

City of *Campbell* California

Comprehensive Annual
Financial Report

Fiscal Year Ended
June 30, 2020





CITY OF CAMPBELL, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2020



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Prepared by
Finance Department
Will Fuentes, Finance Director



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INTRODUCTORY SECTION





CITY OF CAMPBELL
Finance Department

December 31, 2020

Honorable Mayor, City Council, and Citizens of Campbell

It my pleasure to submit the Comprehensive Annual Financial Report (CAFR) of the City of Campbell for the fiscal year ended June 30, 2020. The report and accompanying independent audit are published pursuant to State law and the requirements of Section 2.08.080 of the Campbell Municipal Code. The financial statements are presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with Generally Auditing Standards by an independent auditing firm of licensed certified public accountants.

While traditionally addressed to the governing legislative body of the City, this report is also intended to provide relevant financial information to the citizens of the City of Campbell, City staff, creditors, investors and other concerned readers. We encourage all readers to contact the Finance Department with any questions or comments concerning this report.

Purpose and Management Responsibility

The report consists of management's representations concerning the finances of the City of Campbell. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As the City's Chief Executive Officer, I assert that, to the best of my knowledge and belief, this financial report is complete and reliable in all material respects. Further, every attempt has been made to conform to the highest standards of public financial reporting as set forth by the following organizations:

- Governmental Accounting Standards Board (GASB);
- American Institute of Certified Public Accountants (AICPA) and its Committee on Governmental Accounting and Auditing;
- Government Finance Officers Association (GFOA) of the United States and Canada; and
- California Society of Municipal Finance Officers (CSMFO).

Audited Financial Statements

Eide Bailly LLP, a firm of licensed certified public accountants, has audited the City of Campbell financial statements. The City's independent audit was meant to provide reasonable assurance that its financial statements are free of material misstatement. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Campbell for the fiscal year ended June 30, 2020 are presented fairly in all material respects. After a thorough evaluation of the City's internal controls and all required financial documents, the independent auditors rendered an unmodified ("clean") opinion that the City of Campbell's financial statements contained herewith are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial Section of this report.

Organization of Report

The Management's Discussion and Analysis (MD&A) provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Campbell's MD&A can be found immediately following the report of the independent auditors.

In addition to meeting the requirements set forth by State law, the audit was also designed to meet the requirement of the Single Audit Act of 1984 as amended in 1996 and the U.S. Office of Management and the Uniform Guidance. The standards governing Single Audit engagements require the auditor to report on the City's internal controls and compliance with certain legal requirements with special emphasis on the administration of federal awards. For the year ended June 30, 2020 the City did expend over \$750,000 on Federal financial assistance programs; and therefore, a Single Audit will be required by March 31, 2021. The Single Audit will be prepared and presented separately from the CAFR and by the required deadline.

CITY OF CAMPBELL PROFILE

The City of Campbell is located in the heart of Silicon Valley contiguous with the City of San Jose and 50 miles south of San Francisco. The City encompasses 6.7 square miles, is substantially built out, and serves a population of approximately 42,288 as of January 1, 2020. The City is comprised of a mix of residential, office and commercial retail businesses. The City is also home to a number of community festivals and celebrations throughout the year, and it prides itself on fostering a "small town" feel despite being located in the midst of a major metropolitan region. The City's central geographic setting within Silicon Valley makes it a desirable place to live and work.

The City was incorporated March 28, 1952, as a General Law city and operates under a Council-Manager form of government that includes five council members elected by district for a term of four years. The Mayor is selected each year by majority vote of the other Council members. The Council appoints the City Manager, City Attorney, and City Clerk. The City Council members also serve as the governing board members of the Successor Agency to the dissolved City of Campbell Redevelopment Agency and the Campbell Lighting and Landscape District, which are both included in the accompanying financial reports.

City Services

The City provides the following services to its residents: police and contract fire protection; park and street lighting maintenance; recreational classes, services and cultural events; planning, zoning and building review and inspections; construction and maintenance of streets and roads; and leadership provided through general administrative services. Water, sewage, garbage and electric utilities are provided directly through joint powers authorities for which the City participates.

Budgetary Policy and Control

The annual budget serves as the foundation for the City of Campbell's financial planning and control. The budget process begins in December with each City department receiving preliminary financial information. Initial appropriation requests are made in February and study sessions are held with the City Council between March and May to discuss department goals and work plans as well as to obtain Council's input on special priorities or concerns that should be considered in developing the budget. Subsequently, the City Manager meets with each department director to discuss the budget requests and make changes where necessary. The City Manager then prepares and presents the recommended budget in late May or early June for Council's preliminary consideration. Adoption of the operating and capital budget document takes place in June. Requests for increases in appropriations or adjustments to capital projects require approval by the City Council. Changes in appropriations during the year must be submitted by the City Manager to the City Council for review and approval, and must be accompanied by appropriate fiscal impact analysis. The City Manager is authorized to transfer at the fund level budgeted appropriations within the control accounts, including capital projects, provided no change is made to the total amount provided for any one fund.

ECONOMIC CONDITION AND OUTLOOK

National, State and Local Economies—While Silicon Valley is best known for its significant concentration of high technology and electronics research, development and manufacturing, the area also supports a wide variety of retail, office and personal services industries. Historically, this region has experienced cycles of expansion and contraction and has led the nation in productivity, innovation and economic growth for much of the past two decades. The region is home to numerous institutions of higher learning and education that support a broad base of research and development in advanced technology and design.

As with all areas in the world though, the United States, California, and the San Francisco Bay Area have been negatively impacted by the COVID-19 pandemic. And while the nation's economy saw GDP growth equaling 33.1% in the third quarter of 2020, this followed a GDP decline equaling 31.4% in the second quarter of 2020. Such a significant decline followed by a rapid increase were the result of various national, state, and regional stay-at-home orders, which closed and re-opened several sectors of the economy in response to the pandemic. Due to this uncertainty, stock market prices within the Dow Jones Industrial Average decreased by 3.9% over the course of fiscal year.

As of the end of the fiscal year, per the California Employment Development Department (EDD) and the Bureau of Labor Statistics (BLS), the City of Campbell had an unemployment rate of 9.5%, Santa Clara County had an unemployment rate of 10.7%, California had an unemployment rate of 14.9%, and the United States had an unemployment rate of 11.2%. While high compared to the previous fiscal year, the national unemployment rate has decreased from a high of 14.7% in April 2020. Overall, it appears the U.S. economy will largely be impacted by the pandemic throughout the coming fiscal year, but is poised to partially or fully return to previous growth levels once the COVID-19 pandemic is better brought under control through therapeutics and vaccines.

Local Economy

Here in the local region of the Silicon Valley, despite the COVID-19 pandemic, the demand for residential housing continues to stimulate construction and development activity with sales transactions and median prices reflecting the current under-supply in building stock. Because of the unique setting of this region, and the fact that many of the surrounding cities have limited capacity for new housing, most property values continue to appreciate. This is predominantly due to the fact that demand in this region regularly exceeds the supply despite the high cost of housing. Such demand and continued growth in residential sales prices and activity is also due to historically low mortgage interest rates which have made home purchases less expensive. Commercial development activity in Campbell continues to be strong, but could be impacted in the coming fiscal year by the COVID-19 pandemic, which has forced employees of many companies to work from home and for new commercial developments to currently be less attractive for investors. The Silicon Valley though continues to be a leader in innovation and productivity and interest in commercial developments could again increase once the COVID-19 pandemic is better brought under control.

Campbell is home to a diversified economic base of business segments located throughout the community. There are over 5,000 businesses in the City that generated approximately \$13.5 million in sales tax revenue; a decrease of 13.7% from the previous fiscal year due to the COVID-19 pandemic. The largest categories of sales tax producers comprise general retail, food products, restaurants, transportation, and business-to-business.

RELEVANT FINANCIAL POLICIES

Because of the many economic and fiscal uncertainties that constantly confront the City, and to address the financial impacts created by these issues, the City has taken necessary steps to preserve its fiscal health. The City incorporates long-term financial planning into its budget process. For example, it has established financial and budgetary policies monitored by the City Council that ensure operating revenues are available to fund operating expenditures resulting in a balanced budget. The City has also designated a Reserve for Economic Fluctuations; the purpose of which is to serve as a buffer for those revenue sources most significantly impacted by downturns in the economy and enable the City to better withstand an economic recession. The City's financial policies specify target funding of two months of General Fund expenditures. Moreover, the City's 7-year projections include anticipated increases in retirement costs over the next several years due to changes in actuarial assumptions and underperforming retirement pool investment assets. In addition, there are other reserves set aside for both operating as well as emergency purposes to provide the City a financial "safety net" during the next economic slowdown.

Cash Management

The City manages a pooled investment program for all funds in which temporarily idle cash is invested in a variety of instruments. The investment program is managed in accordance with the Investment Policy approved by the City Council. Safety, liquidity, and yield in that order, are the objectives of the investment program. Investments are diversified among investment tools that include certificates of deposit, Federal agency securities and the State of California's Local Agency Investment Fund (LAIF). Quarterly reports on investment status and activity are presented to the City Council.

Capital Improvement / Capital Asset

A five year Capital Improvement Plan is approved on an annual basis with first year projects adopted in conjunction with the operating budget. Sufficient financial commitment is made to preserving the City's investment in its public facilities (buildings, streets, parks, equipment, etc.) to assure preservation of these assets. Equipment replacement and maintenance is projected and funded throughout its useful life. The annual capital improvement budget includes projects which funding source is reasonably assured and can be started within the fiscal year.

MAJOR INITIATIVES

The City of Campbell City Council and the City's management team have dedicated significant attention and resources accomplishing the City's goals and objectives. With the goals to enhance economic development with community involvement, maintain and improve the City's infrastructure and facilities, maintain financial stability, adapt services to support an evolving community in a changing environment and enhance internal and external communication.

A number of capital projects were completed over the course of the fiscal year 2019-20, including the Eden Avenue Sidewalk Improvement and the Controller Cabinet Replacement. Additionally, a number of notable capital projects were also started in fiscal year 2019-20, including Measure O design work for a new Police Station and renovated Library, design work for the John D Morgan All-Inclusive Play Area, design work for the Campbell Park Renovation, preliminary design and environmental review initiation for the San Tomas Aquino Creek Trail, and construction for the Winchester Boulevard Street Maintenance project.

The City continues to address various labor compensation changes imposed through legislation in the area of Fair Labor Standards Act (FLSA) overtime calculation, Affordable Care Act (ACA), changes in collection regarding union dues and pension increases due to CALPERS changes to the discount rate.

AWARDS (Financial and Budgetary)

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Campbell for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2019. The Certificate of Achievement is a prestigious national award that recognizes conformity with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, the City must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City has received a Certificate of Achievement for the past 31 consecutive fiscal years. We believe our current report continues to conform to the Certificate of Achievement Program's requirements, and we are again submitting it to determine its eligibility for another certificate.

The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document for the fiscal year 2019-20. This is the 27th consecutive year of receiving this award. In order to receive this award, the budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

ACKNOWLEDGEMENTS

The preparation and publication of this report was made possible by the dedicated service of the entire Finance Department under the leadership of the Finance Director and the Finance Manager. Each member of the Department has my sincere appreciation for the many contributions made in the preparation of this report. In addition, I wish to extend a special thanks to the Finance Department Staff for their hard work in producing this document.

Appreciation is also extended to City departments for their support in planning and conducting the fiscal functions of the City, the commitment of all City employees, as well as the Mayor and City Council for their support and encouragement toward achieving and maintaining the highest standards for the management of the City of Campbell's finances. Through continued partnership with the community that we serve, the City of Campbell will continue to be a leader in effective municipal governance and maintain high quality of life.

Respectfully submitted,


Brian Loventhal
City Manager



Will Fuentes
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Campbell
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

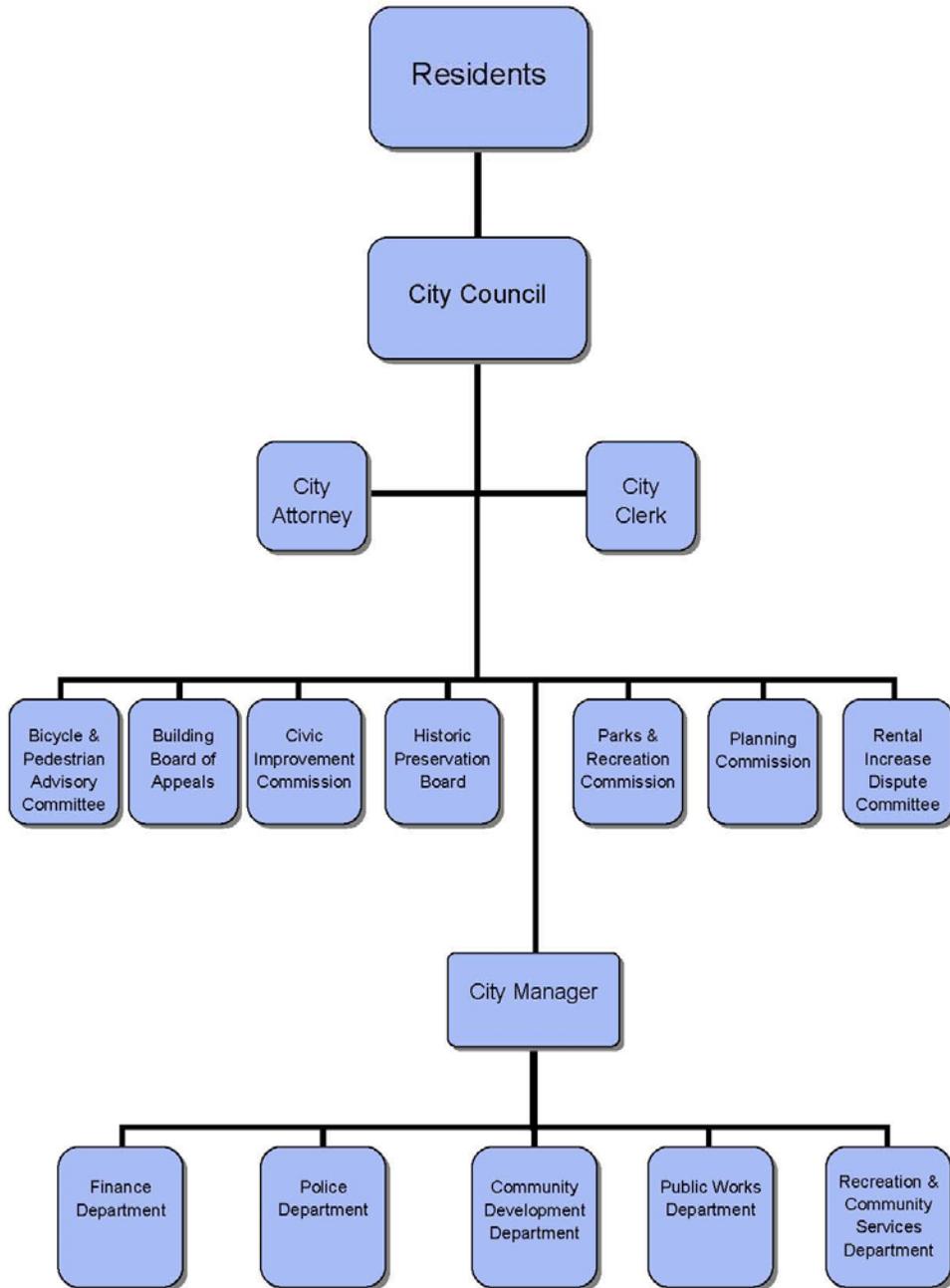
June 30, 2019

Christopher P. Morill

Executive Director/CEO

General Organization

2019 - 2020



CITY OFFICIALS

City Council

Mayor – Rich Waterman

Vice Mayor – Susan M. Landry

Councilmember – Paul Resnikoff

Councilmember – Liz Gibbons

Councilmember – Anne Bybee

Note: Mayor serves an annual term from December to December.
Names and positions are as of July 1, 2019.

City Administrative Staff

City Manager – Brian Loventhal

Deputy City Manager – Al Bito

City Clerk – Wendy Wood

City Attorney – William Seligmann

Community Development Director – Paul Kermoyan

Finance Director – Will Fuentes

Human Resources Manager – Jill Lopez

Police Chief – David Carmichael

Public Works Director – Todd Capurso

Recreation & Community Services Director – Regina Maurantonio

COMMISSION, COMMITTEES, AND ADVISORY BOARDS

Planning Commission

Andrew Rivlin, Chairperson
Michael Krey, Vice Chairperson
Adam Buchbinder
Stuart Ching
Terrence Hines
Maggie Ostrowski
Michael Rich

Parks and Recreation Commission

Allen Ishibashi, Chairperson
Traci Mitchell, Vice Chairperson
Liraz Abraham
Frank Beitz
Sherrie Doherty
Robert Fidrych J
Sharon Teeter

Civic Improvement Commission

Maryanne Yoshikawa, Chairperson
Carol Hoffman, Vice Chairperson
Richard Capatosto
Amy Carpenter
William Kaufman
Viral Khajuria
Anne Souza

Building Board of Appeal

Bruno Marcelic
Jim Morelan
Jay Perrine
Kevin Salazar
Todd Zeman

Historical Preservation Board

Michael Foulkes, Chairperson
Yvonne Kendall, Vice Chairperson
Susan Blake
Laura Taylor Moore
Todd Walter D.

Rental Fact Finding Committee

Lucy Zheng
William Pierce
Jennifer Dooley

Bicycle/Pedestrian Committee

Carmen Lynaugh, Chairperson
Davis Sausjord, Vice Chairperson
Paul Tuttle
Laura Smith
Barton Smith

Note: Names and Positions as of July 22, 2019

FINANCIAL SECTION





INDEPENDENT AUDITOR'S REPORT

The Honorable City Council
City of Campbell, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Campbell, California (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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2020, and the respective changes in financial position, 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, Schedule of Changes in Miscellaneous Plan Net Pension Liability, Net OPEB Liability and Related Ratios, Schedule of Pension Contributions, Schedule of City's Proportionate Share of the Plan's Net Pension Liability, Schedule of OPEB Contributions, Schedules of Budgetary Comparison Schedules for the General Fund and each Major Special Revenue Fund, as noted in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual nonmajor, internal service, and agency fund financial statements and 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, internal service, and agency 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 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.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Menlo Park, California
December 31, 2020



Management's Discussion and Analysis

The management of the City of Campbell, California (City) presents this narrative overview and analysis of the financial activities of the City as of, and for the fiscal year ended June 30, 2020. Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and currently known facts, we encourage readers to consider the information presented herein in conjunction with additional information furnished in the Letter of Transmittal and the accompanying Basic Financial Statements.

Fiscal Year 2019-20 Financial Highlights

The City ended its fiscal year with total revenues of \$61.7 million, an increase of \$1.1 million from the previous year, and total expenses of \$65.9 million, an increase of \$3.8 million compared to the previous year. Excluding property taxes, general revenues; comprised of sales tax, transient occupancy tax and other revenues, decreased \$1.3 million.

Other financial highlights of the past year are as follows:

City-wide:

- Total City assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$36.4 million. Of this amount, \$48.8 million represents the net investment in capital assets while \$20.2 million is restricted for various purposes including affordable housing, streets and roads, community development and debt service. The negative \$32.6 million in unrestricted net position increased by \$8.5 million since last year.
- Total net position decreased from the previous year by \$4.1 million primarily attributable to an increase in the net pension liability and a decrease to related deferred outflows as referenced in Note 9.

Fund level:

- Total governmental fund balances were \$43.9 million at fiscal year-end, an increase of \$1.8 million from the previous year.
- General Fund revenues, excluding transfers, decreased \$3.4 million to \$49.6 million from the previous year. Related expenditures increased by \$1.9 million from the previous year to \$51.4 million.
- General Fund's fund balance decreased \$4.8 million to \$22.3 million at fiscal year-end.
- Total Committed General Fund balance of \$5.2 million is for future contingencies and capital improvement projects. Total Assigned General Fund balance of \$3.8 million is for CalPERS retirement costs and other post-employment benefits, and the remainder for general government. The reserves represents a 17.4% reserve ratio to General Fund expenditures excluding transfers out.

Overview of the Financial Statements

The City is required to present its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standard Board (GASB) pronouncements. The City of Campbell's Basic Financial Statements are comprised of three components: 1) government-wide financial statements 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains other supplementary information in addition to the Basic Financial Statements.

Government-wide financial statements - These statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. They consist of the *statement of net position* and *statement of activities*. The statements are reported on the full accrual basis of accounting and eliminate any duplicate activity between City funds.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources including capital assets and long-term debt, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. It encompasses all revenues and expenses and reports them based on when they are earned or incurred, respectively, rather than the timing of the related cash flows.

The City has only *governmental* activities that are primarily supported through taxes and intergovernmental revenues. The government-wide financial statements include Campbell Lighting and Landscape District, a legally separate entity that is under the control of the City and for which the City retains financial accountability.

Fund financial statements - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Campbell, like other state and local governments, uses fund accounting on a day-to-day basis to ensure and demonstrate compliance with finance-related legal requirements. These statements focus on more short-term reporting related to current revenues, expenditures and fund balances. They do not include capital assets or long-term liabilities. The City's funds can be divided into two categories: *governmental funds* and *fiduciary funds*.

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

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

The City of Campbell maintains individual governmental funds. Information for the General Fund, Housing Assets Special Revenue Fund and Capital Projects Fund is presented separately in the fund statements as they are considered *major* funds of the City. The data for the remaining funds are shown in the aggregate in the financial statements. However, the individual fund data for each of these non-major funds is provided as supplemental information in the form of combining statements.

The City of Campbell adopts an annually appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the City. Fiduciary funds are not reflected in the City-wide financial statements because the resources of those funds are not available to support the City's own programs. Accordingly, only assets and liabilities are reported for these funds. The City reports three agency funds, representing a joint powers authority, a local improvement district, and a task force. It also reports a Private Purpose Trust Fund which consists of the Successor Agency to the former Campbell Redevelopment Agency, which was dissolved by State legislation on February 1, 2012.

Notes to the Basic Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the City-wide and fund financial statements. They can be found immediately following the financial statements.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain supplemental information in the form of budget and actual schedules for major governmental funds other than the general fund; combining statements for non-major governmental funds and the City's internal service funds; and a statement of changes in assets and liabilities for the City's agency funds.

City-Wide Financial Analysis

These City-wide financial statements provide information about the City's overall financial picture from the perspective of all the City's governmental funds. The analysis focuses on the net position and changes in net position at the City-wide level as presented in the statement of net position and statement of activities. Net positions for the City are summarized below as of June 30 and an analysis follows:

	Governmental Activities	
	2020	2019
Cash and investments	\$ 43.3	\$ 43.8
Capital assets	58.7	57.1
Other assets	12.7	12.7
Total assets	<u>114.7</u>	<u>113.6</u>
Deferred outflows of resources	<u>12.8</u>	<u>13.2</u>
Noncurrent liabilities	17.6	17.8
Other liabilities	7.2	6.4
Net OPEB liability	3.9	4.3
Net pension liability	60.0	56.3
Total liabilities	<u>88.7</u>	<u>84.8</u>
Deferred inflows of resources	<u>2.4</u>	<u>1.5</u>
Net position:		
Net investment in capital assets	48.8	47.4
Restricted	20.2	17.2
Unrestricted	(32.6)	(24.1)
Total net position	<u>\$ 36.4</u>	<u>\$ 40.5</u>

The changes in net position were comprised of the following elements:

- Cash and investments decreased by a net of \$0.5 million.
- Capital asset additions during the year were \$4.3 million and increases in accumulated depreciation were \$2.7 million.
- Other assets experienced no change, year over year.
- Deferred outflows of resources decreased \$.4 million, all of which is related to deferred pension contributions that will be recognized as a reduction to the net pension liability next year, change in assumptions, and the net differences between projected and actual earnings on plan investments that is being amortized and recognized as a component of pension expense over future periods.
- Long-term liabilities decreased \$0.2 million resulting from payment of principal amount of the City's outstanding debt which was offset by increases in compensated absences and claims payable.
- Other liabilities increased by \$0.9 million due primarily to increases in deposits payable and accounts payable related to the timing of fiscal year end payments.

- Net Pension Liability increased \$3.7 million resulting from a combination of an increase in service cost, interest on total pension liability, and differences between expected and actual investment earnings on pension assets.
- Deferred Inflows of Resources increased \$.9 million due primarily to amounts related to pensions, OPEB.
- Net investment in capital assets experienced minimal change, increasing just \$1.4 million from the prior year.
- Restricted net position assets have external limitations placed upon them regarding how they may be spent. This balance increased by \$3.0 million due to an increase in restricted assets for debt service and streets and roads projects.

On the following page is a summary of the components that resulted in the change to net position for the fiscal year ended June 30:

Changes in Governmental Net Position (in millions)

	Governmental Activities	
	2020	2019
Revenues:		
Program Revenues:		
Charges for services	\$ 11.1	\$ 13.0
Operating grants and contributions	4.7	3.5
Capital grants and contributions	2.6	0.6
General Revenues:		
Property taxes	19.8	16.9
Sales and use taxes	14.0	15.7
Other taxes	8.0	9.5
Investment Income	1.1	1.1
Miscellaneous	0.4	0.3
Total Revenues	<u>61.7</u>	<u>60.6</u>
Expenses:		
General Government	8.3	7.3
Recreation	6.8	7.2
Community Development	4.2	3.7
Public Safety	31.2	29.6
Public Works	15.0	14.0
Interest on Long Term Debt	0.3	0.3
Total Expenses	<u>65.8</u>	<u>62.1</u>
Change in Net Position	(4.1)	(1.5)
Net Position at Beginning of Year	40.5	32.5
Restatement	-	9.5
Net Position at Beginning of Year, As Restated	<u>40.5</u>	<u>42.0</u>
Net Position at End of Year	<u>\$ 36.4</u>	<u>\$ 40.5</u>

Government-wide net position decreased \$4.1 million from the prior year. Key elements of activity are as follows:

Revenues:

- Within program revenues, charges for services decreased \$1.9 million due to a decrease in Recreation programmatic revenues as a result of a statewide and regional stay-at-home orders and social distancing protocols to combat the spread of COVID-19. Operating grants and contributions increased \$1.2 million and capital grants and contributions increased \$2 million, funding several ongoing capital projects during the fiscal year.
- Within general revenues, property tax revenues increased \$2.9 million reflecting continued strength in the real estate market as assessed values on secured residential and commercial properties continue to grow. Furthermore, of that amount, \$1.1 million is attributed to the levies as a result of the 2018 passage of Measure O.
- Due to the aforementioned stay-at-home orders as a response to COVID-19, sales tax revenue decreased \$2.2 million and other taxes, which includes transient occupancy tax, decreased \$1.5 million.
- Other revenue remains relatively unchanged, with a slight increase of \$0.1 million in miscellaneous revenue.

Expenses:

- General Government expenses increased \$1.1 million attributable to an increase in staffing costs as it relates to the City's response to COVID-19 as well as scheduled and expected increases to compensation and benefits.
- Recreation expenses decreased \$0.4 million largely due to decreased staffing costs.
- Community Development expenses increased \$0.5 million due to additional staffing as well as increased staffing costs related to expanded economic development efforts and to keep up with workload demands.
- Public Safety expenses increased \$1.6 million due primarily to increased staffing, increased cost in providing services, and increased contractual fire services costs of over \$0.5 million.
- Public Works expenses increased \$1.0 million due to an increase in contractual services and staffing costs as ongoing capital projects continue to move forward.
- Interest on long-term debt did not change and remains at \$0.4 million, similar to the prior year.

Financial Analysis of Fund Financial Statements

Combined governmental fund balances at fiscal year-end were \$43.9 million, a decrease of \$1.8 million from the previous year. The City has Restricted, Committed, Assigned and Unassigned fund balances of \$20.3 million; \$5.2 million; \$5.5 million and \$13.3 million, respectively, at year end.

Governmental fund revenues, excluding transfers, were \$60.9 million, decreasing less than \$0.1 million from the previous year. Property taxes were higher by \$2.9 million due to continued strength in the real estate market as well as levies from the 2018 passage of Measure O. Intergovernmental revenues increased by \$3.2 million largely due to grant reimbursements for capital projects. On the other hand, sales tax and other taxes such as transient occupancy tax decreased for a combined \$3.8 million as a direct result of statewide and regional stay-at-home orders to contain COVID-19. Furthermore, charges for services decreased by \$1.5 million.

Governmental fund expenditures, excluding transfers, increased from the prior year by a net amount of \$4.0 million to \$62.6 million. The increase is attributable to increase in staffing costs, an increase in the City's fire services contract, as well as a \$1.8 million increase to capital project expenditures.

Analysis of Major Governmental Funds

General Fund

The General Fund realized a deficiency of revenues over expenditures of \$1.8 million, excluding transfers. General Fund revenues, excluding transfers, decreased \$3.4 million from the previous year to \$49.6 million. Property taxes increased \$1.6 million, sales tax decreased \$2.2 million, and other taxes decreased \$1.6 million.

General Fund expenditures, excluding transfers, were \$51.4 million, an increase of \$1.9 million from the previous year. The increase was related primarily to increased staffing costs and the fire services contract.

The General Fund's fund balance at fiscal year-end was \$22.3 million, a decrease of \$4.7 million from the previous year. Committed and Assigned fund balances at year end were \$5.2 million and \$3.8 million, respectively. These balances are utilized to fund various emergency and operating funds \$1.5 million for continuing capital projects, \$1.6 million for future capital improvements. Unassigned fund balance of \$13.3 million serves as an additional reserve for unanticipated needs that may arise including a \$9.4 million reserve for economic fluctuations and \$2.6 million for emergencies

Housing Assets Special Revenue Fund

The principal assets of this fund consist of long-term housing loans receivable from various housing programs which were formerly administered by the Campbell Redevelopment Agency. Limited funds are available for new homebuyers, consisting primarily of loan repayment proceeds and interest earnings.

Capital Projects Fund

Accounts for the expenditures and financing of the City's capital projects.

Other Governmental Funds

These funds are not separately presented in the basic financial statements but are individually presented as supplemental information.

Capital Assets

The City had net capital assets of \$58.8 million as of June 30, 2020. The following is a summary of the City's capital assets for the fiscal year ended June 30:

Capital Assets (in millions)

	2020	2019
Land	\$ 9.1	\$ 9.1
Construction in progress	4.0	2.2
Building & improvements	25.4	24.4
Machinery & equipment	12.8	11.4
Infrastructure	52.3	52.2
Less: Accumulated depreciation	(44.8)	(42.2)
Net capital assets:	\$ 58.8	\$ 57.1

Total additions to capital assets were \$1.7 million during the year consisting primarily of construction in progress and machinery and equipment, offset by an increase in accumulated depreciation. Additional detail on capital assets can be found in Note 5 of the notes to the basic financial statements.

Debt Administration

In August 2016, the City and its Successor Agency concurrently refinanced a combined four outstanding debt issues to achieve significant interest savings for the City and the Agency, given the low rate environment that existed for the past couple of years. Additional detail regarding the City's long-term debt can be found at Note 6 in the notes to financial statements. The Successor Agency debt is reported in a Private Purpose Trust separate from the City's financial statement reporting entity. The debt obligations appear on the Fiduciary Funds Statement of Net Position of the CAFR. Total outstanding debt of the Successor Agency for the refunding tax allocation bonds was \$18.6 million at June 30, 2020.

The City had \$3.4 million in outstanding certificates of participation and \$5.7 million in refunding lease revenue bonds outstanding at June 30, 2020.

Economic Outlook and Next Year's Budget

On March 12, 2020, the City proclaimed a local emergency as a response to COVID-19. What once seemed like a normal budget preparation year with a strong and vibrant economy was suddenly changed. The fiscal impacts of COVID-19 were immediate and severe and during a time when budget preparation was already well underway. Despite these immense challenges, City staff quickly adjusted its approach and started to discuss and develop meaningful solutions to address the pressing fiscal issues at hand. In developing the FY21 budget, the following information was used:

- Property tax revenues are expected to grow 4.5% compared to FY20 due to continued appreciation in the property tax base. Growth and demand in the commercial and residential real estate markets are expected to remain strong into the next year.
- Sales tax revenue is estimated to decrease 7.4% when compared to FY20. This is entirely due to current and ongoing COVID-19 stay-at-home orders.
- Charges for Service is the City's third largest revenue source and will be negatively impacted by COVID-19. The City is estimating a 19.6% decrease in FY21.
- Transient Occupancy Tax is estimated to decrease 37.3% given reduced personal and business travel due to COVID-19, which is expected to continue into FY21.
- Employee Services costs are expected to decrease by 1.9% in FY21 as FTEs decrease by 7.33 due to adopted layoffs and freezing of several vacant positions.

The local Silicon Valley economy, as with the San Francisco Bay Area, California, and the United States as a whole have been negatively impacted by the COVID-19 pandemic. The unemployment rate in Campbell as of June 2020 was 9.5%, an increase from a rate of 2.4% from the prior year. While the U.S. economy continues to be impacted by the pandemic, it is poised to partially or fully return to previous growth levels once COVID-19 is brought under control through therapeutics and vaccines.

Contacting the City

This financial report is designed to provide a general overview of the City of Campbell's finances for residents, taxpayers, investors, creditors and any other interested parties. Questions about this report may be directed to the City's Finance Department at 70 N. First St., Campbell, CA 95008 or by e-mail at finance@cityofcampbell.com.

CITY OF CAMPBELL

STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES

The Statement of Net Position and the Statement of Activities summarize the entire City's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, as well as all its revenues and expenses. This is known as the full accrual basis of accounting. The effect of all the City's transactions is considered, regardless of whether or when cash changes hands.

The Statement of Net Position reports the difference between the City's total assets and deferred outflows of resources and the City's total liabilities and deferred inflows of resources, including all the City's capital assets and all its long-term debt. It focuses the reader on the composition of the City's net position, by subtracting total liabilities and total deferred inflows of resources from total assets and total deferred outflows of resources. The Statement of Net Position summarizes the financial position of all the City's Governmental Activities in a single column.

The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue, Debt Service and Capital Projects Funds. Since the City's Internal Service Funds service these Funds, their activities are consolidated with Governmental Activities, after eliminating inter-fund transactions and balances.

The Statement of Activities reports increases and decreases in the City's net position. It is also prepared on the full accrual basis of accounting, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands.

The format of the Statement of Activities presents the City's expenses first, which are listed by program. Program revenues - that is, revenues which are generated directly by these programs - are then deducted from program expenses to arrive at the net expense of each governmental program. The City's general revenues are then listed in the Governmental Activities column, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

Both these Statements include the financial activities of the City and the City of Campbell Lighting and Landscape District, which is a legally separate but blended component unit of the City because it is controlled by the City, which is financially accountable for its activities

CITY OF CAMPBELL, CALIFORNIA
STATEMENT OF NET POSITION
JUNE 30, 2020

	<u>Governmental Activities</u>
ASSETS:	
Cash and investments	\$ 43,306,768
Cash held with fiscal agent	5,422
Receivables:	
Taxes	2,610,013
Accounts	2,035,895
Interest	130,085
Notes and loans	7,853,726
Deposits	90,000
Capital assets, not depreciated	13,062,288
Capital assets, depreciated, net	45,632,217
TOTAL ASSETS	<u>114,726,414</u>
DEFERRED OUTFLOWS OF RESOURCES:	
Amount related to pensions	12,138,123
Amount related to OPEB	646,871
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>12,784,994</u>
LIABILITIES:	
Accounts payable	3,908,817
Accrued expenses	1,580,469
Deposits payable	1,823,358
Interest payable	54,450
Noncurrent liabilities:	
Due in less than one year:	
Bonds, notes, claims, compensated absences	3,021,402
Due in more than one year:	
Bonds, notes, claims, compensated absences	14,585,800
Net OPEB liability	3,854,727
Net pension liability	59,956,038
TOTAL LIABILITIES	<u>88,785,061</u>
DEFERRED INFLOWS OF RESOURCES:	
Amount related to pensions	1,971,346
Amount related to OPEB	391,714
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>2,363,060</u>
NET POSITION:	
Net investment in capital assets	48,798,520
Restricted for:	
Debt service	1,065,119
Streets and roads	4,635,969
Museum and adult center	178,232
Public safety	424,820
Low and moderate income housing	9,061,883
Community development	4,829,981
Unrestricted	(32,631,237)
TOTAL NET POSITION	<u>\$ 36,363,287</u>

See accompanying notes to the basic financial statements.

**CITY OF CAMPBELL, CALIFORNIA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Functions/programs	Expenses	Program Revenues			Net (Expenses) Revenues and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 8,363,548	\$ 9,375	\$ 218,577	\$ -	\$ (8,135,596)
Recreation	6,765,508	4,536,171	98,683	-	(2,130,654)
Community development	4,166,582	2,257,036	621,075	-	(1,288,471)
Public safety	31,160,818	787,204	814,800	-	(29,558,814)
Public works	15,040,395	3,530,034	2,928,184	2,595,822	(5,986,355)
Interest expense and other charges	324,934	-	-	-	(324,934)
Total governmental activities	<u>\$ 65,821,785</u>	<u>\$ 11,119,820</u>	<u>\$ 4,681,319</u>	<u>\$ 2,595,822</u>	<u>(47,424,824)</u>
General revenues:					
Taxes:					
Property					19,812,728
Sales and use					13,965,745
Transient occupancy					3,144,208
Franchise					3,527,926
Other					1,281,370
Payments in lieu of taxes					34,231
Investment income					1,062,566
Miscellaneous					439,896
Total general revenues					<u>43,268,670</u>
Change in net position					(4,156,154)
Net Position At Beginning of Year					<u>40,519,441</u>
Net Position At End of Year					<u>\$ 36,363,287</u>

See accompanying notes to the basic financial statements.

CITY OF CAMPBELL
FUND FINANCIAL STATEMENTS – GOVERNMENTAL

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

The funds described below were determined to be Major Funds by the City in fiscal year 2020. Individual other governmental (nonmajor) funds may be found in the Supplemental Section.

General Fund

Accounts for activities traditionally associated with governments, such as administration, recreation, community development, engineering and public safety, which are not required to be accounted for in another fund.

Housing Assets Special Revenue Fund

Accounts for assets of the City's Successor Housing Agency, formed to take over certain housing assets from the former Redevelopment Agency Low-Moderate Income Housing Fund upon its dissolution by the State of California.

Capital Projects Fund

Accounts for the expenditures and financing of the City's capital projects.

See accompanying notes to the basic financial statements.

**CITY OF CAMPBELL, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020**

	General Fund	Special Revenue Funds Housing Assets	Capital Projects Fund Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:					
Cash and investments	\$ 23,961,647	\$ 1,379,510	\$ 2,659,184	\$ 10,457,810	\$ 38,458,151
Cash held with fiscal agent	-	-	-	5,422	5,422
Receivables:					
Accounts	909,918	-	-	1,105,883	2,015,801
Taxes	2,490,229	-	-	119,784	2,610,013
Interest	83,212	4,425	-	42,448	130,085
Notes and loans	-	7,713,726	-	140,000	7,853,726
Due from other funds	1,007,315	-	-	-	1,007,315
TOTAL ASSETS	\$ 28,452,321	\$ 9,097,661	\$ 2,659,184	\$ 11,871,347	\$ 52,080,513
LIABILITIES:					
Accounts payable	\$ 2,479,865	\$ 34,591	\$ 955,551	\$ 365,265	\$ 3,835,272
Accrued payroll	1,404,590	1,533	-	130,866	1,536,989
Deposits payable	1,823,358	-	-	-	1,823,358
Due to other funds	-	-	-	497,805	497,805
TOTAL LIABILITIES	5,707,813	36,124	955,551	993,936	7,693,424
DEFERRED INFLOWS:					
Unavailable revenue	472,000	-	-	-	472,000
TOTAL DEFERRED INFLOWS OF RESOURCES	472,000	-	-	-	472,000
FUND BALANCES (DEFICIT):					
Restricted	-	9,061,537	-	11,188,917	20,250,454
Committed	5,192,639	-	-	-	5,192,639
Assigned	3,757,823	-	1,703,633	-	5,461,456
Unassigned	13,322,046	-	-	(311,506)	13,010,540
TOTAL FUND BALANCES (DEFICIT)	22,272,508	9,061,537	1,703,633	10,877,411	43,915,089
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 28,452,321	\$ 9,097,661	\$ 2,659,184	\$ 11,871,347	\$ 52,080,513

See accompanying notes to the basic financial statements.

CITY OF CAMPBELL, CALIFORNIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF NET POSITION
JUNE 30, 2020

Fund balances - total governmental funds \$ 43,915,089

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

Capital assets used in governmental activities are not current financial resources
and therefore are not reported in the governmental funds balance sheet:

Capital assets	\$ 94,882,884	
Accumulated depreciation	<u>(37,726,652)</u>	57,156,232

Long-term receivables are not available to pay for current period expenditures 472,000

Long-term liabilities applicable to the City's governmental activities are not due
and payable in the current period and accordingly are not reported as fund
liabilities. Interest on long-term liabilities is not accrued in governmental funds,
but rather is recognized as an expenditures when due. All liabilities, both
current and long-term, are reported in the Statement of Net Position.

Balances at year-end are:

Lease revenue bonds and certificates of participation	(9,895,985)	
Compensated absences	(4,044,414)	
Claims payable	(208,840)	
Accrued interest	<u>(54,450)</u>	(14,203,689)

OPEB related liabilities applicable to the City's governmental activities are not
due and payable in the current period and accordingly are not reported as fund
liabilities. Deferred outflows of resources and deferred inflows of resources
related to OPEB are only reported in the Statement of Net Position as the
changes in these amounts affects only the government-wide statements for
governmental activities:

Deferred outflows of resources	646,871	
Deferred inflows of resources	(391,714)	
Net OPEB liability	<u>(3,854,727)</u>	(3,599,570)

Pension related liabilities applicable to the City's governmental activities are not
due and payable in the current period and accordingly are not reported as fund
liabilities. Deferred outflows of resources and deferred inflows of resources
related to pensions are only reported in the Statement of Net Position as the
changes in these amounts effects only the government-wide statements for
governmental activities:

Deferred outflows of resources	12,138,123	
Deferred inflows of resources	(1,971,346)	
Net pension liability	<u>(59,956,038)</u>	(49,789,261)

Internal service funds are used by management to charge the costs of certain
activities, such as equipment management, information technology, and
workers' compensation self-insurance, to individual funds. The assets and
liabilities of the internal service funds are included in governmental activities
in the Statement of Net Position.

Net position of governmental activities	<u>2,412,486</u>	<u>\$ 36,363,287</u>
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See accompanying notes to the basic financial statements.



CITY OF CAMPBELL, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OF THE GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	General Fund	Special Revenue Funds Housing Assets	Capital Projects Fund Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
REVENUES:					
Property taxes	\$ 17,248,696	\$ -	\$ -	\$ 2,564,032	\$ 19,812,728
Sales and use taxes	13,493,745	-	-	-	13,493,745
Other taxes	7,962,879	-	-	-	7,962,879
Special assessments	-	-	-	1,391,283	1,391,283
Licenses and permits	3,714,070	-	-	-	3,714,070
Fines and forfeitures	694,347	-	-	-	694,347
Investment income	542,847	91,470	-	303,656	937,973
Rents and leases	2,554,703	-	-	-	2,554,703
Intergovernmental	525,130	-	-	5,941,294	6,466,424
Charges for services	2,573,117	-	-	695,193	3,268,310
Project revenues	-	-	6,446	-	6,446
Donations	69,602	-	-	1,889	71,491
Parkland dedication fees	-	-	-	189,500	189,500
Miscellaneous revenues	252,859	-	-	90,220	343,079
TOTAL REVENUES	49,631,995	91,470	6,446	11,177,067	60,906,978
EXPENDITURES:					
Current:					
General government	8,189,834	-	-	4,991	8,194,825
Recreation	5,854,410	-	-	-	5,854,410
Community development	3,147,352	188,190	-	272,797	3,608,339
Public safety	28,960,914	-	-	171,381	29,132,295
Public works	5,271,033	-	42,588	5,856,811	11,170,432
Capital outlay	-	-	3,878,985	-	3,878,985
Debt service:					
Principal	-	-	-	535,000	535,000
Interest and fiscal charges	-	-	-	227,076	227,076
TOTAL EXPENDITURES	51,423,543	188,190	3,921,573	7,068,056	62,601,362
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,791,548)	(96,720)	(3,915,127)	4,109,011	(1,694,384)
OTHER FINANCING SOURCES (USES):					
Transfers in	974,801	-	3,918,454	3,357,845	8,251,100
Transfers out	(3,938,567)	-	-	(4,415,933)	(8,354,500)
TOTAL OTHER FINANCING SOURCES (USES)	(2,963,766)	-	3,918,454	(1,058,088)	(103,400)
NET CHANGE IN FUND BALANCES	(4,755,314)	(96,720)	3,327	3,050,923	(1,797,784)
FUND BALANCES AT BEGINNING OF YEAR	27,027,822	9,158,257	1,700,306	7,826,488	45,712,873
FUND BALANCES AT END OF YEAR	\$ 22,272,508	\$ 9,061,537	\$ 1,703,633	\$ 10,877,411	\$ 43,915,089

See accompanying notes to the basic financial statements.

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

Net change in fund balances - total governmental funds		\$ (1,797,784)
Amounts reported for governmental activities in the Statement of Activities are different because:		
When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charged for the year.		
Capital outlay	3,878,985	
Depreciation expense	<u>(2,434,117)</u>	1,444,868
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 payment on lease revenue bond		535,000
Accrued interest expense related to the long-term liabilities. This amount is the difference between the amount of interest paid and the amount of interest incurred on long-term liabilities.		(97,858)
Some expenses reported in the Statement of Activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.		
Net change in compensated absences	16,499	
Net change in claims payable	<u>4,684</u>	21,183
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		472,000
Pension expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, pension expense includes the change in the net pension liability, and related change in pension amounts for deferred outflows of resources and deferred inflows of resources.		(4,619,409)
OPEB expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, OPEB expense includes the change in the net OPEB liability, and related change in OPEB amounts for deferred outflows of resources and deferred inflows of resources.		84,568
Internal service funds are used by management to charge the costs of certain activities, such as equipment management, information technology, and workers' compensation self-insurance, to individual funds. The net revenue (expense) of these internal service funds are included in the governmental activities in the Statement of Net Position.		<u>(198,722)</u>
Change in net position of governmental activities		<u>\$ (4,156,154)</u>

See accompanying notes to the basic financial statements.

CITY OF CAMPBELL
FUND FINANCIAL STATEMENTS – PROPRIETARY

Internal Service Funds

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

CITY OF CAMPBELL, CALIFORNIA
STATEMENT OF NET POSITON
PROPRIETARY FUNDS
JUNE 30, 2020

	Governmental Activities <u>Internal Service Funds</u>
ASSETS:	
CURRENT ASSETS:	
Cash and investments	\$ 4,848,617
Accounts receivable	20,094
Deposits	<u>90,000</u>
TOTAL CURRENT ASSETS	<u>4,958,711</u>
NONCURRENT ASSETS:	
Capital assets, net of accumulated depreciation	1,538,273
TOTAL ASSETS	<u>6,496,984</u>
LIABILITIES:	
CURRENT LIABILITIES:	
Accounts payable	73,545
Accrued payroll	43,480
Due to other funds	509,510
Compensated absences, current portion	56,798
Claims and judgments payable, current portion	<u>541,882</u>
TOTAL CURRENT LIABILITIES	<u>1,225,215</u>
NON CURRENT LIABILITIES:	
Compensated absences	58,377
Claims payable and judgments	<u>2,800,906</u>
TOTAL NON CURRENT LIABILITIES	<u>2,859,283</u>
TOTAL LIABILITIES	<u>4,084,498</u>
NET POSITION:	
Net investment in capital assets	1,538,273
Unrestricted	<u>874,213</u>
TOTAL NET POSITION	<u>\$ 2,412,486</u>

See accompanying notes to the basic financial statements.

CITY OF CAMPBELL, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Governmental Activities
	<u>Internal Service Funds</u>
OPERATING REVENUES:	
Investment income	\$ 124,593
Charges for services	3,059,388
Other	<u>162,060</u>
TOTAL OPERATING REVENUES	<u>3,346,041</u>
OPERATING EXPENSES:	
Personnel services	1,322,383
Services and supplies	2,047,851
Depreciation	<u>277,929</u>
TOTAL OPERATING EXPENSES	<u>3,648,163</u>
LOSS BEFORE TRANSFERS	<u>(302,122)</u>
TRANSFERS:	
Transfers in	203,000
Transfers out	<u>(99,600)</u>
TOTAL TRANSFERS	<u>103,400</u>
CHANGE IN NET POSITION	(198,722)
NET POSITION AT BEGINNING OF YEAR	<u>2,611,208</u>
NET POSITION AT END OF YEAR	<u><u>\$ 2,412,486</u></u>

See accompanying notes to the basic financial statements.

**CITY OF CAMPBELL, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPREIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Governmental Activities
	<u>Internal Service Funds</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from department users	\$ 3,354,001
Cash payments to suppliers of goods and services	(1,932,918)
Cash payments to employees for services	(1,291,725)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>129,358</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Cash received from other funds	203,000
Cash paid to other funds	(179,461)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	<u>23,539</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of capital assets	(398,362)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(398,362)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(245,465)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>5,094,082</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u><u>\$ 4,848,617</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating loss	\$ (302,122)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	277,929
Changes in operating assets and liabilities:	
(Increase) decrease in accounts receivable	7,960
Increase (decrease) in accounts payable	(99,393)
Increase (decrease) in accrued payroll	1,229
Increase (decrease) in compensated absences	29,429
Increase (decrease) in claims and judgments payable	214,326
NET CASH PROVIDED BY OPERATING ACTIVITIES:	<u><u>\$ 129,358</u></u>

See accompanying notes to the basic financial statements.

CITY OF CAMPBELL
FUND FINANCIAL STATEMENTS – FIDUCIARY

Private-Purpose Trust Fund

The private-purpose trust fund was created to account for the assets and liabilities of the Campbell Successor Agency, effective February 1, 2012. These amounts represent the assets and liabilities of the former Campbell Redevelopment Agency.

Agency Funds

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the Entity-wide financial statements but are presented in separate Fiduciary Fund financial statements.

CITY OF CAMPBELL, CALIFORNIA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

	Private-Purpose Trust Fund	Agency Funds
ASSETS:		
CURRENT ASSETS:		
Cash and investments	\$ 827,268	\$ 1,982,053
Cash held with fiscal agent	32	-
Accounts receivable	2,700	1,072
TOTAL CURRENT ASSETS	830,000	1,983,125
NONCURRENT ASSETS:		
Capital assets, not being depreciated	7,123,531	-
Capital assets, net of accumulated depreciation	9,730,050	-
TOTAL NONCURRENT ASSETS	16,853,581	-
TOTAL ASSETS	17,683,581	\$ 1,983,125
LIABILITIES:		
CURRENT LIABILITIES:		
Accounts payable	-	\$ 28,547
Accrued interest payable	97,901	-
Due to West Valley Solid Waste JPA	-	274,604
Due to bondholders	-	32,196
Due to Santa Clara County Specialized Enforcement Task Fund (SCCSET)	-	1,647,778
TOTAL CURRENT LIABILITIES	97,901	1,983,125
LONG-TERM LIABILITIES:		
Due within one year	1,200,000	-
Due in more than one year	17,425,000	-
TOTAL LONG-TERM LIABILITIES	18,625,000	-
TOTAL LIABILITIES	18,722,901	\$ 1,983,125
NET POSITION:		
Held in trust for other purposes	\$ (1,039,320)	

See accompanying notes to the basic financial statements.

**CITY OF CAMPBELL, CALIFORNIA
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

	Private-Purpose Trust Fund
ADDITIONS:	
Distributions from county-administered redevelopment property tax trust fund	\$ 1,533,612
Investment income	<u>18,290</u>
TOTAL ADDITIONS	<u>1,551,902</u>
DEDUCTIONS:	
Professional and special services	2,200
Depreciation	697,519
Interest and fiscal agent costs	<u>425,381</u>
TOTAL DEDUCTIONS	<u>1,125,100</u>
CHANGE IN NET POSITION	426,802
NET POSITION AT BEGINNING OF YEAR	<u>(1,466,122)</u>
NET POSITION AT END OF YEAR	<u>\$ (1,039,320)</u>

See accompanying notes to the basic financial statements.



CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Campbell, California (the City), have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

a. Reporting Entity

The City of Campbell was incorporated March 28, 1952, under the general laws of the State of California. The City operates under a Council Manager form of government providing such services as public safety (police, contracted fire services, and building inspection), street and sidewalk maintenance, recreation, planning and zoning, and general administrative services. The accompanying financial statements present the activities of the City of Campbell (the primary government) and its blended component units, entities for which the City is financially accountable.

City of Campbell Lighting and Landscape District (the District) is a City-wide assessment District established in 1980 to provide lighting and landscape services and a funding source for these services. The District is governed by a Board composed of City Council members and lighting services are provided by City employees. Although legally separate, this District is so intertwined with the City that it is, in substance, one and the same. Accordingly, it is blended with the City in these financial statements. No separate financial statements are prepared for the District.

b. Measurement Focus and Basis of Accounting

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

Government-Wide Financial Statements:

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include a column for the governmental activities of the primary government (including its blended component units). Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by the function to which they were allocated). However, interfund services provided and used are not eliminated in the process of consolidation.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Government-wide financial statements are presented using the *economic resources measurement focus* and *accrual basis of accounting*, as are the proprietary fund financial statements and the fiduciary private-purpose trust fund financial statements. Under the economic resources' measurement focus, all (both current and long-term) economic resources and obligations are reported. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, deferred outflows of resources, liabilities and deferred inflows of resources, resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Fund Financial Statements

The underlying accounting system of the City is organized and operated on the basis of separate funds, each of which is considered to be 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. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and proprietary funds. Fiduciary statements include financial information for the private-purpose trust fund, and agency funds. Agency funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations. Agency funds are reported using no measurement focus but utilize the accrual basis of accounting in reporting assets and liabilities.

Governmental Funds

In the fund financial statements, governmental funds are presented using the *modified-accrual basis of accounting*. Their revenues are recognized when they become *measurable* and *available* as net current assets. *Measurable* means that the amounts can be estimated, or otherwise determined. *Available* means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

Sales taxes, property taxes, franchise taxes, gas taxes, motor vehicle in lieu, transient occupancy taxes, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so they have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). *Locally imposed derived tax revenues* are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. *Imposed nonexchange transactions* are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first.

Government-mandated and voluntary nonexchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the *current financial resources measurement focus*. This means that only current assets, current liabilities, and deferred inflows of resources are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Due to the nature of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as *expenditures* in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as *other financing sources* rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Proprietary and Fiduciary Funds

The City’s internal service funds are proprietary funds. In the fund financial statements, proprietary funds and fiduciary funds are presented using the *accrual basis of accounting*. Revenues are recognized when they are earned, and expenses are recognized when the related goods or services are delivered. In the fund financial statements, proprietary funds and the fiduciary private-purpose trust fund, are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or noncurrent) associated with their activity are included on their statements of net position. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position. The agency funds have no measurement focus but utilizes the *accrual basis of accounting* for reporting assets and liabilities.

Proprietary funds operating revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. In addition, Proprietary funds defines investment earnings as operating income. Nonoperating revenues, such as subsidies, and taxes result from nonexchange transactions or ancillary activities. Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements, rather than reported as an expense. Proceeds of long-term debt are recorded as a liability in the proprietary fund financial statements. Amounts paid to reduce long-term indebtedness of the proprietary funds are reported as a reduction of the related liability.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

c. Fund Classifications

The City reports the following major governmental funds:

The General Fund is used to account for resources traditionally associated with governments, such as administration, engineering and public safety, which are not required to be accounted for in another fund.

The Housing Assets Special Revenue Fund is used to account for resources received from the dissolution of the former Campbell Redevelopment Agency dedicated to low- and moderate-income housing activities pursuant to the California Health and Safety Code.

Capital Projects Fund is used to account for the expenditures and financing of the City's capital projects.

Additionally, the City reports the following fund types:

Special Revenue Funds - These funds are used to account for specific revenues that are legally restricted to expenditure for a particular purpose.

Debt Service Fund - This fund is used to account for the activity related to the City's share of proceeds from the 2016 Refunding Lease Revenue Bonds, which were utilized chiefly to refund debt related to the City's Community Center and deferred street maintenance projects.

Internal Service Funds - These funds are used to account for the City's motor vehicle pool, workers' compensation self-funded insurance program and information technology services. Departments of the City are charged for the services provided or benefits received from these funds.

Fiduciary Funds - The City maintains two types of Fiduciary Funds - a Private-Purpose Trust Fund and Agency Funds. The Private-Purpose Trust Fund accounts for activities of the Successor Agency to the Campbell Redevelopment Agency. Agency Funds are used to account for monies held for the West Valley Solid Waste Management Authority and for the 1915 Act Bonds.

d. New Accounting Pronouncements

The City is currently analyzing its accounting practices to determine the potential impact of the following pronouncements, with implementation dates as amended by Statement No. 95:

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance related to fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019, or the fiscal year 2020-21. The City is evaluating the impact of this Statement on the financial statements.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. The Statement is effective for the reporting periods beginning after December 15, 2020, or fiscal year 2021-22. The City is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 89 – In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. GASB Statement No. 89 requires that interest costs incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred and no longer included in the historical cost of capital assets. The new standard is effective for periods beginning after December 15, 2020. Application of this statement is effective for the City’s year ending June 30, 2022.

GASB Statement No. 90 – In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests—an amendment of GASB Statements No. 14 and No. 61*. GASB Statement No. 90 establishes standards for reporting a government’s majority equity interest in a legally separate organization. The new standard is effective for periods beginning after December 15, 2019. Application of this statement is effective for the City’s year ending June 30, 2021.

GASB Statement No. 91 – In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. GASB Statement No. 91 clarifies the definition of conduit debt and establishes new recognition, measurement, and disclosure requirements. The new standard is effective for periods beginning after December 15, 2021. Application of this statement is effective for the City’s year ending June 30, 2023.

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to establish accounting and financial reporting requirements for specific issues related to leases, intra-entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or fiscal year 2021-22, except for Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The City is evaluating the impact of this Statement on the financial statements.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

GASB Statement No. 93 – In May 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement is to address those and other accounting and reporting implications resulting from the replacement of an IBOR by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced and providing clarification to the hedge accounting termination provisions, removing LIBOR as a benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap, identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap and providing an exception to the lease modifications guidance in Statement 87, as amended, for certain lease contracts that are amended solely to replace an IBOR as the rate upon which variable payments depend. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or FY 2021/2022, except the removal of LIBOR as a benchmark interest rate which is effective for periods beginning after December 31, 2022 or fiscal year 2022-23. The City is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 94 – In March 2020, GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objectives of this Statement improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or fiscal year 2022-23. The City is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 96 – In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The objectives of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for reporting periods beginning after June 15, 2022 or fiscal year 2022-23. The City is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 97 – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32. The objective of this Statement is to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021 or fiscal year 2021-22. The City is evaluating the impact of this Statement on the financial statements.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

e. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category:

- Deferred outflows related to OPEB and pension plans equal to employer contributions made after the measurement date of the net OPEB liability and the net pension liability.
- Deferred outflows related to OPEB and pensions for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred outflows related to OPEB and pensions resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred outflows related to pension plans for the changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred outflows related to OPEB and pensions resulting from the net differences between projected and actual earnings on plan investments of the pension plans fiduciary net position. These amounts are amortized over five years.

In addition to liabilities, the statement of net position and governmental funds 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 or fund balance that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflows related to OPEB and pensions for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred inflows related to OPEB and pensions resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with pensions through the plans.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

- Deferred inflows related to pensions for the changes in employer’s proportion and differences between the employer’s contributions and the employer’s proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred inflows related to OPEB and pension plans resulting from the net differences between projected and actual earnings on plan investments of the plan’s fiduciary net position. These amounts are amortized over five years.
- Deferred inflows related to unavailable revenues. These amounts will be recognized once cash is received in a fiscal year or with the availability period.

f. Net Position and Fund Balance Flow Assumptions

In the government-wide financial statements, when expenses are incurred for purposes for which both restricted and unrestricted net position are available, the City’s policy is to apply restricted net position first.

In the governmental fund financial statements, when expenditures are incurred for purposes for which all categories of fund balances are available, the City’s general policy is to apply the expenditures against fund balance in the following order: restricted, committed, assigned, and unassigned.

g. Property Taxes

All property taxes and special assessments are levied and collected by the County of Santa Clara (the County) and paid upon collection to the various taxing entities including the City, Successor Agency of the former Redevelopment Agency, and Lighting and Landscape District. Secured taxes are levied on July 1 and are due in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured taxes are due on July 1 and become delinquent on August 31. The lien date for secured and unsecured property taxes is January 1 of the preceding fiscal year.

The County is permitted by State law to levy taxes at 1% of full market value at time of purchase plus other increases approved by the voters and can increase the assessed value no more than 2% per year. The City receives its proportionate share of this levy.

The City has adopted an alternative method of property tax distribution called the Teeter Plan. Under this method, the City receives 100% of its secured property tax levied in exchange for foregoing any interest and penalties collected on delinquent taxes. The City receives payments as a series of advances made by the County throughout the year. Secured property tax levy is recognized as revenue upon receipt, including the final payment, which generally is received within 60 days after the fiscal year end.

The term “unsecured” refers to taxes on personal property other than real estate, land and buildings. Property tax revenues are recognized by the City in the fiscal year they are assessed, provided they become available as defined above.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

h. Cash and Investments

Investments are reported in the accompanying financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in external investment pools are valued based on the stated fair value represented by the external investment pool.

Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund's quarterly average cash and investment balance.

For purposes of the Statement of Cash Flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents also represent the proprietary fund's share in the cash and investment pool of the City.

i. Capital Assets

Capital assets are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Contributed capital assets are valued at their acquisition value at the date of the contribution. Generally, the City capitalizes all infrastructures with a value greater than \$25,000. All other capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of more than one year. Capital assets include all public domain (infrastructure) assets consisting of certain improvements, including roads, streets, sidewalks, medians, and storm drains.

The following schedule summarizes capital asset useful lives:

Buildings and improvements	40 years
Other improvements	20 years
Machinery and equipment	3 to 20 years
Infrastructure	15 to 40 years

Depreciation has been provided using the straight-line method over the estimated useful life of the asset in the government-wide financial statements and in the fund financial statements of the proprietary funds.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

j. Compensated Absences

Accrued vacation and sick leave are accrued as earned by employees. City employees may accrue vacation up to certain maximums as of December 31 of each calendar year, which vary depending on classification and years of service. Upon termination, they may be compensated for their vacation balance at current hourly rates. Similarly, sick leave may be accumulated without limit and employees may be compensated upon termination based on a vesting schedule determined by years of service, compensated at current hourly rates.

For all governmental funds, a liability of these amounts is reported only if they have matured, for example, as a result of employee resignations and retirements. The remaining portion is recorded as a liability in the Statement of Net Position. For Internal Service Funds, liabilities of these amounts are recorded liabilities of those funds.

Compensated absences are typically liquidated in the General Fund.

k. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plans (Plans) and 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.

l. Postemployment Benefits Other Than Pensions (OPEB):

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

m. Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources, at the date of the financial statements, as well as the reported amounts of revenue and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 2 - CASH AND INVESTMENTS

Cash and Investments

Cash and investments as of June 30, 2020 are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 43,306,768
Cash held with fiscal agent	5,422
Statement of Fiduciary Net Position:	
Cash and investments	2,809,321
Cash held with fiscal agent	<u>32</u>
 Total cash and investments	 \$ <u><u>46,121,543</u></u>

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

Cash on hand	\$ 4,090
Deposits with financial institutions	2,067,786
Investments	<u>44,049,667</u>
 Total cash and investments	 \$ <u><u>46,121,543</u></u>

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

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

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

<u>Authorized Investment Types</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	5 years	None	None	None
U.S. Agency Securities	5 years	None	75%	None
Federal Instrumentality (government sponsored enterprise)	5 years	None	75%	None
Repurchase Agreements	1 year	A/A-1	10%	None
Commercial Paper	270 days	*	25%	10%
Banker's Acceptance	180 days	A-1 or P-1 or F-1	30%	10%
Medium-Term Notes	5 years	AA or Aa2	10%	None
Non-negotiable Time Certificates of Deposit	5 years	None	25%	\$1 million
Negotiable Certificates of Deposit	5 years	None	30%	None
California Local Agency Investment Fund (LAIF)	N/A	None	None	\$50 million per account
Mutual Funds	N/A	AAAm or Aaa or AAA/V1+	15%	10%
Money Market Mutual Funds	N/A	AAAm or Aaa or AAA/V1+	15%	10%
Municipal and State Obligations	5 years	A-A-1	10%	None

* Issuer must be U.S. general corporation having assets in excess of \$500,000,000 with debt other than commercial paper rated A or higher or U.S. special purpose corporation, trust or limited liability company having program-wide credit enhancements and commercial paper rated A-1 or higher.

N/A - Not Applicable

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Investments Authorized by Debt Agreements

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

Authorized Investment Types	Maximum Maturity	Minimum Credit Quality	Maximum Percentage Allowed	Maximum Investment in One Issuer
U.S. Treasury Bonds, Notes and Bills	5-7 years	None	No Limit	No Limit
U.S. Government Sponsored Entities	5-7 years	AAA	No Limit	No Limit
Time Certificates of Deposit - Banks or Savings and Loans	1 year	None	No Limit	No Limit
Banker's Acceptance	360 days	A-1/P-1	No Limit	No Limit
Commercial Paper	270 days	A	No Limit	No Limit
Repurchase Agreements	30 days - 7 years	A	No Limit	No Limit
California Local Agency Investment Fund (LAIF)	N/A	None	No Limit	\$50 million per account
Money Market Funds	N/A	A	No Limit	10%
Investment Agreements	5-7 years	A	No Limit	No Limit
Other Tax Exempt Organizations	7 years	A	No Limit	No Limit
California Asset Management Program (CAMP)	N/A	None	No Limit	No Limit

Disclosures Relating to Interest Rate Risk

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

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity. For purposes of the schedule shown below, any callable securities are assumed to be held to maturity.

<u>Investment Type</u>	<u>Remaining Maturity (in Months)</u>		<u>Total</u>
	<u>12 Months or Less</u>	<u>25 to 60 Months</u>	
U.S. Government Sponsored Entities	\$ -	\$ 4,022,660	\$ 4,022,660
California Local Agency Investment Fund	37,944,421	-	37,944,421
Negotiable Certificates of Deposits	-	2,082,586	2,082,586
Total Investments	\$ 37,944,421	\$ 6,105,246	\$ 44,049,667

Disclosures Relating to Credit Risk

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

<u>Investment Type</u>	<u>Minimum</u>	<u>Total as of June 30, 2020</u>	<u>AA+</u>	<u>Not Rated</u>
	<u>Legal Rating</u>			
U.S. Government Sponsored Entities	None	\$ 4,022,660	\$ 4,022,660	\$ -
California Local Agency Investment Fund	None	37,944,421	-	37,944,421
Negotiable Certificates of Deposits	None	2,082,586	-	2,082,586
Total Investments		\$ 44,049,667	\$ 4,022,660	\$ 40,027,007

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. At June 30, 2020, the City's investments included no issuers represented more than 5% of total City investments.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2020, the City's deposits were either federally insured or collateralized.

For investments identified herein as held with fiscal agent, the trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Fair Value Measurements

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy. Level 1 inputs are quoted prices in active markets for identical investments, Level 2 inputs are observable inputs other than those in Level 1; and Level 3 inputs are unobservable inputs.

Debt and equity securities classified in Level 2 are valued using the following approaches: debt securities are normally valued based on price data obtained from observed transactions and market price quotations from broker dealers and/or pricing vendors; equity securities are valued using fair value per share for each fund. Certificates of deposit classified in level 2 are valued using broker quotes that utilize observable market inputs.

Uncategorized - Investments in the California Investment Pool are not measured using the input levels above because the City's transactions are based on a stable net asset value per share. All contributions and redemptions are transacted at \$1.00 net asset value per share.

The City has the following recurring fair value measurements as of June 30, 2020:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
U.S. Government Sponsored Entities	\$ -	\$ 4,022,660	\$ -	\$ 4,022,660
Negotiable Certificates of Deposits	-	2,082,586	-	2,082,586
Total Investments	<u>\$ -</u>	<u>\$ 6,105,246</u>	<u>\$ -</u>	<u>6,105,246</u>
Uncategorized:				
California Local Agency Investment Fund*				<u>37,944,421</u>
Total Investment Portfolio				<u>\$ 44,049,667</u>

* uncategorized; not subject to fair value measurement tiers.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 3 - INTERFUND TRANSACTIONS

Due To/From Other Funds

The current interfund outstanding balances result mainly from the time lag between the dates, that (1) interfund goods and services are provided (2) transactions are recorded in the accounting system, (3) payments between funds are made. These balances are normally repaid as they arise.

Current interfund balances are as follows:

Due from Other Funds	Due to Other Funds	Amount
General Fund	Other Governmental Funds	\$ 497,805
General Fund	Internal Service Funds	509,510
		<u>\$ 1,007,315</u>

Transfers In/Out

Transfers between funds during the fiscal year ended June 30, 2020 were as follows:

Transfers Out	Transfers In	Amount
General Fund	Other Governmental Funds (a) (b) (c) (d) (e)	\$ 2,655,547
	Capital Projects Fund (e)	1,080,020
	Internal Service Funds	203,000
Other Governmental Funds	General Fund (a) (b) (d)	875,201
	Capital Projects Fund (e)	2,838,434
	Other Governmental Funds (a) (e)	702,298
Internal Service Funds	General Fund (a)	99,600
		<u>\$ 8,454,100</u>

Interfund transfers were principally used for the following purposes:

- (a) To fund specific program expenditures
- (b) To fund equipment and vehicle replacements
- (c) To fund a portion of debt service payments
- (d) Grant funded program expenditures
- (e) Capital project expenditures

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 4 - NOTES AND LOANS RECEIVABLES

First-Time Homebuyer Loan Program

The City's Housing Assets Special Revenue Fund engages in a first-time homebuyer down payment assistance program designed to encourage home ownership among low- and moderate-income households. Under this program, a loan up to \$50,000 is provided to eligible households to be used as part of the down payment for the purchase of a home in the City of Campbell. These promissory notes are secured by second deeds of trust and are due thirty years from the date the property was purchased. The notes require a payback of principal plus an 8% fee or an equity share payment, whichever is lower. The balance of the notes' receivable arising from this program at June 30, 2020 was \$532,000.

Housing Rehabilitation and Affordable Housing Loans:

The City's Housing Assets Special Revenue Fund engages in programs designed to encourage construction or improvement in low to moderate income housing or other projects. Under these programs, grants or loans are provided under favorable terms to homeowners or developers who agree to spend these funds in accordance with the City's terms. The balance of the loan receivable arising from these programs at June 30, 2020 was \$1,410,468.

Maravilla Loans

The City's Housing Assets Special Revenue Fund engages in programs designed to encourage home ownership among low- and moderate-income households in the Maravilla Community in the City of Campbell. Under this program, an interest free loan up to \$200,274 is provided to eligible households to be used as part of the down payment for the purchase of a home in the Maravilla Community in the City of Campbell. These promissory notes are secured by second deeds of trust and are due forty-five years from the date the property was purchased. The balance of the note receivable arising from this program at June 30, 2020 was \$3,515,258.

Additionally, under this program, a loan of \$94,000 is provided to eligible households to be used as part of the down payment for the purchase of a home in the Maravilla Community in the City of Campbell. These promissory notes are secured by second deeds of trust, earn interest at a rate of 1% per annum, and are due thirty years from the date the property was purchased. The balance of the note receivable arising from this program at June 30, 2020 was \$2,256,000.

Rehabilitation Loans

The City administers a housing rehabilitation program using Housing and Community Development Act funds. Under the Program, individuals with incomes below a certain level are eligible to receive low or no interest loans, secured by deeds of trust, for construction work on their homes. Federal funds received by the City are deposited with a commercial bank. Upon approval of loans, the bank disburses the funds and arranges for and collects repayments.

At June 30, 2020, the City had outstanding rehabilitation loans of \$140,000 in its Community Development Block Grant Special Revenue Fund.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 5 - CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2020 is as follows:

	Balance at July 1,2019	Additions	Deletions	Transfers	Balance at June 30,2020
Capital assets, not being depreciated:					
Land	\$ 9,105,635	\$ -	\$ -	\$ -	\$ 9,105,635
Construction in progress	2,224,755	3,878,987	-	(2,147,089)	3,956,653
Total capital assets, not being depreciated	<u>11,330,390</u>	<u>3,878,987</u>	<u>-</u>	<u>(2,147,089)</u>	<u>13,062,288</u>
Capital assets, being depreciated:					
Buildings and improvements	24,415,763	-	-	937,074	25,352,837
Machinery and equipment	11,349,272	398,361	(86,045)	1,120,547	12,782,135
Infrastructure	52,233,623	-	-	89,468	52,323,091
Total capital assets, being depreciated	<u>87,998,658</u>	<u>398,361</u>	<u>(86,045)</u>	<u>2,147,089</u>	<u>90,458,063</u>
Less accumulated depreciation for:					
Buildings and improvements	(15,784,145)	(511,422)	-	-	(16,295,567)
Machinery and equipment	(8,787,424)	(459,201)	86,045	-	(9,160,580)
Infrastructure	(17,628,276)	(1,741,423)	-	-	(19,369,699)
Total accumulated depreciation	<u>(42,199,845)</u>	<u>(2,712,046)</u>	<u>86,045</u>	<u>-</u>	<u>(44,825,846)</u>
Total capital assets, being depreciated, net	<u>45,798,813</u>	<u>(2,313,685)</u>	<u>-</u>	<u>2,147,089</u>	<u>45,632,217</u>
Governmental Activities capital assets, net	<u>\$ 57,129,203</u>	<u>\$ 1,565,302</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 58,694,505</u>

Depreciation expense, including \$277,929 relating to the internal service funds, was charged in the following functions in the Statement of Activities:

General government	\$ 246,250
Recreation	241,445
Public safety	179,728
Public works	2,044,623
Total depreciation expense - governmental activities	<u>\$ 2,712,046</u>

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 6 - LONG-TERM LIABILITIES

The following is a summary of changes in the City's long-term liabilities for the year ended June 30, 2020:

	Balance July 1, 2019	Additions	Reductions	Balance June 30, 2020	Due within One Year*
Other Debt:					
2002 Refunding Certificates of					
Participation - Civic Center Project	\$ 3,251,787	\$ 191,975	\$ -	\$ 3,443,762	\$ -
2016 Refunding Lease Revenue Bonds	6,260,000	-	(535,000)	5,725,000	550,000
Bond premium	818,126	-	(90,903)	727,223	90,903
Other Noncurrent Liabilities:					
Compensated absences	4,146,659	149,509	(136,579)	4,159,589	1,838,617
Claims payable (Note 12)	3,341,986	625,949	(416,307)	3,551,628	541,882
	<u>\$ 17,818,558</u>	<u>\$ 967,433</u>	<u>\$ (1,178,789)</u>	<u>\$ 17,607,202</u>	<u>\$ 3,021,402</u>

* Due within one-year amounts do not include \$1,140,000 principal due for the 2020 General Obligation bond, series 2020 and premium of \$105,721. See subsequent events note for additional details.

2002 Refunding Certificates of Participation - Civic Center Project

Net proceeds of \$9,678,751 from the City's 2002 Refunding Certificates of Participation were used to prepay and refund the City's 1993 Certificates of Participation. An additional \$1,830,975 of proceeds was used to provide partial funding or renovation and expansion of the City's Police Department and construction of an animal shelter. As of June 30, 2020, the defeased 1993 Certificates had been retired.

Capital Appreciation Certificates in the amount of \$1,245,844 bear interest at rates ranging from 5.80% to 5.83%. Capital Appreciation Certificate maturities begin October 1, 2029 and continue annually through 2032. The Capital Appreciation Certificates are subject to optional redemption in whole or in part any time after October 1, 2022. Each year the outstanding principal balance is increased for the accretion of interest associated with the Capital Appreciation Certificates. The accumulated accreted interest at June 30, 2020 is \$2,197,918.

Principal and interest payments are guaranteed under an insurance policy issued by Ambac Assurance Corporation.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

2002 Refunding Certificates of Participation - Civic Center Project (Continued)

The amount shown in the schedule of changes include the accreted value to date. The future debt service requirements on the 2002 Refunding Certificates of Participation outstanding at June 30, 2020 are as follows:

2002 Refunding COP			
Fiscal Year Ending	Principal	Interest	Total
2021	\$ -	\$ -	\$ -
2022	-	-	-
2023	-	-	-
2024	-	-	-
2025	-	-	-
2026-2030	340,523	1,274,477	1,615,000
2031-2033	905,321	3,939,679	4,845,000
	<u>1,245,844</u>	<u>5,214,156</u>	<u>6,460,000</u>
Accumulated Accreted Interest	2,197,918	(2,197,918)	-
	<u>\$ 3,443,762</u>	<u>\$ 3,016,238</u>	<u>\$ 6,460,000</u>

2016 Refunding Lease Revenue Bonds

In August of 2016, the Campbell Joint Public Finance Authority issued 2016 Refunding Lease Revenue Bonds (the 2016 PFA Bonds), in the aggregate principal amount of \$8,085,000. The bonds pay interest at a rate from 2.0% to 4.0% payable semiannually on April 1 and October 1, commencing on April 1, 2016. The bonds were issued to prepay a portion of the 1997 Refunding Certificates of Participation (Civic Center Project) (the 1997 Certificates) of the City of Campbell (the City), prepay a portion of the 2002 Refunding Certificates of Participation (Civic Center Project) (the 2002 Certificates) of the City, and pay the costs of bond issuance. There is no reserve requirement on bonds.

The annual debt service requirements to amortize the 2016 Lease Revenue Bonds outstanding at June 30, 2020 are as follows:

2016 Lease Revenue Bonds			
Fiscal Year Ending	Principal	Interest	Total
2021	\$ 550,000	\$ 209,550	\$ 759,550
2022	570,000	192,750	762,750
2023	585,000	172,500	757,500
2024	605,000	148,700	753,700
2025	630,000	124,000	754,000
2026-2029	2,785,000	228,500	3,013,500
Total	<u>\$ 5,725,000</u>	<u>\$ 1,076,000</u>	<u>\$ 6,801,000</u>

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 7 - COMMITMENTS

In the regular course of business, the City enters into contracts for various services and construction projects. At June 30, 2020, the City had the following outstanding commitments under various contracts:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 486,345
Capital Projects Fund	48,555
Other Governmental Funds	8,458,224
Internal Service Funds	<u>299,347</u>
Total commitments	<u>\$ 9,292,471</u>

NOTE 8 - NET POSITION AND FUND BALANCES

Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

Restricted Net Position reflects net position that is subject to constraints either (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. A legally enforceable enabling legislation restriction is one that a party external to a government - such as citizens, public interest groups, or the judiciary - can compel a government to honor.

Unrestricted Net Position represents net position of the City that is not restricted for any project or purpose.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Fund Balances

Governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balances for government funds are classified as follows:

Nonspendable Fund Balance - includes amounts that are (a) not in spendable form, or (b) 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, for example: inventories and prepaid amounts.

Restricted Fund Balance - includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance - includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by a City Council resolution taking the same formal action that imposed the constraint originally. The decision making authority is defined as City Council resolutions.

Assigned Fund Balance - includes amounts to be used by the government for specific purposes but do not meet the criteria to be classified as committed. City Council has by resolution authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget. Unlike commitments, assignments generally only exist temporarily.

Unassigned Fund Balance - is 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 the event that funds other than the General Fund are included in the unassigned fund balance it would be a deficit.

Within this classification of fund balance, the City has established by City Council resolution, an *Economic Fluctuations Reserve* that is maintained at \$9,373,782 to provide budget stabilization during an economic downturn that could otherwise result in significant reductions in service levels and/or organizational staffing. The reserve shall not be less than \$2,000,000. However, if the reserve balance falls below \$4 million, or the City’s five-year financial projections indicate the reserve will fall below this minimum requirement at any time during this period, City staff shall present to Council, by the following year’s budget adoption, a plan to return to the target amount within five years.

Further, within this classification of fund balance, the City has established by City Council resolution, a *General Fund Emergency Reserve* that shall be maintained at a level of 10% of General Fund revenues. To be used as determined by the City Council upon declaration of a physical or financial emergency.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Fund balances for all the major and other governmental funds as of June 30, 2020, were classified as follows:

	General Fund	Special Revenue Funds Housing and Assets	Capital Projects Fund Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Restricted:					
Debt service	\$ -	\$ -	\$ -	\$ 1,119,569	\$ 1,119,569
Streets and roads	-	-	-	4,635,969	4,635,969
Museum and adult center	-	-	-	178,232	178,232
Public Safety	-	-	-	424,820	424,820
Community development	-	-	-	4,829,981	4,829,981
Housing	-	9,061,537	-	346	9,061,883
Total restricted	<u>-</u>	<u>9,061,537</u>	<u>-</u>	<u>11,188,917</u>	<u>20,250,454</u>
Committed:					
General plan update	277,411	-	-	-	277,411
Compensated absences	1,028,759	-	-	-	1,028,759
Liability insurance	114,475	-	-	-	114,475
Capital improvements reserve	1,579,450	-	-	-	1,579,450
Capital projects	1,509,835	-	-	-	1,509,835
Workers' compensation	427,404	-	-	-	427,404
Heritage Theater	255,305	-	-	-	255,305
Total committed	<u>5,192,639</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,778,358</u>
Assigned					
Capital projects	664,478	-	1,703,633	-	2,368,111
Unemployment insurance	60,000	-	-	-	60,000
PERS	2,252,000	-	-	-	2,252,000
OPEB	295,000	-	-	-	295,000
All other	486,345	-	-	-	486,345
Total assigned	<u>3,757,823</u>	<u>-</u>	<u>1,703,633</u>	<u>-</u>	<u>5,461,456</u>
Unassigned					
Unassigned	999,921	-	-	(311,506)	688,415
City council reserve	362,624	-	-	-	362,624
Economic fluctuations	9,373,782	-	-	-	9,373,782
Emergency	2,585,719	-	-	-	2,585,719
Total unassigned	<u>13,322,046</u>	<u>-</u>	<u>-</u>	<u>(311,506)</u>	<u>13,010,540</u>
Total	<u>\$ 22,272,508</u>	<u>\$ 9,061,537</u>	<u>\$ 1,703,633</u>	<u>\$ 11,188,917</u>	<u>\$ 33,490,268</u>

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 9 - PENSION PLANS

The following is a summary of pension related items for the year ended June 30, 2020:

	Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
CalPERS Miscellaneous	\$ 30,444,896	\$ 4,408,363	\$ (1,335,541)	\$ 2,791,214
CalPERS Safety	29,511,142	7,729,760	(635,805)	1,828,195
	<u>\$ 59,956,038</u>	<u>\$ 12,138,123</u>	<u>\$ (1,971,346)</u>	<u>\$ 4,619,409</u>

Public Employees' Retirement System (CalPERS)

General Information about the Pension Plans:

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City's Safety (police) cost-sharing multiple-employer defined benefit plan or the Miscellaneous (all other) Plan, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City 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 to 62 with statutorily reduced benefits. For employees hired into a plan with the 1.5% at 65 formula, eligibility for service retirement is age 55 with at least 5 years of services. PEPR miscellaneous members become eligible for service retirement upon attainment of age 52 with at least 5 years of service. All members are eligible for non-duty disability benefits after 5 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. Safety members can receive a special death benefit if the member dies while actively employed and the death is job-related. Fire members may receive the alternate death benefit in lieu of the Basic Death Benefit or the 1957 Survivor Benefit if the member dies while actively employed and has at least 20 years of total CalPERS service. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

The Plans' provisions and benefits in effect for the measurement period ended June 30, 2019, are summarized as follows:

	<u>Miscellaneous</u>		
	Prior to March 7, 2011	On or After March 7, 2011 and Prior to January 1, 2013	On or after January 1, 2013
Hire date			
Normal benefit formula	2.5% [@] 55	2% [@] 60	2% [@] 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Earliest retirement age	50	50	52
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.1% to 2.4%	1.0% to 2.5%
Required employee contribution rates	8%	7%	6.75%
Required employer contribution rates:			
Normal cost rate	9.902%	9.902%	9.902%
Employer portion of unfunded liability	\$ 1,350,130	\$ -	\$ -
	<u>Safety</u>		
	Prior to October 18, 2010	On or After October 18, 2010 and Prior to January 1, 2013	On or after January 1, 2013
Hire date			
Normal benefit formula	3% [@] 50	2% [@] 50	2.7% [@] 57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Earliest retirement age	50	50	50
Monthly benefits, as a % of eligible compensation	3.00%	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	9.00%	9.00%	12.00%
Required employer contribution rates:			
Normal cost rate	21.418%	15.928%	11.990%
Employer portion of unfunded liability	\$ 2,036,893	\$ 1,096	\$ 122

Employees Covered

At June 30, 2019, the measurement date, the following employees were covered by the benefit terms for the Miscellaneous Plan:

	<u>Miscellaneous</u>
Inactive employees or beneficiaries	
currently receiving benefits	213
Inactive employees entitled but	
not yet receiving benefits	161
Active employees	137
Total	<u>511</u>

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions.

Net Pension Liability

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 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 below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial methods and assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2018	June 30, 2018
Measurement Date	June 30, 2019	June 30, 2019
Actuarial Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.50%	2.50%
Salary Increase	(1)	(1)
Mortality	(2)	(2)
Post Retirement Benefit Increase	(3)	(3)

(1) Varies by entry age and service.

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

(3) Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

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

Asset Class	Current Target Allocation	Real Return Years 1 - 10 (a)	Real Return Years 11+ (b)
Global Equity	50.0%	4.80%	5.98%
Global Fixed Income	28.0%	1.00%	2.62%
Inflation Sensitive	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Assets	13.0%	3.75%	4.93%
Infrastructure and Forestland	0.0%	0.00%	0.00%
Liquidity	1.0%	0.00%	-0.92%
	100.0%		

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. 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.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Changes in the Net Pension Liability

The changes in the net pension liability for the Miscellaneous Plan during the current fiscal year are as follows:

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2019	\$ 109,557,226	\$ 81,553,650	\$ 28,003,576
Changes in the Year			
Service cost	2,335,864	-	2,335,864
Interest on the total pension liability	7,839,384	-	7,839,384
Differences between expected and actual experience	1,563,454	-	1,563,454
Contribution - employer	-	3,062,946	(3,062,946)
Contribution - employee	-	1,050,023	(1,050,023)
Net investment income	-	5,242,422	(5,242,422)
Administrative expenses	-	(58,198)	58,198
Benefit payments, including refunds of employee contributions	(5,293,752)	(5,293,752)	-
Other miscellaneous income (expense)	-	189	(189)
Net changes	\$ 6,444,950	\$ 4,003,630	\$ 2,441,320
Balance at June 30, 2020	\$ 116,002,176	\$ 85,557,280	\$ 30,444,896

Proportionate Share of Net Pension Liability - Safety Plan

The City's Safety Plan is included in the Safety Risk Pool administered by CalPERS in its Public Agency Cost-Sharing Multiple Employer Defined Benefit Pension Plan (PERFC). As of the year-end, the City's proportionate share of the net pension liability for the Safety Risk Pool was as follows:

	Proportionate Share of Net Pension Liability
Safety Plan	<u>\$ 29,511,142</u>

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

The City’s net pension liability for the Safety Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plans is measured as of June 30, 2019, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The City’s proportionate share of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City’s change in proportionate share of the net pension liability for the Plan as of the measurement dates ended June 30, 2018 and 2019 was as follows:

	<u>Safety</u>
Proportion - Fiscal Year ended June 30, 2019	0.48183%
Proportion - Fiscal Year ended June 30, 2020	0.47274%
Change - Increase (decrease)	<u>(0.00909%)</u>

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

The following presents the net pension liability of the City for the Miscellaneous Plan and proportionate share of net pension liability for the Safety Plan, calculated using the discount rate for each Plan, as well as what the City’s net pension liability and proportionate share of 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</u>	<u>Safety</u>
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 45,574,606	\$ 43,132,913
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 30,444,896	\$ 29,511,142
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 17,917,319	\$ 18,343,423

Pension Plan Fiduciary Net Position

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

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

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

For the year ended June 30, 2020, the City recognized pension expense of \$2,791,214 related to the Miscellaneous Plan and \$1,828,195 related to the Safety Plan. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous		Safety		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 3,446,237	\$ -	\$ 3,858,649	\$ -	\$ 7,304,886	\$ -
Difference between expected and actual experiences	962,126	(126,339)	1,926,811	-	2,888,937	(126,339)
Changes in assumptions	-	(209,782)	1,209,610	(236,054)	1,209,610	(445,836)
Difference between actual and projected contribution	-	-	734,690	-	734,690	-
Change in proportion	-	-	-	(693,511)	-	(693,511)
Net difference between projected and actual earnings on pension plan investments	-	(299,684)	-	(405,976)	-	(705,660)
	<u>\$ 4,408,363</u>	<u>\$ (635,805)</u>	<u>\$ 7,729,760</u>	<u>\$ (1,335,541)</u>	<u>\$ 12,138,123</u>	<u>\$ (1,971,346)</u>

\$3,446,237 and \$3,858,649 reported as deferred outflows of resources related to contributions subsequent to the measurement date for the miscellaneous and safety plans, respectively, 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 pensions will be recognized as pension expense as follows:

Year Ending June 30,	Miscellaneous	Safety	Total
2021	\$ 589,809	\$ 2,236,234	\$ 2,826,043
2022	(283,239)	(127,478)	(410,717)
2023	(87,166)	347,823	260,657
2024	106,917	78,991	185,908
	<u>\$ 326,321</u>	<u>\$ 2,535,570</u>	<u>\$ 2,861,891</u>

Payable to the Pension Plans

At June 30, 2020, the City had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2020.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Deferred Compensation Plan

City employees may defer a portion of their compensation under a City sponsored Deferred Compensation Plan created in accordance with Internal Revenue Code 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, death or in an emergency as defined by the plan.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to claims by general creditors of the City, they have been excluded from these financial statements.

NOTE 10 - OTHER RETIREMENT SYSTEM

The Omnibus Budget Reconciliation Act of 1990 (OBRA) mandates that public sector employees who are not members of their employer's existing retirement system as of January 1, 1992 be covered by either Social Security or an alternative plan. Effective July 1, 2004, the City contracted with the Public Agency Retirement System (PARS), a defined contribution plan. This Plan covers employees that are part-time, seasonal or temporary and all other employees that are not covered by another retirement system. All eligible employees covered by the Plan are fully vested. Employer liabilities are limited to the amount of current contributions.

Under PARS, employees contribute 6.2% and the City contributes 1.3% of the employees' salary each pay period. For the fiscal year ended June 30, 2020, total contributions of \$101,569 (\$83,962 employee and \$17,607 employer) were made based on covered compensation of \$1,354,469.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 11 - POST-EMPLOYMENT BENEFITS PLAN

General Information about the OPEB Plan:

Plan Description

The City administers Retiree Award Program which provides medical insurance benefits on a reimbursement basis to eligible retirees in accordance with various labor agreements. The City pays up to \$325 per month for retiree only medical insurance premiums or the actual cost of the retiree premium, whichever is less. Eligible retirees must be retired from the City with at least 17 years of service with the City and be at least 50 years of age.

The City has established a trust with the California Employers Retiree Benefit Trust, an agent multiple-employer plan, for the purpose of holding assets accumulated for plan benefits. Copies of PERS' annual financial reports for its OPEB Trust may be obtained from its executive office at 400 "P" Street, Sacramento, California 95814.

Funding Policy

The contribution requirements of plan members and the City are established and may be amended by City Council. The contribution required to be made under City Council and labor agreement requirements is based on the most recent actuarial study using a 10-year phase-in option.

Employees Covered:

As of the June 30, 2019 measurement date, the following current and former employees were covered by the benefit terms under the plan:

Inactive employees or beneficiaries currently receiving benefits	86
Inactive employees or beneficiaries entitled to but not yet receiving benefit payments	74
Active plan members	186
Total	<u>346</u>

Contributions

The contribution requirements are established by the City and may be amended by City Council. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2020, the City's cash contributions were \$171,104 in payments to the trust, \$358,260 of cash benefits payments and an estimated implied subsidy of \$116,000 and administrative expenses paid outside the trust of \$1,507 resulting in payments of \$646,871.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown on the next page.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Actuarial Assumptions

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

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	6.75%
Expected Long-Term Rate of Return	6.75%
Inflation	2.75%
Mortality, Retirement, Disability, Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2019.
Salary Increase	3.00% per annum, in aggregate
Medical Trend	Non-Medicare - 7.25% for 2020, decreasing to an ultimate rate of 4.0% in 2076 and later years. Medicare - 6.3% for 2020, decreasing to an ultimate rate of 4.0% in 2076 and later years.

The actuarial assumptions used in the June 30, 2019 valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

Long Term Expected Rate of Return

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of year-end, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	59.00%	4.82%
Global Fixed Income	25.00%	1.47%
Treasury Inflation Protection Securities	5.00%	1.29%
Real Estate Investment Trusts	8.00%	3.76%
Commodities	3.00%	0.84%
Total	100.00%	

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that City's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB'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.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2018	\$ 8,490,674	\$ 4,207,114	\$ 4,283,560
Changes recognized for year:			
Service cost	339,543	-	339,543
Interest	582,939	-	582,939
Difference between expected and actual experience	(375,537)	-	(375,537)
Changes of assumptions	(40,651)	-	(40,651)
Contributions:			
Employer - explicit subsidy	-	580,398	(580,398)
Employer - implicit subsidy	-	95,000	(95,000)
Net investment income	-	261,853	(261,853)
Administrative expenses	-	(2,124)	2,124
Benefit payments	(388,140)	(388,140)	-
Net changes	\$ 118,154	\$ 546,987	\$ (428,833)
Balance at June 30, 2019	\$ 8,608,828	\$ 4,754,101	\$ 3,854,727

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

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

Discount Rate - 1% (5.75%)	Current Discount Rate (6.75%)	Discount Rate + 1% (7.75%)
\$ 4,870,151	\$ 3,854,727	\$ 3,002,813

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
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Sensitivity of the Net OPEB Liability to Changes in Health-Care Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

1% Decrease (6.25% Non-Medicare/5.25% Medicare decreasing to 3.00% Non-Medicare/3.00% Medicare)	Current Healthcare Cost Trend Rates (7.25% Non-Medicare/6.25% Medicare decreasing to 4.00% Non-Medicare/4.00 Medicare)	1% Increase (8.25% Non-Medicare/7.25% Medicare decreasing to 5.00% Non-Medicare/5.00% Medicare)
\$ 3,312,918	\$ 3,854,727	\$ 4,520,472

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$511,613. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer contributions made subsequent to the measurement date	\$ 646,871	\$ -
Differences between expected and actual experience	-	(321,889)
Changes in assumptions	-	(34,844)
Net differences between projected and actual earnings on plan investments	-	(34,981)
Total	\$ 646,871	\$ (391,714)

\$646,871 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Fiscal Year Ended June 30:	Deferred Outflows/(Inflows) of Resources
2021	\$ (78,160)
2022	(78,160)
2023	(61,484)
2024	(54,997)
2025	(59,455)
Thereafter	(59,458)
	\$ (391,714)

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 12 - RISK MANAGEMENT

General Liability

Risk management activity for City exposure to torts (general liability) is accounted for as a liability on the Statement of Net Position. The City is self-insured for the first \$100,000 of liability for each occurrence, and the excess (up to \$20,000,000) is covered through the City's participation in the Pooled Liability Assurance Network Joint Powers Authority (PLAN JPA) general liability risk pool. PLAN JPA also provides \$1,000,000 of employee theft coverage in the excess of the City's \$5,000 deductible. Over the past three years, no claims exceeded the coverages above.

PLAN JPA pool consists of twenty-eight member agencies within the San Francisco Bay Area. The stated purpose of the PLAN JPA pool is to provide certain levels of liability insurance coverage, claims management, risk management services, and legal defense to each participating city within the pool.

Each city was required to make an initial deposit premium based on an actuarial study of each City's risk exposure. The premium consists of a risk portion and administrative portion. The premium is revised each year based on claims experience and risk exposure.

Workers' Compensation

The City has a risk financing fund to account for work related injuries and accidents to City employees. This fund is accounted for as an internal service fund in which assets are set aside for claim payments. Under the California Workers' Disability and Compensation laws, the City, as an employer, is permissibly self-insured for the first \$1,000,000 of claims arising from each occurrence. The City obtains excess Workers' Compensation insurance through a policy up to statutory limits. A premium is charged to each fund and program that budgets for part-time or full-time employees. The total charge allocated is based upon the percentage of each fund's current-year payroll as it relates to total payroll of the City.

Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and number of payouts and other economic and social factors. For the past three fiscal years, no claims were settled in excess of commercial insurance coverage.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

City's Claims Liabilities

The City's liability for uninsured claims was estimated by management based on prior year claims experience, as follows:

	General Liability	Workers' Compensation	Total
Balance as of July 1, 2018	\$ 569,738	\$ 2,566,178	\$ 3,135,916
Liability for current year fiscal claims	141,575	1,174,147	1,315,722
Increase (decrease) in estimated liability	(416,793)	(158,711)	(575,504)
Claims paid	(80,996)	(453,152)	(534,148)
Balance as of June 30, 2019	<u>\$ 213,524</u>	<u>\$ 3,128,462</u>	<u>\$ 3,341,986</u>
Balance as of July 1, 2019	\$ 213,524	\$ 3,128,462	\$ 3,341,986
Liability for current year fiscal claims	106,119	519,830	625,949
Increase (decrease) in estimated liability	(83,359)	(37,270)	(120,629)
Claims paid	(27,444)	(268,234)	(295,678)
Balance as of June 30, 2020	<u>\$ 208,840</u>	<u>\$ 3,342,788</u>	<u>\$ 3,551,628</u>

NOTE 13 - JOINT POWERS AGREEMENTS

Congestion Management Agency

The Congestion Management Agency (CMA) was formed in 1991 by a joint exercise of powers agreement between the County of Santa Clara and each of the cities of Santa Clara County for the purpose of preparing, implementing, and administering a traffic congestion management plan pursuant to California Government Code Section 66531.

The CMA financial statements are included as part of the Special Fund of the Santa Clara Valley Transportation Authority. Audited financial statements may be obtained at 3331 N. First Street, Building B-2, San Jose, California 95134-1927.

Silicon Valley Animal Control Authority

The City is a member of Silicon Valley Animal Control Authority (SVACA), established in 2000 to deliver animal control services. SVACA provides its own field services and has an agreement with the Humane Society of Santa Clara Valley to provide facilities, personnel, shelter, and animal services. SVACA is governed by a Board of Directors consisting of representatives from member cities.

During the fiscal year ended June 30, 2020, the City contributed \$325,162 to SVACA for field services and sheltering costs. Audited financial statements are available from SVACA at 2340-A Walsh Avenue, Santa Clara, California 95051.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

West Valley Solid Waste Management Authority

The West Valley Solid Waste Management Authority (WVSWMA) was formed on October 1, 1997 to implement and administer the West Valley Solid Waste Management Plan, manage rate studies, and negotiate the related contracts for member’s entities.

WVSWMA includes the Cities of Campbell, Monte Sereno, Saratoga, and the Town of Los Gatos. The City of Campbell maintains the financial records and provides accounting services for WVSWMA. Audited financial statements are available from the City of Campbell.

California Municipal Finance Authority

The California Municipal Finance Authority (CMFA) was created to assist local governments, non-profit organizations and business with the issuance of taxable and tax-exempt bonds aimed at improving the standards of living in California. In order for the CMFA to have the authority to serve as the issuer of the bonds for the rehabilitation of a project within the City limits, it was necessary for the City to become a member of the CMFA. The City has no obligation with respect to the bonds issued by the CMFA, and the City has the right to withdraw from the Joint Exercise of Powers Agreement upon written notice to the Board of Directors of the CMFA.

NOTE 14 - RENTAL INCOME FROM USE OF CITY PROPERTY

The City leases a portion of the space at its Community Center. Rental income from leases and facility rentals during the fiscal year ended June 30, 2020 amounted to \$1,675,716. Major tenants include Delphi Academy, Old Orchard School, Casa DiMir Montessori, Santa Clara County Office of Education, and West Valley College.

Minimum future lease rental commitments at June 30, 2020 are as follows:

Fiscal Year Ended June 30:	Rental Income
2021	\$ 1,565,695
2022	1,218,681
2023	163,620
2024	29,241
	\$ 2,977,237

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

NOTE 15 - CONTINGENT LIABILITIES

Litigation

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

Grant Programs

The City participates in Federal and State grant programs. The amounts received or receivable from granting agencies are subject to audit adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

Annexation of Territory

On May 1, 2013, the City annexed approximately 103 acres from the County of Santa Clara and 24 acres from the City of San Jose as part of a territorial reorganization between these entities. As a condition to the reorganization of territory from the City of San Jose to the City, the City entered into a 40-year agreement with the City of San Jose to provide it with compensation for future net revenues it has given up as a result of the territorial reorganization. Under the terms of the agreement, the City is committed to make annual payments to San Jose based on an initial base amount for the first five years, effective fiscal year 2013-14. This base amount is subject to adjustment if certain conditions are met. In the sixth year, and every subsequent fifth year thereafter, the payment is to be adjusted by an agreed upon formula that calculates the increase/decrease in net revenues, as defined in the agreement, as a percentage, and applies it to the base payment resulting in a revised based payment amount for the ensuing five year period. Other provisions call for a recalculation of the revised base payment in between calculation dates if certain economic conditions are met. The City expects its annual payment amount to be approximately \$230,042 through fiscal 2019-20, however if certain conditions are met, this annual amount may be adjusted.

NOTE 16 – RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES

Under the Assembly Bill 1x 26 (Dissolution Act), each California redevelopment agency (each Dissolved RDA) was dissolved as of February 1, 2012, and the sponsoring community that formed the Dissolved RDA, together with other designated entities, have initiated the process under the Dissolution Act to unwind the affairs of the Dissolved RDA. On January 17, 2012, the City elected to serve as the Successor Agency to the City of Campbell Redevelopment Agency and to serve as the Housing Successor Agency.

As of the date of dissolution, the housing assets, obligations, and activities of the Dissolved RDA have been transferred and are reported in the Housing Assets Special Revenue Fund in the financial statements of the City. All other assets, obligations, and activities of the Dissolved RDA have been transferred and are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

In the current and future fiscal years, the Successor Agency will only be allocated revenue from the County of Santa Clara in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the Dissolved RDA until all enforceable obligations of the Dissolved RDA have been paid in full and all assets have been liquidated.

NOTE 17 - SUCCESSOR AGENCY

Capital Assets

Capital assets of the Successor Agency as of June 30, 2020 consisted of the following:

	Balance at July 1,2019 As Restated	Additions	Deletions	Reclassification	Balance at June 30,2020
Capital assets, not being depreciated:					
Land	\$ 7,123,531	\$ -	\$ -	\$ -	\$ 7,123,531
Total capital assets, not being depreciated	<u>7,123,531</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,123,531</u>
Capital assets, being depreciated:					
Buildings and improvements	18,939,961	-	-	-	18,939,961
Other improvements	11,805,911	-	-	-	11,805,911
Total capital assets, being depreciated	<u>30,745,872</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,745,872</u>
Less accumulated depreciation for:					
Buildings and improvements	(10,491,009)	(309,152)	-	-	(10,800,161)
Other improvements	(9,827,294)	(388,367)	-	-	(10,215,661)
Total accumulated depreciation	<u>(20,318,303)</u>	<u>(697,519)</u>	<u>-</u>	<u>-</u>	<u>(21,015,822)</u>
Total capital assets, being depreciated, net	<u>10,427,569</u>	<u>(697,519)</u>	<u>-</u>	<u>-</u>	<u>9,730,050</u>
Governmental Activities capital assets, net	<u>\$ 17,551,100</u>	<u>\$ (697,519)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,853,581</u>

Long-term Liabilities

Long-term liabilities of the Successor Agency as of June 30, 2020 consisted of the following:

	Balance July 1,2019	Additions	Deletions	Balance June 30,2020	Due Within One Year
2016 Tax Allocation Refunding Bonds	<u>\$ 19,800,000</u>	<u>\$ -</u>	<u>\$ (1,175,000)</u>	<u>\$ 18,625,000</u>	<u>\$ 1,200,000</u>

CITY OF CAMPBELL
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020

Advances from the City of Campbell

The City has advanced funds to the former redevelopment agency under the terms of a Third Amended and Restated Indebtedness Agreement. Principal was payable out of the excess of tax increment revenues over other similar liabilities and agreements. The Campbell Redevelopment Agency was dissolved on January 31, 2012 and the advance liability was transferred to the Successor Agency to be paid as an enforceable obligation. This advance was refunded in August 2016 with proceeds from the 2016 Tax Allocation Refunding Bonds issued by the Successor Agency of the former Campbell Redevelopment Agency. The proceeds repaid to the City were utilized by the City to refund a portion of the 1997 Refunding Certificates of Participation and a portion of the 2002 Refunding Certificates of Participation as described in Note 6.

2016 Tax Allocation Refunding Bonds

Concurrently with the issue of the 2016 Refunding Lease Revenue Bonds, the City of Campbell Successor Agency issued Tax Allocation Refunding Bonds, Series 2016 in the aggregate principal amount of \$22,705,000. These bonds were private placement bonds that pay interest at a rate from 1.825% to 2.15% payable semiannually on April 1 and October 1 commencing on April 1, 2017. The proceeds from the Tax Allocation Refunding Bonds, Series 2016 were used to prepay the 2002 RDA Tax Allocation Bonds, Series A, to prepay the 2005 RDA Tax Allocation Bonds, Series A, to prepay a portion of the 1997 Refunding Certificates of Participation and the 2002 Refunding Certificates of Participation, and to pay the cost of issuing the bonds.

The annual debt service requirements to amortize the 2016 Tax Allocation Refunding Bonds outstanding at June 30, 2020 are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 1,200,000	\$ 390,737	\$ 1,590,737
2022	1,375,000	365,150	1,740,150
2023	1,555,000	334,192	1,889,192
2024	1,595,000	300,984	1,895,984
2025	1,630,000	266,871	1,896,871
2026-2030	8,580,000	798,114	9,378,114
2031	2,690,000	48,321	2,738,321
Total	<u>\$ 18,625,000</u>	<u>\$ 2,504,369</u>	<u>\$ 21,129,369</u>

NOTE 18 – SUBSEQUENT EVENTS

On August 18, 2020, the City issued \$20,000,000 of general obligation bonds to fund a police emergency operations center and innovative library. The interest rate on the bonds is 3% to 4% and the maturity date is September 1, 2038.

Subsequent to year-end, the City may experience a negative impact from the effects of the world-wide coronavirus pandemic. The City is closely monitoring its operations, liquidity, and capital resources and is actively working to minimize the current and future impact of this unprecedented situation. As of the issuance date of these financial statements, the full impact to the City’s financial position is not known.

REQUIRED SUPPLEMENTARY INFORMATION



CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
CalPERS MISCELLANEOUS PLAN**

LAST TEN FISCAL YEARS*

Fiscal Year ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement period ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability:						
Service cost	\$ 2,335,864	\$ 2,318,339	\$ 2,334,869	\$ 1,958,173	\$ 1,794,374	\$ 1,803,589
Interest on total pension liability	7,839,384	7,392,762	7,134,146	6,827,812	6,544,912	6,237,266
Differences between expected and actual experience	1,563,454	(487,309)	166,228	(487,339)	(413,601)	-
Changes in assumptions	-	(809,156)	5,879,356	-	(1,598,990)	-
Benefit payments	(5,293,752)	(4,779,950)	(4,314,617)	(4,673,560)	(3,798,085)	(3,467,485)
Net Change in Total Pension Liability	6,444,950	3,634,686	11,199,982	3,625,086	2,528,610	4,573,370
Total Pension Liability - Beginning of Year	109,557,226	105,922,540	94,722,558	91,097,472	88,568,862	83,995,492
Total Pension Liability - End of Year	<u>\$ 116,002,176</u>	<u>\$ 109,557,226</u>	<u>\$ 105,922,540</u>	<u>\$ 94,722,558</u>	<u>\$ 91,097,472</u>	<u>\$ 88,568,862</u>
Plan Fiduciary Net Position:						
Contributions - employer	\$ 3,062,946	\$ 2,683,458	\$ 2,424,792	\$ 2,168,070	\$ 1,811,356	\$ 1,592,734
Contributions - employee	1,050,023	1,040,310	920,368	903,290	818,954	869,838
Net investment income	5,242,422	6,387,875	7,735,412	518,527	1,566,471	10,321,563
Plan to plan resource movement	-	(189)	-	-	(12,655)	-
Administrative expenses	(58,198)	(119,314)	(103,210)	(43,290)	(79,967)	-
Benefit payments	(5,293,752)	(4,779,950)	(4,314,617)	(4,673,560)	(3,798,085)	(3,467,485)
Other miscellaneous income/expenses	189	(226,579)	-	-	-	-
Net Change in Plan Fiduciary Net Position	4,003,630	4,985,611	6,662,745	(1,126,963)	306,074	9,316,650
Plan Fiduciary Net Position - Beginning of Year	81,553,650	76,568,039	69,905,294	71,032,257	70,726,183	61,409,533
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 85,557,280</u>	<u>\$ 81,553,650</u>	<u>\$ 76,568,039</u>	<u>\$ 69,905,294</u>	<u>\$ 71,032,257</u>	<u>\$ 70,726,183</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 30,444,896</u>	<u>\$ 28,003,576</u>	<u>\$ 29,354,501</u>	<u>\$ 24,817,264</u>	<u>\$ 20,065,215</u>	<u>\$ 17,842,679</u>
Plan's fiduciary net position as a percentage of the plan's total pension liability	73.75%	74.44%	72.29%	73.80%	77.97%	79.85%
Covered payroll	\$13,302,927	\$12,620,931	\$12,359,036	\$11,526,124	\$10,550,178	\$9,939,320
Net pension liability as percentage of covered payroll	228.86%	221.88%	237.51%	215.31%	190.19%	179.52%

Notes to Schedule:

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses.

The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

* - Fiscal year 2015 was the 1st year of implementation.

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF PENSION CONTRIBUTIONS
CalPERS MISCELLANEOUS PLAN**

LAST TEN FISCAL YEARS*

Fiscal Year ended	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 3,446,237	\$ 3,124,037	\$ 2,606,519	\$ 2,425,906	\$ 2,165,546	\$ 1,811,474
Contributions in relation to the actuarially determined contributions	<u>(3,446,237)</u>	<u>(3,124,037)</u>	<u>(2,606,519)</u>	<u>(2,425,906)</u>	<u>(2,165,546)</u>	<u>(1,811,474)</u>
Contribution deficiency (excess)	<u>\$ -</u>					
Covered payroll	\$13,742,363	\$13,302,927	\$12,620,931	\$12,359,036	\$11,526,124	\$10,550,178
Contributions as a percentage of covered payroll	25.08%	23.48%	20.65%	19.63%	18.79%	17.17%

Notes to Schedule:

Changes in Assumptions:

From fiscal year June 30, 2016 to June 30, 2017:

The discount rate was reduced from 7.65% to 7.15%.

* - Fiscal year 2015 was the 1st year of implementation.

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
CalPERS SAFETY PLANS**

LAST TEN FISCAL YEARS*

Proportionate Share for Safety Plans

Fiscal Year ended	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Measurement period ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Proportion of the net pension liability	0.47274%	0.48183%	0.47999%	0.50062%	0.52828%	0.52660%
Proportionate share of the net pension liability	\$29,511,142	\$28,271,751	\$28,680,686	\$25,928,666	\$21,767,656	\$19,752,687
Covered payroll	\$6,194,278	\$6,180,899	\$5,832,083	\$5,370,852	\$5,168,789	\$5,062,342
Net pension liability as a percentage of covered payroll	476.43%	457.41%	491.77%	482.77%	421.14%	390.19%
Fiduciary net position as a percentage of the plan's total pension liability	73.37%	73.39%	71.74%	72.69%	77.27%	78.83%

Notes to Schedule:

Changes in Assumptions:

From fiscal year June 30, 2016 to June 30, 2017:

The discount rate was reduced from 7.65% to 7.15%.

* - Fiscal year 2015 was the 1st year of implementation.

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF PENSION CONTRIBUTIONS
CalPERS SAFETY PLAN**

LAST TEN FISCAL YEARS*

Fiscal Year ended	2020	2019	2018	2017	2016	2015
Actuarially determined contribution	\$ 3,858,649	\$ 3,579,757	\$ 3,180,698	\$ 2,928,596	\$ 2,610,566	\$ 2,079,597
Contributions in relation to the actuarially determined contributions	<u>(3,858,649)</u>	<u>(3,579,757)</u>	<u>(3,180,698)</u>	<u>(2,928,596)</u>	<u>(2,610,566)</u>	<u>(2,079,597)</u>
Contribution deficiency (excess)	<u>\$ -</u>					
Covered payroll	\$6,137,525	\$6,194,278	\$6,180,899	\$5,832,083	\$5,370,852	\$5,168,789
Contributions as a percentage of covered payroll	62.87%	57.79%	51.46%	50.22%	48.61%	40.23%

Notes to Schedule:

Changes in Assumptions:

From fiscal year June 30, 2016 to June 30, 2017:

The discount rate was reduced from 7.65% to 7.15%.

* - Fiscal year 2015 was the 1st year of implementation.

CITY OF CAMPBELL, CALIFORNIA

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

LAST TEN FISCAL YEARS*

Fiscal Year ended	6/30/2020	6/30/2019	6/30/2018
Measurement period ended	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:			
Service cost	\$ 339,543	\$ 329,653	\$ 320,051
Interest on total OPEB liability	582,939	549,781	518,912
Actual vs. expected experience	(375,537)	-	-
Assumption changes	(40,651)	-	-
Benefit payments	(388,140)	(408,022)	(374,490)
Net Change in Total OPEB Liability	118,154	471,412	464,473
Total OPEB Liability - Beginning of Year	8,490,674	8,019,262	7,554,789
Total OPEB Liability - End of Year (a)	8,608,828	8,490,674	8,019,262
Plan Fiduciary Net Position:			
Contributions - employer	675,398	1,566,022	829,490
Net investment income	261,853	255,576	251,971
Administrative expenses	(2,124)	(5,460)	(1,332)
Benefit payments	(388,140)	(408,022)	(374,490)
Net Change in Plan Fiduciary Net Position	546,987	1,408,116	705,639
Plan Fiduciary Net Position - Beginning of Year	4,207,114	2,798,998	2,093,359
Plan Fiduciary Net Position - End of Year (b)	4,754,101	4,207,114	2,798,998
Net OPEB Liability - Ending (a) - (b)	\$ 3,854,727	\$ 4,283,560	\$ 5,220,264
Plan fiduciary net position as a percentage of the total OPEB Liability	55.22%	49.55%	34.90%
Covered payroll	\$22,349,167	\$22,223,899	\$21,017,236
Net OPEB Liability as percentage of covered payroll	17.25%	19.27%	24.84%

Notes to Schedule:

Changes in Assumptions:

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.25% to 6.75%.

* - Fiscal year 2015 was the 1st year of implementation.



CITY OF CAMPBELL, CALIFORNIA

SCHEDULE OF OPEB CONTRIBUTIONS

LAST TEN FISCAL YEARS*

Fiscal Year ended	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Actuarially determined contribution	\$ 642,000	\$ 629,000	\$ 1,038,000
Contributions in relation to the actuarially determined contributions	<u>(646,871)</u>	<u>(675,398)</u>	<u>(1,566,022)</u>
Contribution deficiency (excess)	<u>\$ (4,871)</u>	<u>\$ (46,398)</u>	<u>\$ (528,022)</u>
Covered payroll	\$23,681,909	\$22,349,167	\$22,223,899
Contributions as a percentage of covered payroll	2.73%	3.02%	7.05%

Notes to Schedule:

Changes in Assumptions:

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.25% to 6.75%.

* - Fiscal year 2015 was the 1st year of implementation.

CITY OF CAMPBELL, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 16,932,000	\$ 16,967,000	\$ 17,248,696	\$ 281,696
Sales and use taxes	15,299,100	15,891,400	13,493,745	(2,397,655)
Other taxes	10,155,700	10,155,700	7,962,879	(2,192,821)
Licenses and permits	1,899,500	3,805,229	3,714,070	(91,159)
Fines and forfeitures	362,300	853,421	694,347	(159,074)
Investment income	478,000	478,000	542,847	64,847
Rents and leases	2,915,599	3,053,599	2,554,703	(498,896)
Intergovernmental	1,012,970	460,470	525,130	64,660
Charges for services	5,256,131	3,785,203	2,573,117	(1,212,086)
Donations	15,500	71,411	69,602	(1,809)
Miscellaneous	187,600	363,431	252,859	(110,572)
Total Revenues	54,514,400	55,884,864	49,631,995	(6,252,869)
EXPENDITURES:				
GENERAL GOVERNMENT				
City Council	335,772	335,772	319,130	16,642
City Manager	1,035,042	1,035,042	911,766	123,276
City Clerk	498,830	503,173	532,827	(29,654)
Human Resources	1,176,410	1,230,451	1,100,555	129,896
Accounting	1,699,769	1,731,759	1,723,430	8,329
Non-Departmental Finance	1,384,824	1,141,419	1,457,942	(316,523)
COVID Response	-	-	1,551,047	(1,551,047)
Legal Services	586,749	616,749	593,137	23,612
TOTAL GENERAL GOVERNMENT	6,717,396	6,594,365	8,189,834	(1,595,469)
RECREATION				
Community services and administration	747,439	747,439	632,880	114,559
Senior citizens nutrition program	185,408	185,408	230,888	(45,480)
Adult services	761,414	758,414	591,870	166,544
Campbell Community Center	1,388,164	1,417,435	1,220,201	197,234
Museum services	428,334	428,334	380,749	47,585
Theater	989,586	1,028,359	880,776	147,583
Sports, aquatics and fitness	1,330,932	1,295,933	966,324	329,609
Trips, tours and classes	1,230,638	1,241,638	950,722	290,916
TOTAL RECREATION	7,061,915	7,102,960	5,854,410	1,248,550
COMMUNITY DEVELOPMENT				
Community Development administration	561,128	561,128	500,985	60,143
Current planning	1,027,428	1,030,544	719,058	311,486
Policy development	291,854	726,947	258,395	468,552
Building	1,529,457	1,543,448	1,504,347	39,101
Economic development	213,996	228,307	164,567	63,740
TOTAL COMMUNITY DEVELOPMENT	3,623,863	4,090,374	3,147,352	943,022

CITY OF CAMPBELL, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND (CONTINUED)**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
PUBLIC SAFETY				
Police administration	\$ 1,251,666	\$ 1,335,663	1,408,264	\$ (72,601)
Communications	2,506,010	2,513,010	2,417,189	95,821
Records	1,507,202	1,507,202	1,311,574	195,628
Special enforcement services	4,611,124	4,744,520	4,118,506	626,014
Field services	9,680,251	9,578,967	10,578,688	(999,721)
Fire protection services	9,126,693	9,126,693	9,126,693	-
TOTAL PUBLIC SAFETY	28,682,946	28,806,055	28,960,914	(154,859)
PUBLIC WORKS				
Public Works administration	782,527	706,527	635,353	71,174
Transportation engineering	416,404	416,423	414,418	2,005
Engineering	1,532,993	1,470,265	1,226,996	243,269
Land Development/Env. Programs	1,302,537	1,299,928	751,263	548,665
Maintenance administration	561,398	561,398	555,002	6,396
Building maintenance	1,557,163	1,910,853	1,688,001	222,852
TOTAL PUBLIC WORKS	6,153,022	6,365,394	5,271,033	1,094,361
TOTAL EXPENDITURES	52,239,142	52,959,148	51,423,543	1,535,605
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,275,258	2,925,716	(1,791,548)	(4,717,264)
OTHER FINANCING SOURCES (USES):				
Transfers in	1,380,016	1,380,016	974,801	(405,215)
Transfers out	(6,084,478)	(6,084,478)	(3,938,567)	2,145,911
TOTAL OTHER FINANCING SOURCES (USES)	(4,704,462)	(4,704,462)	(2,963,766)	1,740,696
NET CHANGE IN FUND BALANCE	(2,429,204)	(1,778,746)	(4,755,314)	(2,976,568)
FUND BALANCE AT BEGINNING OF YEAR	27,027,822	27,027,822	27,027,822	-
FUND BALANCE AT END OF YEAR	\$ 24,598,618	\$ 25,249,076	\$ 22,272,508	\$ (2,976,568)

CITY OF CAMPBELL, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
HOUSING ASSETS SPECIAL REVENUE FUND**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 18,000	\$ 18,000	\$ 91,470	\$ 73,470
Miscellaneous revenue	50,000	50,000	-	(50,000)
TOTAL REVENUES	68,000	68,000	91,470	23,470
EXPENDITURES:				
Current				
Community development	243,650	243,650	188,190	55,460
TOTAL EXPENDITURES	243,650	243,650	188,190	55,460
NET CHANGE IN FUND BALANCE	(175,650)	(175,650)	(96,720)	78,930
FUND BALANCE AT BEGINNING OF YEAR	9,158,257	9,158,257	9,158,257	-
FUND BALANCE AT END OF YEAR	<u>\$ 8,982,607</u>	<u>\$ 8,982,607</u>	<u>\$ 9,061,537</u>	<u>\$ 78,930</u>

CITY OF CAMPBELL
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Note 1 - Budgets and Budgetary Data

The City adopts a budget annually for General, Special Revenue, Capital Projects and Debt Service Funds. This budget is effective July 1 for the ensuing fiscal year. From the effective date of the budget, which is adopted by the City Council and controlled by each department head, the amounts stated therein as proposed expenditures become appropriations to the various City departments. The legal level of budgetary control is at the total expenditures level. For the General Fund, budgetary comparisons for line operating departments are presented and supporting departments, Finance and City Manager are combined as General Government. All appropriations lapse at year-end. During the fiscal year, supplemental adjustments to appropriations were adopted by City Council and have been included in the budget versus actual statements.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles, except for the Museum and Adult Center and Community Development Block Grant Special Revenue Funds for which no budget was adopted in the current fiscal year. Accordingly, no budgetary comparison for these funds are presented in the financial statements.

Under encumbrance accounting, purchase orders, contracts and other commitments of the expenditures are recorded in order to reserve that portion of the applicable appropriation. Encumbrance accounting is employed as an extension of the formal budgetary process. Encumbrances outstanding at year-end lapse and must be re-appropriated as part of the following year budget.

Excess of Expenditures over Appropriations

Expenditures exceeded budgeted appropriations in the following funds:

	Final Budget	Actual	Variance with Final Budget
Major Fund:			
General Fund - General Government	\$ 6,594,365	\$ 8,189,834	\$ (1,595,469)
General Fund - Public Safety	28,806,055	28,960,914	(154,859)

Budgetary Results Reconciled to GAAP

Grant revenues received in advance are recognized on the budgetary basis financial schedules, but are deferred and not recognized as revenue on GAAP basis financial statements. This reconciliation causes variances in recognizing revenue from the prior year in the current year. Additionally, year-end encumbrances are recognized as the equivalent of expenditures in the budgetary basis financial schedules. While encumbered amounts are not recognized as expenditures on GAAP basis.



SUPPLEMENTARY INFORMATION

CITY OF CAMPBELL
OTHER GOVERNMENTAL FUNDS

Other Governmental Special Revenue Funds:

Gas Tax

Accounts for revenues and expenditures pertaining to the construction and maintenance of City streets.

Vehicle Impact Fees

Accounts for revenues and expenditures pertaining to street maintenance.

Other Grants Special Revenue Fund

Accounts for Federal, State and local grant funds which are provided for specific purposes.

Parkland Dedication Fees

Accounts for Quimby Act monies received from developers and records expenditures related to development of designated areas.

Lighting and Landscaping District

Accounts for revenues and expenditures providing for City street lighting and landscaping.

Community Development Block Grant

Accounts for Federal Block Grant Funds used for community development, such as low-and-moderate rehabilitation grants and loans.

Drug Enforcement Revenue

Accounts for revenues received through drug related asset seizures and any drug related convictions.

Environmental Services

Accounts for revenues received from developers and franchised garbage collection to be utilized for solid waste management and storm drain improvements.

Supplemental Law Enforcement

Accounts for revenues and expenditures pertaining to grants received from enhancing law enforcement services.

CITY OF CAMPBELL
OTHER GOVERNMENTAL FUNDS (CONTINUED)

Other Governmental Special Revenue Funds (Continued):

Community Facilities District #1

Accounts for revenues and expenditures pertaining to specific ongoing maintenance of the District's boundaries.

Community Facilities District #2

Accounts for revenues and expenditures pertaining to specific ongoing maintenance of the District's boundaries.

Museum and Adult Center

Accounts for donations received from expenditures related to the City's Museum and Adult Center. The City's Museum and Adult Care Center did not have an adopted or final budget.

Other Governmental Capital Projects Fund:

Capital Projects Fund

Accounts for the expenditures and financing of the City's capital projects.

Measure O Capital Projects Fund

Accounts for the expenditures and financing of the City's capital projects related to the Measure O bond.

Other Governmental Debt Service Fund:

2016 LRB

Accounts for the City's share of proceeds from the repayments of the 2016 Lease Revenue Bonds, which were utilized for the refunding of the City's 1997 and 2002 COP obligations.

Measure O Debt Service Fund

Accounts for the City's repayments of the 2020 Measure O General Obligation Bond.

CITY OF CAMPBELL, CALIFORNIA

**COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS**

JUNE 30, 2020

	Special Revenue Funds							Environmental Services
	Gas Tax	Vehicle Impact Fees	Other Grants	Parkland Dedication Fees	Lighting and Landscaping District	Community Development Block Grant	Drug Enforcement Revenue	
ASSETS:								
Cash and investments	\$ 638,236	\$ 2,097,273	\$ 391,549	\$ 4,649,309	\$ 250,504	\$ -	\$ 214,369	\$ 532,318
Cash held with fiscal agent	-	-	-	-	-	-	-	-
Receivables:								
Accounts	-	39,800	956,548	-	5,691	-	-	103,844
Taxes	114,389	-	-	-	3,122	-	-	-
Interest	2,154	6,962	7,610	16,246	1,002	-	687	1,967
Notes and loans	-	-	-	-	-	140,000	-	-
TOTAL ASSETS	<u>\$ 754,779</u>	<u>\$ 2,144,035</u>	<u>\$ 1,355,707</u>	<u>\$ 4,665,555</u>	<u>\$ 260,319</u>	<u>\$ 140,000</u>	<u>\$ 215,056</u>	<u>\$ 638,129</u>
LIABILITIES AND FUND BALANCES								
LIABILITIES:								
Accounts payable	\$ 56,521	\$ -	\$ -	\$ -	\$ 224,140	\$ -	\$ -	\$ 830
Accrued payroll	42,666	-	-	-	74,888	-	-	-
Due to other funds	-	-	156,664	-	-	139,654	-	-
TOTAL LIABILITIES	<u>99,187</u>	<u>-</u>	<u>156,664</u>	<u>-</u>	<u>299,028</u>	<u>139,654</u>	<u>-</u>	<u>830</u>
FUND BALANCES (DEFICIT):								
Restricted	655,592	2,144,035	1,199,043	4,665,555	-	346	215,056	637,299
Unassigned	-	-	-	-	(38,709)	-	-	-
TOTAL FUND BALANCES (DEFICIT)	<u>655,592</u>	<u>2,144,035</u>	<u>1,199,043</u>	<u>4,665,555</u>	<u>(38,709)</u>	<u>346</u>	<u>215,056</u>	<u>637,299</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 754,779</u>	<u>\$ 2,144,035</u>	<u>\$ 1,355,707</u>	<u>\$ 4,665,555</u>	<u>\$ 260,319</u>	<u>\$ 140,000</u>	<u>\$ 215,056</u>	<u>\$ 638,129</u>

CITY OF CAMPBELL, CALIFORNIA

COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS

JUNE 30, 2020

	Special Revenue Funds				Capital Projects Fund	Debt Service Fund		Total Other Governmental Funds
	Supplemental Law Enforcement	Community Facilities District #1	Community Facilities District #2	Museum and Adult Center	Measure O	Measure O	2016 LRB	
ASSETS:								
Cash and investments	\$ 232,892	\$ 5,100	\$ 159,842	\$ 177,664	\$ -	\$ 1,108,754	\$ -	\$ 10,457,810
Cash held with fiscal agent	-	-	-	-	-	-	5,422	5,422
Receivables:								
Accounts	-	-	-	-	-	-	-	1,105,883
Taxes	-	455	-	-	-	1,818	-	119,784
Interest	1,148	16	513	568	-	3,558	17	42,448
Notes and loans	-	-	-	-	-	-	-	140,000
TOTAL ASSETS	\$ 234,040	\$ 5,571	\$ 160,355	\$ 178,232	\$ -	\$ 1,114,130	\$ 5,439	\$ 11,871,347
LIABILITIES AND FUND BALANCES								
LIABILITIES:								
Accounts payable	\$ 19,771	\$ -	\$ 1,500	\$ -	\$ 62,503	\$ -	\$ -	\$ 365,265
Accrued payroll	4,505	-	-	-	8,807	-	-	130,866
Due to other funds	-	-	-	-	201,487	-	-	497,805
TOTAL LIABILITIES	24,276	-	1,500	-	272,797	-	-	993,936
FUND BALANCES (DEFICIT):								
Restricted	209,764	5,571	158,855	178,232	-	1,114,130	5,439	11,188,917
Unassigned	-	-	-	-	(272,797)	-	-	(311,506)
TOTAL FUND BALANCES (DEFICIT)	209,764	5,571	158,855	178,232	(272,797)	1,114,130	5,439	10,877,411
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 234,040	\$ 5,571	\$ 160,355	\$ 178,232	\$ -	\$ 1,114,130	\$ 5,439	\$ 11,871,347

CITY OF CAMPBELL, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OTHER GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Special Revenue Funds							
	Gas Tax	Vehicle Impact Fees	Other Grants	Parkland Dedication Fees	Lighting and Landscaping District	Community Development Block Grant	Drug Enforcement Revenue	Environmental Services
REVENUES:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,465,768	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	1,198,165	-	-	-
Investment income	11,075	52,585	52,273	127,816	5,074	-	5,257	15,543
Intergovernmental	1,739,929	678,451	3,121,246	-	2,002	-	243,718	-
Charges for services	-	-	-	-	-	-	-	695,193
Donations	-	-	-	-	-	-	-	-
Parkland dedication fees	-	-	-	189,500	-	-	-	-
Miscellaneous revenues	71	-	-	-	90,149	-	-	-
TOTAL REVENUES	<u>1,751,075</u>	<u>731,036</u>	<u>3,173,519</u>	<u>317,316</u>	<u>2,761,158</u>	<u>-</u>	<u>248,975</u>	<u>710,736</u>
EXPENDITURES:								
Current:								
General government	-	-	-	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	69,308	-
Public works	1,784,623	-	101,174	-	3,958,859	-	-	831
Debt service:								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,784,623</u>	<u>-</u>	<u>101,174</u>	<u>-</u>	<u>3,958,859</u>	<u>-</u>	<u>69,308</u>	<u>831</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(33,548)</u>	<u>731,036</u>	<u>3,072,345</u>	<u>317,316</u>	<u>(1,197,701)</u>	<u>-</u>	<u>179,667</u>	<u>709,905</u>
OTHER FINANCING SOURCES (USES):								
Transfers in	645,300	-	-	-	1,512,720	-	-	437,000
Transfers out	(90,070)	(74,920)	(2,153,496)	(419,952)	(111,300)	-	(19,000)	(1,282,408)
TOTAL OTHER FINANCING SOURCES (USES)	<u>555,230</u>	<u>(74,920)</u>	<u>(2,153,496)</u>	<u>(419,952)</u>	<u>1,401,420</u>	<u>-</u>	<u>(19,000)</u>	<u>(845,408)</u>
NET CHANGE IN FUND BALANCES	521,682	656,116	918,849	(102,636)	203,719	-	160,667	(135,503)
FUND BALANCES AT BEGINNING OF YEAR	133,910	1,487,919	280,194	4,768,191	(242,428)	346	54,389	772,802
FUND BALANCES AT END OF YEAR	<u>\$ 655,592</u>	<u>\$ 2,144,035</u>	<u>\$ 1,199,043</u>	<u>\$ 4,665,555</u>	<u>\$ (38,709)</u>	<u>\$ 346</u>	<u>\$ 215,056</u>	<u>\$ 637,299</u>

CITY OF CAMPBELL, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE OTHER GOVERNMENTAL FUNDS (CONTINUED)

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			Capital Projects Fund	Debt Service Fund		Total Other Governmental Funds	
	Supplemental Law Enforcement	Community Facilities District #1	Community Facilities District #2	Museum and Adult Center	Measure O	Measure O	2016 LRB	
REVENUES:								
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,098,264	\$ -	\$ 2,564,032
Special assessments	-	144,225	48,893	-	-	-	-	1,391,283
Investment income	7,173	347	3,841	4,530	-	17,396	746	303,656
Intergovernmental	155,948	-	-	-	-	-	-	5,941,294
Charges for services	-	-	-	-	-	-	-	695,193
Donations	-	-	-	1,889	-	-	-	1,889
Parkland dedication fees	-	-	-	-	-	-	-	189,500
Miscellaneous revenues	-	-	-	-	-	-	-	90,220
TOTAL REVENUES	163,121	144,572	52,734	6,419	-	1,115,660	746	11,177,067
EXPENDITURES:								
Current:								
General government	-	3,461	-	-	-	1,530	-	4,991
Community development	-	-	-	-	272,797	-	-	272,797
Public safety	102,073	-	-	-	-	-	-	171,381
Public works	-	-	11,324	-	-	-	-	5,856,811
Debt service:								
Principal	-	-	-	-	-	-	535,000	535,000
Interest and fiscal charges	-	-	-	-	-	-	227,076	227,076
TOTAL EXPENDITURES	102,073	3,461	11,324	-	272,797	1,530	762,076	7,068,056
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	61,048	141,111	41,410	6,419	(272,797)	1,114,130	(761,330)	4,109,011
OTHER FINANCING SOURCES (USES):								
Transfers in	-	-	-	-	-	-	762,825	3,357,845
Transfers out	(120,787)	(140,000)	(4,000)	-	-	-	-	(4,415,933)
TOTAL OTHER FINANCING SOURCES (USES)	(120,787)	(140,000)	(4,000)	-	-	-	762,825	(1,058,088)
NET CHANGE IN FUND BALANCES	(59,739)	1,111	37,410	6,419	(272,797)	1,114,130	1,495	3,050,923
FUND BALANCES AT BEGINNING OF YEAR	269,503	4,460	121,445	171,813	-	-	3,944	7,826,488
FUND BALANCES AT END OF YEAR	\$ 209,764	\$ 5,571	\$ 158,855	\$ 178,232	\$ (272,797)	\$ 1,114,130	\$ 5,439	\$ 10,877,411

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 11,075	\$ 11,075
Intergovernmental	1,824,289	1,824,289	1,739,929	(84,360)
Miscellaneous revenue	2,500	2,500	71	(2,429)
TOTAL REVENUES	1,826,789	1,826,789	1,751,075	(75,714)
EXPENDITURES:				
Current				
Public works	1,852,076	1,873,119	1,784,623	88,496
TOTAL EXPENDITURES	1,852,076	1,873,119	1,784,623	88,496
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(25,287)	(46,330)	(33,548)	12,782
OTHER FINANCING SOURCES (USES):				
Transfers in	645,300	645,300	645,300	-
Transfers out	(787,630)	(1,487,630)	(90,070)	1,397,560
TOTAL OTHER FINANCING SOURCES (USES)	(142,330)	(842,330)	555,230	1,397,560
NET CHANGE IN FUND BALANCE	(167,617)	(888,660)	521,682	1,410,342
FUND BALANCE AT BEGINNING OF YEAR	133,910	133,910	133,910	-
FUND BALANCE AT END OF YEAR	\$ (33,707)	\$ (754,750)	\$ 655,592	\$ 1,410,342

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
VEHICLE IMPACT FEES SPECIAL REVENUE FUND**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 250	\$ 250	\$ 52,585	\$ 52,335
Intergovernmental	777,000	777,000	678,451	(98,549)
TOTAL REVENUES	777,250	777,250	731,036	(46,214)
OTHER FINANCING SOURCES (USES):				
Transfers out	(777,000)	(2,038,825)	(74,920)	1,963,905
NET CHANGE IN FUND BALANCE	250	(1,261,575)	656,116	1,917,691
FUND BALANCE AT BEGINNING OF YEAR	1,487,919	1,487,919	1,487,919	-
FUND BALANCE AT END OF YEAR	\$ 1,488,169	\$ 226,344	\$ 2,144,035	\$ 1,917,691

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL
OTHER GRANTS SPECIAL REVENUE FUND**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 52,273	\$ 52,273
Intergovernmental	2,212,450	3,120,069	3,121,246	1,177
TOTAL REVENUES	2,212,450	3,120,069	3,173,519	53,450
EXPENDITURES:				
Current				
Public works	-	102,000	101,174	826
TOTAL EXPENDITURES	-	102,000	101,174	826
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,212,450	3,018,069	3,072,345	54,276
OTHER FINANCING SOURCES (USES):				
Transfers out	(2,212,450)	(6,746,256)	(2,153,496)	4,592,760
TOTAL OTHER FINANCING SOURCES (USES)	(2,212,450)	(6,746,256)	(2,153,496)	4,592,760
NET CHANGE IN FUND BALANCE	-	(3,728,187)	918,849	4,647,036
FUND BALANCE AT BEGINNING OF YEAR	280,194	280,194	280,194	-
FUND BALANCE AT END OF YEAR	\$ 280,194	\$ (3,447,993)	\$ 1,199,043	\$ 4,647,036

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

PARKLAND DEDICATION FEES SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 85,827	\$ 85,827	\$ 127,816	\$ 41,989
Parkland dedication fees	400,000	400,000	189,500	(210,500)
TOTAL REVENUES	485,827	485,827	317,316	(168,511)
OTHER FINANCING SOURCES (USES):				
Transfers out	(829,000)	(1,378,199)	(419,952)	958,247
NET CHANGE IN FUND BALANCE	(343,173)	(892,372)	(102,636)	789,736
FUND BALANCE AT BEGINNING OF YEAR	4,768,191	4,768,191	4,768,191	-
FUND BALANCE AT END OF YEAR	\$ 4,425,018	\$ 3,875,819	\$ 4,665,555	\$ 789,736

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

LIGHTING AND LANDSCAPING DISTRICT SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 1,143,000	\$ 1,143,000	\$ 1,465,768	\$ 322,768
Special assessments	1,210,000	1,210,000	1,198,165	(11,835)
Investment income	-	-	5,074	5,074
Intergovernmental	-	-	2,002	2,002
Miscellaneous revenues	27,500	82,000	90,149	8,149
TOTAL REVENUES	2,380,500	2,435,000	2,761,158	326,158
EXPENDITURES:				
Current				
Public works	3,852,559	3,960,509	3,958,859	1,650
TOTAL EXPENDITURES	3,852,559	3,960,509	3,958,859	1,650
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,472,059)	(1,525,509)	(1,197,701)	327,808
OTHER FINANCING SOURCES (USES):				
Transfers in	1,512,720	1,512,720	1,512,720	-
Transfers out	(111,300)	(111,300)	(111,300)	-
TOTAL OTHER FINANCING SOURCES (USES)	1,401,420	1,401,420	1,401,420	-
NET CHANGE IN FUND BALANCE	(70,639)	(124,089)	203,719	327,808
FUND BALANCE AT BEGINNING OF YEAR	(242,428)	(242,428)	(242,428)	-
FUND BALANCE AT END OF YEAR	\$ (313,067)	\$ (366,517)	\$ (38,709)	\$ 327,808

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

DRUG ENFORCEMENT REVENUE SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 5,257	\$ 5,257
Intergovernmental	14,000	14,000	243,718	229,718
TOTAL REVENUES	14,000	14,000	248,975	234,975
EXPENDITURES:				
Current				
Public Safety	-	-	69,308	(69,308)
TOTAL EXPENDITURES	-	-	69,308	(69,308)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	14,000	14,000	179,667	165,667
OTHER FINANCING SOURCES (USES):				
Transfers out	(19,000)	(50,260)	(19,000)	31,260
TOTAL OTHER FINANCING SOURCES (USES)	(19,000)	(50,260)	(19,000)	31,260
NET CHANGE IN FUND BALANCE	(5,000)	(36,260)	160,667	196,927
FUND BALANCE AT BEGINNING OF YEAR	54,389	54,389	54,389	-
FUND BALANCE AT END OF YEAR	\$ 49,389	\$ 18,129	\$ 215,056	\$ 196,927

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

ENVIRONMENTAL SERVICES SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ 500	\$ 500	\$ 15,543	\$ 15,043
Intergovernmental	10,000	10,000	-	(10,000)
Charges for services	970,564	970,564	695,193	(275,371)
Miscellaneous revenues	49,356	49,356	-	(49,356)
TOTAL REVENUES	1,030,420	1,030,420	710,736	(319,684)
EXPENDITURES:				
Current				
Public works	-	-	831	(831)
TOTAL EXPENDITURES	-	-	831	(831)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,030,420	1,030,420	709,905	(320,515)
OTHER FINANCING SOURCES (USES):				
Transfers in	437,000	437,000	437,000	-
Transfers out	(1,574,526)	(1,937,240)	(1,282,408)	654,832
TOTAL OTHER FINANCING SOURCES (USES)	(1,137,526)	(1,500,240)	(845,408)	654,832
NET CHANGE IN FUND BALANCE	(107,106)	(469,820)	(135,503)	334,317
FUND BALANCE AT BEGINNING OF YEAR	772,802	772,802	772,802	-
FUND BALANCE AT END OF YEAR	\$ 665,696	\$ 302,982	\$ 637,299	\$ 334,317

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

SUPPLEMENTAL LAW ENFORCEMENT SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 7,173	\$ 7,173
Intergovernmental	-	100,000	155,948	55,948
TOTAL REVENUES	-	100,000	163,121	63,121
EXPENDITURES:				
Current				
Public safety	-	229,200	102,073	127,127
TOTAL EXPENDITURES	-	229,200	102,073	127,127
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(129,200)	61,048	190,248
OTHER FINANCING SOURCES (USES):				
Transfers out	(145,000)	(145,000)	(120,787)	24,213
TOTAL OTHER FINANCING SOURCES (USES)	(145,000)	(145,000)	(120,787)	24,213
NET CHANGE IN FUND BALANCE	(145,000)	(274,200)	(59,739)	214,461
FUND BALANCE AT BEGINNING OF YEAR	269,503	269,503	269,503	-
FUND BALANCE AT END OF YEAR	\$ 124,503	\$ (4,697)	\$ 209,764	\$ 214,461

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

COMMUNITY FACILITIES DISTRICT #1 SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Special assessments	\$ 145,000	\$ 145,000	\$ 144,225	\$ (775)
Investment income	-	-	347	347
TOTAL REVENUES	<u>145,000</u>	<u>145,000</u>	<u>144,572</u>	<u>(428)</u>
EXPENDITURES:				
Current				
Community development	<u>5,000</u>	<u>5,000</u>	<u>3,461</u>	<u>1,539</u>
TOTAL EXPENDITURES	<u>5,000</u>	<u>5,000</u>	<u>3,461</u>	<u>1,539</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>140,000</u>	<u>140,000</u>	<u>141,111</u>	<u>1,111</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(140,000)</u>	<u>(140,000)</u>	<u>(140,000)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(140,000)</u>	<u>(140,000)</u>	<u>(140,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	1,111	1,111
FUND BALANCE AT BEGINNING OF YEAR	<u>4,460</u>	<u>4,460</u>	<u>4,460</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 4,460</u>	<u>\$ 4,460</u>	<u>\$ 5,571</u>	<u>\$ 1,111</u>

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

COMMUNITY FACILITIES DISTRICT #2 SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 3,841	\$ 3,841
Special assessments	35,250	35,250	48,893	13,643
TOTAL REVENUES	35,250	35,250	52,734	17,484
EXPENDITURES:				
Current				
Community development	19,000	19,000	11,324	7,676
TOTAL EXPENDITURES	19,000	19,000	11,324	7,676
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	16,250	16,250	41,410	25,160
OTHER FINANCING SOURCES (USES):				
Transfers out	(4,000)	(4,000)	(4,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(4,000)	(4,000)	(4,000)	-
NET CHANGE IN FUND BALANCE	12,250	12,250	37,410	25,160
FUND BALANCE AT BEGINNING OF YEAR	121,445	121,445	121,445	-
FUND BALANCE AT END OF YEAR	\$ 133,695	\$ 133,695	\$ 158,855	\$ 25,160

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

CAPITAL PROJECTS FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Project revenues	\$ -	\$ -	\$ 6,446	\$ 6,446
Miscellaneous revenues	60,000	77,540	-	(77,540)
TOTAL REVENUES	60,000	77,540	6,446	(71,094)
EXPENDITURES:				
Current				
Capital outlay	5,805,450	16,787,463	3,921,573	12,865,890
TOTAL EXPENDITURES	5,805,450	16,787,463	3,921,573	12,865,890
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,745,450)	(16,709,923)	(3,915,127)	12,794,796
OTHER FINANCING SOURCES (USES):				
Transfers in	5,745,450	15,230,928	3,918,454	(11,312,474)
TOTAL OTHER FINANCING SOURCES (USES)	5,745,450	15,230,928	3,918,454	(11,312,474)
NET CHANGE IN FUND BALANCE	-	(1,478,995)	3,327	1,482,322
FUND BALANCE AT BEGINNING OF YEAR	1,700,306	1,700,306	1,700,306	-
FUND BALANCE AT END OF YEAR	\$ 1,700,306	\$ 221,311	\$ 1,703,633	\$ 1,482,322

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

MEASURE O CAPITAL PROJECTS FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Project revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES:				
Current				
Capital outlay	331,603	3,016,648	272,797	2,743,851
TOTAL EXPENDITURES	331,603	3,016,648	272,797	2,743,851
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(331,603)	(3,016,648)	(272,797)	2,743,851
NET CHANGE IN FUND BALANCE	(331,603)	(3,016,648)	(272,797)	2,743,851
FUND BALANCE AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ (331,603)	\$ (3,016,648)	\$ (272,797)	\$ 2,743,851

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

2016 LRB DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Investment income	\$ -	\$ -	\$ 746	\$ 746
TOTAL REVENUES	-	-	746	746
EXPENDITURES:				
Debt Service				
Principal	535,000	535,000	535,000	-
Interest and fees	227,825	227,825	227,076	749
TOTAL EXPENDITURES	762,825	762,825	762,076	749
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(762,825)	(762,825)	(761,330)	1,495
OTHER FINANCING SOURCES (USES):				
Transfers in	762,825	762,825	762,825	-
TOTAL OTHER FINANCING SOURCES (USES)	762,825	762,825	762,825	-
NET CHANGE IN FUND BALANCE	-	-	1,495	1,495
FUND BALANCE AT BEGINNING OF YEAR	3,944	3,944	3,944	-
FUND BALANCE AT END OF YEAR	\$ 3,944	\$ 3,944	\$ 5,439	\$ 1,495

CITY OF CAMPBELL, CALIFORNIA

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL**

MEASURE O DEBT SERVICE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ -	\$ -	\$ 1,098,264	\$ 1,098,264
Investment income	-	-	17,396	17,396
TOTAL REVENUES	-	-	1,115,660	1,115,660
EXPENDITURES:				
Debt Service				
Interest and fees	-	-	1,530	(1,530)
TOTAL EXPENDITURES	-	-	1,530	(1,530)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	1,114,130	1,114,130
NET CHANGE IN FUND BALANCE	-	-	1,114,130	1,114,130
FUND BALANCE AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCE AT END OF YEAR	\$ -	\$ -	\$ 1,114,130	\$ 1,114,130

CITY OF CAMPBELL INTERNAL SERVICE FUNDS

Account for goods or services provided to other departments of the City where the intent of the City is that the costs of these goods or services are to be recovered through interdepartmental charges at the time that the goods are delivered, or the services rendered to those departments.

Motor Vehicle Pool

Accounts for the costs of operating maintaining and replacing vehicle and other equipment used by City departments. Rental rates charged to user departments include costs and equipment depreciation.

Workers' Compensation Self-Insurance

Accounts for revenues derived from charges made to operating departments at rates based on the State Compensation Fund annually adjusted to ensure an adequate reserve for future claims. This fund is charged for administrative costs of settling claims, as well as material and other costs of job related illness or injury.

Information Technology Services

Accounts for the costs of operating maintaining and replacing computer hardware and software. Rental rates charged to the user departments include operating costs and equipment depreciation.

CITY OF CAMPBELL, CALIFORNIA

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS**

JUNE 30, 2020

	Motor Vehicle Pool	Workers' Compensation Self-Insurance	Information Technology Services	Total
ASSETS				
CURRENT ASSETS:				
Cash and investments	\$ -	\$ 4,661,080	\$ 187,537	\$ 4,848,617
Accounts receivable	857	14,942	4,295	20,094
Deposits	-	90,000	-	90,000
TOTAL CURRENT ASSETS	857	4,766,022	191,832	4,958,711
CURRENT ASSETS:				
Capital assets, net of accumulated depreciation	1,321,446	-	216,827	1,538,273
TOTAL NONCURRENT ASSETS	1,321,446	-	216,827	1,538,273
TOTAL ASSETS	1,322,303	4,766,022	408,659	6,496,984
LIABILITIES:				
CURRENT LIABILITIES:				
Accounts payable	11,523	18,774	43,248	73,545
Accrued payroll	17,681	-	25,799	43,480
Due to other funds	509,510	-	-	509,510
Compensated absences, current portion	25,389	-	31,409	56,798
Claims and judgments payable, current portion	-	541,882	-	541,882
TOTAL CURRENT LIABILITIES	564,103	560,656	100,456	1,225,215
NON CURRENT LIABILITIES:				
Compensated absences	26,031	-	32,346	58,377
Claims and judgments payable	-	2,800,906	-	2,800,906
TOTAL NON CURRENT LIABILITIES	26,031	2,800,906	32,346	2,859,283
TOTAL LIABILITIES	590,134	3,361,562	132,802	4,084,498
NET POSITION:				
Net investments in capital assets	1,321,446	-	216,827	1,538,273
Unrestricted	(589,277)	1,404,460	59,030	874,213
TOTAL NET POSITION	\$ 732,169	\$ 1,404,460	\$ 275,857	\$ 2,412,486

CITY OF CAMPBELL, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Motor Vehicle Pool	Worker' Compensation Self-Insurance	Information Technology Service	Total
OPERATING REVENUES:				
Investment income	\$ -	\$ 116,767	\$ 7,826	\$ 124,593
Charges for services	1,329,400	670,986	1,059,002	3,059,388
Other	131,321	-	30,739	162,060
TOTAL OPERATING REVENUES	1,460,721	787,753	1,097,567	3,346,041
OPERATING EXPENSES:				
Personnel services	463,918	42,697	815,768	1,322,383
Services and supplies	504,279	527,611	1,015,961	2,047,851
Depreciation	216,981	-	60,948	277,929
TOTAL OPERATING EXPENSES	1,185,178	570,308	1,892,677	3,648,163
OPERATING GAIN (LOSS)	275,543	217,445	(795,110)	(302,122)
TRANSFERS:				
Transfers in	50,000	-	153,000	203,000
Transfers out	(50,000)	-	(49,600)	(99,600)
TOTAL TRANSFERS	-	-	103,400	103,400
CHANGE IN NET POSITION	275,543	217,445	(691,710)	(198,722)
NET POSITION AT BEGINNING OF YEAR	456,626	1,187,015	967,567	2,611,208
NET POSITION AT END OF YEAR	\$ 732,169	\$ 1,404,460	\$ 275,857	\$ 2,412,486

CITY OF CAMPBELL, CALIFORNIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Motor Vehicle Pool	Worker' Compensation Self-Insurance	Information Technology Service	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from department users	\$ 1,459,864	\$ 796,762	\$ 1,097,375	\$ 3,354,001
Cash payments to suppliers of goods and services	(526,471)	(416,723)	(989,724)	(1,932,918)
Cash payments to employees for services	(455,170)	(44,441)	(792,114)	(1,291,725)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	478,223	335,598	(684,463)	129,358
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash received from other funds	50,000	-	153,000	203,000
Investment earnings				
Cash paid to other funds	(129,861)	-	(49,600)	(179,461)
NET CASH PROVIDED BY NONCAPITAL FINANCING ACTIVITIES	(79,861)	-	103,400	23,539
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(398,362)	-	-	(398,362)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(398,362)	-	-	(398,362)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	335,598	(581,063)	(245,465)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	-	4,325,482	768,600	5,094,082
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ -	\$ 4,661,080	\$ 187,537	\$ 4,848,617
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 275,543	\$ 217,445	\$ (795,110)	\$ (302,122)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	216,981	-	60,948	277,929
Changes in operating assets and liabilities				
(Increase) decrease in accounts receivables	(857)	9,009	(192)	7,960
Increase (decrease) in accounts payable	(22,192)	(103,438)	26,237	(99,393)
Increase (decrease) in accrued payroll	1,904	(1,744)	1,069	1,229
Increase (decrease) in compensation absences	6,844	-	22,585	29,429
Increase (decrease) in claims and judgements payable	-	214,326	-	214,326
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ 478,223	\$ 335,598	\$ (684,463)	\$ 129,358

CITY OF CAMPBELL
AGENCY FUNDS

Account for assets held by the City on behalf of other organizations.

West Valley Solid Waste Management Authority

Accounts for the monies of the West Valley Solid Waste Management Authority. The City acts as custodian for the operating resources of the entity.

1915 Acts Bonds

Accounts for the assessments received and the payment of principal and interest under the Improvement Bond Act of 1915.

Santa Clara County Specialized Enforcement Task Fund (SCCSET)

Accounts for the monies of the Santa Clara County Specialized Enforcement Task Force. The City acts as custodian for the operating resources of the task force.

CITY OF CAMPBELL, CALIFORNIA

**COMBINING STATEMENT OF ASSETS AND LIABILITIES
AGENCY FUNDS**

JUNE 30, 2020

	West Valley Solid Waste Management Authority	1915 Act Bonds	SCCSET Fund	Totals
ASSETS:				
Cash and investments	\$ 302,182	\$ 32,093	\$ 1,647,778	\$ 1,982,053
Accounts receivables	969	103	-	1,072
TOTAL ASSETS	\$ 303,151	\$ 32,196	\$ 1,647,778	\$ 1,983,125
LIABILITIES				
Accounts payable	\$ 28,547	\$ -	\$ -	\$ 28,547
Due to West Valley Solid Waste JPA	274,604	-	-	274,604
Due to bondholders	-	32,196	-	32,196
Due to SCCSET	-	-	1,647,778	1,647,778
TOTAL LIABILITIES	\$ 303,151	\$ 32,196	\$ 1,647,778	\$ 1,983,125

CITY OF CAMPBELL, CALIFORNIA

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
WEST VALLEY SOLID WASTE MANAGEMENT AUTHORITY				
ASSETS:				
Cash and investments	\$ 365,151	\$ -	\$ 62,969	\$ 302,182
Accounts receivables	1,560	-	591	969
TOTAL ASSETS	\$ 366,711	\$ -	\$ 63,560	\$ 303,151
LIABILITIES				
Accounts payable	\$ 45,236	\$ -	\$ 16,689	\$ 28,547
Due to West Valley Solid Waste JPA	321,475	-	46,871	274,604
TOTAL LIABILITIES	\$ 366,711	\$ -	\$ 63,560	\$ 303,151
1915 ACT BONDS				
ASSETS:				
Cash and investments	\$ 31,274	\$ 819	\$ -	\$ 32,093
Accounts receivables	-	103	-	103
TOTAL ASSETS	\$ 31,274	\$ 922	\$ -	\$ 32,196
LIABILITIES				
Due to bondholders	\$ 31,274	\$ 922	\$ -	\$ 32,196
TOTAL LIABILITIES	\$ 31,274	\$ 922	\$ -	\$ 32,196
SCCSET FUND				
ASSETS:				
Cash and investments	\$ -	\$ 1,647,778	\$ -	\$ 1,647,778
TOTAL ASSETS	\$ -	\$ 1,647,778	\$ -	\$ 1,647,778
LIABILITIES				
Due to SCCSET	\$ -	\$ 1,647,778	\$ -	\$ 1,647,778
TOTAL LIABILITIES	\$ -	\$ 1,647,778	\$ -	\$ 1,647,778
TOTAL AGENCY FUNDS				
ASSETS:				
Cash and investments	\$ 396,425	\$ 1,648,597	\$ 62,969	\$ 1,982,053
Accounts receivables	1,560	103	591	1,072
TOTAL ASSETS	\$ 397,985	\$ 1,648,700	\$ 63,560	\$ 1,983,125
LIABILITIES				
Accounts payable	\$ 45,236	\$ -	\$ 16,689	\$ 28,547
Due to West Valley Solid Waste JPA	321,475	-	46,871	274,604
Due to bondholders	31,274	922	-	32,196
Due to SCCSET	-	1,647,778	-	1,647,778
TOTAL LIABILITIES	\$ 397,985	\$ 1,648,700	\$ 63,560	\$ 1,983,125

**STATISTICAL SECTION
(UNAUDITED)**



CITY OF CAMPBELL
Description of Statistical Section Contents
For the Year Ended June 30, 2020

This part of the City of Campbell, California’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the government’s overall financial health.

Contents:

	Pages
<u>Financial Trends</u> these schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	119 - 123
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	124- 127
<u>Debt Capacity</u> these schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	128 - 130
<u>Demographic and Economic Information</u> these schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	132 - 133
<u>Operating Information</u> these schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	134 - 136

Sources:

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



**CITY OF CAMPBELL, CALIFORNIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

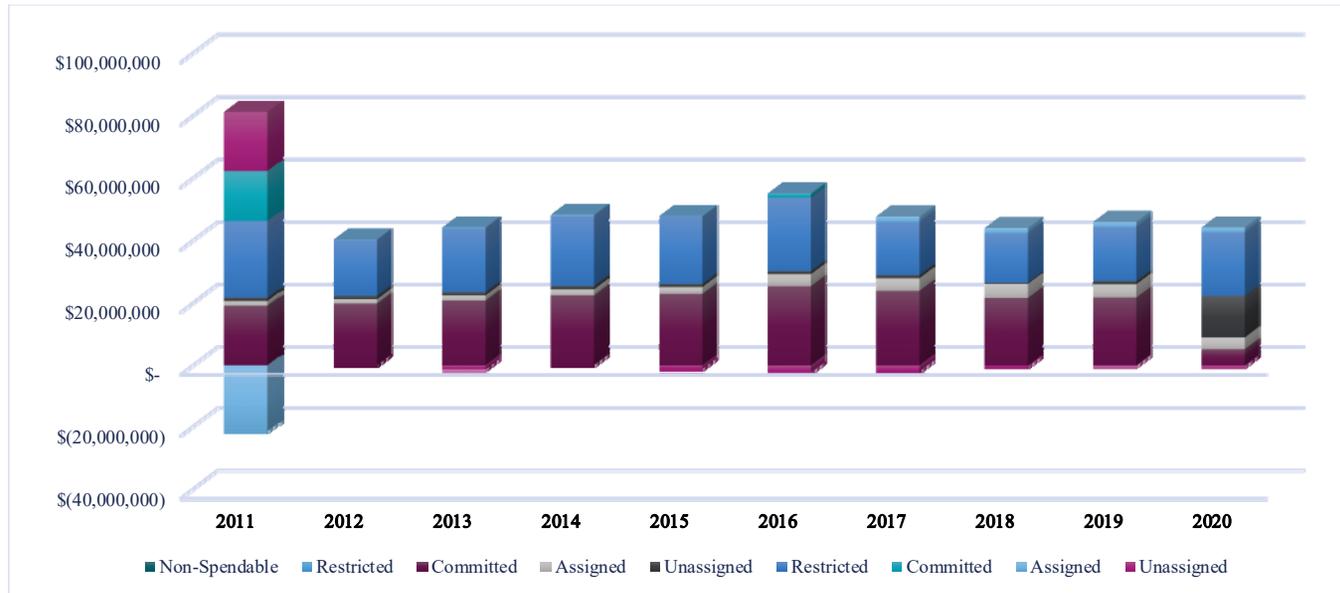
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Expenses:										
Governmental activities:										
General government	\$ 4,454,242	\$ 4,768,208	\$ 5,895,629	\$ 5,165,958	\$ 6,146,700	\$ 6,679,357	\$ 9,472,432	\$ 7,671,343	\$ 7,315,270	\$ 8,363,548
Public safety	18,560,647	19,808,247	20,871,425	20,361,802	21,022,373	22,179,057	23,679,842	27,628,421	29,623,711	31,160,818
Public Works	8,634,025	9,756,513	9,397,310	9,945,032	11,194,915	10,595,886	11,122,831	15,187,009	13,981,288	15,040,395
Community Development	6,855,318	6,124,075	2,119,263	1,787,491	2,047,303	2,590,034	3,111,691	3,484,767	3,661,787	4,166,582
Recreation and Community Services	4,739,270	3,938,036	5,164,889	5,297,874	5,613,775	5,689,721	6,166,806	6,894,086	7,183,132	6,765,508
Interest on long-term debt	2,207,529	1,791,038	1,013,545	990,140	965,225	936,250	579,013	336,577	330,687	324,934
Total Primary Government Expenses	<u>45,451,031</u>	<u>46,186,117</u>	<u>44,462,061</u>	<u>43,548,297</u>	<u>46,990,291</u>	<u>48,670,305</u>	<u>54,132,615</u>	<u>61,202,203</u>	<u>62,095,875</u>	<u>65,821,785</u>
Program Revenues:										
Governmental activities:										
Charges of services:										
General government	133,160	-	1,201	1,492,558	1,478,895	1,624,617	1,602,647	1,586,881	18,592	9,375
Public safety	840,455	789,476	685,552	684,986	686,364	740,750	790,163	857,212	693,216	787,204
Public Works	1,002,765	1,150,645	2,421,622	2,696,169	2,787,091	3,443,486	3,464,407	3,178,780	3,522,641	3,530,034
Community Development	2,338,664	2,090,710	3,372,735	2,851,264	2,072,487	4,375,330	3,335,990	2,947,460	2,817,123	2,257,036
Recreation and Community Services	4,804,171	4,918,137	3,592,223	3,887,599	3,831,513	3,822,648	4,136,749	4,142,115	5,946,637	4,536,171
Operating Grants and Contribution	2,110,026	4,418,376	2,313,510	3,725,646	4,133,704	5,437,108	2,316,936	2,789,656	3,512,647	4,681,319
Capital Grants and Contributions	3,191,724	3,117,438	3,117,506	1,760,526	1,744,822	3,240,726	1,688,085	534,583	634,321	2,595,822
Total Primary Government Program Revenues	<u>14,420,965</u>	<u>16,484,782</u>	<u>15,504,349</u>	<u>17,098,748</u>	<u>16,734,876</u>	<u>22,684,665</u>	<u>17,334,977</u>	<u>16,036,687</u>	<u>17,145,177</u>	<u>18,396,961</u>
Net (Expense)/Revenue:										
Total primary government net revenue	<u>(31,030,066)</u>	<u>(29,701,335)</u>	<u>(28,957,712)</u>	<u>(26,449,549)</u>	<u>(30,255,415)</u>	<u>(25,985,640)</u>	<u>(36,797,638)</u>	<u>(45,165,516)</u>	<u>(44,950,698)</u>	<u>(47,424,824)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property tax	15,836,085	11,893,082	10,621,755	11,134,726	12,297,621	13,161,587	14,191,181	15,251,542	16,921,874	19,812,728
Sales Tax	10,524,344	11,777,407	12,649,768	13,115,263	13,915,291	14,818,495	14,297,751	14,859,014	15,684,222	13,965,745
Transient Occupancy Tax	2,031,585	2,578,323	2,875,976	3,417,412	4,091,923	4,439,668	4,420,208	4,554,949	4,768,870	3,144,208
Franchise Fees	2,619,457	2,657,964	2,776,192	2,917,263	3,322,031	3,319,603	3,478,916	3,586,297	3,515,547	3,527,926
Business License Taxes	218,252	598,342	625,050	647,872	662,787	683,445	694,569	698,184	693,263	664,071
Property Transfer Taxes	191,118	199,791	285,292	354,112	526,054	551,007	467,990	761,583	519,407	566,794
Construction Taxes	134,444	87,701	67,920	212,522	50,710	338,718	208,373	85,406	26,451	50,505
Motor Vehicle In Lieu	185,864	20,214	20,946	17,335	26,321	69,109	19,077	45,523	20,494	34,231
Interest Earnings	241,369	221,274	329,371	621,301	529,495	487,662	171,257	181,016	1,040,069	1,062,566
Other Primary Government	66,207	471,107	627,170	291,071	153,958	1,399,265	586,210	436,370	293,126	439,896
Total Primary Government	<u>32,048,725</u>	<u>30,505,205</u>	<u>30,879,440</u>	<u>32,728,877</u>	<u>35,576,191</u>	<u>39,268,559</u>	<u>38,535,532</u>	<u>40,459,884</u>	<u>43,483,323</u>	<u>43,268,670</u>
Change in Net Position										
Governmental activities	1,018,659	803,870	1,921,728	6,279,328	5,320,776	13,282,919	1,737,894	(4,705,632)	(1,467,375)	(4,156,154)
Extraordinary Loss	-	(18,006,154) (a)	(1,159,962) (b)	-	-	-	-	-	-	-
Total primary government	<u>\$ 1,018,659</u>	<u>\$ (17,202,284)</u>	<u>\$ 761,766</u>	<u>\$ 6,279,328</u>	<u>\$ 5,320,776</u>	<u>\$ 13,282,919</u>	<u>\$ 1,737,894</u>	<u>\$ (4,705,632)</u>	<u>\$ (1,467,375)</u>	<u>\$ (4,156,154)</u>

(a) Extraordinary gain resulted from the State mandated dissolution of the Redevelopment Agency (RDA) as of 1/31/2012.

(b) Housing rehabilitation loans transferred to the County due to dissolution of RDA.



**CITY OF CAMPBELL
 FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

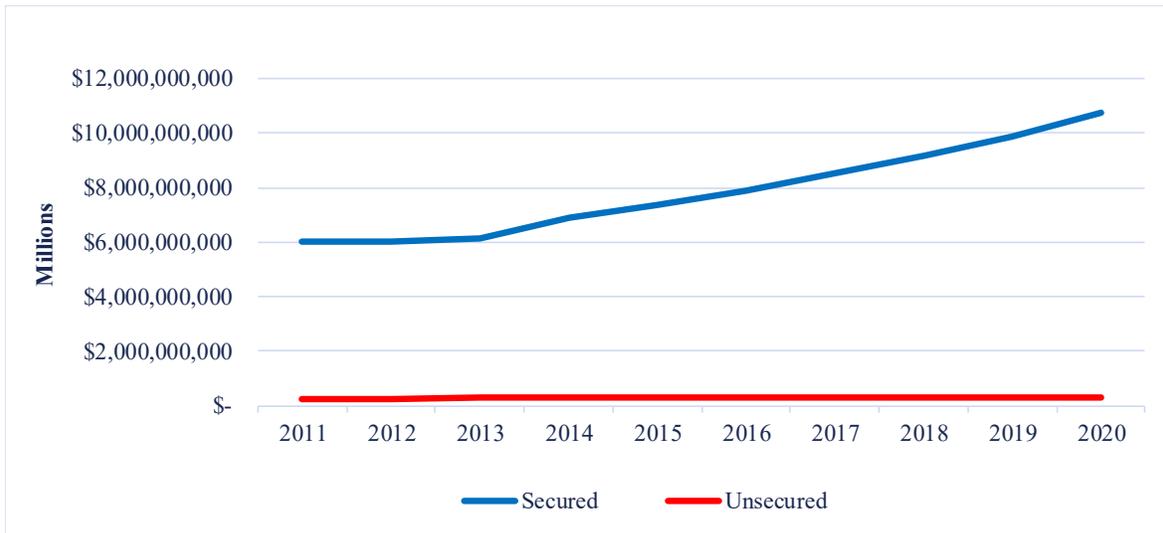


	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund										
Non-Spendable	\$ -	\$ -	\$ 12,782	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	32,756	-	-	-	-	-	-	-	-	-
Committed	19,061,518	19,816,774	20,748,137	22,443,923	22,930,342	25,392,112	23,896,221	21,592,089	21,743,948	5,192,639
Assigned	1,552,458	1,414,030	1,681,171	1,881,401	2,176,615	3,830,100	4,027,890	4,528,546	4,257,115	3,757,823
Unassigned	1,060,784	1,013,113	987,225	1,104,285	961,258	1,000,000	999,994	360,129	1,026,759	13,322,046
Total General Fund	\$ 21,707,516	\$ 22,243,917	\$ 23,429,315	\$ 25,429,609	\$ 26,068,215	\$ 30,222,212	\$ 28,924,105	\$ 26,480,764	\$ 27,027,822	\$ 22,272,508
All Other Governmental Funds										
Restricted	\$ 24,561,868	\$ 17,983,177	\$ 20,467,472	\$ 22,443,840	\$ 21,623,743	\$ 23,493,450	\$ 16,993,836	\$ 15,772,926	\$ 17,211,524	\$ 20,250,454
Committed	15,970,726	-	-	-	-	1,223,623	-	-	-	-
Assigned	(21,605,385)	93,599	303,127	371,381	108,767	140,666	1,758,104	1,747,982	1,715,955	1,703,633
Unassigned	18,927,209	(70,955)	(1,411,586)	(44,852)	(1,234,364)	(2,414,736)	(2,064,713)	(498,452)	(242,428)	(311,506)
Total all other governmental funds	\$ 37,854,418	\$ 18,005,821	\$ 19,359,013	\$ 22,770,369	\$ 20,498,146	\$ 22,443,003	\$ 16,687,227	\$ 17,022,456	\$ 18,685,051	\$ 21,954,087

**CITY OF CAMPBELL
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Revenues										
Taxes	\$ 31,557,784	\$ 29,804,611	\$ 29,913,954	\$ 31,811,171	\$ 34,881,417	\$ 37,324,522	\$ 37,768,238	\$ 39,809,475	\$ 42,145,259	\$ 41,269,352
License, permits and fees	2,364,085	2,676,684	2,914,942	4,852,752	2,839,871	6,900,052	3,873,976	3,214,847	3,232,524	3,714,070
Special Assessments	1,135,466	1,135,465	1,139,132	1,309,750	1,329,637	1,369,696	1,387,853	1,377,069	1,469,308	1,391,283
Fines and forfeitures	394,275	354,359	302,199	332,100	354,445	324,137	320,193	345,627	704,030	694,347
Use of money and property	2,486,510	2,095,435	2,259,585	2,567,440	2,604,602	2,746,371	2,829,484	3,115,345	4,273,538	3,492,676
Intergovernmental revenues	4,142,685	3,723,529	2,957,860	4,626,035	3,880,357	5,346,920	4,172,179	4,630,928	3,262,896	6,466,424
Changes for services	4,209,986	4,059,731	4,150,652	4,256,235	4,422,552	4,491,002	4,623,876	4,897,185	4,784,243	3,268,310
Other	611,880	3,246,290	1,110,711	1,275,310	1,117,511	2,237,463	1,200,939	981,249	1,105,429	610,516
Total Revenues	46,902,671	47,096,104	44,749,035	51,030,793	51,430,392	60,740,163	56,176,738	58,371,725	60,977,227	60,906,978
Expenditures										
Current:										
General government	4,204,006	4,380,461	4,915,926	5,210,662	5,673,874	6,220,587	8,543,097	6,832,027	7,245,353	8,194,825
Public safety	18,305,304	19,384,848	20,379,876	20,299,917	21,049,851	23,007,615	24,544,078	25,837,666	27,423,109	29,132,295
Public works	6,858,938	10,156,056	9,012,996	9,040,957	10,305,115	10,506,080	11,493,731	12,576,675	10,940,940	11,170,432
Community development	5,595,382	6,090,582	2,087,094	1,791,094	2,063,640	2,702,702	3,230,153	3,166,797	3,387,115	3,608,339
Recreation and Community Services	4,497,252	4,721,100	4,841,625	4,983,642	5,340,786	5,611,544	6,080,395	6,235,452	6,663,662	5,854,410
Capital outlay	5,493,620	201,883	2,191,794	2,512,727	6,773,543	4,675,614	2,487,393	4,878,204	2,103,720	3,878,985
Debt services:										
Principal repayment	1,675,000	1,745,000	715,000	740,000	775,000	810,000	625,000	595,000	605,000	535,000
Interest and fiscal changes	2,501,091	1,688,531	892,369	861,944	829,600	793,300	176,642	259,200	244,275	227,076
Bond issuance costs	-	-	-	-	-	-	209,762	-	-	-
Payments to refunding escrow agent	-	-	-	-	-	-	6,203,790	-	-	-
Total Expenditures	49,130,593	48,368,461	45,036,680	45,440,943	52,811,409	54,327,442	63,594,041	60,381,021	58,613,174	62,601,362
Excess (deficiency) of revenues over (under) expenditures	<u>(2,227,922)</u>	<u>(1,272,357)</u>	<u>(287,645)</u>	<u>5,589,850</u>	<u>(1,381,017)</u>	<u>6,412,721</u>	<u>(7,417,303)</u>	<u>(2,009,296)</u>	<u>2,364,053</u>	<u>(1,694,384)</u>
Other Financing Sources (Uses)										
Transfers In	10,151,253	14,780,957	7,533,103	7,489,674	11,266,904	10,100,282	9,809,123	10,383,455	6,759,234	8,251,100
Transfers Out	(10,078,433)	(14,711,057)	(7,478,203)	(7,667,874)	(11,519,504)	(10,414,149)	(9,659,635)	(10,481,271)	(6,913,634)	(8,354,500)
Extraordinary Loss	-	(4,593,067)	(1,159,962)	-	-	-	-	-	-	-
Issuance of debt	-	-	-	-	-	-	8,085,000	-	-	-
Premium from bond issuance	-	-	-	-	-	-	1,090,835	-	-	-
Payments to refunding escrow agent	-	-	-	-	-	-	(8,962,993)	-	-	-
Total other financing sources (uses)	72,820	(4,523,167)	(1,105,062)	(178,200)	(252,600)	(313,867)	362,330	(97,816)	(154,400)	(103,400)
Net Change in fund balances	\$ (2,155,102)	\$ (5,795,524)	\$ (1,392,707)	\$ 5,411,650	\$ (1,633,617)	\$ 6,098,854	\$ (7,054,973)	\$ (2,107,112)	\$ 2,209,653	\$ (1,797,784)
Debt service as a percentage of noncapital expenditures	9.4%	7.7%	3.8%	3.7%	3.5%	3.3%	1.3%	1.5%	1.5%	1.8%

**CITY OF CAMPBELL
 ASSESSED AND ESTIMATED ACTUAL
 VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS**

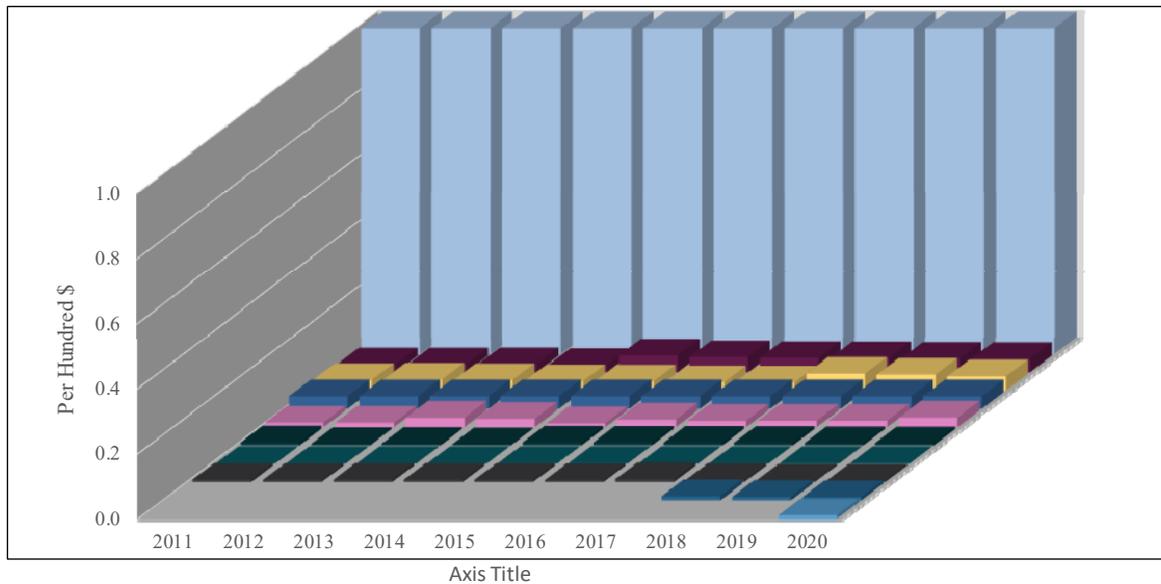


Fiscal Year	Secured Property	HOPTR Exemptions	SBE Utilities	Total Secured Value	Unsecured Property	Total Assessed (a)	Total Direct Tax Rate (b)
2011	\$ 6,028,040,396	\$ 46,446,400	\$ 132,500	\$ 6,074,619,296	\$ 258,641,006	\$ 6,333,260,302	1%
2012	6,042,798,505	46,079,600	145,750	6,089,023,855	253,185,951	6,342,209,806	1%
2013	6,155,290,542	45,424,400	145,750	6,200,860,692	280,367,332	6,481,228,024	1%
2014	6,903,997,112	46,993,800	145,750	6,951,136,662	284,251,723	7,235,388,385 (c)	1%
2015	7,361,679,060	46,186,046	172,250	7,408,037,356	288,458,347	7,696,495,703	1%
2016	7,912,201,031	45,357,200	172,250	7,957,730,481	273,569,603	8,231,300,084	1%
2017	8,522,484,862	45,200,400	172,250	8,567,857,512	290,398,591	8,858,256,103	1%
2018	9,158,664,046	44,251,200	172,250	9,203,087,496	276,228,712	9,479,316,208	1%
2019	9,866,148,537	43,876,000	238,500	9,910,263,037	276,847,459	10,187,110,496	1%
2020	10,724,368,314	43,384,600	238,500	10,767,991,414	295,779,677	11,063,771,091	1%

Source: Santa Clara County Assessor's Office

- (a) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.
- (b) California cities do not set their own direct tax rate. The state constitution establishes the rate at 1% and allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate area. The City of Campbell encompasses more than 20 tax rate areas.
- (c) Total assessed value increased 11.6% due primarily to the annexation of several County pockets in 2013.

**CITY OF CAMPBELL
PROPERTY TAX RATES
ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS**



■ City of Campbell ■ Housing Bond ■ SCVWD State Project ■ Library Retirement ■ Hospital Facilities Bond
■ West Valley College ■ SCC Retirement ■ High School Bonds ■ Elem or Unified Schools ■ Basic Direct Tax Rate

Fiscal Year	Basic Direct Tax Rate	SCC Retirement	Library Retirement	City of Campbell	Elem or Unified School Bonds	High School Bonds	SCVWD State Project	West Valley College	Hospital Facilities Bond	Housing Bond	Total
2011	1.0000	0.0388	0.0024	0.0000	0.0247	0.0327	0.0072	0.0139	0.0095	0.00000	1.1292
2012	1.0000	0.0388	0.0024	0.0000	0.0244	0.0342	0.0064	0.0137	0.0047	0.00000	1.1246
2013	1.0000	0.0388	0.0024	0.0000	0.0251	0.0325	0.0069	0.0289	0.0051	0.00000	1.1397
2014	1.0000	0.0388	0.0024	0.0000	0.0231	0.0290	0.0070	0.0255	0.0035	0.00000	1.1293
2015	1.0000	0.0388	0.0024	0.0000	0.0517	0.0284	0.0065	0.0120	0.0091	0.00000	1.1489
2016	1.0000	0.0388	0.0024	0.0000	0.0467	0.0257	0.0057	0.0232	0.0088	0.00000	1.1513
2017	1.0000	0.0388	0.0024	0.0000	0.0442	0.0252	0.0086	0.0196	0.0086	0.00000	1.1474
2018	1.0000	0.0388	0.0024	0.0000	0.0437	0.0519	0.0062	0.0200	0.0082	0.01266	1.1839
2019	1.0000	0.0388	0.0024	0.0000	0.0418	0.0487	0.0042	0.0198	0.0072	0.01050	1.1734
2020	1.0000	0.0388	0.0024	0.0100	0.0415	0.0436	0.0041	0.0296	0.0069	0.01000	1.1869

Source: Santa Clara County Assessors Office

Note: In 1978, California voters passed Proposition 13 which set property tax rate at a fixed amount of 1.00% of assessed value. Each year, the assessed values may be increased by the California consumer price index (CPI), not to exceed 2.0%. Properties are reassessed at market value upon sale. The 1.0% tax levy is shared by all jurisdictions within the County. Based upon the Assessors report for 2019-20 the levy was distributed as follows:

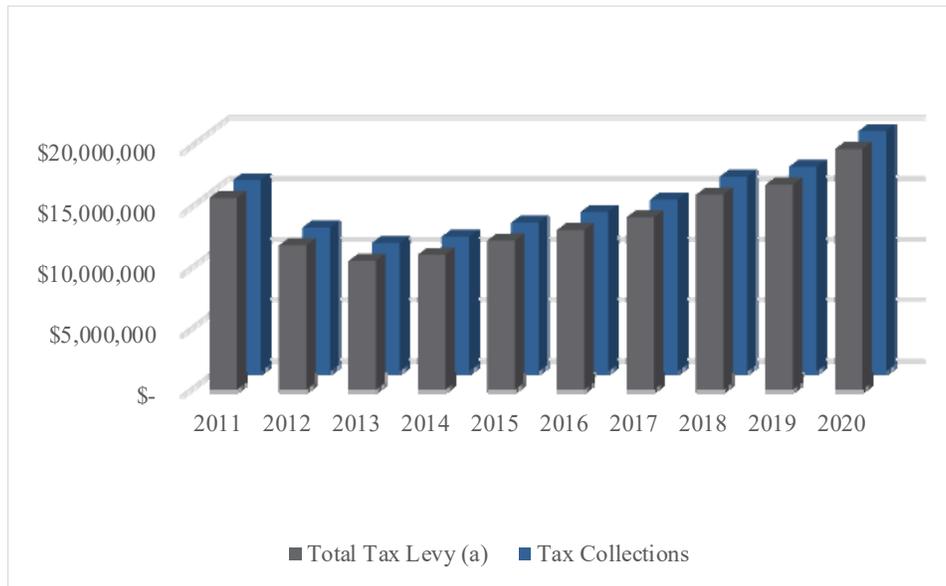
School Districts	44%	Community Colleges	7%
Cities	13%	Special Districts	6%
Other (Successor Agencies)	12%	County	18%
		Total	100%

**CITY OF CAMPBELL
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND TEN YEARS AGO**

Taxpayer	2019-20			2010-11		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Ag-Sw Hamilton Plaza Owner L P	\$ 145,385,491	1	1.31%			
Pruneyard Office Investors LLC	128,252,929	2	1.16%			
Revres LLC	121,271,956	3	1.10%			
CFEP Pruneyard LLC	121,141,453	4	1.09%			
Bravista Parcelco I LLC	115,566,000	5	1.04%			
Parc Residences LLC	106,152,832	6	0.96%			
Campbell Technology Pk LLC	83,304,688	7	0.75%	\$ 71,991,116	2	1.15%
Raintree Campbell LLC	68,724,734	8	0.62%			
Shi-Iii Campbell LP	68,406,300	9	0.62%			
Railway Campbell LLC	68,324,331	10	0.62%			
Blackhawk Parent LLC				201,971,379	1	3.21%
Legacy III Campbell LLC				63,336,832	3	1.01%
Hines Vaf No Cal Properties LP				59,785,011	4	0.95%
Fund X Py Campbell LLC				53,583,813	5	0.85%
Buzolich Marc W Trustee & Et al				52,137,179	6	0.83%
Bay Apartment Communities Inc				48,506,513	7	0.77%
Lyon The Commons Apts LLC				31,981,630	8	0.51%
Dell Industrial Campbell LLC				28,863,724	9	0.46%
Allergen Sales LLC				27,151,758	10	0.43%
	<u>\$ 1,026,530,714</u>		<u>9.28%</u>	<u>\$ 639,308,955</u>		<u>10.17%</u>
Total Net Assessed Valuation						
Fiscal Year 2019-2020	\$ 11,063,771,091					
Fiscal Year 2010-2011	6,286,681,402					

Source: Santa Clara Tax Assessor's Office.

**CITY OF CAMPBELL
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**



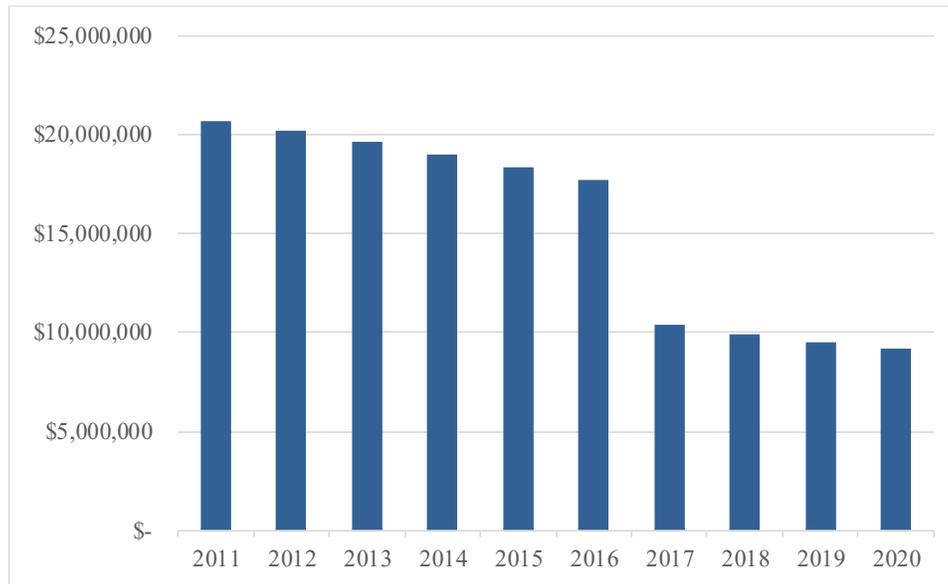
Fiscal Year	Total Tax Levy ^(a)	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2011	\$ 15,787,084	\$ 15,787,084	100%	\$ -	\$ 15,787,084	100%
2012	11,893,082	11,893,082	100%	-	11,893,082	100%
2013	10,621,754	10,621,754	100%	-	10,621,754	100%
2014	11,134,726	11,134,726	100%	-	11,134,726	100%
2015	12,297,621	12,297,621	100%	-	12,297,621	100%
2016	13,161,587	13,161,587	100%	-	13,161,587	100%
2017	14,191,181	14,191,181	100%	-	14,191,181	100%
2018	16,058,014	16,058,014	100%	-	16,058,014	100%
2019	16,882,323	16,882,323	100%	-	16,882,323	100%
2020	19,812,728	19,812,728	100%	-	19,812,728	100%

Source: City of Campbell Records

NOTES: Proposition 13 approved by the voters in 1978 provided for a maximum tax rate. The proceeds are apportioned to the various taxing entities on a formula basis. In 1981 – 1982 the basis of assessed valuation was adjusted to full cash value upon resale or new construction, rather than the previous 25 percent estimate. The property tax levy was not to exceed one percent.

(a) Includes RDA in total tax levy through 1/31/2012.

**CITY OF CAMPBELL
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**



Fiscal Year	Tax Allocation Bonds ^(b)	Lease Revenue Bonds and Certificates of Participation ^(c)	Total Primary Government	Percentage of Personal Income ^(a)	Per Capita ^(a)
2011	\$ 21,715,000	\$ 20,650,488	\$ 42,365,488	1.7149%	1,068.11
2012	-	20,201,391	20,201,391	0.7452%	506.53
2013	-	19,614,880	19,614,880	0.6920%	485.47
2014	-	19,010,976	19,010,976	0.6470%	452.72
2015	-	18,380,066	18,380,066	0.6290%	439.12
2016	-	17,722,700	17,722,700	0.5742%	416.18
2017	-	10,359,329	10,359,329	0.3175%	242.46
2018	-	9,935,519	9,935,519	0.2892%	232.70
2019	-	9,511,787	9,511,787	0.2636%	219.93
2020	-	9,168,762	9,168,762	0.2175%	216.82

Note: Debt amounts exclude any premiums, discounts, or other amortization amounts. RDA tax allocation bonds are included in total debt through 1/31/2012.

Sources: City of Campbell
State of California, Department of Finance (population)
U.S. Department of Commerce, Bureau of the Census (income)

- (a) See page 132 (Demographic Statistics) for personal income and population data.
- (b) Tax allocation bonds related to the RDA dissolution are no longer an obligation of the City.
- (c) Certificates of Participation were refinanced in 2017. A portion of the Certificates related to the Campbell Successor Agency was repaid during the refinancing.

**CITY OF CAMPBELL
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2020**

	Net Debt	Applicable	Amount
	Outstanding	Percentage ⁽¹⁾	Applicable to City of Campbell
OVERLAPPING GENERAL FUND DEBT			
Santa Clara County	\$ 881,455,000	2.146%	\$ 18,916,024
West Valley - Mission Community College District	617,330,000	7.419%	45,799,713
Campbell Union High School District	372,245,000	21.169%	78,800,544
Cambrian School District	48,499,944	31.159%	15,112,098
Campbell Union School District	218,860,233	31.116%	68,100,550
Moreland School District	98,962,251	12.926%	12,791,861
Midpeninsula Regional Open Space District	88,810,000	0.030%	26,643
Santa Clara County Valley Water District benefit Assessment District	65,495,000	2.146%	1,405,523
			<u>\$ 240,952,955</u>
DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			
Santa Clara County General Fund Obligations	\$ 966,725,100	2.146%	\$ 20,745,921
Santa Clara County Pension Obligations Bonds	346,996,639	2.146%	7,446,548
Santa Clara County Board of Education Certificates of Participation	3,480,000	2.146%	74,681
West Valley - Mission Community College District General Fund Obligations	50,780,000	7.419%	3,767,368
Campbell Union High School District General Fund Obligations	20,000,000	21.169%	4,233,800
Campbell Union School District General Fund Obligations	2,440,000	31.116%	759,230
City of Campbell General Fund Obligations	6,970,843	100.000%	6,970,843
Midpeninsula Regional Open Space District General Fund Obligations	111,985,600	0.030%	33,596
Santa Clara County Vector Control District Certificates of Participation	2,010,000	2.146%	43,135
			<u>\$ 44,075,121</u>
SUB-TOTAL OVERLAPPING GENERAL FUND OBLIGATION DEBT			\$ 44,075,121
Less: Santa Clara County supported obligations			<u>689,539</u>
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			<u>\$ 43,385,582</u>
<u>OVERLAPPING TAX INCREMENT DEBT (Successor agency):</u>	18,625,000	100.000%	\$ 18,625,000
TOTAL DIRECT DEBT			\$ 6,970,843
TOTAL GROSS OVERLAPPING DEBT			\$ 296,682,235
TOTAL NET OVERLAPPING DEBT			\$ 295,992,696
GROSS COMBINED TOTAL DEBT			\$ 303,653,078
NET COMBINED TOTAL DEBT (excludes County supported item)			\$ 302,963,539

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

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

Ratios to 2019-20 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.18%
Total Direct Debt (\$6,970,843)	0.06%
Gross Combined Total Debt	2.74%
Net Combined Total Debt	2.74%

**CITY OF CAMPBELL
COMPUTATION OF LEGAL BONDED DEBT MARGIN
LAST TEN FISCAL YEARS**

Fiscal Year	Assessed Value	Debt Limit 3.75% ⁽¹⁾	Total Net Debt Applicable to Limit	Legal Debt Margin
2011	\$ 6,333,260,302	\$ 237,497,261	\$ -	\$ 237,497,261
2012	6,342,209,806	237,832,868	-	237,832,868
2013	6,481,228,024	243,046,051	-	243,046,051
2014	7,235,388,385	271,327,064	-	271,327,064
2015	7,696,495,703	288,618,589	-	288,618,589
2016	8,231,300,084	308,673,753	-	308,673,753
2017	8,858,256,103	332,184,604	-	332,184,604
2018	9,479,316,208	355,474,358	-	355,474,358
2019	10,187,110,496	382,016,644	-	382,016,644
2020	11,063,771,091	414,891,416	-	414,891,416

⁽¹⁾ Pursuant to California Government Code Section 43605 (15% of 25% of full cash value).

Source: City of Campbell Finance Department.

**CITY OF CAMPBELL
 BONDED DEBT PLEDGED REVENUE COVERAGE
 REDEVELOPMENT/SUCCESSOR AGENCY TAX ALLOCATION BONDS
 LAST TEN FISCAL YEARS**

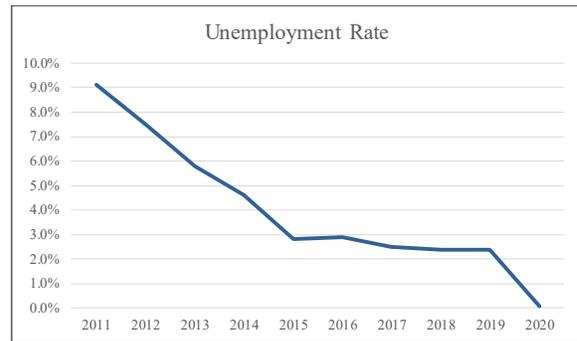
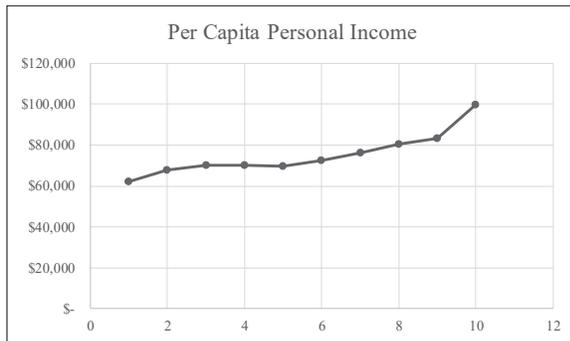
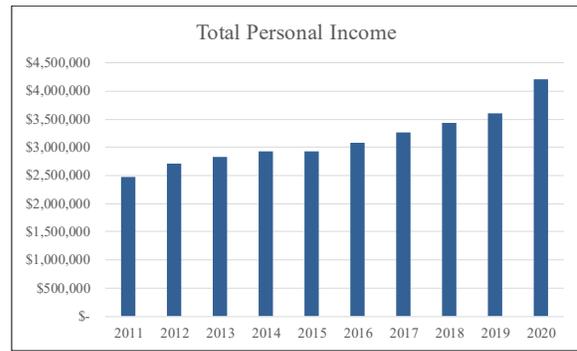
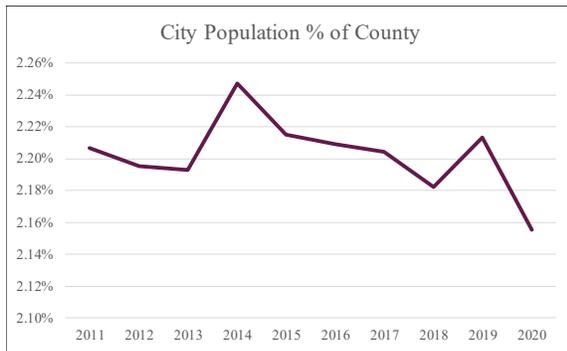
Fiscal Year	Tax Incremental Revenue	Principal	Interest and Fiscal Charges	Total Debt Service	Coverage
2011	\$ 5,283,202	\$ 1,015,000	\$ 1,154,235	\$ 2,169,235	2.44
2012	* 2,180,452	1,060,000	1,107,923	2,167,923	1.01
2013	1,377,810	300,000	1,077,810	1,377,810	1.00
2014	1,375,013	310,000	1,065,013	1,375,013	1.00
2015	1,376,201	325,000	1,051,201	1,376,201	1.00
2016	1,376,380	340,000	1,036,380	1,376,380	1.00
2017	** 652,867	335,000	317,867	652,867	1.00
2018	1,821,338	1,355,000	466,338	1,821,338	1.00
2019	1,595,695	1,170,000	425,695	1,595,695	1.00
2020	1,590,741	1,175,000	415,741	1,590,741	1.00

* Effective 1/31/2012 Redevelopment Agencies in the State of California were dissolved. A Successor Agency was established by the City of Campbell to receive all of the assets and liabilities of the former RDA and assume responsibility for all legal debt service obligations. Tax incremental revenues are received from the County of Santa Clara in an amount equal to the debt service requirements based on a recognized obligation payment schedule.

** In August 2016, the Successor Agency debt was refinanced with the 2016 Tax Allocation Bonds. Only one debt service payment was required in this year.

Source: City of Campbell

**CITY OF CAMPBELL
DEMOGRAPHIC AND ECONOMIC STATICS
LAST TEN FISCAL YEARS**



Calendar Year	Population	Personal Income (Thousands)	Per Capita Personal Income	Unemployment Rate	Santa Clara County Population	City Population % of County
2011	39,664	\$ 2,470,393	\$ 62,283	9.1%	1,797,375	2.21%
2012	39,882	2,710,939	67,974	7.5%	1,816,486	2.20%
2013	40,404	2,834,381	70,151	5.8%	1,842,254	2.19%
2014	41,993	2,938,192	69,969	4.6%	1,868,558	2.25%
2015	41,857	2,921,953	69,808	2.8%	1,889,638	2.22%
2016	42,584	3,086,261	72,475	2.9%	1,927,888	2.21%
2017	42,726	3,262,837	76,367	2.5%	1,938,180	2.20%
2018	42,696	3,435,638	80,467	2.4%	1,956,598	2.18%
2019	43,250	3,607,941	83,421	2.4%	1,954,286	2.21%
2020	42,288	4,215,608	99,688	0.1%	1,961,969	2.16%

Sources: State of California, Department of Finance; Employment Development Department
U.S. Department of Commerce, Bureau of Economic Analysis

Note: Unemployment rate for FY2011 is an average. FY2012-2016 are collected as of June 30
Per Capita Income for 2017 is adjusted using the California Department of Finance Change in Per Capita Income as reported in May 2016 (5.37%).

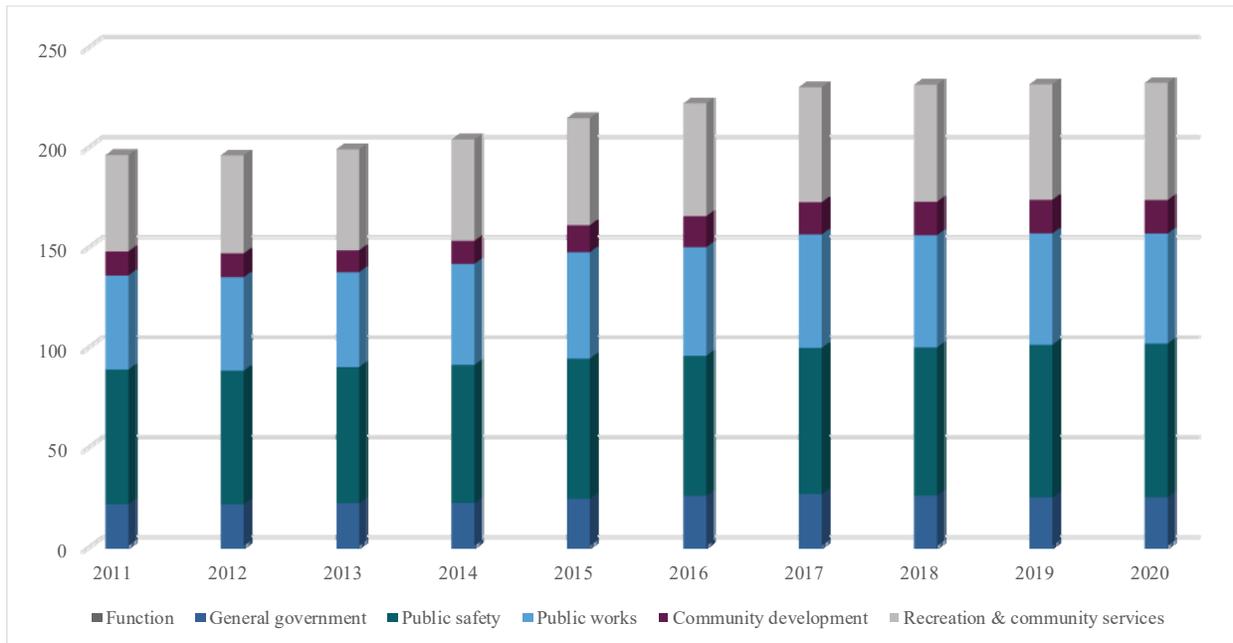
(1) The City annexed several County pockets effective May 1, 2013.

**CITY OF CAMPBELL
TOP TEN PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

Employer	2019-20			2010-11		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Chargepoint, Inc.	1,029	1	3.97%			
Barracuda Networks Inc.	315	2	1.22%	300	1	1.3%
Safeway	233	3	0.90%			0.0%
Home Depot	230	4	0.89%	209	4	0.9%
Pacific Netsoft Inc.	219	5	0.85%			0.0%
Andro's Rostilj LLC	210	6	0.81%			0.0%
On-Site.com	230	7	0.89%			0.0%
Family Matters In-Home Care	210	8	0.81%			0.0%
Friend Finder Networks, Inc	200	9	0.77%			0.0%
Saama Technologies	180	10	0.69%	186	6	0.8%
Fry's Electronics, Inc				287	2	1.2%
Whole Foods				250	3	1.1%
Hunter Laboratories				200	5	0.9%
City of Campbell				154	7	0.7%
Mohler, Nixon & Williams Accountancy				150	8	0.6%
Senior Living Solutions, LLC				150	9	0.6%
Durham School Services LP				144	10	0.6%
Subtotal	3,056		11.8%	2,030		8.8%
Total City Labor Force	25,900			23,146		

Source: City of Campbell - California Employment Development Department

**CITY OF CAMPBELL
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**



Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General government	21.07	21.07	21.65	21.72	23.88	25.28	26.26	25.35	24.45	24.55
Public safety	67.36	66.81	68.01	69.01	70.01	70.01	73.01	74.13	76.33	76.83
Public works	46.97	46.67	47.42	50.50	53.14	54.26	56.65	56.05	55.70	55.00
Community development	12.06	11.91	10.91	11.51	13.51	15.55	16.10	16.77	16.77	16.77
Recreation & community services	48.19	49.04	50.52	50.67	53.48	56.37	57.49	58.50	57.73	58.57
Total	195.65	195.50	198.51	203.41	214.02	221.47	229.51	230.80	230.98	231.72

Source: City of Campbell, California Budget Documents

**CITY OF CAMPBELL
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Function/Program										
Public safety										
Fire:										
Fire calls for service	74	72	70	76	90	81	67	72	90	84
Medical aid calls	1,806	1,931	1,946	1,886	1,966	2,177	2,318	2,354	2,174	2,102
Police:										
Police calls for service	22,272	22,098	23,353	24,151	24,624	24,408	23,275	23,312	26,242	25,141
Law violations:										
Arrests	1,725	1,535	1,660	1,835	2,141	2,183	2,027	2,080	1,898	1,347
Traffic violations	6,038	4,232	4,083	4,607	6,205	4,501	4,638	4,339	3,544	1,356
Parking violations	3,315	2,986	2,394	2,335	3,110	3,733	4,384	3,741	3,716	2,369
Public works										
Miles of streets (major)	15	15	15	16	16	16	16	16	16	15
Miles of streets (secondary)	77	77	77	80	80	80	80	80	80	80
Potholes repaired	150	151	160	78	81	90	108	58	228	350
Culture and recreation:										
Community services:										
Recreation class participants	33,886	32,674	33,526	31,749	30,022	35,082	35,737	42,195	63,207	51,150
Performing Arts Center performances	13	10	7	8	8	6	6	7	6	4
Wastewater										
Miles of sewers (storm)	50	50	50	50	50	50	50	59	59	59
Miles of sewers (sanitary - entire district)	618	618	618	618	618	618	618	602	602	602
Miles of sewers (sanitary - Campbell only)	158	158	158	158	158	158	158	168	168	168
Solid Waste										
Refuse landfilled (tons per year)	24,951	25,761	25,514	26,555	27,398	29,422	28,386	28,300	22,082	26,460
Green waste	-	-	-	-	-	-	6,781	7,312	6,893	7,375
Recyclables processed (tons per year)	17,505	15,561	14,541	15,414	16,702	15,866	10,004	18,483	10,251	9,085

Source: City of Campbell
Note: "--" denotes information not available.

**CITY OF CAMPBELL
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS**

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public safety:										
Fire stations	2	2	2	2	2	2	2	2	2	2
Police stations	1	1	1	1	1	1	1	1	1	1
Police patrol units	12	12	12	12	15	15	15	15	15	14
Public works:										
Miles of streets	92	92	96	96	96	96	96	96	96	96
Street lights	2535	2535	2610	2610	2705	2705	2706	2715	2715	2800
Traffic Signals	43	43	43	43	44	44	44	45	45	46
Culture and recreation:										
Community services:										
City parks	12	12	12	12	12	12	12	12	12	12
City park acreage	87	87	87	87	87	87	87	87	87	87
Playgrounds	7	7	7	7	7	7	7	8	8	8
City trails	1	1	1	1	1	1	1	1	1	1
City trails miles	3	3	3	3	3	3	3	3	3	3
Historic house (museum)	1	1	1	1	1	1	1	1	1	1
Community gardens	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Adult centers	1	1	1	1	1	1	1	1	1	1
Sports centers	1	1	1	1	1	1	1	1	1	1
Performing arts centers	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Tennis courts	8	8	8	8	8	8	8	4	4	4
Baseball/softball diamonds	3	3	3	3	3	3	3	3	3	3
Soccer/football fields	9	9	9	9	9	9	9	9	9	9
Library:										
City Libraries	1	1	1	1	1	1	1	1	1	1

Source: City of Campbell