Urban development and housing	-	-	-	11,587
Capital outlay	-	-	-	4,901,346
<b>Total Expenditures</b>	<b>4,692</b>	<b>-</b>	<b>-</b>	<b>11,502,438</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	58	12,730	14,287	2,575,671
<b>Other Financing Sources (Uses):</b>				
Transfers in	-	-	-	312,158
Transfers out	-	-	-	(611,358)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(299,200)</b>
Net Change in Fund Balances	58	12,730	14,287	2,276,471
Fund Balances, Beginning of Year	121,239	311,517	344,774	45,395,556
<b>Fund Balances, End of Year</b>	<b>\$ 121,297</b>	<b>\$ 324,247</b>	<b>\$ 359,061</b>	<b>\$ 47,672,027</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 HIGHWAY USERS TAX  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 904,000	\$ 904,000	\$ 835,628	\$ (68,372)
Use of money and property	15,900	15,900	92,061	76,161
<b>Total Revenues</b>	<b>919,900</b>	<b>919,900</b>	<b>927,689</b>	<b>7,789</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	2,556	(2,556)
Public works	74,357	274,357	84,785	189,572
Capital outlay	500,000	500,000	2,000,000	(1,500,000)
<b>Total Expenditures</b>	<b>574,357</b>	<b>774,357</b>	<b>2,087,341</b>	<b>(1,312,984)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	345,543	145,543	(1,159,652)	(1,305,195)
Net Change in Fund Balances	345,543	145,543	(1,159,652)	(1,305,195)
Fund Balances, Beginning of Year	3,606,913	3,606,913	3,606,913	-
<b>Fund Balances, End of Year</b>	<b>\$ 3,952,456</b>	<b>\$ 3,752,456</b>	<b>\$ 2,447,261</b>	<b>\$ (1,305,195)</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FEDERAL REVENUE SHARING  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 580	\$ 580	\$ -	\$ (580)
Use of money and property	2,400	2,400	4,803	2,403
<b>Total Revenues</b>	<b>2,980</b>	<b>2,980</b>	<b>4,803</b>	<b>1,823</b>
<b>Expenditures:</b>				
Current:				
Urban development and housing	10,500	10,500	3,328	7,172
<b>Total Expenditures</b>	<b>10,500</b>	<b>10,500</b>	<b>3,328</b>	<b>7,172</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,520)	(7,520)	1,475	8,995
Net Change in Fund Balances	(7,520)	(7,520)	1,475	8,995
Fund Balances, Beginning of Year	128,516	128,516	128,516	-
<b>Fund Balances, End of Year</b>	<b>\$ 120,996</b>	<b>\$ 120,996</b>	<b>\$ 129,991</b>	<b>\$ 8,995</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 LANDSCAPE/TREE ASSESSMENT  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 730,220	\$ 730,220	\$ 730,175	\$ (45)
Charges for services	1,000	1,000	-	(1,000)
<b>Total Revenues</b>	<b>731,220</b>	<b>731,220</b>	<b>730,175</b>	<b>(1,045)</b>
<b>Expenditures:</b>				
Current:				
Public works	980,983	987,917	842,003	145,914
<b>Total Expenditures</b>	<b>980,983</b>	<b>987,917</b>	<b>842,003</b>	<b>145,914</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(249,763)	(256,697)	(111,828)	144,869
<b>Other Financing Sources (Uses):</b>				
Transfers in	265,000	265,000	265,000	-
Transfers out	(78,000)	(78,000)	(78,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>187,000</b>	<b>187,000</b>	<b>187,000</b>	<b>-</b>
Net Change in Fund Balances	(62,763)	(69,697)	75,172	144,869
Fund Balances, Beginning of Year	301,901	301,901	301,901	-
<b>Fund Balances, End of Year</b>	<b>\$ 239,138</b>	<b>\$ 232,204</b>	<b>\$ 377,073</b>	<b>\$ 144,869</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 SIDEWALK ASSESSMENT  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 296,857	\$ 296,857	\$ 296,691	\$ (166)
<b>Total Revenues</b>	<b>296,857</b>	<b>296,857</b>	<b>296,691</b>	<b>(166)</b>
<b>Expenditures:</b>				
Current:				
Public works	11,090	13,714	984	12,730
Capital outlay	250,000	250,000	249,424	576
<b>Total Expenditures</b>	<b>261,090</b>	<b>263,714</b>	<b>250,408</b>	<b>13,306</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,767	33,143	46,283	13,140
<b>Other Financing Sources (Uses):</b>				
Transfers out	(24,000)	(24,000)	(24,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(24,000)</b>	<b>(24,000)</b>	<b>(24,000)</b>	<b>-</b>
Net Change in Fund Balances	11,767	9,143	22,283	13,140
Fund Balances, Beginning of Year	1,963	1,963	1,963	-
<b>Fund Balances, End of Year</b>	<b>\$ 13,730</b>	<b>\$ 11,106</b>	<b>\$ 24,246</b>	<b>\$ 13,140</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 LANDFILL POST-CLOSURE  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 912,000	\$ 912,000	\$ 904,281	\$ (7,719)
Use of money and property	24,000	24,000	291,991	267,991
<b>Total Revenues</b>	<b>936,000</b>	<b>936,000</b>	<b>1,196,272</b>	<b>260,272</b>
<b>Expenditures:</b>				
Current:				
Public works	544,326	527,824	513,568	14,256
<b>Total Expenditures</b>	<b>544,326</b>	<b>527,824</b>	<b>513,568</b>	<b>14,256</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	391,674	408,176	682,704	274,528
<b>Other Financing Sources (Uses):</b>				
Transfers out	(10,000)	(10,000)	(10,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>-</b>
Net Change in Fund Balances	381,674	398,176	672,704	274,528
Fund Balances, Beginning of Year	6,768,225	6,768,225	6,768,225	-
<b>Fund Balances, End of Year</b>	<b>\$ 7,149,899</b>	<b>\$ 7,166,401</b>	<b>\$ 7,440,929</b>	<b>\$ 274,528</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 COUNTY TRANSPORTATION TAX  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 996,420	\$ 996,420	\$ 914,964	\$ (81,456)
Intergovernmental	-	-	87,026	87,026
Use of money and property	-	-	31,774	31,774
<b>Total Revenues</b>	<b>996,420</b>	<b>996,420</b>	<b>1,033,764</b>	<b>37,344</b>
<b>Expenditures:</b>				
Current:				
Public works	316,828	155,351	1,125,608	(970,257)
Capital outlay	965,000	1,275,000	614,666	660,334
<b>Total Expenditures</b>	<b>1,281,828</b>	<b>1,430,351</b>	<b>1,740,274</b>	<b>(309,923)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(285,408)	(433,931)	(706,510)	(272,579)
<b>Other Financing Sources (Uses):</b>				
Transfers out	-	-	(43,690)	43,690
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>(43,690)</b>	<b>43,690</b>
Net Change in Fund Balances	(285,408)	(433,931)	(750,200)	(228,889)
Fund Balances, Beginning of Year	1,113,186	1,113,186	1,113,186	-
<b>Fund Balances, End of Year</b>	<b>\$ 827,778</b>	<b>\$ 679,255</b>	<b>\$ 362,986</b>	<b>\$ (228,889)</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 NARCOTIC SEIZURE  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ -	\$ -	\$ 3,794	\$ 3,794
<b>Total Revenues</b>	<b>-</b>	<b>-</b>	<b>3,794</b>	<b>3,794</b>
<b>Expenditures:</b>				
Current:				
Public safety	2,000	2,000	3,365	(1,365)
<b>Total Expenditures</b>	<b>2,000</b>	<b>2,000</b>	<b>3,365</b>	<b>(1,365)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,000)	(2,000)	429	2,429
Net Change in Fund Balances	(2,000)	(2,000)	429	2,429
Fund Balances, Beginning of Year	42,071	42,071	42,071	-
<b>Fund Balances, End of Year</b>	<b>\$ 40,071</b>	<b>\$ 40,071</b>	<b>\$ 42,500</b>	<b>\$ 2,429</b>



CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 DOWNTOWN PARKING PERMITS  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Licenses and permits	\$ 365,000	\$ 365,000	\$ 386,511	\$ 21,511
Use of money and property	20,400	20,400	203,599	183,199
<b>Total Revenues</b>	<b>385,400</b>	<b>385,400</b>	<b>590,110</b>	<b>204,710</b>
<b>Expenditures:</b>				
Current:				
Public safety	18,000	18,000	10,167	7,833
Public works	153,036	153,036	142,461	10,575
Capital outlay	600,000	570,000	38,308	531,692
<b>Total Expenditures</b>	<b>571,036</b>	<b>541,036</b>	<b>190,936</b>	<b>350,100</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(185,636)	(155,636)	399,174	554,810
<b>Other Financing Sources (Uses):</b>				
Transfers out	(32,000)	(32,000)	(32,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(32,000)</b>	<b>(32,000)</b>	<b>(32,000)</b>	<b>-</b>
Net Change in Fund Balances	(217,636)	(187,636)	367,174	554,810
Fund Balances, Beginning of Year	4,834,793	4,834,793	4,834,793	-
<b>Fund Balances, End of Year</b>	<b>\$ 4,617,157</b>	<b>\$ 4,647,157</b>	<b>\$ 5,201,967</b>	<b>\$ 554,810</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 STORM DRAINAGE FEES  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 1,800	\$ 1,800	\$ 6,150	\$ 4,350
Use of money and property	960	960	6,473	5,513
<b>Total Revenues</b>	<b>2,760</b>	<b>2,760</b>	<b>12,623</b>	<b>9,863</b>
<b>Expenditures:</b>				
Current:				
Public works	-	40,000	24,978	15,022
<b>Total Expenditures</b>	<b>-</b>	<b>40,000</b>	<b>24,978</b>	<b>15,022</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,760	(37,240)	(12,355)	24,885
Net Change in Fund Balances	2,760	(37,240)	(12,355)	24,885
Fund Balances, Beginning of Year	174,898	174,898	174,898	-
<b>Fund Balances, End of Year</b>	<b>\$ 177,658</b>	<b>\$ 137,658</b>	<b>\$ 162,543</b>	<b>\$ 24,885</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 SOLID WASTE SERVICE  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 9,000	\$ 9,000	\$ -	\$ (9,000)
Charges for services	455,000	455,000	488,922	33,922
Use of money and property	4,500	4,500	79,854	75,354
Miscellaneous	-	-	602,696	602,696
<b>Total Revenues</b>	<b>468,500</b>	<b>468,500</b>	<b>1,171,472</b>	<b>702,972</b>
<b>Expenditures:</b>				
Current:				
General government	572,367	572,367	371,204	201,163
Public works	9,157	68,921	21,943	46,978
Capital outlay	350,000	350,000	-	350,000
<b>Total Expenditures</b>	<b>931,524</b>	<b>991,288</b>	<b>393,147</b>	<b>598,141</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(463,024)	(522,788)	778,325	1,301,113
<b>Other Financing Uses:</b>				
Transfers out	(119,200)	(119,200)	(119,200)	-
<b>Total Other Financing Uses</b>	<b>(119,200)</b>	<b>(119,200)</b>	<b>(119,200)</b>	<b>-</b>
Net Change in Fund Balances	(582,224)	(641,988)	659,125	1,301,113
Fund Balances, Beginning of Year	1,973,633	1,973,633	1,973,633	-
<b>Fund Balances, End of Year</b>	<b>\$ 1,391,409</b>	<b>\$ 1,331,645</b>	<b>\$ 2,632,758</b>	<b>\$ 1,301,113</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 HOUSING SPECIAL REVENUE FUND  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 70,000	\$ 70,000	\$ 24,189	\$ (45,811)
Use of money and property	106,000	106,000	161,139	55,139
<b>Total Revenues</b>	<b>176,000</b>	<b>176,000</b>	<b>185,328</b>	<b>9,328</b>
<b>Expenditures:</b>				
Current:				
Urban development and housing	10,000	10,000	2,160	7,840
<b>Total Expenditures</b>	<b>10,000</b>	<b>10,000</b>	<b>2,160</b>	<b>7,840</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	166,000	166,000	183,168	17,168
Net Change in Fund Balances	166,000	166,000	183,168	17,168
Fund Balances, Beginning of Year	6,240,861	6,240,861	6,240,861	-
<b>Fund Balances, End of Year</b>	<b>\$ 6,406,861</b>	<b>\$ 6,406,861</b>	<b>\$ 6,424,029</b>	<b>\$ 17,168</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 TRANSPORTATION FUND  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ -	\$ -	\$ 644,276	\$ 644,276
Charges for services	1,200	1,200	-	(1,200)
<b>Total Revenues</b>	<b>1,200</b>	<b>1,200</b>	<b>644,276</b>	<b>643,076</b>
<b>Expenditures:</b>				
Capital outlay	-	69,645	70,900	(1,255)
<b>Total Expenditures</b>	<b>-</b>	<b>69,645</b>	<b>70,900</b>	<b>(1,255)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,200	(68,445)	573,376	641,821
Net Change in Fund Balances	1,200	(68,445)	573,376	641,821
Fund Balances, Beginning of Year	399,296	399,296	399,296	-
<b>Fund Balances, End of Year</b>	<b>\$ 400,496</b>	<b>\$ 330,851</b>	<b>\$ 972,672</b>	<b>\$ 641,821</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 STORM WATER MANAGEMENT (NPDES)  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Special assessments	\$ 354,000	\$ 354,000	\$ 337,985	\$ (16,015)
Charges for services	103,000	103,000	41,759	(61,241)
<b>Total Revenues</b>	<b>457,000</b>	<b>457,000</b>	<b>379,744</b>	<b>(77,256)</b>
<b>Expenditures:</b>				
Current:				
General government	-	-	53	(53)
Public works	399,233	399,233	409,968	(10,735)
Capital outlay	100,000	103,650	51,499	52,151
<b>Total Expenditures</b>	<b>499,233</b>	<b>502,883</b>	<b>461,520</b>	<b>41,363</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,233)	(45,883)	(81,776)	(35,893)
<b>Other Financing Uses:</b>				
Transfers out	(45,000)	(45,000)	(45,000)	-
<b>Total Other Financing Uses</b>	<b>(45,000)</b>	<b>(45,000)</b>	<b>(45,000)</b>	<b>-</b>
Net Change in Fund Balances	(87,233)	(90,883)	(126,776)	(35,893)
Fund Balances, Beginning of Year	574,770	574,770	574,770	-
<b>Fund Balances, End of Year</b>	<b>\$ 487,537</b>	<b>\$ 483,887</b>	<b>\$ 447,994</b>	<b>\$ (35,893)</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 SUPPLEMENTAL LAW ENFORCEMENT SERVICES  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 155,948	\$ 55,948
Use of money and property	600	600	6,961	6,361
<b>Total Revenues</b>	<b>100,600</b>	<b>100,600</b>	<b>162,909</b>	<b>62,309</b>
<b>Expenditures:</b>				
Current:				
Public safety	104,300	104,300	64,037	40,263
<b>Total Expenditures</b>	<b>104,300</b>	<b>104,300</b>	<b>64,037</b>	<b>40,263</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,700)	(3,700)	98,872	102,572
<b>Other Financing Sources (Uses):</b>				
Transfers out	(240,000)	(240,000)	(240,000)	-
<b>Total Other Financing Sources (Uses)</b>	<b>(240,000)</b>	<b>(240,000)</b>	<b>(240,000)</b>	<b>-</b>
Net Change in Fund Balances	(243,700)	(243,700)	(141,128)	102,572
Fund Balances, Beginning of Year	281,558	281,558	281,558	-
<b>Fund Balances, End of Year</b>	<b>\$ 37,858</b>	<b>\$ 37,858</b>	<b>\$ 140,430</b>	<b>\$ 102,572</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 CONSTRUCTION IMPACT FEE  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 619,000	\$ 619,000	\$ -	\$ (619,000)
Charges for services	2,500,000	2,500,000	2,809,763	309,763
Use of money and property	30,000	30,000	372,498	342,498
<b>Total Revenues</b>	<b>3,149,000</b>	<b>3,149,000</b>	<b>3,182,261</b>	<b>33,261</b>
<b>Expenditures:</b>				
Current:				
Public works	803,022	384,953	1,128,716	(743,763)
Capital outlay	2,450,000	2,860,000	247,896	2,612,104
<b>Total Expenditures</b>	<b>3,253,022</b>	<b>3,244,953</b>	<b>1,376,612</b>	<b>1,868,341</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(104,022)	(95,953)	1,805,649	1,901,602
Net Change in Fund Balances	(104,022)	(95,953)	1,805,649	1,901,602
Fund Balances, Beginning of Year	7,824,764	7,824,764	7,824,764	-
<b>Fund Balances, End of Year</b>	<b>\$ 7,720,742</b>	<b>\$ 7,728,811</b>	<b>\$ 9,630,413</b>	<b>\$ 1,901,602</b>



CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 BAYFRONT PARK MAINTENANCE  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 1,800	\$ 1,800	\$ 45,786	\$ 43,986
<b>Total Revenues</b>	<b>1,800</b>	<b>1,800</b>	<b>45,786</b>	<b>43,986</b>
<b>Expenditures:</b>				
Current:				
Public works	268,366	268,366	138,219	130,147
<b>Total Expenditures</b>	<b>268,366</b>	<b>268,366</b>	<b>138,219</b>	<b>130,147</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(266,566)	(266,566)	(92,433)	174,133
<b>Other Financing Uses:</b>				
Transfers out	(16,000)	(16,000)	(16,000)	-
<b>Total Other Financing Uses</b>	<b>(16,000)</b>	<b>(16,000)</b>	<b>(16,000)</b>	<b>-</b>
Net Change in Fund Balances	(282,566)	(282,566)	(108,433)	174,133
Fund Balances, Beginning of Year	1,185,244	1,185,244	1,185,244	-
<b>Fund Balances, End of Year</b>	<b>\$ 902,678</b>	<b>\$ 902,678</b>	<b>\$ 1,076,811</b>	<b>\$ 174,133</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 RECREATION IN-LIEU  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 100,000	\$ 100,000	\$ 313,600	\$ 213,600
Use of money and property	6,300	6,300	156,964	150,664
<b>Total Revenues</b>	<b>106,300</b>	<b>106,300</b>	<b>470,564</b>	<b>364,264</b>
<b>Expenditures:</b>				
Current:				
Public works	-	-	1,180	(1,180)
Capital outlay	910,829	808,830	999,247	(190,417)
<b>Total Expenditures</b>	<b>910,829</b>	<b>808,830</b>	<b>1,000,427</b>	<b>(191,597)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(804,529)	(702,530)	(529,863)	172,667
Net Change in Fund Balances	(804,529)	(702,530)	(529,863)	172,667
Fund Balances, Beginning of Year	3,589,345	3,589,345	3,589,345	-
<b>Fund Balances, End of Year</b>	<b>\$ 2,784,816</b>	<b>\$ 2,886,815</b>	<b>\$ 3,059,482</b>	<b>\$ 172,667</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 SHARON HILLS PARK  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 240	\$ 240	\$ 119	\$ (121)
<b>Total Revenues</b>	<b>240</b>	<b>240</b>	<b>119</b>	<b>(121)</b>
<b>Expenditures:</b>				
Current:				
Public works	16,500	16,500	6,000	10,500
<b>Total Expenditures</b>	<b>16,500</b>	<b>16,500</b>	<b>6,000</b>	<b>10,500</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,260)	(16,260)	(5,881)	10,379
Net Change in Fund Balances	(16,260)	(16,260)	(5,881)	10,379
Fund Balances, Beginning of Year	6,076	6,076	6,076	-
<b>Fund Balances, End of Year</b>	<b>\$ (10,184)</b>	<b>\$ (10,184)</b>	<b>\$ 195</b>	<b>\$ 10,379</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 VINTAGE OAKS LANDSCAPE  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 360	\$ 360	\$ 443	\$ 83
<b>Total Revenues</b>	<b>360</b>	<b>360</b>	<b>443</b>	<b>83</b>
<b>Expenditures:</b>				
Current:				
Public works	15,651	15,651	19,246	(3,595)
<b>Total Expenditures</b>	<b>15,651</b>	<b>15,651</b>	<b>19,246</b>	<b>(3,595)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,291)	(15,291)	(18,803)	(3,512)
Net Change in Fund Balances	(15,291)	(15,291)	(18,803)	(3,512)
Fund Balances, Beginning of Year	26,589	26,589	26,589	-
<b>Fund Balances, End of Year</b>	<b>\$ 11,298</b>	<b>\$ 11,298</b>	<b>\$ 7,786</b>	<b>\$ (3,512)</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 COMMUNITY DEVELOPMENT BLOCK GRANT  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ 6,500	\$ 6,500	\$ -	\$ (6,500)
Use of money and property	5,100	5,100	4,950	(150)
<b>Total Revenues</b>	<b>11,600</b>	<b>11,600</b>	<b>4,950</b>	<b>(6,650)</b>
<b>Expenditures:</b>				
Current:				
Urban development and housing	10,000	10,000	6,099	3,901
<b>Total Expenditures</b>	<b>10,000</b>	<b>10,000</b>	<b>6,099</b>	<b>3,901</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,600	1,600	(1,149)	(2,749)
Net Change in Fund Balances	1,600	1,600	(1,149)	(2,749)
Fund Balances, Beginning of Year	1,382,079	1,382,079	1,382,079	-
<b>Fund Balances, End of Year</b>	<b>\$ 1,383,679</b>	<b>\$ 1,383,679</b>	<b>\$ 1,380,930</b>	<b>\$ (2,749)</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 MISCELLANEOUS TRUST  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Charges for services	\$ -	\$ -	\$ 922,413	\$ 922,413
Use of money and property	840	840	5,842	5,002
Miscellaneous	-	-	28,957	28,957
<b>Total Revenues</b>	<b>840</b>	<b>840</b>	<b>957,212</b>	<b>956,372</b>
<b>Expenditures:</b>				
Current:				
Community development	-	-	764,874	(764,874)
Parks and recreation	-	-	73,943	(73,943)
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>838,817</b>	<b>(838,817)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	840	840	118,395	117,555
Net Change in Fund Balances	840	840	118,395	117,555
Fund Balances, Beginning of Year	1,331,413	1,331,413	1,331,413	-
<b>Fund Balances, End of Year</b>	<b>\$ 1,332,253</b>	<b>\$ 1,332,253</b>	<b>\$ 1,449,808</b>	<b>\$ 117,555</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 SHUTTLE PROGRAM  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 554,000	\$ 554,000	\$ 452,012	\$ (101,988)
Charges for services	65,000	65,000	120,533	55,533
<b>Total Revenues</b>	<b>619,000</b>	<b>619,000</b>	<b>572,545</b>	<b>(46,455)</b>
<b>Expenditures:</b>				
Current:				
Public works	771,523	771,523	582,329	189,194
<b>Total Expenditures</b>	<b>771,523</b>	<b>771,523</b>	<b>582,329</b>	<b>189,194</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(152,523)	(152,523)	(9,784)	142,739
<b>Other Financing Sources:</b>				
Transfers in	-	-	43,690	43,690
<b>Total Other Financing Sources</b>	<b>-</b>	<b>-</b>	<b>43,690</b>	<b>43,690</b>
Net Change in Fund Balances	(152,523)	(152,523)	33,906	186,429
Fund Balances, Beginning of Year	(33,906)	(33,906)	(33,906)	-
<b>Fund Balances, End of Year</b>	<b>\$ (186,429)</b>	<b>\$ (186,429)</b>	<b>\$ -</b>	<b>\$ 186,429</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 MEASURE M  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental	\$ 143,000	\$ 143,000	\$ 252,558	\$ 109,558
<b>Total Revenues</b>	<b>143,000</b>	<b>143,000</b>	<b>252,558</b>	<b>109,558</b>
<b>Expenditures:</b>				
Current:				
Public works	143,000	143,000	133,000	10,000
<b>Total Expenditures</b>	<b>143,000</b>	<b>143,000</b>	<b>133,000</b>	<b>10,000</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	119,558	119,558
Net Change in Fund Balances	-	-	119,558	119,558
Fund Balances, Beginning of Year	(77,467)	(77,467)	(77,467)	-
<b>Fund Balances, End of Year</b>	<b>\$ (77,467)</b>	<b>\$ (77,467)</b>	<b>\$ 42,091</b>	<b>\$ 119,558</b>



CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 LIBRARY SYSTEM IMPROVEMENT FUND  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Expenditures:</b>				
Current:				
Public works	\$ -	\$ -	\$ 87,832	\$ (87,832)
Capital outlay	936,743	936,743	2,316	934,427
<b>Total Expenditures</b>	<b>936,743</b>	<b>936,743</b>	<b>90,148</b>	<b>846,595</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(936,743)	(936,743)	(90,148)	846,595
Net Change in Fund Balances	(936,743)	(936,743)	(90,148)	846,595
Fund Balances, Beginning of Year	1,692,904	1,692,904	1,692,904	-
<b>Fund Balances, End of Year</b>	<b>\$ 756,161</b>	<b>\$ 756,161</b>	<b>\$ 1,602,756</b>	<b>\$ 846,595</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 HUT REPAIR & MAINENANCE FUND  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ 583,743	\$ 583,743	\$ 619,878	\$ 36,135
Use of money and property	-	-	14,398	14,398
<b>Total Revenues</b>	<b>583,743</b>	<b>583,743</b>	<b>634,276</b>	<b>50,533</b>
<b>Expenditures:</b>				
Capital outlay	500,000	500,000	627,090	(127,090)
<b>Total Expenditures</b>	<b>500,000</b>	<b>500,000</b>	<b>627,090</b>	<b>(127,090)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	83,743	83,743	7,186	(76,557)
Net Change in Fund Balances	83,743	83,743	7,186	(76,557)
Fund Balances, Beginning of Year	11,634	11,634	11,634	-
<b>Fund Balances, End of Year</b>	<b>\$ 95,377</b>	<b>\$ 95,377</b>	<b>\$ 18,820</b>	<b>\$ (76,557)</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 GENERAL CAPITAL IMPROVEMENT PROJECT FUND  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Taxes	\$ -	\$ -	\$ 100,476	\$ 100,476
Intergovernmental	45,600	45,600	30,784	(14,816)
Charges for services	100,000	100,000	95,697	(4,303)
<b>Total Revenues</b>	<b>145,600</b>	<b>145,600</b>	<b>226,957</b>	<b>81,357</b>
<b>Expenditures:</b>				
Current:				
Public works	-	-	366,981	(366,981)
Capital outlay	6,317,585	7,374,756	3,283,980	4,090,776
<b>Total Expenditures</b>	<b>6,317,585</b>	<b>7,374,756</b>	<b>3,650,961</b>	<b>3,723,795</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,171,985)	(7,229,156)	(3,424,004)	3,805,152
<b>Other Financing Sources:</b>				
Transfers in	3,154,900	3,481,100	7,121,519	3,640,419
<b>Total Other Financing Sources</b>	<b>3,154,900</b>	<b>3,481,100</b>	<b>7,121,519</b>	<b>3,640,419</b>
Net Change in Fund Balances	(3,017,085)	(3,748,056)	3,697,515	7,445,571
Fund Balances, Beginning of Year	22,071,982	22,071,982	22,071,982	-
<b>Fund Balances, End of Year</b>	<b>\$ 19,054,897</b>	<b>\$ 18,323,926</b>	<b>\$ 25,769,497</b>	<b>\$ 7,445,571</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 LIBRARY ADDITION  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 600	\$ 600	\$ 4,750	\$ 4,150
<b>Total Revenues</b>	<b>600</b>	<b>600</b>	<b>4,750</b>	<b>4,150</b>
<b>Expenditures:</b>				
Current:				
Culture and recreation	-	-	4,692	(4,692)
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>4,692</b>	<b>(4,692)</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	600	600	58	(542)
Net Change in Fund Balances	600	600	58	(542)
Fund Balances, Beginning of Year	121,239	121,239	121,239	-
<b>Fund Balances, End of Year</b>	<b>\$ 121,839</b>	<b>\$ 121,839</b>	<b>\$ 121,297</b>	<b>\$ (542)</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 MEASURE T CAPITAL PROJECTS  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Use of money and property	\$ 1,560	\$ 1,560	\$ 12,730	\$ 11,170
<b>Total Revenues</b>	<b>1,560</b>	<b>1,560</b>	<b>12,730</b>	<b>11,170</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,560	1,560	12,730	11,170
Net Change in Fund Balances	1,560	1,560	12,730	11,170
Fund Balances, Beginning of Year	311,517	311,517	311,517	-
<b>Fund Balances, End of Year</b>	<b>\$ 313,077</b>	<b>\$ 313,077</b>	<b>\$ 324,247</b>	<b>\$ 11,170</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 LIBRARY GO BOND 1990  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Special assessments	\$ -	\$ -	\$ 198	\$ 198
Use of money and property	1,800	1,800	14,089	12,289
<b>Total Revenues</b>	<b>1,800</b>	<b>1,800</b>	<b>14,287</b>	<b>12,487</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,800	1,800	14,287	12,487
Net Change in Fund Balances	1,800	1,800	14,287	12,487
Fund Balances, Beginning of Year	344,774	344,774	344,774	-
<b>Fund Balances, End of Year</b>	<b>\$ 346,574</b>	<b>\$ 346,574</b>	<b>\$ 359,061</b>	<b>\$ 12,487</b>

CITY OF MENLO PARK

SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 MEASURE T DEBT SERVICE  
 YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Special assessments	\$ 1,565,000	\$ 1,565,000	\$ 1,496,360	\$ (68,640)
Use of money and property	1,200	1,200	96,580	95,380
<b>Total Revenues</b>	<b>1,566,200</b>	<b>1,566,200</b>	<b>1,592,940</b>	<b>26,740</b>
<b>Expenditures:</b>				
Current:				
General government	6,650	6,650	273,386	(266,736)
Debt service:				
Principal retirement	440,000	440,000	475,000	(35,000)
Interest and fiscal charges	990,000	990,000	650,276	339,724
<b>Total Expenditures</b>	<b>1,436,650</b>	<b>1,436,650</b>	<b>1,398,662</b>	<b>37,988</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	129,550	129,550	194,278	64,728
<b>Other Financing Sources (Uses):</b>				
Refunding bonds issued	-	-	9,640,000	9,640,000
Bond premium	-	-	605,007	605,007
Payment to refunded bond escrow agent	-	-	(9,962,267)	9,962,267
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>282,740</b>	<b>20,207,274</b>
Net Change in Fund Balances	129,550	129,550	477,018	20,272,002
Fund Balances, Beginning of Year	2,474,696	2,474,696	2,474,696	-
<b>Fund Balances, End of Year</b>	<b>\$ 2,604,246</b>	<b>\$ 2,604,246</b>	<b>\$ 2,951,714</b>	<b>\$ 20,272,002</b>

CITY OF MENLO PARK

THE BIG LIFT PROGRAM  
 CONTRACT #2019-207528

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 YEAR ENDED JUNE 30, 2020

	Federal Grant	Measure A	General Fund	Total
<b>Revenues:</b>				
Other Intergovernmental revenue	\$ -	\$ 125,150	\$ -	\$ 125,150
<b>Total Revenues</b>	<b>-</b>	<b>125,150</b>	<b>-</b>	<b>125,150</b>
<b>Expenditures:</b>				
Salaries	-	53,007	5,707	58,714
Employee benefits	-	30,283	3,267	33,550
Miscellaneous operating expense	-	5,220	676	5,896
Professional services	-	23,677	2,630	26,307
Overhead cost	-	12,963	1,174	14,137
<b>Total Expenditures</b>	<b>-</b>	<b>125,150</b>	<b>13,454</b>	<b>138,604</b>
<b>Revenues Over/(Under) Expenditures</b>	<b>-</b>	<b>-</b>	<b>(13,454)</b>	<b>(13,454)</b>
<b>Other Financing Sources (Uses):</b>				
Contributions from General Fund	-	-	13,454	13,454
<b>Total Other Financing Sources (uses)</b>	<b>-</b>	<b>-</b>	<b>13,454</b>	<b>13,454</b>
<b>Net change in fund balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance:</b>				
Beginning of year	(7,534)	10,398	-	2,864
End of year	<u>\$ (7,534)</u>	<u>\$ 10,398</u>	<u>-</u>	<u>\$ 2,864</u>



CITY OF MENLO PARK

SENIOR TRANSPORTATION PROGRAM - TITLE IIIb

CONTRACT #57000-20-R07656IF

CFDA # 93.044

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

YEAR ENDED JUNE 30, 2020

**Revenues:**

Federal grant	\$ 41,751
Other Intergovernmental revenue	<u>2,398</u>
<b>Total Revenues</b>	<b><u>44,149</u></b>

**Expenditures:**

Salaries	51,081
Employee benefits	12,770
Other expenses	<u>6,999</u>
<b>Total Expenditures</b>	<b><u>70,850</u></b>

<b>Revenues Over/(Under) Expenditures</b>	<b><u>(26,701)</u></b>
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**Other Financing Sources (Uses):**

Contribution from General Fund	<u>26,701</u>
<b>Total Other Financing Sources (Uses)</b>	<b><u>26,701</u></b>

<b>Net Change in Fund Balances</b>	<b>-</b>
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**Fund Balance:**

Beginning of year	<u>-</u>
End of year	<b><u><u>\$ -</u></u></b>

## **WATER FUNDS**

***Water Operations Fund*** - Established to account for the water distributions operations of the Menlo Park Municipal Water District.

***Water Capital Improvement Fund*** - Accounts for the proceeds of the capital surcharge from water operations and is utilized for construction improvements of the water infrastructure.

CITY OF MENLO PARK

COMBINING STATEMENT OF NET POSITION  
 WATER FUND  
 YEAR ENDED JUNE 30, 2020

	Water Capital Improvement Fund	Water Operating Fund	Total Water Fund
<b>Assets:</b>			
Current:			
Pooled cash and investments	\$ 15,928,999	\$ 1,728,442	\$ 17,657,441
Receivables:			
Accounts	108,793	2,340,381	2,449,174
Accrued interest	80,320	14,291	94,611
<b>Total Current Assets</b>	<b>16,118,112</b>	<b>4,083,114</b>	<b>20,201,226</b>
Noncurrent:			
Capital assets - net of accumulated depreciation	-	21,497,250	21,497,250
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>21,497,250</b>	<b>21,497,250</b>
<b>Total Assets</b>	<b>16,118,112</b>	<b>25,580,364</b>	<b>41,698,476</b>
<b>Deferred Outflows of Resources:</b>			
Pension related amounts	126,959	257,767	384,726
<b>Total Deferred Outflows of Resources</b>	<b>126,959</b>	<b>257,767</b>	<b>384,726</b>
<b>Liabilities:</b>			
Current:			
Accounts payable	1,038,414	604,810	1,643,224
Accrued liabilities	6,385	31,369	37,754
Deposits payable	-	38,501	38,501
Accrued compensated absences	7,337	46,643	53,980
<b>Total Current Liabilities</b>	<b>1,052,136</b>	<b>721,323</b>	<b>1,773,459</b>
Noncurrent:			
Net pension liability	567,764	1,152,732	1,720,496
Accrued compensated absences	6,737	42,831	49,568
<b>Total Noncurrent Liabilities</b>	<b>574,501</b>	<b>1,195,563</b>	<b>1,770,064</b>
<b>Total Liabilities</b>	<b>1,626,637</b>	<b>1,916,886</b>	<b>3,543,523</b>
<b>Deferred Inflows of Resources:</b>			
Pension related amounts	20,689	42,006	62,695
<b>Total Deferred Inflows of Resources</b>	<b>20,689</b>	<b>42,006</b>	<b>62,695</b>
<b>Net Position:</b>			
Investment in capital assets	-	21,497,250	21,497,250
Restricted for capital projects	14,597,745	-	14,597,745
Unrestricted	-	2,381,989	2,381,989
<b>Total Net Position</b>	<b>\$ 14,597,745</b>	<b>\$ 23,879,239</b>	<b>\$ 38,476,984</b>

CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
WATER FUND  
YEAR ENDED JUNE 30, 2020

	Water Capital Improvement Fund	Water Operating Fund	Totals
<b>Operating Revenues:</b>			
Charges for services	\$ 2,128,788	\$ 12,741,963	\$ 14,870,751
<b>Total Operating Revenues</b>	<b>2,128,788</b>	<b>12,741,963</b>	<b>14,870,751</b>
<b>Operating Expenses:</b>			
Cost of sales and services	72,957	9,127,788	9,200,745
General and administrative	11,982	236,345	248,327
Depreciation expense	-	319,959	319,959
<b>Total Operating Expenses</b>	<b>84,939</b>	<b>9,684,092</b>	<b>9,769,031</b>
Operating Income	2,043,849	3,057,871	5,101,720
<b>Nonoperating Revenues:</b>			
Interest and investment earnings	604,570	94,217	698,787
Gain on disposal of capital assets	-	16,100	16,100
<b>Total Nonoperating Revenues</b>	<b>604,570</b>	<b>110,317</b>	<b>714,887</b>
Income Before Transfers	2,648,419	3,168,188	5,816,607
Transfers in	-	3,424,702	3,424,702
Transfers out	(3,424,702)	(223,000)	(3,647,702)
Changes in Net Position	(776,283)	6,369,890	5,593,607
<b>Net Position:</b>			
Beginning of Fiscal Year	14,500,909	18,382,468	32,883,377
Restatements	873,119	(873,119)	-
Beginning of Fiscal Year, as restated	15,374,028	17,509,349	32,883,377
<b>End of Fiscal Year</b>	<b>\$ 14,597,745</b>	<b>\$ 23,879,239</b>	<b>\$ 38,476,984</b>

## CITY OF MENLO PARK

**COMBINING STATEMENT OF CASH FLOWS**  
**WATER FUND**  
**YEAR ENDED JUNE 30, 2020**

	<b>Water Capital Improvement Fund</b>	<b>Water Operating Fund</b>	<b>Totals</b>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers and users	\$ 2,651,661	\$ 11,375,821	\$ 14,027,482
Cash received from/(paid to) interfund service provided			-
Cash paid to suppliers for goods and services	800,162	(10,302,290)	(9,502,128)
Cash paid to employees for services	(14,928)	(153,052)	(167,980)
<b>Net Cash Provided by Operating Activities</b>	<b>3,436,895</b>	<b>920,479</b>	<b>4,357,374</b>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Cash transfers out	-	(223,000)	(223,000)
Contributions to other funds	(3,424,702)	-	(3,424,702)
<b>Net Cash Used by Non-Capital Financing Activities</b>	<b>(3,424,702)</b>	<b>(223,000)</b>	<b>(3,647,702)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Proceeds from sales of capital assets	-	16,100	16,100
<b>Net Cash Provided by Capital and Related Financing Activities</b>	<b>-</b>	<b>16,100</b>	<b>16,100</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	634,850	79,926	714,776
<b>Net Cash Provided by Investing Activities</b>	<b>634,850</b>	<b>79,926</b>	<b>714,776</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>647,043</b>	<b>793,505</b>	<b>1,440,548</b>
Cash and Cash Equivalents at Beginning of Year	15,281,956	934,937	16,216,893
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 15,928,999</b>	<b>\$ 1,728,442</b>	<b>\$ 17,657,441</b>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>			
Operating income	\$ 2,043,849	\$ 3,057,871	\$ 5,101,720
<b>Adjustments to Reconcile Operating Income Net Cash Provided by Operating Activities:</b>			
Depreciation	-	319,959	319,959
(Increase) decrease in accounts receivable	-	(1,358,266)	(1,358,266)
(Increase) decrease in prepaid expense	-	47	47
(Increase) decrease in pension outflows	(13,601)	(27,615)	(41,216)
Increase (decrease) in accounts payable	1,347,905	(1,174,549)	173,356
Increase (decrease) in accrued liabilities	750	5,341	6,091
Increase (decrease) in deposits payable	-	(7,876)	(7,876)
Increase (decrease) in net pension liability	48,087	97,631	145,718
Increase (decrease) in pension inflows	(4,134)	(8,393)	(12,527)
Increase (decrease) in compensated absences	14,039	16,329	30,368
<b>Total Adjustments</b>	<b>1,393,046</b>	<b>(2,137,392)</b>	<b>(744,346)</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 3,436,895</b>	<b>\$ 920,479</b>	<b>\$ 4,357,374</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>			
Restatement	\$ 873,119	\$ (873,119)	\$ -
Interfund transfer of Construction-In-Progress assets	-	3,424,702	3,424,702

## INTERNAL SERVICE FUNDS

**Internal Service Funds** are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

**Workers' Compensation Insurance Fund** - This fund accounts for the administration of the City's self-insured Workers' Compensation Insurance Program.

**Liability Fire Insurance Fund** - This fund accounts for the administration of the City's General Liability Insurance program.

**Other Post-Employment Benefits** - This fund accounts for the financial administration of funding from all City departments for retiree medical benefits as these benefits are earned.

**Information Technology** - This fund accounts for administration and support of all hardware, software, and communication equipment needs of the City's other departments.

**Vehicle Replacement Fund** - This fund accounts for the replacement of vehicles and equipment used by various City departments.

CITY OF MENLO PARK

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2020

	Governmental Activities - Internal Service Funds		
	Workers' Compensation Insurance Fund	Liability Fire Insurance Fund	Other Post Employment Benefits
<b>Assets:</b>			
Current:			
Pooled cash and investments	\$ 3,824,432	\$ 747,553	\$ 962,584
Receivables:			
Accrued interest	20,285	3,986	5,343
Prepaid costs	200,000	30,000	-
<b>Total Current Assets</b>	<b>4,044,717</b>	<b>781,539</b>	<b>967,927</b>
Noncurrent:			
Capital assets - net of accumulated depreciation	-	-	-
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Assets</b>	<b>4,044,717</b>	<b>781,539</b>	<b>967,927</b>
<b>Liabilities:</b>			
Current:			
Accounts payable	160,734	229,348	-
Accrued liabilities	583	-	16,739
Accrued compensated absences, due within one year	1,488	675	-
Accrued claims and judgments, due within one year	713,343	288,183	-
<b>Total Current Liabilities</b>	<b>876,148</b>	<b>518,206</b>	<b>16,739</b>
Noncurrent:			
Accrued compensated absences, due in more than one year	1,412	620	-
Accrued claims and judgments, due in more than one year	2,563,261	597,367	-
<b>Total Noncurrent Liabilities</b>	<b>2,564,673</b>	<b>597,987</b>	<b>-</b>
<b>Total Liabilities</b>	<b>3,440,821</b>	<b>1,116,193</b>	<b>16,739</b>
<b>Net Position:</b>			
Investment in capital assets	-	-	-
Unrestricted	603,896	(334,654)	951,188
<b>Total Net Position</b>	<b>\$ 603,896</b>	<b>\$ (334,654)</b>	<b>\$ 951,188</b>

CITY OF MENLO PARK

COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2020

	Governmental Activities - Internal Service Funds		
	Information Technology	Vehicle Replacement Fund	Totals
<b>Assets:</b>			
Current:			
Pooled cash and investments	\$ 2,117,772	\$ 1,550,446	\$ 9,202,787
Receivables:			
Accrued interest	12,994	9,316	51,924
Prepaid costs	162,633	-	392,633
<b>Total Current Assets</b>	<b>2,293,399</b>	<b>1,559,762</b>	<b>9,647,344</b>
Noncurrent:			
Capital assets - net of accumulated depreciation	-	1,846,518	1,846,518
<b>Total Noncurrent Assets</b>	<b>-</b>	<b>1,846,518</b>	<b>1,846,518</b>
<b>Total Assets</b>	<b>2,293,399</b>	<b>3,406,280</b>	<b>11,493,862</b>
<b>Liabilities:</b>			
Current:			
Accounts payable	260,952	56,492	707,526
Accrued liabilities	26,690	-	44,012
Accrued compensated absences, due within one year	30,217	-	32,380
Accrued claims and judgments, due within one year	-	-	1,001,526
<b>Total Current Liabilities</b>	<b>317,859</b>	<b>56,492</b>	<b>1,785,444</b>
Noncurrent:			
Accrued compensated absences, due in more than one year	27,747	-	29,779
Accrued claims and judgments, due in more than one year	-	-	3,160,628
<b>Total Noncurrent Liabilities</b>	<b>27,747</b>	<b>-</b>	<b>3,190,407</b>
<b>Total Liabilities</b>	<b>345,606</b>	<b>56,492</b>	<b>4,975,851</b>
<b>Net Position:</b>			
Investment in capital assets	-	1,846,518	1,846,518
Unrestricted	1,947,793	1,503,270	4,671,493
<b>Total Net Position</b>	<b>\$ 1,947,793</b>	<b>\$ 3,349,788</b>	<b>\$ 6,518,011</b>



CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2020

	<b>Governmental Activities - Internal Service Funds</b>		
	<b>Workers' Compensation Insurance Fund</b>	<b>Liability Fire Insurance Fund</b>	<b>Other Post Employment Benefits</b>
<b>Operating Revenues:</b>			
Charges for services	\$ 1,189,470	\$ 963,458	\$ 811,037
<b>Total Operating Revenues</b>	<b>1,189,470</b>	<b>963,458</b>	<b>811,037</b>
<b>Operating Expenses:</b>			
Personnel services	47,886	-	816,347
General and administrative	64,339	106,439	-
Insurance	1,020,054	1,649,000	-
Depreciation expense	-	-	-
<b>Total Operating Expenses</b>	<b>1,132,279</b>	<b>1,755,439</b>	<b>816,347</b>
Operating Income (Loss)	57,191	(791,981)	(5,310)
<b>Nonoperating Revenues:</b>			
Interest and investment earnings	143,361	23,729	37,565
Contributions	-	-	-
Gain (loss) on disposal of capital assets	-	-	-
<b>Total Nonoperating Revenues</b>	<b>143,361</b>	<b>23,729</b>	<b>37,565</b>
Changes in Net Position	200,552	(768,252)	32,255
<b>Net Position:</b>			
Beginning of Fiscal Year	403,344	433,598	918,933
<b>End of Fiscal Year</b>	<b>\$ 603,896</b>	<b>\$ (334,654)</b>	<b>\$ 951,188</b>

CITY OF MENLO PARK

COMBINING STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2020

	<b>Governmental Activities - Internal Service Funds</b>		
	<b>Information Technology</b>	<b>Vehicle Replacement Fund</b>	<b>Totals</b>
<b>Operating Revenues:</b>			
Charges for services	\$ 3,046,304	\$ 798,720	\$ 6,808,989
<b>Total Operating Revenues</b>	<b>3,046,304</b>	<b>798,720</b>	<b>6,808,989</b>
<b>Operating Expenses:</b>			
Personnel services	1,206,120	-	2,070,353
General and administrative	1,644,149	-	1,814,927
Insurance	-	-	2,669,054
Depreciation expense	-	492,978	492,978
<b>Total Operating Expenses</b>	<b>2,850,269</b>	<b>492,978</b>	<b>7,047,312</b>
Operating Income (Loss)	196,035	305,742	(238,323)
<b>Nonoperating Revenues:</b>			
Interest and investment earnings	90,654	66,342	361,651
Contributions	-	217,765	217,765
Gain (loss) on disposal of capital assets	-	64,703	64,703
<b>Total Nonoperating Revenues</b>	<b>90,654</b>	<b>348,810</b>	<b>644,119</b>
Changes in Net Position	286,689	654,552	405,796
<b>Net Position:</b>			
Beginning of Fiscal Year	1,661,104	2,695,236	6,112,215
<b>End of Fiscal Year</b>	<b>\$ 1,947,793</b>	<b>\$ 3,349,788</b>	<b>\$ 6,518,011</b>

CITY OF MENLO PARK

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2020

	<u>Governmental Activities - Internal Service Funds</u>		
	<u>Workers' Compensation Insurance Fund</u>	<u>Liability Fire Insurance Fund</u>	<u>Other Post Employment Benefits</u>
<b>Cash Flows from Operating Activities:</b>			
Cash received from interfund service provided	\$ 1,189,470	\$ 963,458	\$ 811,037
Cash paid to suppliers for goods and services	(809,729)	(1,032,100)	-
Cash paid to employees for services	(109,777)	(128,481)	(811,499)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>269,964</b>	<b>(197,123)</b>	<b>(462)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	-	-	-
Proceeds from sales of capital assets	-	-	-
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	147,808	25,289	38,977
<b>Net Cash Provided by Investing Activities</b>	<b>147,808</b>	<b>25,289</b>	<b>38,977</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>417,772</b>	<b>(171,834)</b>	<b>38,515</b>
Cash and Cash Equivalents at Beginning of Year	3,406,660	919,387	924,069
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 3,824,432</b>	<b>\$ 747,553</b>	<b>\$ 962,584</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 57,191	\$ (791,981)	\$ (5,310)
<b>Adjustments to Reconcile Operating Income (Loss) Net Cash Provided (Used) by Operating Activities:</b>			
Depreciation	-	-	-
(Increase) decrease in prepaid expense	-	-	-
Increase (decrease) in accounts payable	112,209	126,700	-
Increase (decrease) in accrued liabilities	(54)	(489)	4,848
Increase (decrease) in claims and judgments	98,116	490,200	-
Increase (decrease) in compensated absences	2,502	(21,553)	-
<b>Total Adjustments</b>	<b>212,773</b>	<b>594,858</b>	<b>4,848</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 269,964</b>	<b>\$ (197,123)</b>	<b>\$ (462)</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>			
Capital contributions	\$ -	\$ -	\$ -

## CITY OF MENLO PARK

**COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2020**

	<u>Governmental Activities - Internal Service Funds</u>		
	<u>Information Technology</u>	<u>Vehicle Replacement Fund</u>	<u>Totals</u>
<b>Cash Flows from Operating Activities:</b>			
Cash received from interfund service provided	\$ 3,046,304	\$ 735,949	\$ 6,746,218
Cash paid to suppliers for goods and services	(56,211)	-	(1,898,040)
Cash paid to employees for services	(2,908,910)	-	(3,958,667)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>81,183</b>	<b>735,949</b>	<b>889,511</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Acquisition and construction of capital assets	-	(305,625)	(305,625)
Proceeds from sales of capital assets	-	64,703	64,703
<b>Net Cash Used by Capital and Related Financing Activities</b>	<b>-</b>	<b>(240,922)</b>	<b>(240,922)</b>
<b>Cash Flows from Investing Activities:</b>			
Interest received	93,018	64,235	369,327
<b>Net Cash Provided by Investing Activities</b>	<b>93,018</b>	<b>64,235</b>	<b>369,327</b>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>174,201</b>	<b>559,262</b>	<b>1,017,916</b>
Cash and Cash Equivalents at Beginning of Year	1,943,571	991,184	8,184,871
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 2,117,772</b>	<b>\$ 1,550,446</b>	<b>\$ 9,202,787</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ 196,035	\$ 305,742	\$ (238,323)
<b>Adjustments to Reconcile Operating Income (Loss) Net Cash Provided (Used) by Operating Activities:</b>			
Depreciation	-	492,978	492,978
(Increase) decrease in prepaid expense	(116,948)	-	(116,948)
Increase (decrease) in accounts payable	60,737	(62,771)	236,875
Increase (decrease) in accrued liabilities	4,336	-	8,641
Increase (decrease) in claims and judgments	-	-	588,316
Increase (decrease) in compensated absences	(62,977)	-	(82,028)
<b>Total Adjustments</b>	<b>(114,852)</b>	<b>430,207</b>	<b>1,127,834</b>
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ 81,183</b>	<b>\$ 735,949</b>	<b>\$ 889,511</b>
<b>Non-Cash Investing, Capital, and Financing Activities:</b>			
Capital contributions	\$ -	\$ -	\$ 217,765

CITY OF MENLO PARK

COMBINING STATEMENT OF ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 JUNE 30, 2020

	Refundable Deposits	Payroll Revolving	Totals
<b>Assets:</b>			
Pooled cash and investments	\$ 1,381,222	\$ 267,344	\$ 1,648,566
Prepaid costs	-	393,272	393,272
<b>Total Assets</b>	<b><u>\$ 1,381,222</u></b>	<b><u>\$ 661,577</u></b>	<b><u>\$ 2,042,799</u></b>
<b>Liabilities:</b>			
Accounts payable	-	\$ 661,577	\$ 661,577
Deposits payable	1,381,222	-	1,381,222
<b>Total Liabilities</b>	<b><u>\$ 1,381,222</u></b>	<b><u>\$ 661,577</u></b>	<b><u>\$ 2,042,799</u></b>

CITY OF MENLO PARK

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deductions	Balance June 30, 2020
<b><u>Refundable Deposits</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 1,401,222	\$ -	\$ 20,000	\$ 1,381,222
<b>Total Assets</b>	<b><u>\$ 1,401,222</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 20,000</u></b>	<b><u>\$ 1,381,222</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 5,000	\$ 15,000	\$ 20,000	\$ -
Deposits payable	1,396,222	-	15,000	1,381,222
<b>Total Liabilities</b>	<b><u>\$ 1,401,222</u></b>	<b><u>\$ 15,000</u></b>	<b><u>\$ 35,000</u></b>	<b><u>\$ 1,381,222</u></b>
<b><u>Payroll Revolving</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 434,274	\$ 11,423,979	\$ 11,590,909	\$ 267,344
Receivables:				
Accounts	-	150,381	149,420	961
Prepaid costs	378,550	5,242,800	5,228,078	393,272
<b>Total Assets</b>	<b><u>\$ 812,824</u></b>	<b><u>\$ 16,817,160</u></b>	<b><u>\$ 16,968,407</u></b>	<b><u>\$ 661,577</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 812,824	\$ 18,540,680	\$ 18,691,927	\$ 661,577
<b>Total Liabilities</b>	<b><u>\$ 812,824</u></b>	<b><u>\$ 18,540,680</u></b>	<b><u>\$ 18,691,927</u></b>	<b><u>\$ 661,577</u></b>
<b><u>Totals - All Agency Funds</u></b>				
<b>Assets:</b>				
Pooled cash and investments	\$ 1,835,496	\$ 11,423,979	\$ 11,610,909	\$ 1,648,566
Receivables:				
Accounts	-	150,381	149,420	961
Prepaid costs	378,550	5,242,800	5,228,078	393,272
<b>Total Assets</b>	<b><u>\$ 2,214,046</u></b>	<b><u>\$ 16,817,160</u></b>	<b><u>\$ 16,988,407</u></b>	<b><u>\$ 2,042,799</u></b>
<b>Liabilities:</b>				
Accounts payable	\$ 817,824	\$ 18,555,680	\$ 18,711,927	\$ 661,577
Deposits payable	1,396,222	-	15,000	1,381,222
<b>Total Liabilities</b>	<b><u>\$ 2,214,046</u></b>	<b><u>\$ 18,555,680</u></b>	<b><u>\$ 18,726,927</u></b>	<b><u>\$ 2,042,799</u></b>

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## Statistical Section

Fiscal Year 2019-2020

- Unaudited -

This part of the City of Menlo Park's comprehensive annual financial report presents detailed information as a context to aid in understanding of the information in the financial statements, note disclosures, and required supplementary information regarding the City's overall financial health.

### Financial Trend

Schedule #

*These schedules contain trend information to help the readers understand how the City of Menlo Park's financial performance and well-being have changed over time.*

Net Position by Component	1
Changes in Net Position	2
Fund Balances-Governmental Funds	3
Changes in Fund Balances-Governmental Funds	4

### Revenue Capacity

*These schedules contain information to help the readers assess the City of Menlo Park's most significant local revenue resource, property taxes.*

Governmental Funds by Source	5
Governmental Funds Taxes by Type	6
Assessed Valuation, Tax Rates, and Tax Levies	7

### Debt Capacity

*These schedules present information to help the readers assess the affordability of the City of Menlo Park's current levels of outstanding debt and the City's ability to issue additional debt in the future.*

Direct and Overlapping Property Tax Rates	8
Principal Property Tax Payers	9
Property Tax Levies and Collections	10
Ratios of Outstanding Debt by Type	11
Ratio of Net General Bonded Debt Outstanding	12
Direct and Overlapping Debt	13
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### Demographic and Economic Information

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

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Full Time Equivalent City Employees by Function	17

### Operating Information

*These schedules contain service and infrastructure data to help the readers understand how the information in the City's financial reports relate to the services the City provides and the activities it performs.*

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**Net Position by Component**  
June 30, 2020

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Government Activities</b>										
Net Investment in Capital Assets	\$ 279,942,360	\$ 345,357,433	\$ 347,050,366	\$ 344,119,674	\$ 341,158,440	\$ 345,581,545	\$ 350,046,891	\$ 354,488,994	\$ 348,415,016	\$ 349,179,690
Restricted for:										
Capital Projects	14,582,060	9,432,413	14,394,634	13,601,651	14,926,424	7,275,487	6,886,511	14,563,359	21,466,015	22,687,512
Debt Service	12,662,667	2,225,873	1,943,354	2,133,308	2,123,752	1,663,696	2,136,803	2,443,730	2,819,470	3,310,775
Community Development	-	-	-	-	-	22,783,937	26,018,398	33,378,323	33,150,735	39,340,727
Special Projects	9,176,084	2,842,844	1,501,478	2,238,560	2,010,049	5,572,610	6,360,828	10,428,012	11,731,025	11,690,934
Total Restricted - Government Activities	36,420,811	14,501,130	17,839,466	17,973,519	19,060,225	37,295,730	41,402,540	60,813,424	69,167,245	77,029,948
Total Unrestricted - Government Activities	61,310,616	49,224,495	50,586,566	60,530,382	30,340,383	21,095,111	23,288,128	21,915,256	32,617,602	35,511,793
<b>Total Government Activities</b>	<b>\$ 377,673,787</b>	<b>\$ 409,083,058</b>	<b>\$ 415,476,398</b>	<b>\$ 422,623,575</b>	<b>\$ 390,559,048</b>	<b>\$ 403,972,386</b>	<b>\$ 414,737,559</b>	<b>\$ 437,217,674</b>	<b>\$ 450,199,863</b>	<b>\$ 461,721,431</b>
<b>Business-Type Activities</b>										
Net Investment in Capital Assets	\$ 8,536,711	\$ 9,524,216	\$ 10,079,682	\$ 11,005,746	\$ 13,990,073	\$ 14,878,505	\$ 16,212,425	\$ 17,742,204	\$ 18,392,507	\$ 21,497,250
Restricted for:										
Capital Projects	16,771,000	15,381,845	15,273,688	15,212,663	12,445,532	11,441,134	12,741,320	12,532,189	14,500,909	14,597,745
Special Projects	-	-	-	-	-	-	-	-	-	-
Total Restricted - Business-Type Activities	16,771,000	15,381,845	15,273,688	15,212,663	12,445,532	11,441,134	12,741,320	12,532,189	14,500,909	14,597,745
Total Unrestricted - Business-Type Activities	(397,806)	(431,529)	(735,629)	(538,996)	(431,151)	(100,584)	(1,423,792)	(482,861)	(10,039)	2,381,989
<b>Total Business-Type Activities</b>	<b>\$ 24,909,905</b>	<b>\$ 24,474,532</b>	<b>\$ 24,617,741</b>	<b>\$ 25,679,413</b>	<b>\$ 26,004,454</b>	<b>\$ 26,219,055</b>	<b>\$ 27,529,953</b>	<b>\$ 29,791,532</b>	<b>\$ 32,883,377</b>	<b>\$ 38,476,984</b>

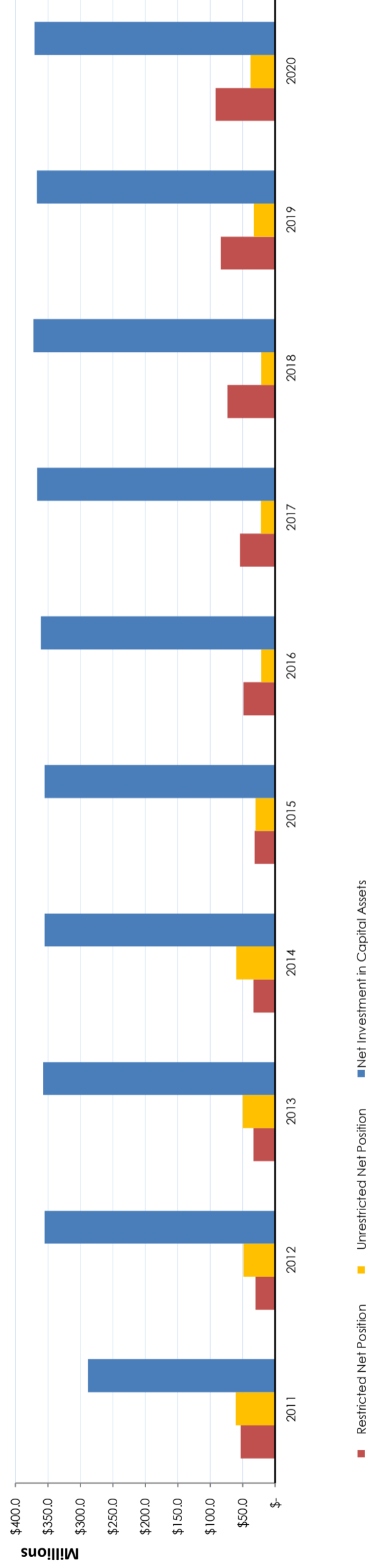
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Source: City of Menlo Park

### Net Position by Component June 30, 2020

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Primary Government</b>										
Net Investment in Capital Assets	\$ 288,479,071	\$ 354,881,649	\$ 357,130,048	\$ 355,125,420	\$ 355,148,513	\$ 360,460,050	\$ 366,259,316	\$ 372,231,198	\$ 366,807,523	\$ 370,676,940
Unrestricted Net Position	60,912,810	48,792,966	49,850,937	59,991,386	29,909,232	20,994,527	21,864,336	21,432,395	32,607,563	37,893,782
Investment in Capital Assets & Unrestricted Net Position	349,391,881	403,674,615	406,980,985	415,116,806	385,057,745	381,454,577	388,123,652	393,663,593	399,415,086	408,570,722
Restricted Net Position	53,191,811	29,882,975	33,113,154	33,186,182	31,505,757	48,736,864	54,143,860	73,345,613	83,668,154	91,627,693
<b>Total Primary Government Net Position</b>	<b>\$ 402,583,692</b>	<b>\$ 433,557,590</b>	<b>\$ 440,094,139</b>	<b>\$ 448,302,988</b>	<b>\$ 416,563,502</b>	<b>\$ 430,191,441</b>	<b>\$ 442,267,512</b>	<b>\$ 467,009,206</b>	<b>\$ 483,083,240</b>	<b>\$ 500,198,415</b>
% of Change - from Prior Year	1.2%	7.7%	1.5%	1.9%	-7.1%	3.3%	2.8%	5.6%	3.4%	3.5%

### Total Primary Government Net Position



Source: City of Menlo Park

## Changes in Net Position

June 30, 2020

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Primary Government-Program Revenues</b>										
<b>Governmental Activities</b>										
Charges for Services										
General Government	\$ 2,878,920	\$ 2,830,591	\$ 3,125,908	\$ 3,011,181	\$ 3,053,753	\$ 3,388,132	\$ 60,298	\$ 66,108	\$ 3,318,750	\$ 3,743,014
Public Safety	1,830,534	1,609,755	1,579,674	2,031,899	1,840,342	1,979,203	1,979,203	579,481	4,128,823	3,339,637
Public Works	4,109,836	3,650,442	6,924,069	6,189,576	7,472,508	7,149,654	6,414,741	12,645,169	10,658,497	6,745,172
Culture and Recreation	3,077,788	3,679,129	3,873,165	3,782,550	5,348,966	5,410,577	4,383,149	4,166,726	4,502,821	2,866,141
Community Development	3,408,895	4,994,156	3,695,171	5,467,278	5,350,231	8,200,673	8,291,796	14,921,125	5,541,232	10,098,753
Operating Grants and Contributions	2,185,417	2,729,866	1,644,022	1,438,966	1,876,305	1,976,101	3,918,581	2,559,182	1,994,449	3,695,265
Capital Grants and Contributions (1)	12,342,612	6,922,360	2,353,049	2,341,476	2,262,146	2,123,799	-	-	-	-
<b>Total Governmental Activities-Program Revenues</b>	<b>29,834,002</b>	<b>26,416,299</b>	<b>23,195,058</b>	<b>24,262,926</b>	<b>27,204,251</b>	<b>30,228,139</b>	<b>24,881,615</b>	<b>34,937,791</b>	<b>30,144,572</b>	<b>30,487,982</b>
<b>Business-Type Activities</b>										
Charges for Services	4,935,649	5,750,659	6,633,147	8,046,619	8,165,645	7,647,125	9,487,140	11,335,453	12,850,561	14,870,751
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
<b>Total Business-Type Activities Program Revenues</b>	<b>4,935,649</b>	<b>5,750,659</b>	<b>6,633,147</b>	<b>8,046,619</b>	<b>8,165,645</b>	<b>7,647,125</b>	<b>9,487,140</b>	<b>11,335,453</b>	<b>12,850,561</b>	<b>14,870,751</b>
<b>Total Primary Government-Program Revenues</b>	<b>34,769,651</b>	<b>32,166,958</b>	<b>29,828,205</b>	<b>32,309,545</b>	<b>35,369,896</b>	<b>37,875,264</b>	<b>34,368,755</b>	<b>46,273,244</b>	<b>42,995,133</b>	<b>45,358,733</b>
<b>General Revenues &amp; Other Changes in Net Position</b>										
<b>Governmental Activities</b>										
Taxes										
Property Taxes (2)	23,936,578	13,239,856	15,731,889	15,156,065	16,824,728	18,227,209	20,676,911	23,135,956	26,066,433	28,478,935
Sales Taxes	5,988,055	5,938,310	6,043,870	6,444,292	6,527,498	5,425,089	5,635,240	7,215,357	7,156,070	6,922,306
Transient Occupancy Tax	2,453,981	2,939,475	3,468,256	4,158,809	4,720,226	6,268,171	6,662,631	7,770,969	10,296,163	7,283,528
Other Taxes	4,490,992	4,607,758	4,556,371	4,946,135	4,616,187	4,882,372	9,272,058	9,921,476	9,124,553	9,168,081
<b>Total Taxes</b>	<b>36,869,606</b>	<b>26,725,399</b>	<b>29,800,386</b>	<b>30,705,301</b>	<b>32,688,639</b>	<b>34,802,841</b>	<b>42,246,840</b>	<b>48,043,758</b>	<b>52,643,219</b>	<b>51,852,850</b>
Investment Earnings	1,431,440	1,133,432	647,963	982,640	1,205,744	1,169,712	2,361,140	3,055,706	4,944,823	6,364,737
Gain (Loss) on Sale of Capital Assets	-	-	547,749	264	45,544	47,567	-	-	-	-
Miscellaneous	235,145	255,185	107,652	1,222,100	234,380	1,144,891	555,225	532,554	367,025	995,603
Transfers	165,639	170,605	181,525	185,881	189,041	220,185	201,061	207,896	193,175	223,000
Extraordinary gain (3)/(4)	-	28,170,332	-	771,822	-	-	-	-	-	-
<b>Total Governmental Activities - General Revenues</b>	<b>38,701,830</b>	<b>56,454,953</b>	<b>31,285,275</b>	<b>33,868,008</b>	<b>34,363,348</b>	<b>37,385,196</b>	<b>45,364,266</b>	<b>51,839,914</b>	<b>58,148,242</b>	<b>59,436,190</b>
<b>Business-type Activities</b>										
Investment Earnings	135,619	103,480	(8,799)	117,849	146,647	111,026	61,846	81,291	514,878	698,787
Miscellaneous	-	(5,953)	-	-	(1,752)	-	-	-	-	-
Transfers	(165,639)	(170,605)	(181,525)	(185,881)	(189,041)	(220,185)	(201,061)	(207,896)	(193,175)	(223,000)
<b>Total Business-Type Activities - General Revenues</b>	<b>(30,020)</b>	<b>(73,078)</b>	<b>(190,324)</b>	<b>(68,032)</b>	<b>(44,146)</b>	<b>(109,159)</b>	<b>(139,215)</b>	<b>(126,605)</b>	<b>321,703</b>	<b>475,787</b>
<b>Total Primary Government-Program Revenues, General Revenues &amp; Other Changes in Net Position</b>	<b>73,441,461</b>	<b>88,548,833</b>	<b>60,923,156</b>	<b>66,109,521</b>	<b>69,689,098</b>	<b>75,151,301</b>	<b>79,593,806</b>	<b>97,986,553</b>	<b>101,465,078</b>	<b>105,270,710</b>

Source: City of Menlo Park

Notes:

(1) In fiscal year 2010-11 and 2011-2012, capital contributions include construction of Arrillaga Family Gym, Recreation Center, and Gymnastics Center.

(2) In fiscal year 2005-06, Property tax in lieu of Motor Vehicle License fees was reclassified to Property Taxes.

(3) In fiscal year 2011-12, extraordinary gain was due to dissolution of the Community Development Agency.

(4) In fiscal year 2013-14 extraordinary gain was due to the sale of the Hamilton Ave property.

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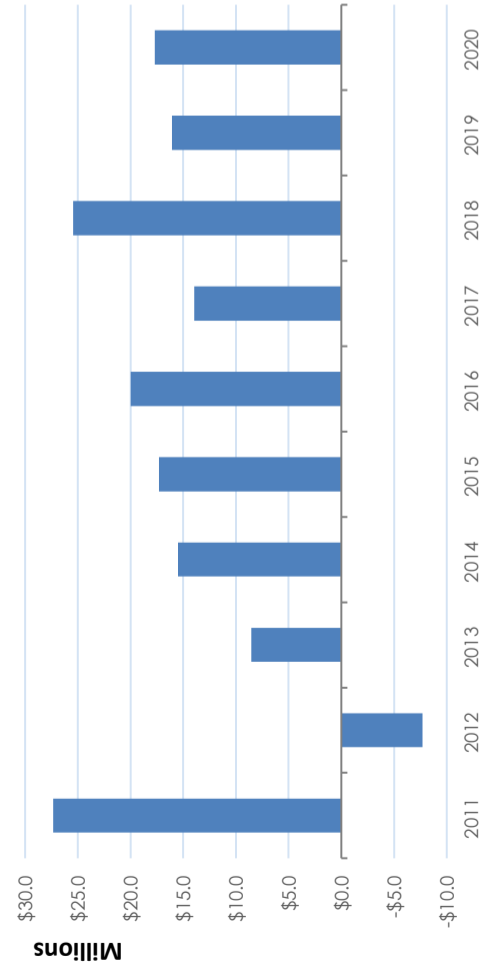
## Changes in Net Position June 30, 2020

Expenses	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Governmental Activities</b>										
General Government	6,353,156	8,845,324	7,386,399	6,332,057	8,057,304	8,896,023	6,831,261	8,277,794	8,208,369	11,877,351
Public Safety (4)	13,605,071	20,707,475	14,248,362	14,080,936	14,237,536	17,090,541	16,597,178	17,979,557	19,688,473	21,487,258
Public Works	10,635,694	10,789,784	10,809,670	10,920,198	11,638,045	10,784,753	16,964,601	18,144,697	24,979,226	21,656,255
Culture and Recreation	9,616,046	9,461,866	9,860,317	11,077,343	11,400,791	11,250,082	12,870,799	13,656,875	14,532,416	15,184,705
Community Development (5)	12,615,612	9,470,060	6,186,002	4,240,784	4,384,310	4,060,817	5,440,687	6,513,854	7,171,610	7,096,824
Interest on Long-Term Debt	4,020,241	4,481,135	2,971,231	1,229,193	1,219,698	850,924	776,182	967,824	730,531	527,161
<b>Total Governmental Activities Expenses</b>	<b>56,845,819</b>	<b>63,755,644</b>	<b>51,461,981</b>	<b>47,880,511</b>	<b>50,937,684</b>	<b>52,933,140</b>	<b>59,480,708</b>	<b>65,540,601</b>	<b>75,310,625</b>	<b>77,829,554</b>
<b>Business-Type Activities</b>										
Water	4,378,277	4,874,711	6,112,954	6,299,614	6,916,915	6,657,761	8,037,027	8,947,269	10,080,419	9,752,931
<b>Total Business-Type Activities Expenses</b>	<b>4,378,277</b>	<b>4,874,711</b>	<b>6,112,954</b>	<b>6,299,614</b>	<b>6,916,915</b>	<b>6,657,761</b>	<b>8,037,027</b>	<b>8,947,269</b>	<b>10,080,419</b>	<b>9,752,931</b>
<b>Total Primary Government Expenses</b>	<b>61,224,096</b>	<b>68,630,355</b>	<b>57,574,935</b>	<b>54,180,125</b>	<b>57,854,599</b>	<b>59,590,901</b>	<b>67,517,735</b>	<b>74,487,870</b>	<b>85,391,044</b>	<b>87,582,485</b>
<b>Net Revenue (Expenses)</b>										
<b>Governmental Activities</b>	<b>(30,429,520)</b>	<b>(40,560,586)</b>	<b>(27,199,055)</b>	<b>(20,676,260)</b>	<b>(20,709,545)</b>	<b>(28,051,525)</b>	<b>(24,542,917)</b>	<b>(35,396,029)</b>	<b>(45,166,053)</b>	<b>(47,341,572)</b>
<b>Business-type Activities</b>	<b>1,372,382</b>	<b>1,758,436</b>	<b>1,933,665</b>	<b>1,866,031</b>	<b>730,210</b>	<b>2,829,379</b>	<b>3,298,426</b>	<b>3,903,292</b>	<b>2,770,142</b>	<b>5,117,820</b>
<b>Total Net Revenue (Expenses)</b>	<b>(29,057,138)</b>	<b>(38,802,150)</b>	<b>(25,265,390)</b>	<b>(18,810,229)</b>	<b>(19,979,335)</b>	<b>(25,222,146)</b>	<b>(21,244,491)</b>	<b>(31,492,737)</b>	<b>(42,395,911)</b>	<b>(42,223,752)</b>
<b>Changes in Net Position</b>										
<b>Governmental Activities</b>	<b>26,025,433</b>	<b>(9,275,311)</b>	<b>6,668,953</b>	<b>13,687,088</b>	<b>16,675,651</b>	<b>17,312,741</b>	<b>10,765,173</b>	<b>21,237,104</b>	<b>12,982,189</b>	<b>12,094,618</b>
<b>Business-type Activities</b>	<b>1,299,304</b>	<b>1,568,112</b>	<b>1,865,633</b>	<b>1,821,885</b>	<b>621,051</b>	<b>2,690,164</b>	<b>3,171,821</b>	<b>4,224,995</b>	<b>3,091,845</b>	<b>5,593,607</b>
<b>Changes in Net Position</b>	<b>\$ 27,324,737</b>	<b>\$ (7,707,199)</b>	<b>\$ 8,534,586</b>	<b>\$ 15,508,973</b>	<b>\$ 17,296,702</b>	<b>\$ 20,002,905</b>	<b>\$ 13,936,994</b>	<b>\$ 25,462,099</b>	<b>\$ 16,074,034</b>	<b>\$ 17,688,225</b>

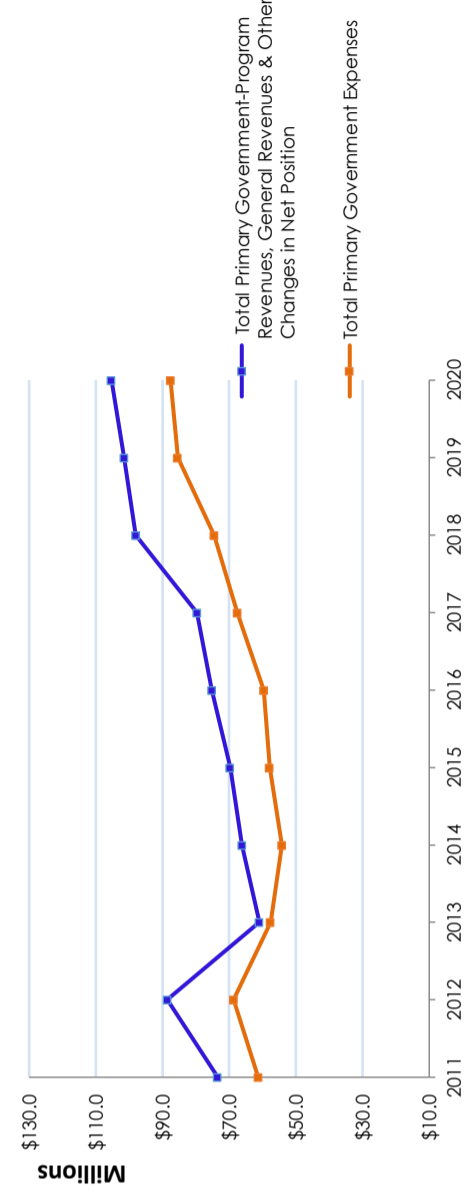
**Notes:**

- (4) In fiscal year 2010-11, City paid off a \$ 7.1 million pension liability for safety employees.
- (5) Includes fiscal year 2005-06 transfer of Hamilton Avenue housing and park site from the Community Development Agency of the City to the developers.

**Changes in Net Position**



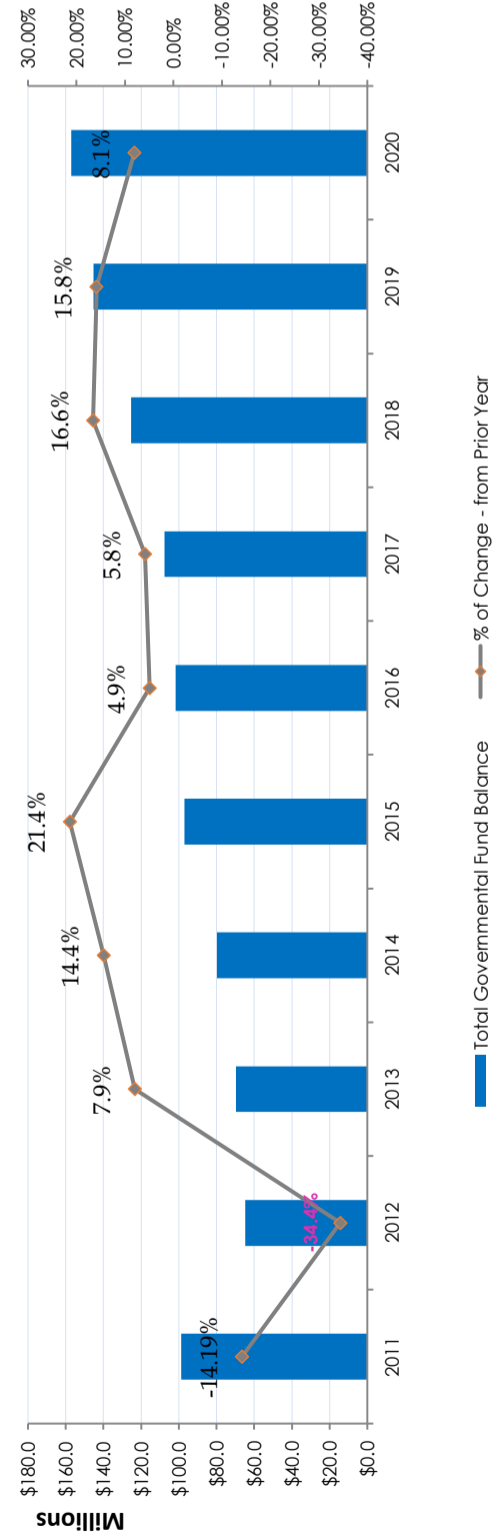
**Revenues and Expenses**



**Fund Balances - Governmental Funds**  
Last Ten Fiscal Years

	2011 *	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Fund</b>										
Nonspendable	\$ 1,435,026	\$ 2,227,593	\$ 1,005,376	\$ 1,076,587	\$ 1,072,888	\$ 1,373,313	\$ 1,395,679	\$ 1,404,765	\$ 31,476	\$ 18,687
Committed	14,000,000	14,000,000	14,000,000	16,240,000	15,930,000	20,852,000	24,600,000	25,600,000	28,980,000	27,918,200
Assigned	2,592,173	3,494,188	2,728,033	4,307,634	4,468,298	4,483,513	4,940,127	6,214,219	7,040,221	7,177,514
Unassigned	1,578,736	1,776,214	4,644,239	6,367,022	9,865,646	5,007,430	2,282,609	3,897,104	6,406,921	6,406,921
<b>General Fund Balance</b>	<b>19,605,935</b>	<b>21,497,995</b>	<b>22,377,648</b>	<b>27,991,243</b>	<b>31,336,832</b>	<b>31,716,256</b>	<b>33,218,415</b>	<b>37,116,088</b>	<b>42,458,618</b>	<b>41,521,322</b>
<b>Other Governmental Funds</b>										
Nonspendable	2,475,807	4,233,517	4,907,442	565	2,041	-	-	-	4,919	6,523
Restricted	76,633,611	38,934,347	42,501,844	21,704,829	30,573,722	37,295,730	41,402,540	60,813,424	69,167,245	77,029,948
Committed	-	-	-	14,350,759	17,888,242	12,594,224	15,157,048	8,161,693	9,503,142	10,514,058
Assigned	-	-	-	15,834,509	17,148,769	20,143,982	18,186,022	19,594,032	24,197,642	27,859,888
Unassigned	(105,083)	-	-	(54,106)	(63,823)	(121,456)	(414,877)	(330,452)	(111,373)	-
<b>Total Other Governmental Fund Balance</b>	<b>79,004,335</b>	<b>43,167,864</b>	<b>47,409,286</b>	<b>51,836,556</b>	<b>65,548,951</b>	<b>69,912,480</b>	<b>74,330,733</b>	<b>88,238,697</b>	<b>102,761,575</b>	<b>115,410,417</b>
<b>Total Governmental Fund Balance</b>	<b>\$ 98,610,270</b>	<b>\$ 64,665,859</b>	<b>\$ 69,786,934</b>	<b>\$ 79,827,799</b>	<b>\$ 96,885,783</b>	<b>\$ 101,628,736</b>	<b>\$ 107,549,148</b>	<b>\$ 125,354,785</b>	<b>\$ 145,220,193</b>	<b>\$ 156,931,739</b>
% of Change - from Prior Year	-14.19%	-34.4%	7.9%	14.4%	21.4%	4.9%	5.8%	16.6%	15.8%	8.1%

**Total Governmental Fund Balance**



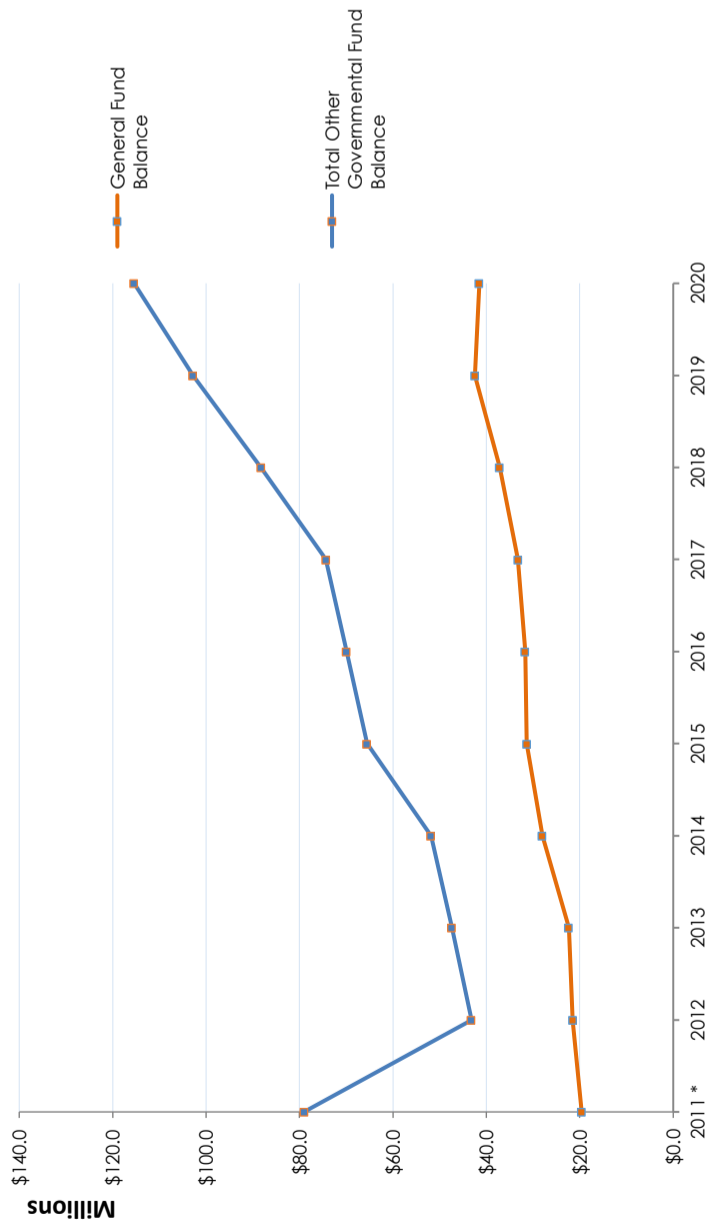
Source: City of Menlo Park

\* GASB 54 "Fund Balance Reporting and Governmental Fund Type Definitions" implemented in 2010-11.

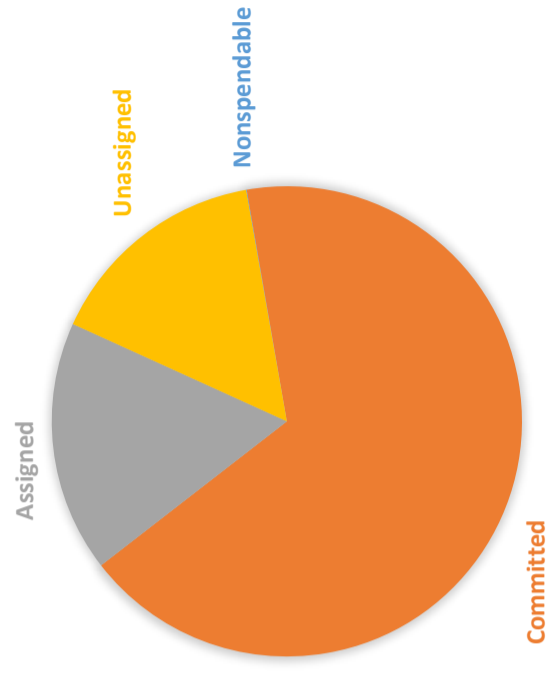
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**Fund Balances - Governmental Funds**  
Last Ten Fiscal Years

**General Fund and Other Governmental Fund Balances**



**GENERAL FUND BALANCE - JUNE 30, 2020**



Source: City of Menlo Park

**Changes in Fund Balances - Governmental Funds**  
Last Ten Fiscal Years

Financial Trends:  
Schedule 4

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Revenues</b>										
Taxes										
Secured property taxes	\$ 21,810,655	\$ 12,258,233	\$ 14,854,925	\$ 14,081,491	\$ 15,400,581	\$ 16,927,658	\$ 19,676,899	\$ 22,311,958	\$ 23,975,575	\$ 26,328,428
Unsecured property taxes	1,577,479	404,916	351,099	384,686	414,466	466,089	301,908	24,746	615,669	635,643
Other property taxes	548,444	576,707	525,865	689,888	1,012,292	940,188	698,101	799,252	799,252	1,021,924
Sales taxes	5,988,055	5,938,310	6,043,870	6,444,292	6,527,498	5,425,088	5,635,240	6,910,437	7,156,070	7,028,306
Other Taxes(1), (5)	6,774,780	7,530,245	8,007,960	9,085,311	9,729,062	11,054,349	11,572,087	13,269,854	20,278,184	16,112,745
Special assessments	2,818,829	2,862,076	2,831,235	3,131,099	2,938,371	2,618,490	2,676,947	2,667,087	1,848,653	1,834,543
Licenses and permits (5)	3,586,374	4,093,978	4,845,041	6,222,575	5,562,806	6,372,725	6,260,028	7,120,760	3,933,310	2,712,711
Fines and forfeitures	953,194	1,067,328	998,259	1,253,261	1,346,449	1,349,853	1,110,891	150,112	1,482,275	733,053
Use of money and property	1,406,100	1,102,320	594,476	955,817	1,170,488	1,677,993	1,269,957	2,241,452	4,677,868	6,003,086
Intergovernmental	2,547,164	2,325,236	2,276,829	1,757,274	2,158,680	2,616,291	2,549,637	2,253,258	2,987,225	4,108,607
Charges for services	10,486,567	11,943,461	13,225,264	13,312,487	14,801,784	16,906,213	16,123,233	28,137,256	21,007,655	21,040,916
Other Revenues	234,550	270,567	202,137	141,434	234,380	331,756	562,919	475,769	605,280	713,135
<b>Total Revenues</b>	<b>58,732,191</b>	<b>50,373,377</b>	<b>54,756,960</b>	<b>57,459,615</b>	<b>61,296,857</b>	<b>66,686,693</b>	<b>68,437,847</b>	<b>86,361,941</b>	<b>89,464,060</b>	<b>88,273,097</b>
<b>Expenditures</b>										
Current										
General Government	6,209,988	4,545,864	5,204,412	5,567,633	6,297,514	5,521,808	6,982,290	7,496,989	7,552,554	10,628,188
Public Safety(2)	20,568,030	13,978,279	13,831,018	14,194,657	14,955,891	15,933,746	16,826,266	17,875,498	19,053,402	19,692,219
Public Works	7,929,428	7,886,059	8,174,802	8,130,751	9,795,903	11,352,894	14,078,566	13,921,775	18,563,322	17,429,812
Culture and Recreation	8,286,639	8,287,074	9,014,947	9,330,874	10,015,841	10,055,990	10,695,856	11,345,600	12,772,914	12,573,530
Community Development	4,061,407	5,560,374	3,937,710	4,248,952	3,513,848	4,533,057	5,191,543	6,145,363	6,677,611	6,268,348
Urban Development and Housing	5,399,919	614,951	286,699	133,523	78,606	153,767	105,696	226,796	365,921	590,764
Capital Outlay	16,030,908	10,215,010	7,904,805	5,999,875	1,483,122	1,730,011	8,724,067	10,341,449	3,608,825	8,759,154
Capital Expenditures	-	-	-	-	2,483,647	8,589,250	-	-	-	-
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal(3)	2,420,000	2,570,000	760,000	620,000	1,000,000	1,055,000	425,000	440,000	455,000	475,000
Interest and Fiscal Charges(4)	4,295,839	4,254,712	1,255,585	1,230,855	862,315	931,400	782,173	976,333	742,278	650,276
<b>Total Expenditures</b>	<b>75,202,158</b>	<b>57,912,323</b>	<b>50,369,978</b>	<b>49,457,120</b>	<b>50,486,687</b>	<b>59,856,923</b>	<b>63,811,457</b>	<b>68,769,803</b>	<b>69,791,827</b>	<b>77,067,291</b>
<b>Revenues over (under) Expenditures</b>	<b>(16,469,967)</b>	<b>(7,538,946)</b>	<b>4,386,982</b>	<b>8,002,495</b>	<b>10,810,170</b>	<b>6,829,770</b>	<b>4,626,390</b>	<b>17,592,138</b>	<b>19,672,233</b>	<b>11,205,806</b>

Source: City of Menlo Park

Notes:

(1) Other Taxes include Franchise & Occupancy, Utility Users, Highway Users and County Transportation taxes.

(2) In fiscal year 2010-11, the large increase was due to paying off the PERS safety side fund.

(3) Principal payment due on the 2006 Las Pulgas Tax Allocation Refunding Bonds on January 1, 2008.

(4) Interest and Fiscal Charges include cost of issuance and bond insurance.

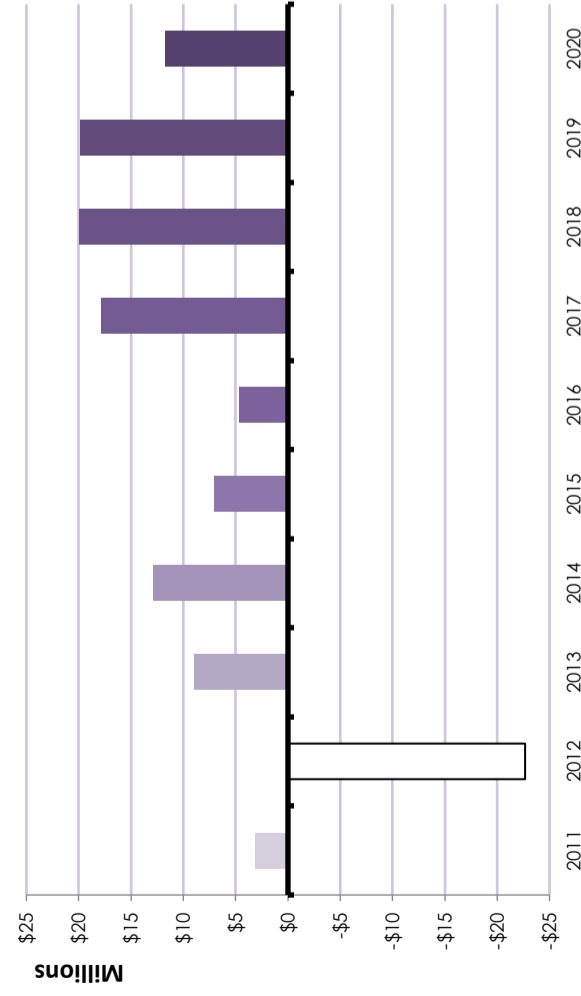
(5) Business License was included in other taxes beginning FY 2018-19 in prior years was included in Licenses & permits.

(Continued)

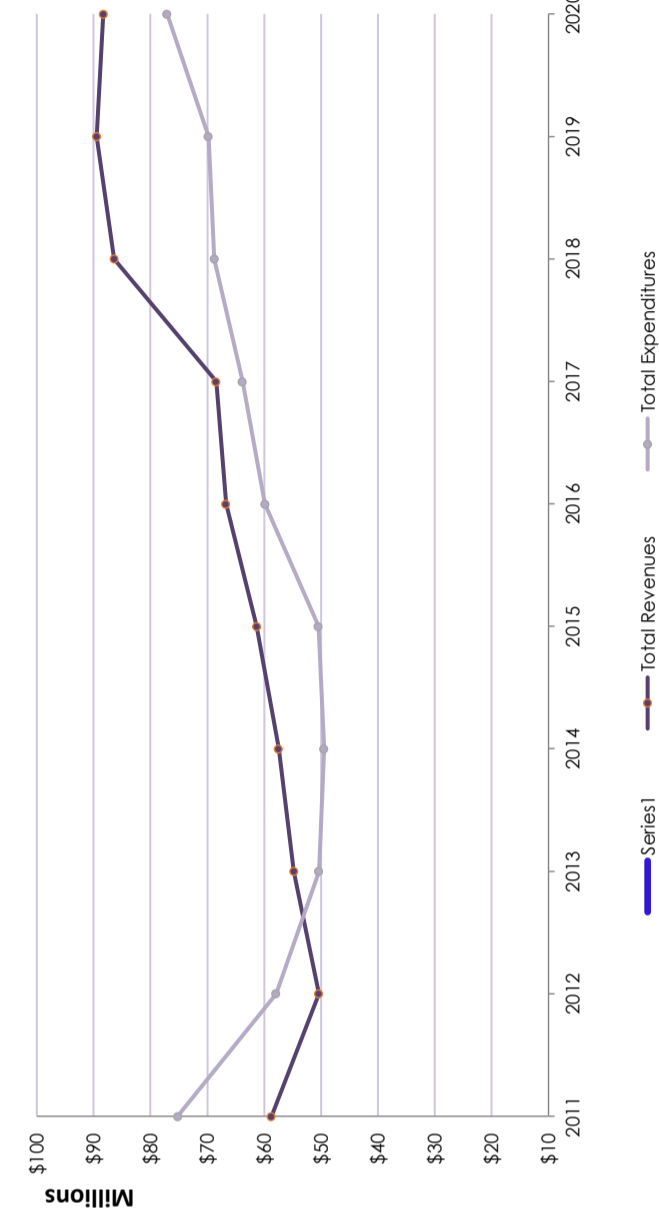
**Changes in Fund Balances - Governmental Funds**  
Last Ten Fiscal Years

Financial Trends:  
Schedule 4

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Other Financing Sources (Uses)</b>										
Transfer In	7,297,500	9,722,425	6,091,632	2,994,261	4,699,084	9,873,559	7,659,532	5,612,101	9,804,193	7,980,877
Transfer Out	(7,136,686)	(9,551,820)	(5,910,107)	(2,808,380)	(4,523,543)	(9,853,374)	(7,458,471)	(5,404,205)	(9,611,018)	(7,757,877)
Proceeds from Sale of Fixed/Capital Assets	3,204	-	766,855	1,080,667	-	-	1,534	5,603	-	-
Proceeds from Refunding bonds Issuance	10,440,000	9,830,000	-	-	-	-	-	-	-	9,640,000
Payment to Refunded bond Escrow Agent	-	(11,166,467)	-	-	-	-	-	-	-	(9,962,267)
Bond Premium	-	-	-	-	-	-	-	-	-	605,007
Discount on Issuance of Debt	74,971	(73,725)	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>10,678,989</b>	<b>(1,239,587)</b>	<b>948,380</b>	<b>1,266,548</b>	<b>175,541</b>	<b>20,185</b>	<b>202,595</b>	<b>213,499</b>	<b>193,175</b>	<b>505,740</b>
Extraordinary gain(loss)(6),(7)	-	(25,814,163)	-	771,822	-	-	-	-	-	-
<b>Net Change in Fund Balance</b>	<b>\$ 3,140,043</b>	<b>\$ (22,666,768)</b>	<b>\$ 8,950,875</b>	<b>\$ 12,848,540</b>	<b>\$ 7,005,311</b>	<b>\$ 4,646,575</b>	<b>\$ 17,794,733</b>	<b>\$ 19,885,732</b>	<b>\$ 19,865,408</b>	<b>\$ 11,711,546</b>
<b>% of Change</b>	<b>-1.5%</b>	<b>-821.9%</b>	<b>-139.5%</b>	<b>43.5%</b>	<b>-45.5%</b>	<b>-33.7%</b>	<b>283.0%</b>	<b>11.8%</b>	<b>-0.1%</b>	<b>-41.0%</b>
<b>Capital Expenditures</b>										
<b>Debt Service as Percentage of Non-Capital Expenditures</b>	<b>11.3%</b>	<b>14.3%</b>	<b>4.7%</b>	<b>4.3%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>2.2%</b>	<b>2.4%</b>	<b>1.8%</b>	<b>1.6%</b>



**Net Change in Fund Balance**



**Revenues & Expenditures**

Source: City of Menlo Park

(6) In fiscal year 2011-12, the extraordinary gain was due to dissolution of the Community Development Agency

(7) In fiscal year 2013-14, the extraordinary gain was due to sale of the Hamilton Ave. property



## Governmental Funds Revenues by Source <sup>(1)</sup> Last Ten Fiscal Years

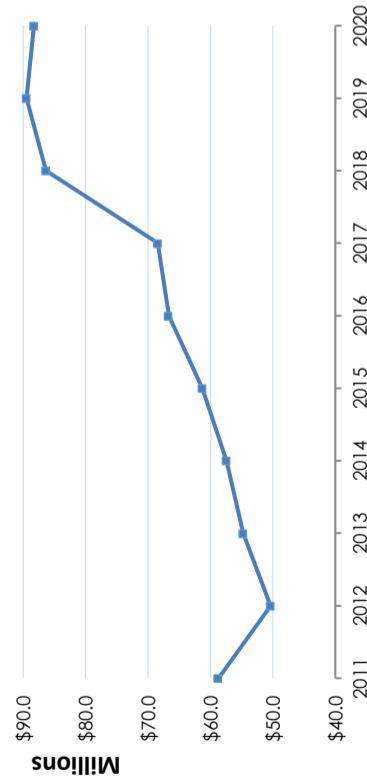
Fiscal Year Ending June 30	Total Taxes	Special Assessment	Licenses and Permits	Fines and Forfeitures	Use of Money & Property	Inter- governmental	Charges for Services	Other Revenues	Total Governmental Revenues
2011	36,699,413	2,818,829	3,586,374	953,194	1,406,100	2,547,164	10,486,567	234,550	58,732,191
2012	26,708,411	2,862,076	4,093,978	1,067,328	1,102,320	2,325,236	11,943,461	270,567	50,373,377
2013	29,783,719	2,831,235	4,845,041	998,259	594,476	2,276,829	13,225,264	202,137	54,756,960
2014	30,685,668	3,131,099	6,222,575	1,253,261	955,817	1,757,274	13,312,487	141,434	57,459,615
2015	33,083,899	2,938,371	5,562,806	1,346,449	1,170,488	2,158,680	14,801,784	234,380	61,296,857
2016	34,813,372	2,618,490	6,372,725	1,349,853	1,677,993	2,616,291	16,906,213	331,756	66,686,693
2017	37,884,235	2,676,947	6,260,028	1,110,891	1,269,957	2,549,637	16,123,233	562,919	68,437,847
2018	43,316,247	2,667,087	7,120,761	150,112	2,241,452	2,253,258	28,137,256	475,769	86,361,942
2019	52,921,794	1,848,653	3,933,310	1,482,275	4,677,868	2,987,225	21,007,655	605,280	89,464,060
2020	51,127,046	1,834,543	2,712,711	733,053	6,003,086	4,108,607	21,040,916	713,135	88,273,097

Source: City of Menlo Park

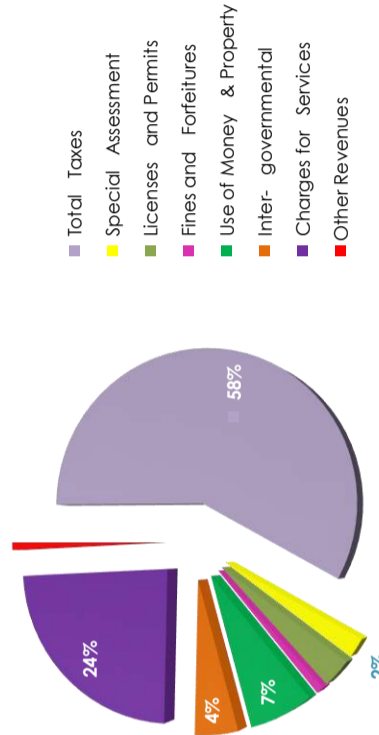
<sup>(1)</sup> General governmental revenues by source consist of the following City funds: General, Special Revenue, Debt Service, Capital Projects and Expendable Trusts.

<sup>(2)</sup> In fiscal year 2006, Property Taxes in lieu of Motor Vehicle License Fees were reclassified from Intergovernmental to Property Taxes.

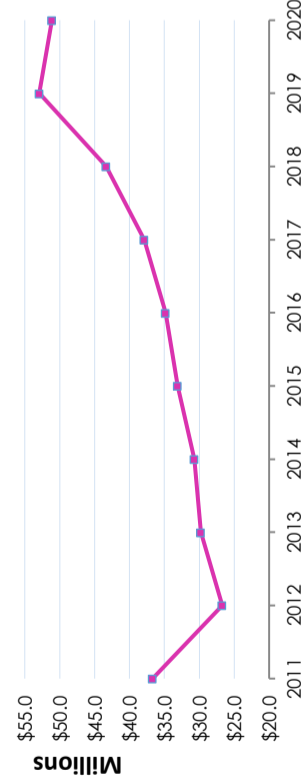
### Total Governmental



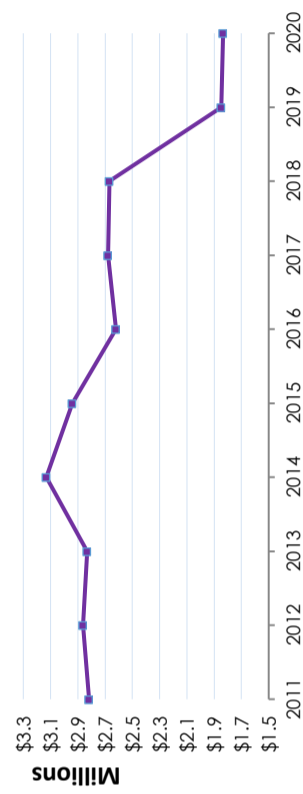
### Total Governmental Revenues - June 30, 2020



### Total

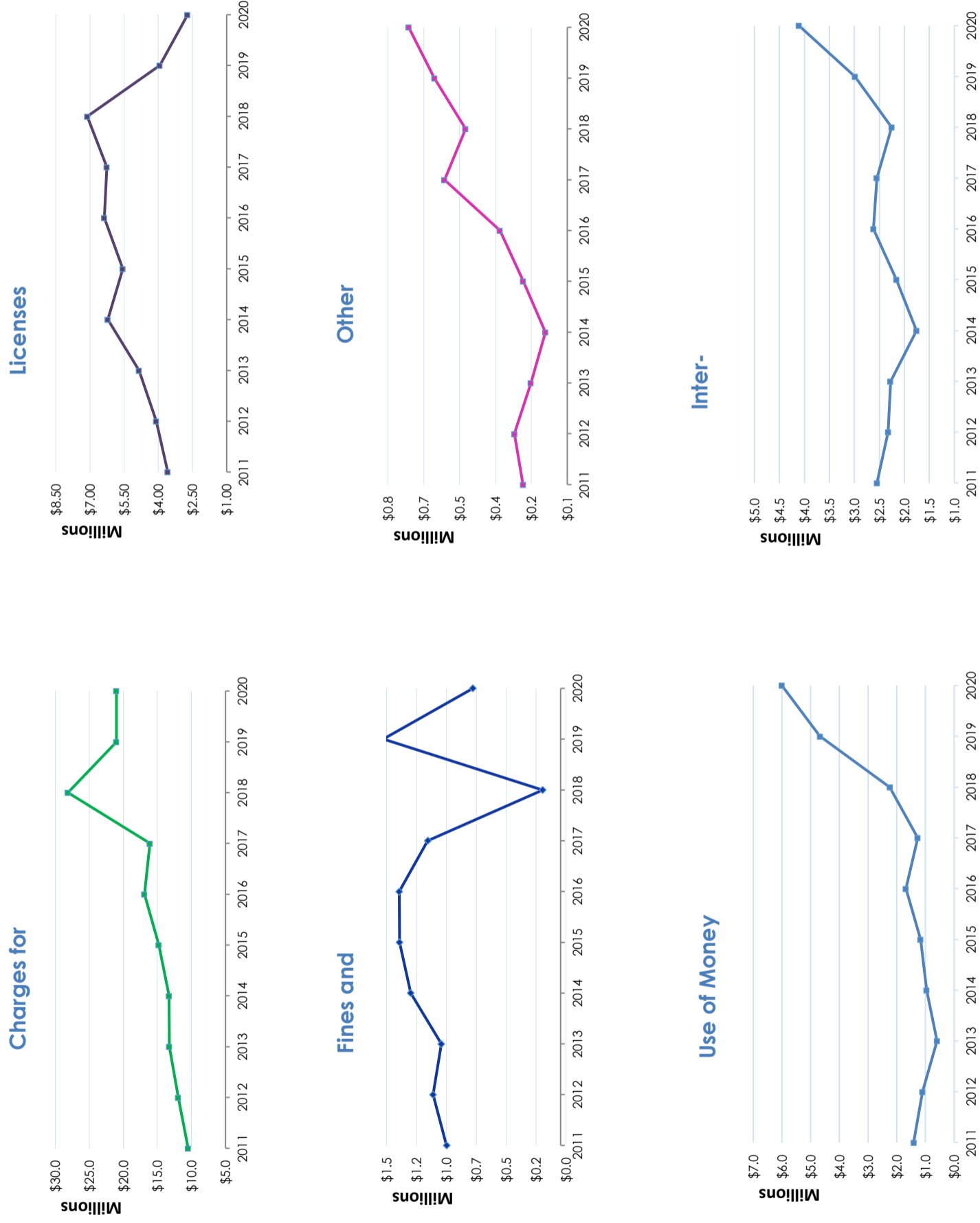


### Special



**Governmental Funds Revenues by Source <sup>(1)</sup>**  
Last Ten Fiscal Years

(Continued)

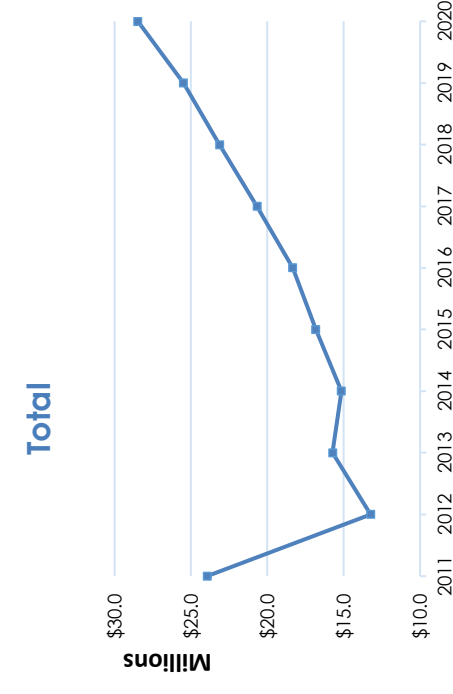
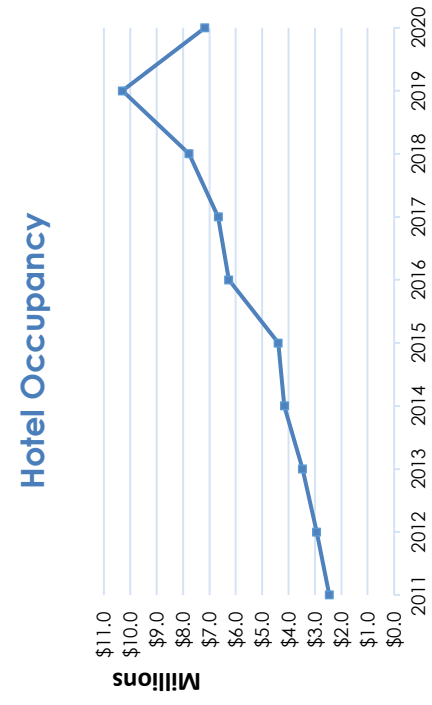
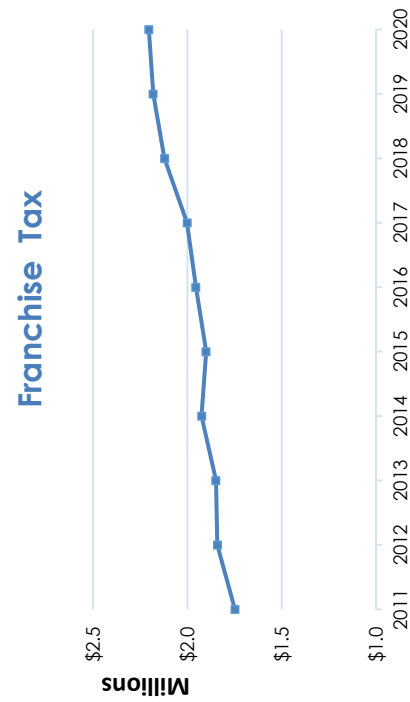
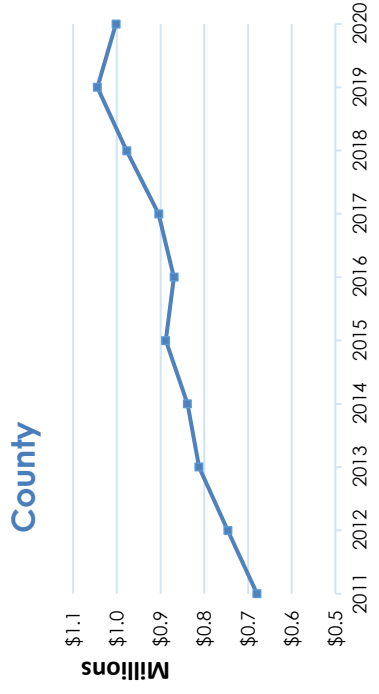
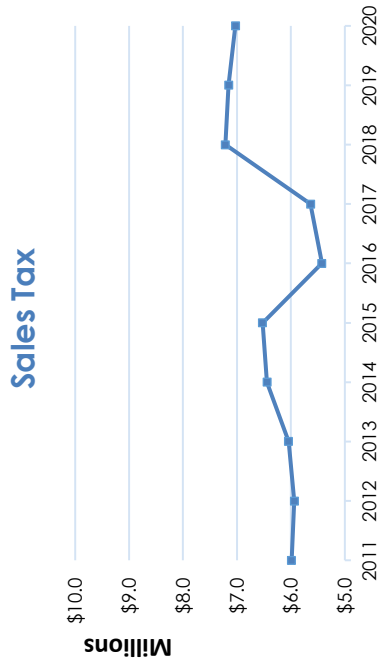


# Governmental Funds Tax Revenue by Type

## Last Ten Fiscal Years

Fiscal Year Ending June 30	Highway		County		Franchise		Hotel Occupancy		Utility		Property Tax			Total Property Tax	Total Governmental Funds
	Sales Tax	Users Tax	Transportation Tax	County	Tax	Tax	Tax	Tax	Users Tax (1)	Secured	Unsecured	Transfer Tax	Other		
2011	5,988,055	770,967	679,286	679,286	1,747,605	2,453,981	1,122,940	1,122,940	21,810,655	1,577,479	457,701	90,743	23,936,578	36,699,412	
2012	5,938,310	923,796	746,187	746,187	1,840,351	2,939,475	1,080,436	1,080,436	12,258,233	404,916	501,161	75,546	13,239,856	26,708,411	
2013	6,043,870	783,719	812,249	812,249	1,848,480	3,468,256	1,095,256	1,095,256	14,854,925	351,099	460,683	65,182	15,731,889	29,783,719	
2014	6,444,292	1,006,294	838,318	838,318	1,924,237	4,158,809	1,157,653	1,157,653	14,081,491	384,686	627,644	62,244	15,156,065	30,685,668	
2015	6,527,498	950,205	888,189	888,189	1,900,746	4,394,156	1,187,020	1,187,020	15,400,581	414,466	947,710	64,582	16,827,339	32,675,153	
2016	5,425,088	742,292	869,128	869,128	1,954,461	6,268,171	1,220,297	1,220,297	16,927,658	466,089	908,782	31,406	18,333,935	34,813,372	
2017	5,635,240	663,555	904,462	904,462	2,001,107	6,662,631	1,253,672	1,253,672	19,676,899	301,908	635,816	62,288	20,676,911	37,797,578	
2018	7,215,357	982,742	977,537	977,537	2,121,387	7,770,969	1,322,169	1,322,169	22,311,958	24,746	732,037	67,215	23,135,956	43,526,117	
2019	7,156,070	1,390,972	1,044,435	1,044,435	2,181,173	10,296,163	1,661,938	1,661,938	23,975,575	615,669	828,003	68,293	25,487,540	49,218,291	
2020	7,028,306	1,415,270	1,001,990	1,001,990	2,203,963	7,177,528	1,626,569	1,626,569	26,328,428	635,643	952,670	562,194	28,478,935	48,932,561	

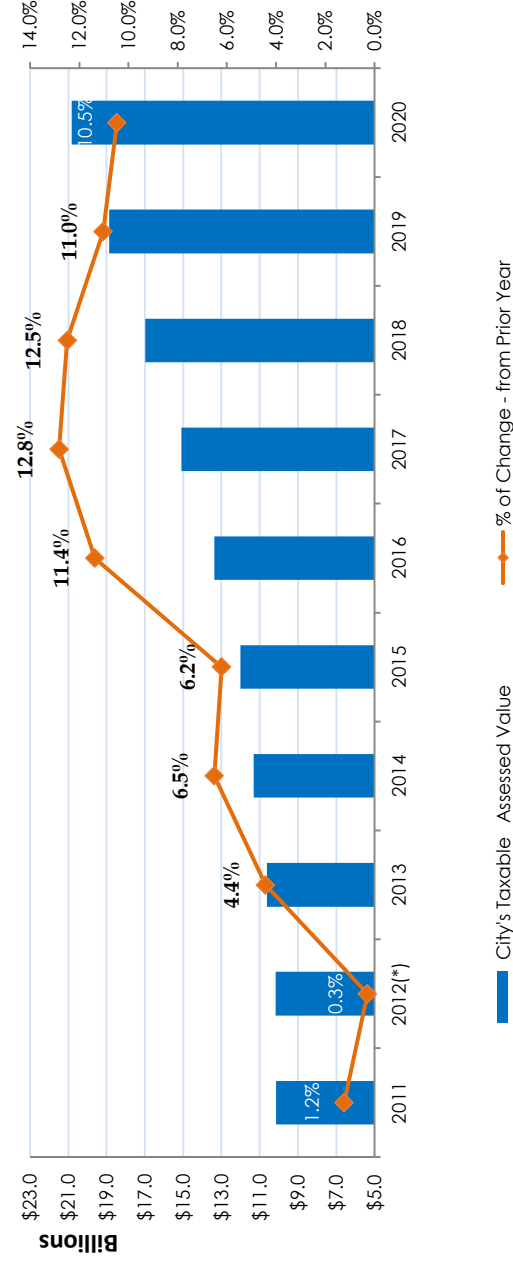
Source: City of Menlo Park and County of San Mateo  
(1) City implemented Utility Users Tax in April 2007



**Assessed Valuation, Tax Rates, and Tax Levies**  
Last Ten Fiscal Years

Fiscal Year Ending June 30	Secured	Unsecured	Less Exemptions	City's Taxable Assessed Value	% of Change - from Prior Year	Total Direct Tax Rate
2011	9,632,437,282	741,119,897	(234,843,253)	10,140,348,118	1.2%	0.0024
2012(*)	9,701,542,385	712,158,100	(244,456,426)	10,169,244,059	0.3%	0.0024
2013	10,059,424,137	819,698,175	(258,752,495)	10,620,369,817	4.4%	0.0024
2014	10,793,653,677	809,314,081	(291,016,106)	11,311,951,652	6.5%	0.0024
2015	11,505,930,742	814,834,786	(305,046,407)	12,015,719,121	6.2%	0.0024
2016	12,752,897,442	927,792,380	(300,228,143)	13,380,461,679	11.4%	0.0011
2017	14,218,711,817	1,148,145,263	(270,990,043)	15,095,867,037	12.8%	0.0010
2018	15,756,865,369	1,547,821,754	(323,167,196)	16,981,519,927	12.5%	0.0010
2019	18,155,327,753	1,062,432,203	(363,506,000)	18,854,253,956	11.0%	0.0010
2020	20,184,133,096	1,046,462,723	(402,911,741)	20,827,684,078	10.5%	0.0010

**City's Taxable Assessed Valuation**



Source: County of San Mateo

Notes:

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

(\*) Redevelopment Agency was transferred to Successor Agency due to dissolution

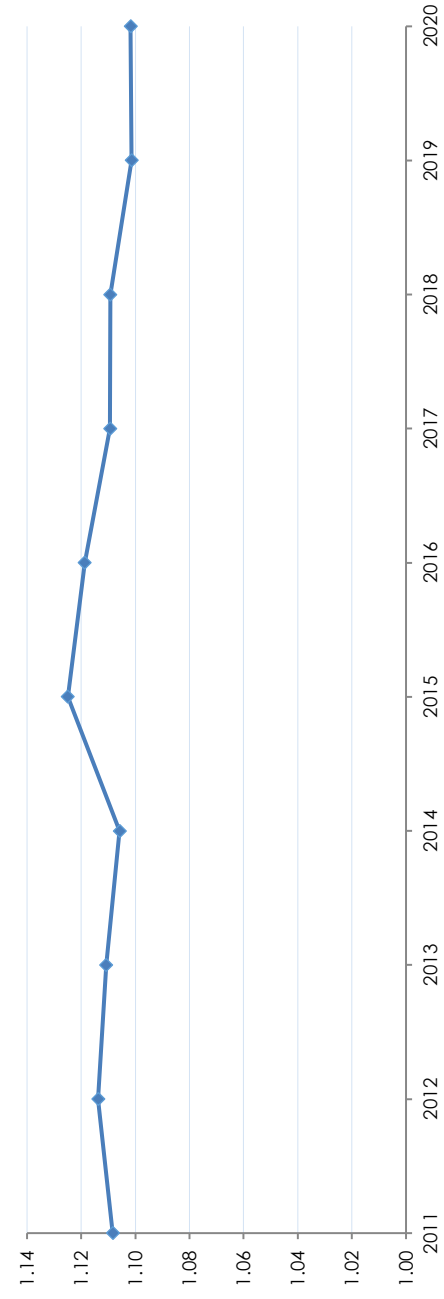
### Direct and Overlapping Property Tax Rates Last Ten Fiscal Years

(Per \$1,000 Assessed Valuation)	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>City Direct Rates (1)</b>	0.0024	0.0024	0.0024	0.0024	0.0024	0.0011	0.0010	0.0010	0.0010	0.0010
<b>Overlapping Rates (2)</b>										
San Mateo County	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Menlo Park Elementary	0.0410	0.0413	0.0402	0.0381	0.0486	0.0393	0.0357	0.0385	0.0383	0.0365
San Mateo Junior College	0.0193	0.0199	0.0194	0.0194	0.0190	0.0250	0.0247	0.0235	0.0175	0.0231
Menlo Park Debt Service	0.0042	0.0041	0.0038	0.0026	0.0025	-	-	-	-	-
Menlo Park Parks & Rec Bond	0.0127	0.0126	0.0118	0.0144	0.0115	0.0102	0.0092	0.0080	0.0073	0.0065
Sequoia Union High School District	0.0311	0.0358	0.0356	0.0313	0.0433	0.0434	0.0391	0.0383	0.0365	0.0340
Midpeninsula Reg Open	-	-	-	-	-	0.0008	0.0006	0.0009	0.0018	0.0016
<b>Total Overlapping Rates</b>	1.1083	1.1137	1.1108	1.1058	1.1249	1.1187	1.1093	1.1092	1.1014	1.1017
<b>Total Direct and Overlapping Rates</b>	<b>1.1107</b>	<b>1.1161</b>	<b>1.1132</b>	<b>1.1082</b>	<b>1.1273</b>	<b>1.1198</b>	<b>1.1103</b>	<b>1.1102</b>	<b>1.1024</b>	<b>1.1027</b>

% of Change - from Prior Year

0.6%   0.5%   -0.3%   -0.4%   1.7%   -0.7%   -0.8%   0.0%   -0.70%   0.03%

**Total Direct and Overlapping Rates**



Source:  
(1) County of San Mateo, Property Taxes  
(2) County of San Mateo, Tax Rate Book, Code 08-004

## Principal Property Tax Payers

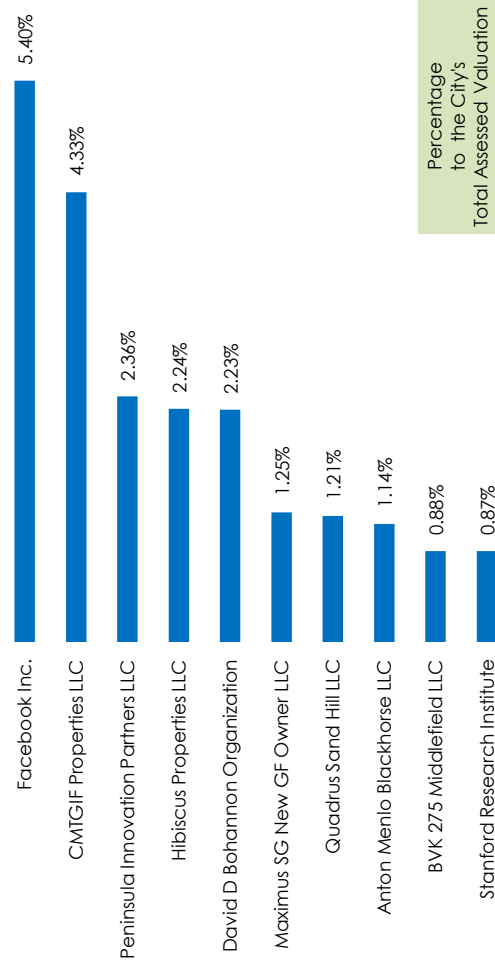
Current Fiscal Year and Ten Years Prior

Debt Capacity:  
Schedule 9

### FISCAL YEAR 2019-2020

Property Owner	Rank	Taxable Assessed Value	Ratio to Total City's Assessed Valuation
Facebook Inc.	1	\$ 1,124,415,815	5.40%
CMTGIF Properties LLC	2	900,873,720	4.33%
Peninsula Innovation Partners LLC	3	491,710,344	2.36%
Hibiscus Properties LLC	4	467,531,397	2.24%
David D Bohannon Organization	5	464,927,588	2.23%
Maximus SG New GF Owner LLC	6	259,995,960	1.25%
Quadrus Sand Hill LLC	7	252,693,203	1.21%
Anton Menlo Blackhorse LLC	8	236,485,427	1.14%
BVK 275 Middlefield LLC	9	182,330,100	0.88%
Stanford Research Institute	10	181,798,823	0.87%
<b>Total Top 10 Taxpayers' Totals</b>		<b>\$ 4,562,762,377</b>	<b>21.91%</b>
<b>City's Total Assessed Valuation</b>		<b>\$ 20,827,684,078</b>	<b>100%</b>

### City's Top Ten Principal Property Tax Payers - June 30, 2020

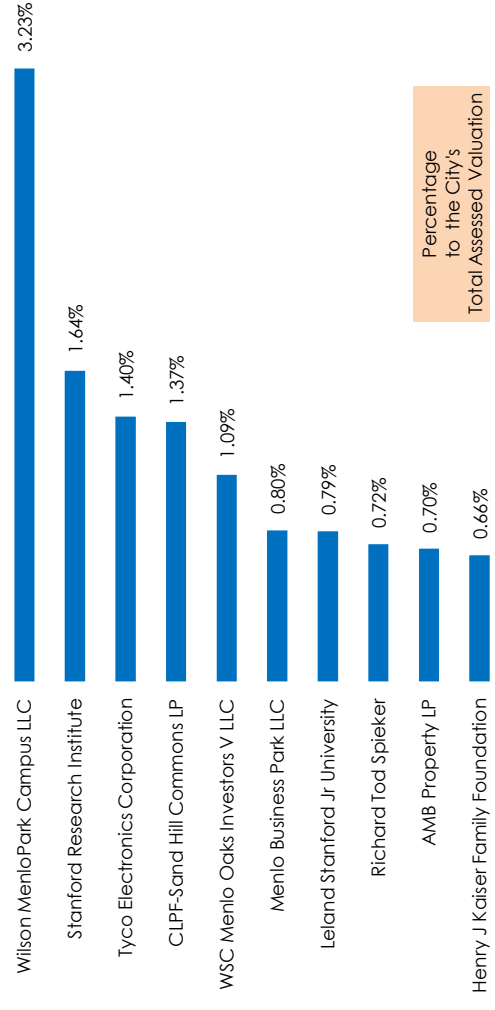


Source:  
San Mateo County Tax Roll  
California Municipal Statistics Inc  
HDL, Coren & Cone

### FISCAL YEAR 2010-2011

Property Owner	Rank	Taxable Assessed Value	Ratio to Total City's Assessed Valuation
Wilson MenloPark Campus LLC	1	\$ 328,708,359	3.23%
Stanford Research Institute	2	166,707,895	1.64%
Tyco Electronics Corporation	3	142,098,774	1.40%
CLPF-Sand Hill Commons LP	4	139,218,119	1.37%
WSC Menlo Oaks Investors V LLC	5	110,775,868	1.09%
Menlo Business Park LLC	6	81,031,319	0.80%
Leland Stanford Jr University	7	80,450,593	0.79%
Richard Tod Spieker	8	73,534,317	0.72%
AMB Property LP	9	71,103,772	0.70%
Henry J Kaiser Family Foundation	10	67,583,235	0.66%
<b>Total Top 10 Taxpayers' Totals</b>		<b>\$ 1,261,212,251</b>	<b>12.39%</b>
<b>City's Total Assessed Valuation</b>		<b>\$ 10,181,715,005</b>	<b>100%</b>

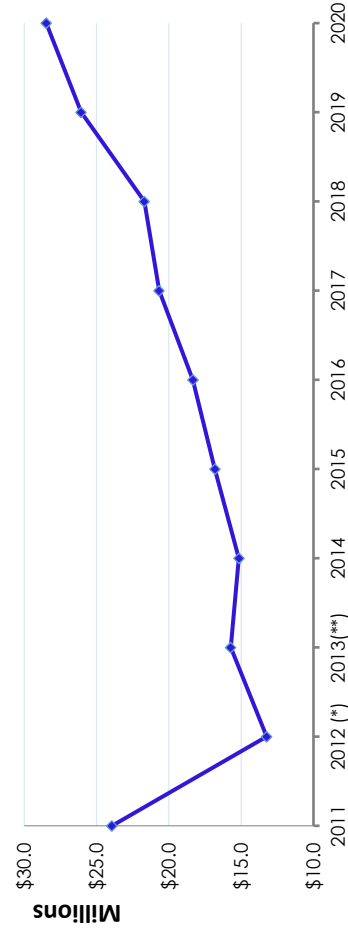
### City's Top Ten Principal Property Tax Payers - June 30, 2011



**Property Tax Levies and Collections**  
Last Ten Fiscal Years

Fiscal Year Ending June 30	Property Tax Levies	Property Tax Collections	Percentage of Collections	Subsequent Year Collections	Total Collections	Percentage of Collections
2011	23,936,578	23,936,578	100.00%	-	23,936,578	100%
2012 (*)	13,239,856	13,239,856	100.00%	-	13,239,856	100%
2013 (**)	15,731,889	15,731,889	100.00%	-	15,731,889	100%
2014	15,156,065	15,156,065	100.00%	-	15,156,065	100%
2015	16,824,725	16,824,725	100.00%	-	16,824,725	100%
2016	18,333,935	18,333,935	100.00%	-	18,333,935	100%
2017	20,676,911	20,676,911	100.00%	-	20,676,911	100%
2018	21,696,456	21,696,456	100.00%	-	21,696,456	100%
2019	26,066,433	26,066,433	100.00%	-	23,971,701	100%
2020	28,478,935	28,478,935	100.00%	-	28,478,935	100%

**Property Tax Collections**



Source:

County of San Mateo, Estimated Property Tax Revenue and Estimated Tax Increment Revenue  
City of Menlo Park

Notes:

(\*) In prior years, property tax levies included property tax increment from their former Community Development Agencies. The last year of such tax increment received was in 2010-11.

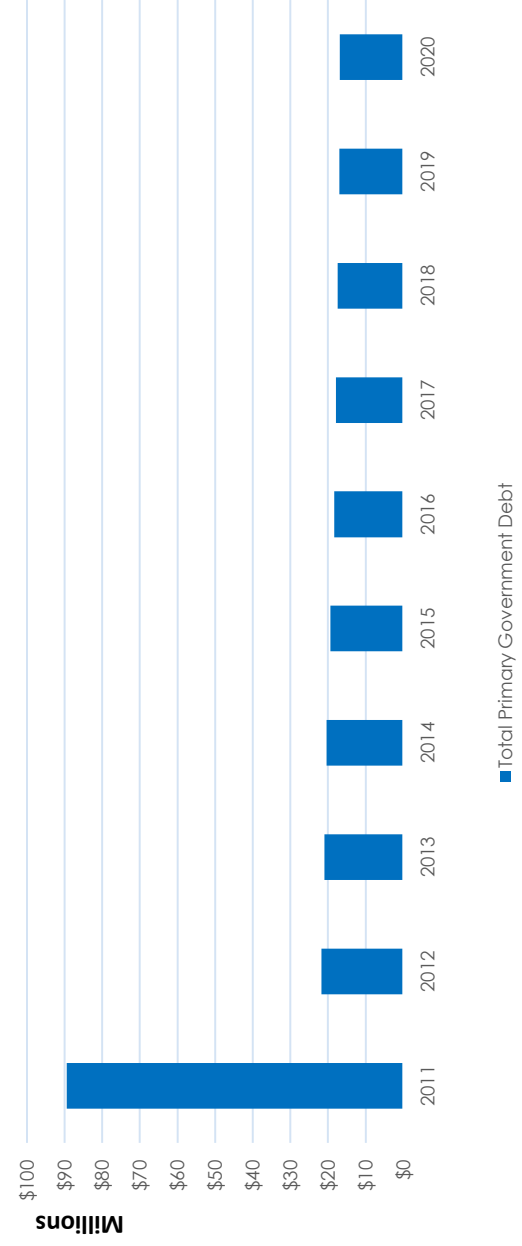
(\*\*) One time property tax increase due to dissolution of the Redevelopment Area.

## Ratios of Outstanding Debt by Type

Last Ten Fiscal Years

Fiscal Year Ending June 30	General Obligation Bonds(1)	Tax Allocation Bonds (4)	Total Primary Government Debt	Percentage of Personal Income (7)	Outstanding Debt Per Capita (8)
2011	23,874,973	65,585,000	89,459,973	3.97%	2,760
2012	21,775,595 (3)	- (6)	21,775,595	not available	672
2013	21,016,779	-	21,016,779	not available	639
2014	20,397,966	-	20,397,966	0.92%	617
2015	19,399,153	-	19,399,153	0.83%	582
2016	18,345,340	-	18,345,340	0.79%	548.46
2017	17,921,527	-	17,921,527	0.73%	528.85
2018	17,482,714	-	17,482,714	0.69%	508.85
2019	17,028,901	-	17,028,901	0.64%	492.89
2020	16,904,925	-	16,904,925	0.60%	487.20

**City's Debt**



Source: City of Menlo Park

Notes:

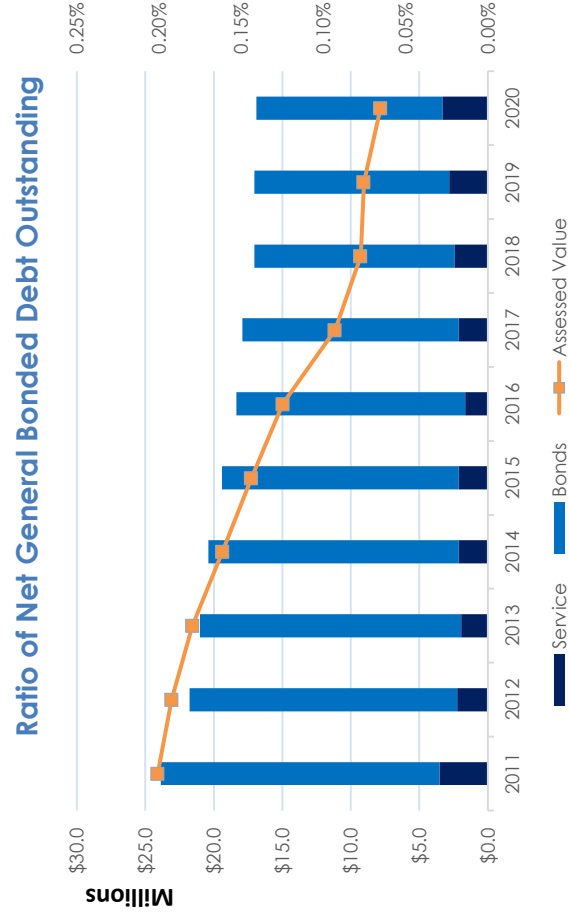
- (1) General Obligation Bonds consists of 1996, 2002, 2009 General Obligation Bonds
- (2) The City issued \$10,440,000 in 2009 General Obligation Bonds
- (3) General Obligation Bonds consists of 2012, 2015 General Obligation Refunding Bonds
- (4) Tax Allocation Bonds consists of 2006 Las Pulgas Project Tax Allocation Bonds
- (5) The 1996 & 2000 Tax Allocation Bonds were refinanced with 2006 Refunding Bonds
- (6) In fiscal year 2011-12 former Community Redevelopment Agency was dissolved and all debts transferred
- (7) County of San Mateo's personal income per capita
- (8) U.S. Census Bureau, Quickfacts.Census.gov, Population



## Ratio of Net General Bonded Debt Outstanding

Last Ten Fiscal Years

Fiscal Year	General	Restricted for	Net General	Total City Taxable	Percentage of	
	Obligation	Debt	Obligation	Assessed		Total City Taxable
	Bonds	Service	Bonds	Valuation	Assessed Value	Per Capita
2011	23,874,973	3,513,049	20,361,924	10,140,348,118	0.20%	736.61
2012	21,775,595	2,225,873	19,549,722	10,169,244,059	0.19%	671.84
2013	21,016,779	1,943,354	19,073,425	10,620,369,817	0.18%	639.18
2014	20,397,966	2,133,308	18,264,658	11,311,951,652	0.16%	616.79
2015	19,399,153	2,123,752	17,275,401	12,015,719,121	0.14%	582.40
2016	18,345,340	1,663,696	16,681,644	13,380,461,679	0.12%	548.46
2017	17,482,714	2,136,803	15,784,724	16,981,519,927	0.09%	515.90
2018	17,028,901	2,443,730	14,585,171	18,854,253,956	0.08%	424.52
2019	17,028,901	2,819,470	14,209,431	18,854,253,956	0.08%	411.28
2020	16,904,925	3,310,775	13,594,150	20,827,684,078	0.07%	391.78



Source:  
City of Menlo Park  
County of San Mateo Assessed Valuation Reports  
California Municipal Statistics, Inc.

## Direct and Overlapping Debt

June 30, 2020

**Fiscal year 2019-20**

**City Assessed Valuation <sup>(1)</sup> \$ 20,827,684,078**

Outstanding Debt 6/30/2020	Percentage Applicable <sup>(1)</sup>	Estimated Share of Overlapping Debt	Ratio to City's Assessed Valuation
-------------------------------	---	--	---------------------------------------

### Direct and Overlapping Tax and Assessment Debt

San Mateo Community College District	\$ 766,683,503	8.703%	\$ 66,724,465	0.32%
Sequoia Union High School District	510,715,000	20.284%	103,593,431	0.50%
Las Lomas School District	87,190,000	35.698%	31,125,086	0.15%
Menlo Park City School District	130,615,674	61.507%	80,337,783	0.39%
Ravenswood School District	50,130,000	57.540%	28,844,802	0.14%
Redwood City School District	192,274,431	4.746%	9,125,344	0.04%
Midpeninsula Regional Park District	88,810,000	6.656%	5,911,194	0.03%
<b>City of Menlo Park</b>	<b>16,365,000</b>	<b>100%</b>	<b>16,365,000</b>	<b>0.08%</b>
<b>Total Direct and Overlapping tax and Assessment Debt</b>	<b>\$</b>		<b>\$ 342,027,105</b>	<b>1.64%</b>

### Overlapping General Fund Debt

San Mateo County General Fund Obligations	\$ 515,920,256	8.703%	\$ 44,900,540	0.22%
San Mateo County Board of Education Certificates of Participation	7,505,000	8.703%	653,160	0.00%
Midpeninsula Regional Park District General Fund Obligations	111,985,600	6.656%	7,453,762	0.04%
Menlo Park Fire Protection District Certification of Participation	9,910,000	50.316%	4,986,316	0.02%
<b>Total Overlapping General Fund Debt</b>	<b>\$</b>		<b>\$ 57,993,778</b>	<b>0.28%</b>
<b>Overlapping Tax Increment Debt - Successor Agency</b>	<b>42,060,000</b>	<b>100%</b>	<b>\$ 42,060,000</b>	<b>0.20%</b>

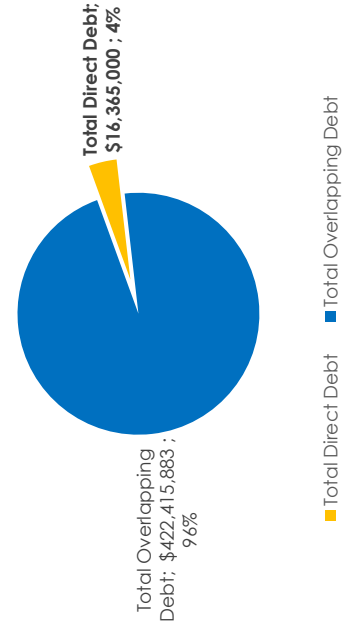
**Total Direct Debt**

**Total Overlapping Debt**

**Combined Total Debt (2)**

	<b>\$</b>	<b>0.08%</b>	<b>16,365,000</b>	<b>0.08%</b>
	<b>\$</b>		<b>422,415,883</b>	<b>2.03%</b>
	<b>\$</b>		<b>438,780,883</b>	<b>2.11%</b>

### Combined Total Debt - June 30, 2020



Source: California Municipal Statistics, Inc.

(1) The percentage of overlapping debt applicable to the City is estimated using taxable assessed property value.

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

**Legal Debt Service Margin Information**

Last Ten Fiscal Years

	2011	2012 (2), (3)	2013	2014	2015	2016	2017	2018	2019	2020
City's Taxable Assessed Valuation	\$ 10,140,348,118	\$ 10,169,244,059	\$ 10,620,369,817	\$ 11,311,951,652	\$ 12,015,719,121	\$ 13,380,461,679	\$ 15,095,867,037	\$ 16,981,519,927	\$ 18,854,253,956	\$ 20,827,684,078
Conversion Percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	2,535,087,030	2,542,311,015	2,655,092,454	2,827,987,913	3,003,929,780	3,345,115,420	3,773,966,759	4,245,379,982	4,713,563,489	5,206,921,020
Debt Service Limit Percentage (CA Govt. Code Section 43605) (4)	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
<b>Debt Service Limit</b>	<b>380,263,054</b>	<b>381,346,652</b>	<b>398,263,868</b>	<b>424,198,187</b>	<b>450,589,467</b>	<b>501,767,313</b>	<b>566,095,014</b>	<b>636,806,997</b>	<b>707,034,523</b>	<b>781,038,153</b>
Less:										
General Obligation Bonds	23,874,973	21,775,595	21,016,779	20,397,966	19,399,153	18,345,340	17,921,527	17,482,714	17,028,901	16,904,925
<b>Legal Debt Service Margin</b>	<b>\$ 356,388,081</b>	<b>\$ 359,571,057</b>	<b>\$ 377,247,089</b>	<b>\$ 403,800,221</b>	<b>\$ 431,190,314</b>	<b>\$ 483,421,973</b>	<b>\$ 548,173,487</b>	<b>\$ 619,324,283</b>	<b>\$ 690,005,622</b>	<b>\$ 764,133,228</b>
Legal Debt Service Margin as a Percentage of Debt Service Limit	93.7%	94.3%	94.7%	95.2%	95.7%	96.3%	96.8%	97.3%	97.6%	97.8%

**Legal Debt Service Limit**



Source: County of San Mateo, Assessed Valuation Reports

Notes:

- (1) The City refunded 2009 Gen. Obligation Bonds with 2015 General Obligation Refunding Bonds
- (2) The City refinanced 2002 Bonds with issuance of 2012 General Obligation Bonds
- (3) Community Development Agency was transferred to Successor Agency
- (4) The government code section of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of the market value (as of the most recent change in ownership for that parcel). The computation shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

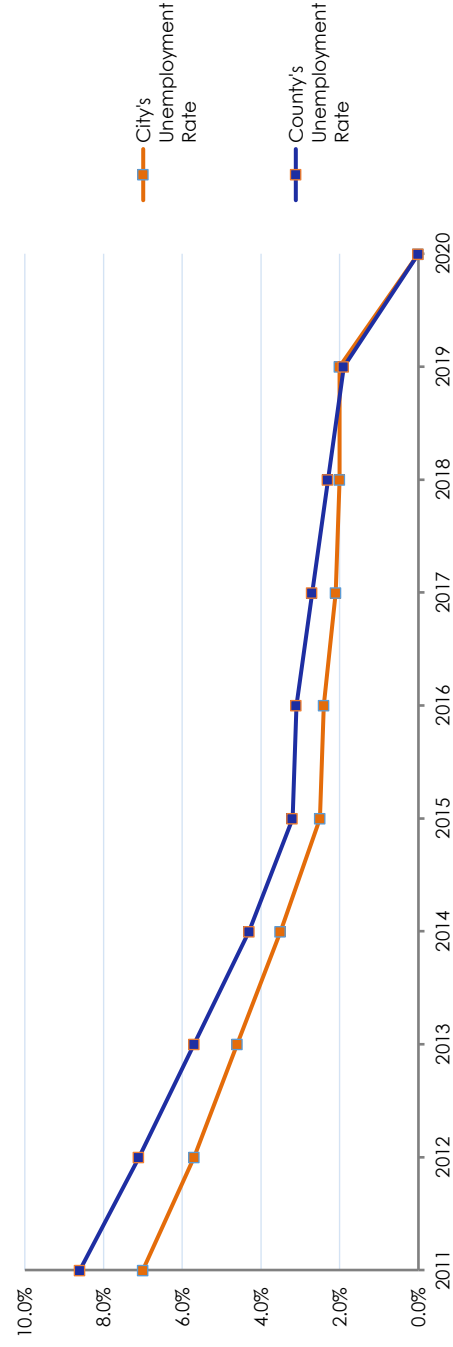
## Demographic and Economic Statistics

Last Ten Fiscal Years

Demographic and  
Economic  
Information:  
Schedule 15

Calendar Year	Population	City's		County's		Personal Income Per Capita	K-12 Public School Enrollments
		Unemployment Rate	Unemployment Rate	Unemployment Rate	Unemployment Rate		
2011	32,412	7.0%	8.6%	69,577	4,678		
2012	32,412	5.7%	7.1%	not available	4,719		
2013	32,881	4.6%	5.7%	not available	4,835		
2014	33,071	3.5%	4.3%	67,072	4,976		
2015	33,309	2.5%	3.2%	69,802	5,062		
2016	33,449	2.4%	3.1%	69,802	5,218		
2017	33,888	2.1%	2.7%	71,981	5,400		
2018	34,357	2.0%	2.3%	74,162	5,423		
2019	34,549	2.0%	1.9%	78,357	5,428		
2020	34,698	6% *	10.8% *	81,562	5,600		

### Unemployment Rates



Source:

U.S. Census Bureau, Quickfacts.Census.gov, Population 2019 Estimate

U.S. Department of Commerce, bea.gov, CA1-3 Personal Income Summary, County of San Mateo Per capita personal income 2014-2019

California Department of Education, Data Quest/Enrollment over time, school year 2018-19 Menlo Park Elementary Schools K-12 and Menlo Atherton High School

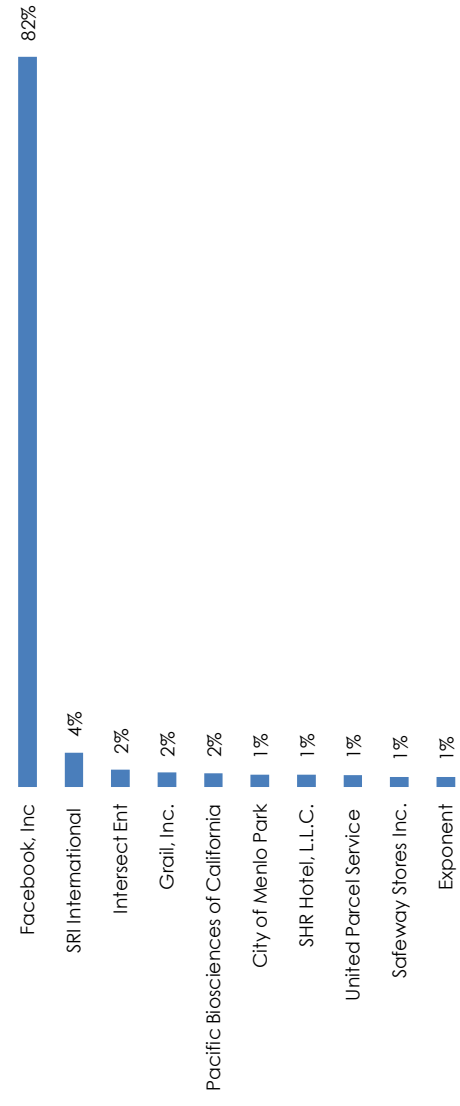
California Labor Market Information, EDD, labormarketinfo.edd.ca.gov, updated August 28, 2019

\* Unemployment rate higher due to COVID-19 shelter in place in March 2020.

**Principal Employers**  
Current Fiscal Year and Ten Years Prior

City's Principal Employers	Fiscal Year 2019-2020		Fiscal Year 2010-2011		
	Rank	Total Employees	Percentage of Total City's Labor Force	Total Employees	Percentage of Total City's Labor Force
Facebook, Inc	1	17,000	82%	n/a	n/a
SRI International	2	800	4%	1,350	9%
Intersect Ent	3	402	2%	n/a	n/a
Grail, Inc.	4	340	2%	n/a	n/a
Pacific Biosciences of California	5	320	2%	406	3%
City of Menlo Park	6	287	1%	241	2%
SHR Hotel, L.L.C.	7	286	1%	250	2%
United Parcel Service	8	275	1%	224	1%
Safeway Stores Inc.	9	238	1%	291	2%
Exponent	10	229	1%	n/a	n/a
<b>Top 10 Employers</b>		<b>20,177</b>	<b>98%</b>	<b>2,762</b>	<b>19%</b>
<b>Total Employment of the City's Labor Force</b>		<b>20,684</b>	<b>100%</b>	<b>15,500</b>	<b>100%</b>

**City's Top 10 Employers, 2019-2020**



Source:

City of Menlo Park, Finance, Business License, calendar year, non-profit organizations' data is not available

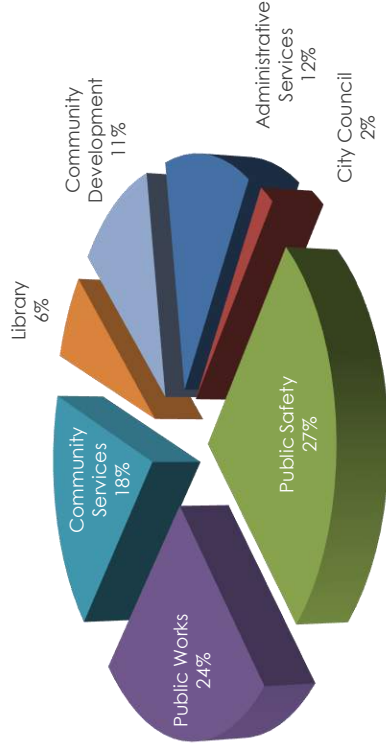
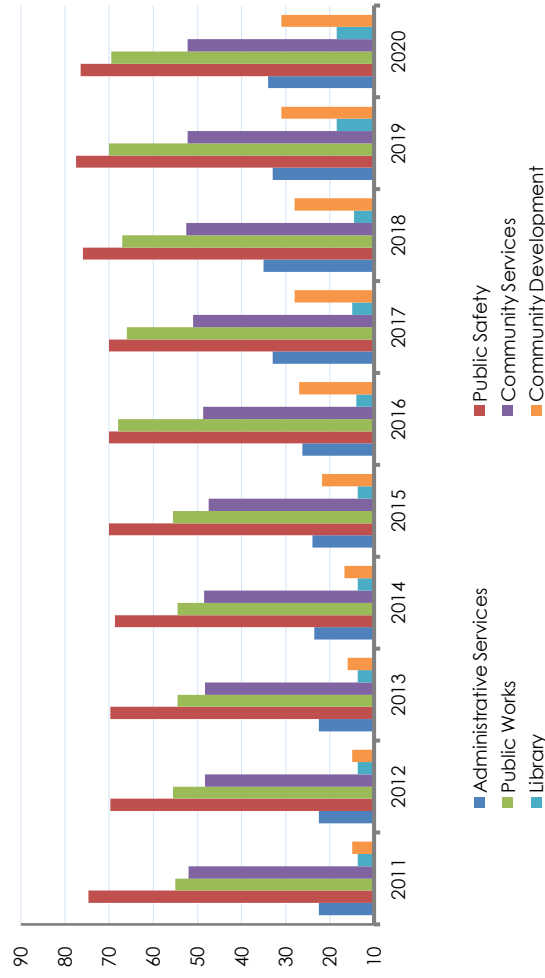
State of California, Employment Development Department, Labor Force Report, Unemployment Rates/Labor Force, updated August 28, 2019

**Full Time Equivalent City Employees by Function**  
Last Ten Fiscal Years

Demographic and Economic Information: Schedule 17

FTE by Department	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Administrative Services	22.50	22.50	22.50	23.50	24.00	26.25	33.00	35.00	33.00	34.00
City Council	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Public Safety	74.75	69.75	69.75 <sup>(1)</sup>	68.75 <sup>(1)</sup>	70.00 <sup>(1)</sup>	70.00 <sup>(1)</sup>	70.00	76.00	77.50	76.50
Public Works	55.00	55.50	54.50 <sup>(2)</sup>	54.50	55.50	68.00	66.00	67.00	70.00	69.50
Community Services	52.00	48.25	48.25 <sup>(2)</sup>	48.50	47.50	48.75	51.00	52.50	52.25	52.25
Library	13.75	13.75	13.75	13.75	13.75	14.00	15.00	14.50	18.50	18.50
Community Development	15.00	15.00	16.00	16.75	21.75	27.00	28.00	28.00	31.00	31.00
<b>Total Full Time Equivalent Employees</b>	<b>238.00</b>	<b>229.75</b>	<b>229.75</b>	<b>230.75</b>	<b>237.50</b>	<b>259.00</b>	<b>268.00</b>	<b>278.00</b>	<b>287.25</b>	<b>286.75</b>

**Fiscal Year 2019-20  
Adopted Budget Full Time Equivalent Personnel**



Source: City of Menlo Park, Human Resources

Remarks:

<sup>(1)</sup> Reduction of 5.0 FTE includes the loss of the San Carlos dispatch contract, which resulted in the elimination of 4 FTE's for dispatch

<sup>(2)</sup> Reduction of 3.0 FTE Housing Division during fiscal year 2011-12

# Operating Indicators by Demand Level of Service, by Function/Program

Operating Information:  
Schedule 18

Last Ten Fiscal Years

FUNCTION/PROGRAM	Fiscal Year Ending June 30, 2020									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>Public Safety</b>										
Incidents	40,675	44,405	41,206	40,964	39,605	39,456	39,122	39,553	42,031	38,392
Calls for Service	19,752	20,469	22,383	21,021	21,293	21,384	21,487	22,659	23,639	23,124
Officer Initiated Incidents	20,923	23,936	18,823	19,943	18,312	18,072	17,635	16,894	18,392	15,268
<b>Public Works</b>										
Shuttle Passengers(1)	83,246	86,004	80,774	82,420	82,663	71,597	57,737	60,508	50,611	33,131 *
<b>Engineering:</b>										
Encroachment Permits Issued	290	272	300	365	372	447	406	550	552	380
<b>Parks and recreation:</b>										
Number of Activity Hours Provided (2)	37,964	1,662,457	2,403,979	3,095,612	3,312,426	3,354,773	3,339,783	3,209,611	3,192,116	2,019,835 (5)
Number of Recreational Activities Participants (3)	88,032	706,830	931,490	1,119,365	1,196,406	981,761	1,009,084	950,392	980,852	595,707 (6)
<b>Library:</b>										
Books Volumes held	146,356	150,017	157,155	165,118	167,970	149,524	135,200	141,352	129,275	111,447
Video/DVD held	14,262	14,728	13,348	16,704	17,344	17,556	16,643	16,659	16,118	14,921
Books Volumes added	9,587	9,239	11,183	10,966	10,202	8,760	8,884	12,880	12,961	8,610
Total Circulations	726,189	624,699	672,967	682,381	609,387	587,909	621,261	544,893	593,479	456,294
<b>Building Permits Issued:</b>										
Residential Buildings - Count	733	655	728	717	734	900	734	659	905	1,661
Residential -Value (\$1000s)	49,618	44,545	64,932	65,386	118,952	215,219	81,949	83,132	69,512	59,085
Commercial Buildings - Count	202	231	229	180	187	174	184	152	188	260
Commercial -Value (\$1000s)	46,756	78,055	61,201	238,585	282,621	151,139	605,311	460,907	252,117	214,299
Accessory Buildings - Count	85	73	100	91	90	138	110	103	76	105
Accessory -Value (\$1000s)	1,812	1,925	1,876	3,752	3,999	3,985	18,331	9,072	3,465	2,945
Building Inspection Conducted	9,928	9,733	10,171	10,004	10,639	12,103	13,704	11,062	12,168	14,259
<b>Housing and Redevelopment:</b>										
Below Market Rate - Units sold	2	2	1	4	0	0	0	0	0	3
Below Market Rate - Units resold	3	3	0	2	1	1	0	0	0	0
Housing Rehabilitation - New loans	0	0	0	0	0	0	0	0	0	0
Housing Rehab Loans - Cumulative \$	1,312,380	1,210,372	960,179	917,315	799,640	698,128	622,798	527,324	424,829	400,054
Housing Rehab Homes - Cumulative Count	33	32	28	26	22	17	15	17	15	13
RDA - Housing Rehabilitation - New loans (4)	3	0	0	0	0	0	0	0	0	0
RDA - Housing Rehab Loans - Cumulative \$	347,785	337,285	328,676	299,139	258,558	236,375	164,701	160,817	131,839	127,452
Count	7	7	7	7	5	5	5	3	2	2
<b>Administrative Finance:</b>										
New Business License Applications	458	829	811	661	691	718	575	708	538	607

Source: City of Menlo Park

Note:

- (1) Public demand of the free shuttles was increased in 2006-07 as a result of frequent promotions of the free service by the City of Menlo Park Transportation Department and the participating companies who promote commute alternatives in peak hours.
- (2) Increased programming in rooms previously used for child care at Burgess and new programs at the Onetta Harris Community Center. The method of calculation may vary from previously submitted information.
- (3) Park and Recreation: Differences in department programming from year to year result in substantial variances in some totals.
- (4) Redevelopment Agency-Housing Rehabilitation Program started in fiscal year 2009-2010 and ended in January 2012
- (5) During fiscal year 2011-12, Activity Hour was changed to count every hour each participant in a program or using City service
- (6) During fiscal year 2011-12, Activity Participant was changed to count each visit

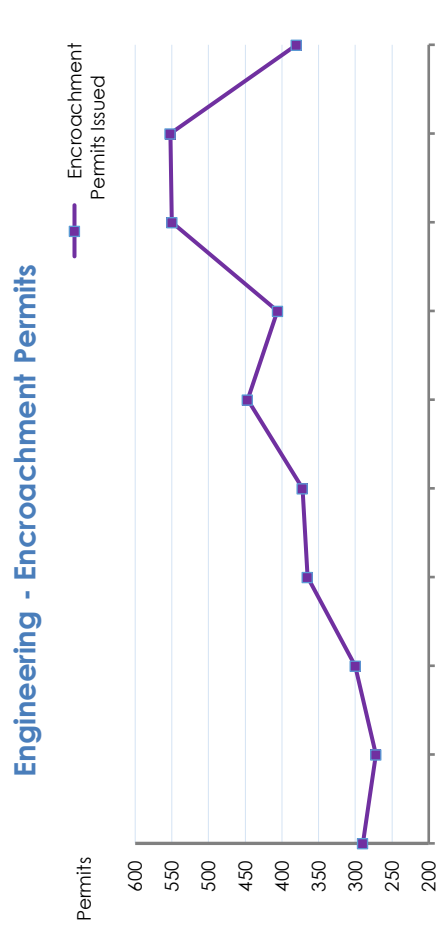
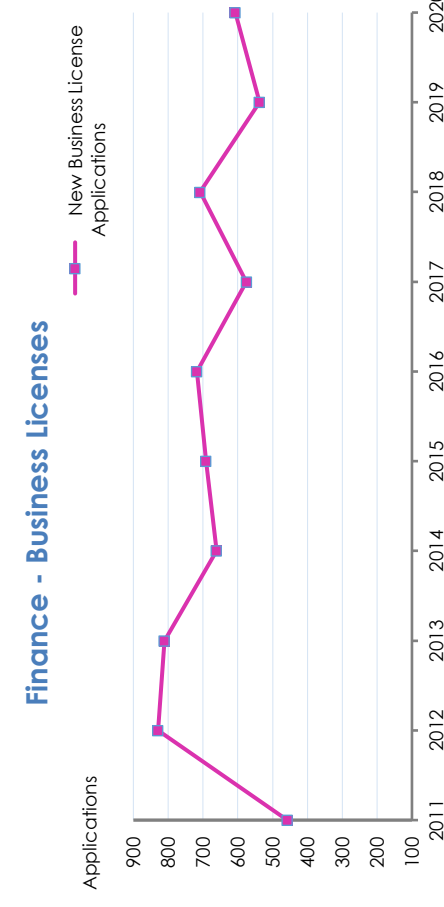
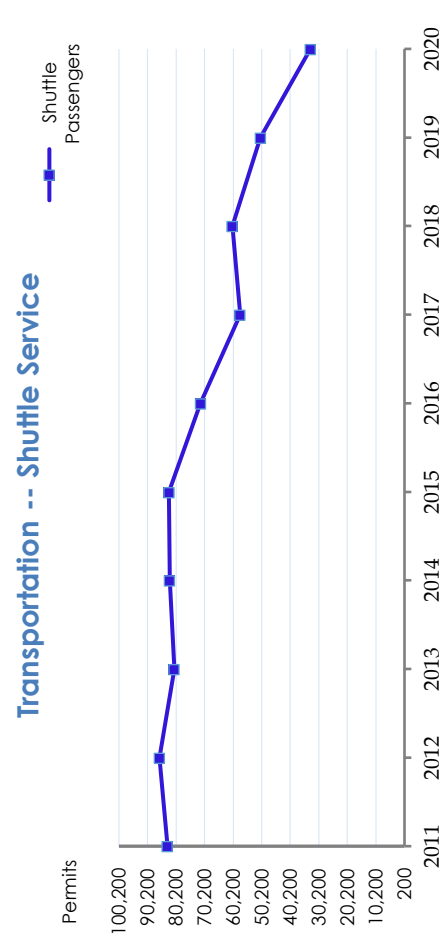
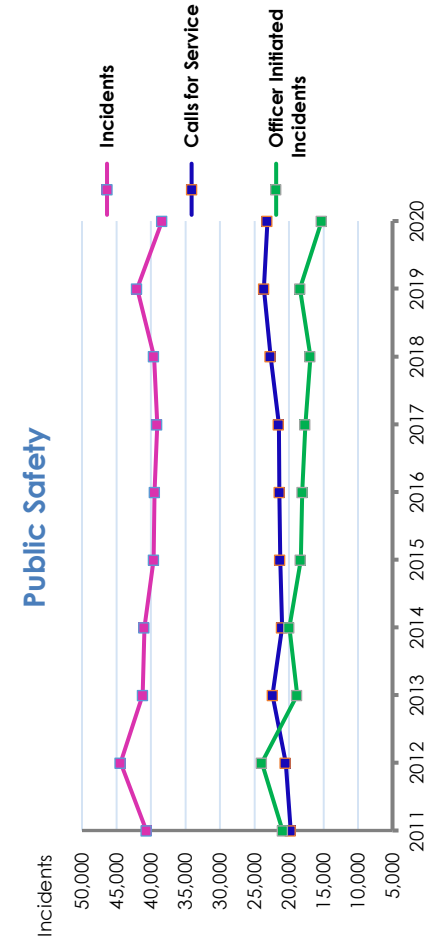
\* The reduction of Shuttle passengers and other services was due to COVID-19 shelter in place in March 2020.

(Continued)

# Operating Indicators by Demand Level of Service, by Function/Program

Operating Information:  
Schedule 18

Last Ten Fiscal Years



Source: City of Menlo Park



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## Capital Asset Inventory by Function

Last Ten Fiscal Years

Operating Information:  
Schedule 19

Function	Facility	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
<b>General Government</b>	Civic Center-Administration	1	1	1	1	1	1	1	1	1	1
	Police Stations	2	2	2	2	2	2	2	2	2	2
<b>Public Safety</b>	Streets (miles)	101	100	100	100	100	100	100	100	100	100
	Streetlights	2233	2233	2233	2233	2233	2233	2238	2240	2270	2270
	Traffic Signals	22	22	22	22	22	22	22	23	23	25
<b>Public Works</b>	Water:										
	- Daily average introduced into system (1,000 gallons)	3038	3221	3238	3531	2633	2202	2202	2670	2835	1079
	- Water storage (millions of gallons)	6	6	6	6	6	6	6	6	6	6
	- Water lines (miles)	59	59	59	59	63	59	59	59	59	59
	Child Care Centers	6	3	3	3	3	3	3	3	3	3
<b>Parks and Recreation</b>	Recreation Center	1	1	1	1	1	1	1	1	1	1
	Library	2	2	2	2	2	2	2	2	2	2
	Parks	14	14	14	14	14	14	14	14	14	14
	Community Centers	2	2	2	2	1	1	1	1	1	1
	Senior Center	2	1	1	1	1	1	1	1	1	1
	Gymnasium	2	2	2	2	2	2	2	2	2	2
	Gymnastics Center	1	1	1	1	1	1	1	1	1	1
	Pools (locations)	2	2	2	2	2	2	2	2	2	2
	Medical Clinic	1	1	1	1	0	0	0	0	0	0
	Gate House	1	1	1	1	1	1	1	1	1	1
Dog Park Areas	2	2	2	2	2	2	2	2	2	2	

Source: City of Menlo Park

## Capital Asset and Infrastructure Statistics by Activities

Last Ten Fiscal Years

Operating Information:  
Schedule 20

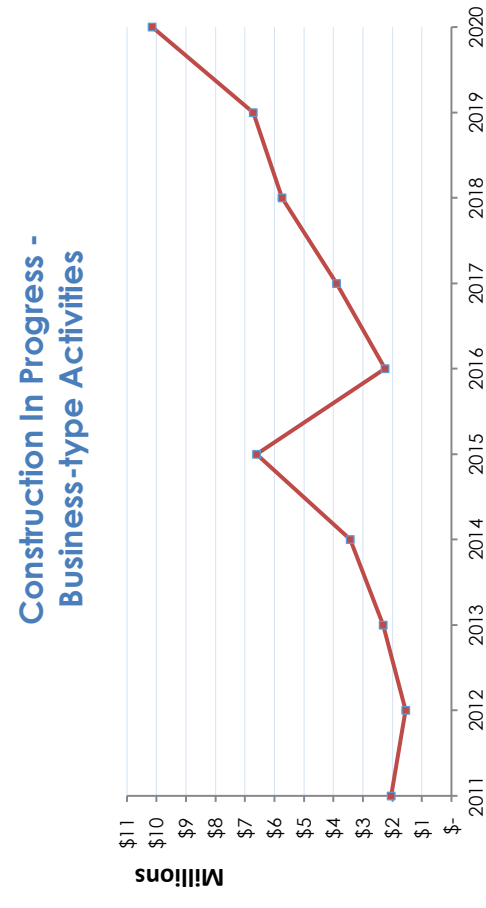
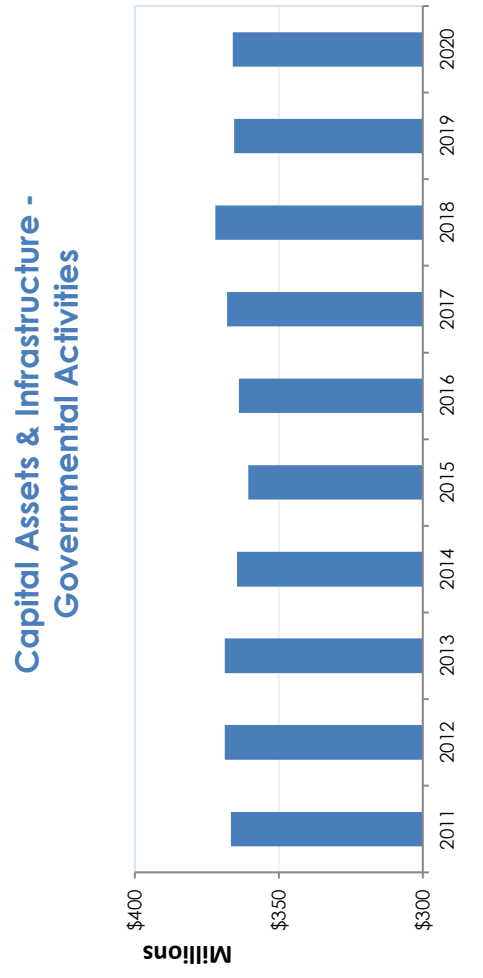
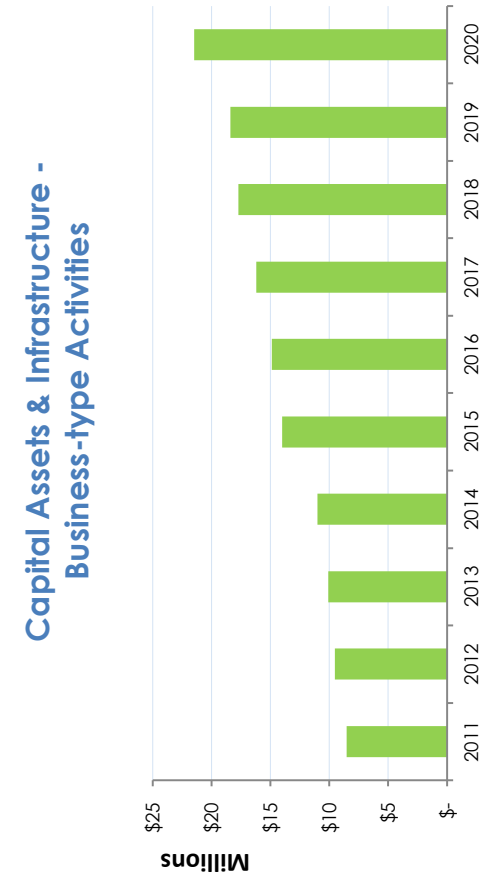
Fiscal Year Ending	Non-Depreciable					Depreciable							Combined Total		
	Land	Land Improvement	Real Estate Held for Sale	Construction in Progress	Total Non-Depreciable	Buildings	Facilities	Share Use	Equipment	Improvements	Other	Infrastructure		Less: Accumulated Depreciation	Total Depreciable
2011	204,949,233	32,900,109	648,285	6,979,308	245,476,935	65,959,147	2,600,000	-	6,464,074	12,878,068	-	109,994,804	(76,800,272)	121,095,821	366,572,756
2012	199,254,256	32,900,109	1,643,404	2,112,344	235,910,113	76,591,580	2,600,000	-	6,929,594	16,259,990	-	110,974,228	(80,489,073)	132,866,319	368,776,432
2013	199,256,305	32,900,109	733,597	2,537,004	235,427,015	76,762,760	2,600,000	-	7,064,784	16,370,783	-	113,871,991	(83,296,591)	133,373,727	368,800,742
2014	199,256,305	32,900,109	-	1,953,563	234,109,977	77,022,447	2,600,000	-	7,329,067	173,248,051	-	114,657,739	(88,526,395)	130,407,663	364,517,640
2015	199,256,305	32,921,636	-	2,362,145	234,540,086	77,198,498	2,600,000	-	6,818,988	17,615,799	-	115,318,426	(93,534,204)	126,017,507	360,557,593
2016	199,998,884	32,921,636	-	4,007,088	236,927,608	78,908,590	2,600,000	-	6,978,110	17,865,240	-	119,176,312	(98,528,975)	126,999,277	363,926,885
2017	199,998,884	32,921,636	-	9,337,248	242,257,768	78,908,590	2,600,000	-	7,871,989	18,044,301	-	123,130,552	(104,844,782)	125,710,650	367,968,418
2018	199,998,884	32,921,636	-	14,810,224	247,730,744	81,417,014	2,600,000	-	8,621,375	18,324,609	-	124,403,700	(111,125,734)	124,240,964	371,971,708
2019	199,998,884	32,921,636	-	2,051,668	234,972,188	82,745,716	2,600,000	-	9,248,866	18,572,743	-	133,369,518	(116,065,114)	130,471,729	365,443,917
2020	199,998,884	32,921,636	-	7,308,386	240,228,906	82,763,317	2,600,000	-	10,360,408	19,561,135	-	133,742,935	(123,202,961)	125,824,834	366,053,740
2011	1,066,454	-	-	2,041,278	3,107,732	4,159,460	-	-	503,003	-	-	6,812,639	(6,046,123)	5,428,979	8,536,711
2012	1,066,454	-	-	1,555,026	2,621,480	4,159,460	-	-	542,565	-	-	8,371,534	(6,170,823)	6,902,736	9,524,216
2013	1,066,454	-	-	2,310,988	3,377,442	4,159,460	-	-	542,565	-	-	8,371,534	(6,371,319)	6,702,240	10,079,682
2014	1,066,454	-	-	3,436,621	4,503,075	4,159,460	-	-	540,323	-	-	8,371,534	(6,568,646)	6,502,671	11,005,746
2015	1,066,454	-	-	6,607,112	7,673,566	4,159,460	-	-	494,276	-	-	8,371,534	(6,708,763)	6,316,507	13,990,073
2016	1,066,454	-	-	2,256,956	3,323,410	7,823,985	-	-	525,118	-	-	10,111,882	(6,905,890)	11,555,095	14,878,505
2017	1,066,454	-	-	3,901,402	4,967,856	7,831,635	-	-	509,343	-	-	10,111,881	(7,208,291)	11,244,568	16,212,424
2018	1,066,454	-	-	5,747,244	6,813,698	7,831,636	-	-	517,996	-	-	10,111,881	(7,533,007)	10,928,506	17,742,204
2019	1,066,454	-	-	6,719,966	7,786,420	7,831,636	-	-	485,573	-	-	10,111,881	(7,823,003)	10,606,087	18,392,507
2020	1,066,454	-	-	10,144,668	11,211,122	7,831,636	-	-	446,121	-	-	10,111,881	(8,103,510)	10,286,128	21,497,250

Source: City of Menlo Park

**Capital Asset and Infrastructure Statistics by Activities**  
Last Ten Fiscal Years

Operating Information:  
Schedule 20

(Continued)



Source: City of Menlo Park

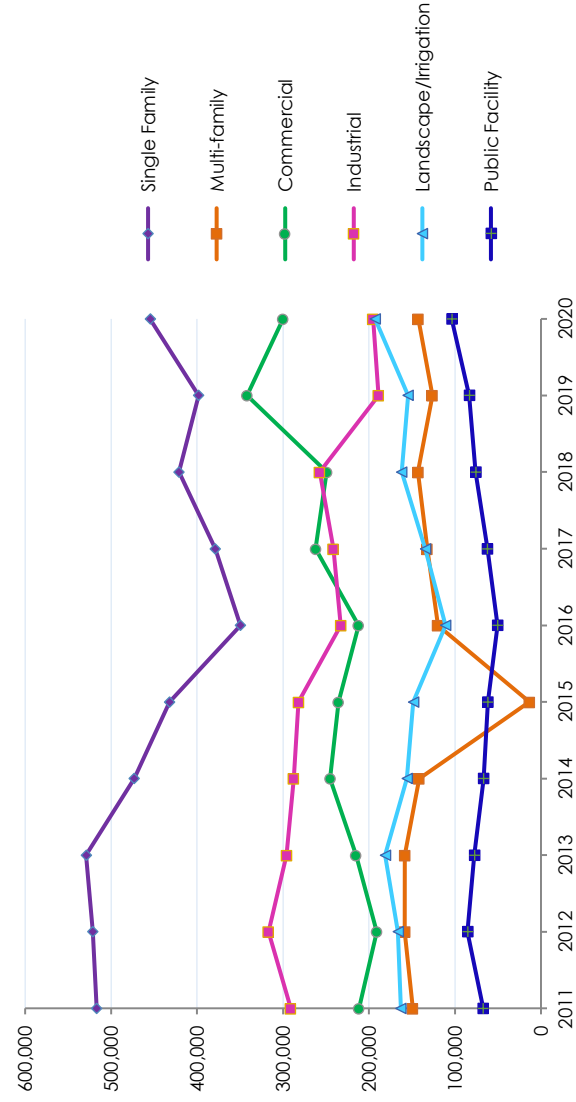
## Water Sold by Type of Customer

Last Ten Fiscal Years

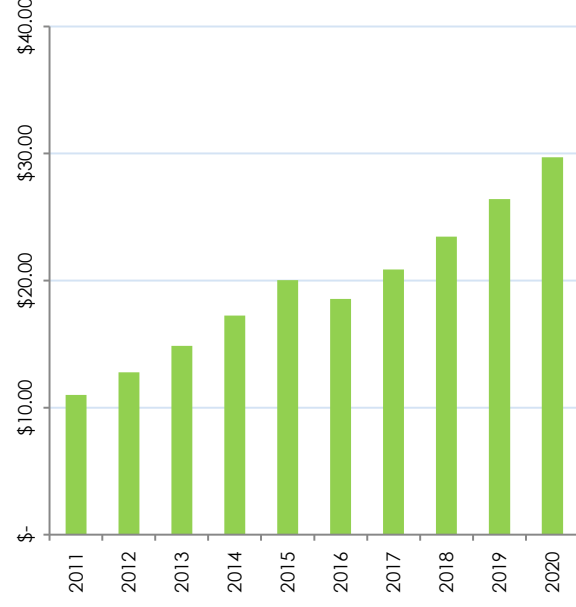
(In CCF)

Fiscal year ending June 30, 2020										
Type of Customer	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Single Family	516,958	521,341	529,161	473,312	432,062	349,573	378,848	421,103	398,254	454,610
Multi-family	149,228	158,342	158,386	141,634	13,487	119,843	132,285	143,084	126,250	142,681
Commercial	211,796	190,988	215,162	245,206	235,530	212,187	262,133	249,093	341,880	300,099
Industrial	291,137	316,857	295,864	287,567	282,021	232,846	241,563	257,321	188,936	195,384
Landscape/Irrigation	163,080	166,262	181,100	155,937	148,509	110,982	134,569	162,184	154,674	192,927
Public Facility	67,389	85,474	77,494	66,833	61,828	50,526	62,292	75,899	83,394	103,856
<b>Total Water Sold - CCF</b>	<b>1,399,588</b>	<b>1,439,264</b>	<b>1,457,167</b>	<b>1,370,489</b>	<b>1,173,437</b>	<b>1,075,957</b>	<b>1,211,690</b>	<b>1,308,684</b>	<b>1,293,388</b>	<b>1,389,557</b>
<b>Direct Rate(*)</b>	<b>\$ 11.01</b>	<b>\$ 12.78</b>	<b>\$ 14.86</b>	<b>\$ 17.24</b>	<b>\$ 20.03</b>	<b>\$ 18.56</b>	<b>\$ 20.86</b>	<b>\$ 23.46</b>	<b>\$ 26.40</b>	<b>\$ 29.71</b>

**Water Sold by Type of Customers**



**Water - Direct Rate(\*)**



Source: California Water Service Company, City of Menlo Park

Notes: 1 unit is 748 gallons

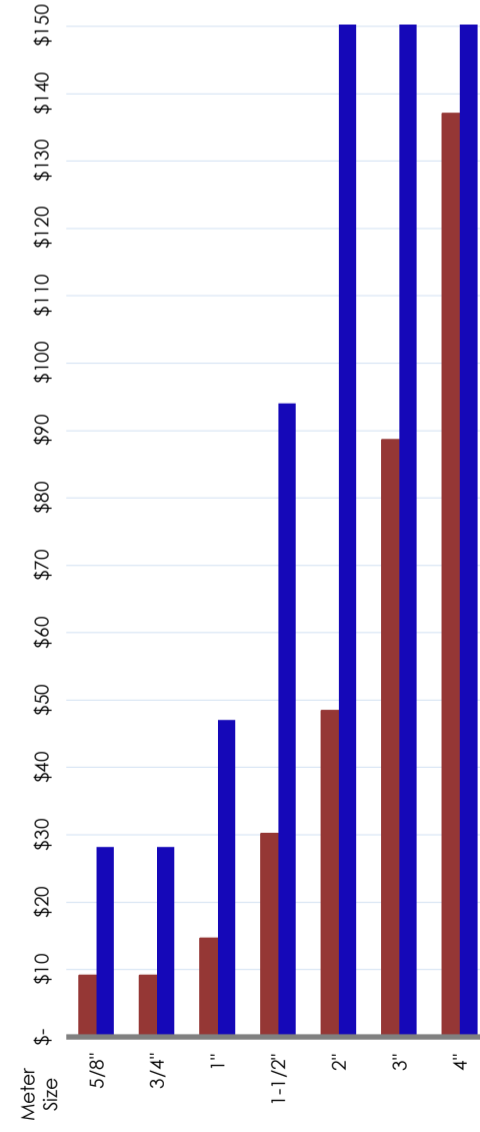
\*Rate based on a minimum monthly service charge based on size of meter plus a charge for water consumed plus a surcharge per unit

## Water Service Rates

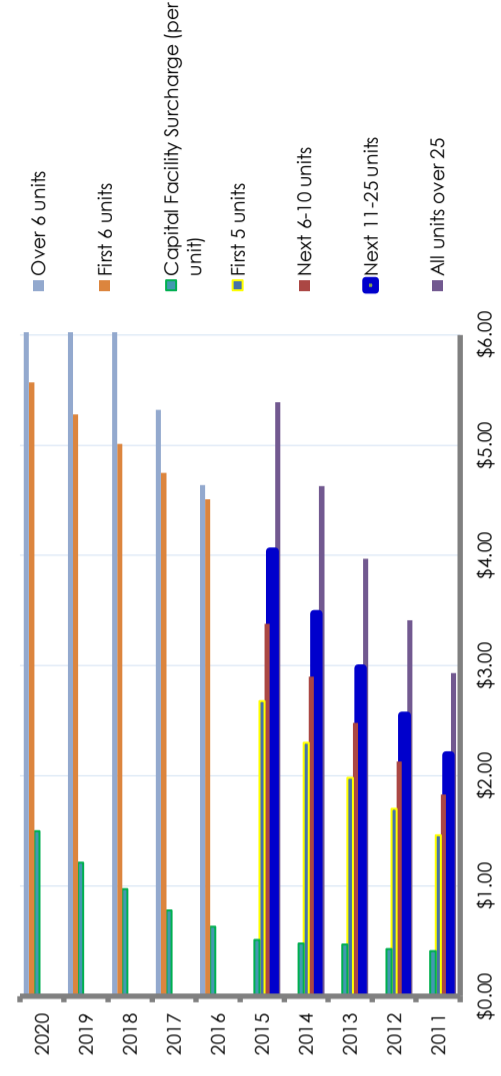
Last Ten Fiscal Years

Monthly Base Rate by Meter Size	Fiscal Year Ending June 30th									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
5/8"	9.14	10.65	12.41	14.46	16.84	17.93	20.08	22.49	25.19	28.21
3/4"	9.14	10.65	12.41	14.46	16.84	17.93	20.08	22.49	25.19	28.21
1"	14.61	17.03	19.85	23.12	26.94	29.88	33.47	37.49	41.99	47.03
1-1/2"	30.15	35.14	40.95	47.70	55.57	59.77	66.94	74.97	83.97	94.05
2"	48.42	56.43	65.77	76.62	89.26	95.63	107.10	119.95	134.34	150.46
3"	88.62	103.27	120.36	140.21	163.35	179.30	200.82	224.92	251.91	282.14
4"	137.04	159.71	186.12	216.83	252.61	299.43	335.36	375.60	420.67	471.15
6"	304.24	354.56	413.20	481.38	560.81	597.67	669.39	749.72	839.69	940.45
8"	675.16	786.83	916.98	1,068.28	1,244.54	956.27	1,071.02	1,199.54	1,343.48	1,504.70
10"	1,498.33	1,746.16	2,034.97	2,370.74	2,761.91	1,374.63	1,539.59	1,724.34	1,931.26	2,163.01
<i>Additional charges (*)</i>										
First 5 units	1.46	1.70	1.98	2.30	2.68	-	-	-	-	-
Next 6-10 units	1.83	2.13	2.48	2.90	3.38	-	-	-	-	-
Next 11-25 units	2.19	2.55	2.98	3.47	4.04	-	-	-	-	-
All units over 25	2.93	3.41	3.97	4.63	5.39	-	-	-	-	-
First 6 units	-	-	-	-	-	4.51	4.75	5.01	5.28	5.57
Over 6 units	-	-	-	-	-	4.64	5.32	6.09	6.97	7.98
Capital Facility Surcharge (per unit)	0.41	0.43	0.47	0.48	0.51	0.63	0.78	0.97	1.21	1.50

**Monthly Base Rates by Water Meter Size**



**Water - Additional Charge Rates(\*)**



Source: City of Menlo Park, Master Fee Schedules

Notes: (\*) Additional charge is based on monthly meter readings, one unit is 748 gallons; Structural rate change in 2015-16. The Menlo Park Municipal Water District charges an excess-use rate above normal demand.

## Miscellaneous Statistics

June 30, 2020

Operating Information:  
Schedule 23

<b>Date of Incorporation</b>	<b>November 23, 1927</b>
Form of Government	Council / Manager
City Council Members	5
<b>City Commissions</b>	10
Arts, Bicycle, Environmental Quality, Finance & Audit, Housing, Las Pulgas, Library, Parks & Recreation, Planning, & Transportation	
<b>Latitude, Longitude</b>	37.45 N, 122.18 W
Elevation	60 feet
Land Area in square miles, 2010	10.1
Sunny Days a year	265
Average Annual Rainfall	15.71"

<b>Demographic Profile</b>	
Population, 2019 Estimate	34,698
People per square miles, 2019	3,320
Male Persons, 2019	49.2%
Female Persons, 2019	50.8%
Median age (years), 2019	37.7
<b>Social Characteristics</b>	
Population 5 years and over	92.3%
Percentage Speak English only	67.2%
Percentage Speak a language other than English only	32.8%
<b>Percentage Speak a language other than English:</b>	
Age 5 - 17	27.1%
Age 18-64	34.0%
Age 65+	24.1%
<b>Education Attainment -Population 25 years and over</b>	
Less than high school graduate	3.9%
High school graduate or equivalent	11.2%
Some college or associate's degree	15.1%
Bachelor's degree	28.1%
Graduate or professional degree	41.7%
<b>Marital Status</b>	
Never married	31.5%
Now married - except separated	56.0%
Divorced or separated	8.5%
Widowed	4.0%
<b>Citizenship Status</b>	
Native, 5 years and over	76.1%
Foreign-born, 5 years and over	23.9%
Naturalized U.S. citizen	9.5%
Not a U.S. citizen	14.4%
<b>Poverty Status in the past 12 months, 2012</b>	
Below poverty level	8.4%
At or above poverty level	91.6%

<b>Housing Characteristics</b>	
Total housing units	13,933
Occupied housing units	13,227
Homeownership rate	51.3%
Housing units in multi-unit structures	48.7%
Median value of owner-occupied homes	\$ 1,822,738
Foreign born persons	25.8%
<b>Schools</b>	
Preschools	16
Public schools, K-12	6
Private schools, K-12	9
Charter schools	2
Adult education institutions	2
Colleges, public & private	3
<b>Utilities and other services:</b>	
Water Services	4
Sewer Service	1
Refuse Removal & Recycling Service	1
Gas & Electricity Service	1
Police protection, stations	2
Menlo Park Fire District, stations	7
Hospitals/Medical Clinics	3
Health Support	4
U. S. Post Offices, branches	2
<b>Local attractions, culture &amp; recreation</b>	
Allied Arts Guild	
Menlo Atherton Performance Arts Center	
Stanford Linear Accelerator Center (SLAC)	
Sunset Publishing Corporation	
United States Geological Survey (USGS)	
Movie theater, the Guild	1
Clubs/Organizations	13
Places of worship	22

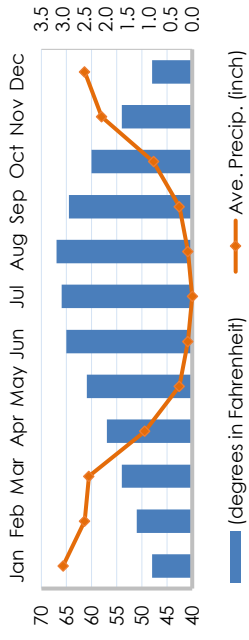
Source: Menlo Park Chamber of Commerce, City of Menlo Park  
Countrystudies.us/united-states/weather/california/menlo-park.htm  
U.S. Census Bureau, 2019 Demographic Profile Data , ACS Demographic & Housing Estimates, July 2019

# Miscellaneous Statistics

June 30, 2020

Operating Information:  
Schedule 23

**Average Monthly Temperatures & Precipitations**

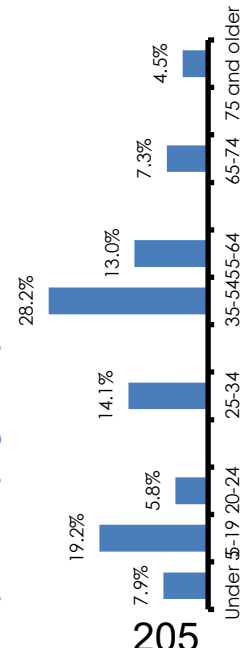


**Average Temperatures & Precipitations**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Avg. High	57	61	64	68	74	76	78	78	77	72	64	57
Avg. Low	37	41	44	44	48	52	54	54	52	47	42	37
Mean temperature (degrees in Fahrenheit)	48	51	54	57	61	65	66	67	65	60	54	48
Ave. Precip. (inch)	3.0	2.5	2.4	1.1	0.3	0.1	0.0	0.1	0.3	0.9	2.1	2.5

Source: [countrystudies.us/united-states/weather/california/menlo-park.htm](https://countrystudies.us/united-states/weather/california/menlo-park.htm)

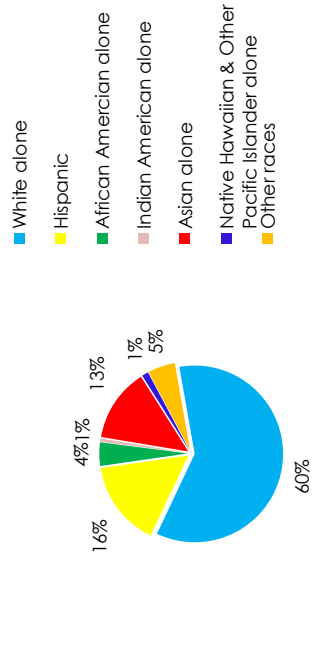
**Population by Age Group, 2019**



**Population By Age Group, 2019**

Years old	Under 5	5-19	20-24	25-34	35-54	55-64	65-74	75 and older
Population by Age Group	7.9%	19.2%	5.8%	14.1%	28.2%	13.0%	7.3%	4.5%

**Population by Race, 2019**



**Population By Race, 2019**

Race	White alone	Hispanic	African American alone	Indian American alone	Asian alone	Native Hawaiian & Other Pacific Islander alone	Other races
percentage	59.8%	15.7%	4.3%	0.6%	13.4%	1.2%	5.0%



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