



City of
Campbell
California

Annual Comprehensive
Financial Report

Fiscal Year Ended
June 30, 2021





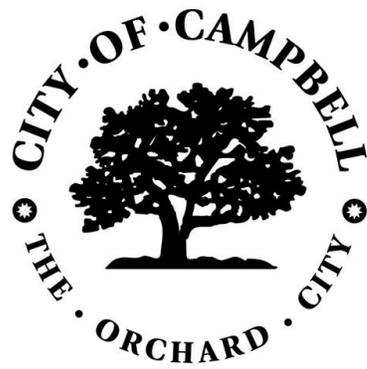


Annual Comprehensive Financial Report
Fiscal Year Ended June 30, 2021

City of Campbell

Prepared by:

Finance Department
Will Fuentes, Finance Director



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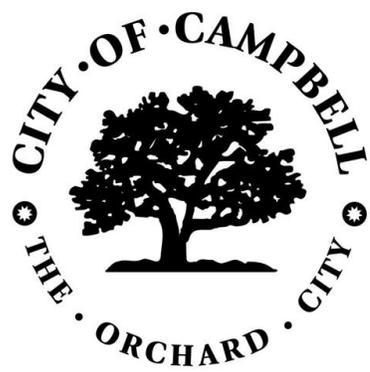
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Introductory Section
June 30, 2021

City of Campbell





CITY OF CAMPBELL
Finance Department

December 30, 2021

Honorable Mayor, City Council, and Citizens of Campbell

It my pleasure to submit the Annual Comprehensive Financial Report (ACFR) of the City of Campbell for the fiscal year ended June 30, 2021. 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, 2021 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, 2021 the City did expend over \$750,000 on Federal financial assistance programs; and therefore, a Single Audit will be required by March 31, 2022. The Single Audit will be prepared and presented separately from the ACFR 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 41,533 as of January 1, 2021. 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.

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 were negatively impacted by the COVID-19 pandemic over the course of the fiscal year. Nevertheless, the nation's economy saw GDP growth equaling 2.1% in the third quarter of 2021; following a GDP increase equaling 6.7% in the second quarter of 2021. Such an increase was the result of the re-opening of most sectors of the economy, the rollout of vaccinations and improved therapeutics, federal stimulus aid, pent up demand, and significant levels of personal savings. Due to these factors, stock market prices within the Dow Jones Industrial Average increased by 33.9% over the course of fiscal year. However, inflation, supply chain, and new COVID-19 variant concerns are proving to be a slight drag on the economy with the Consumer Price Index (All Items) increasing by 5.4% from June 2020 to June 2021.

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 4.8%, Santa Clara County had an unemployment rate of 5.2%, California had an unemployment rate of 8.0%, and the United States had an unemployment rate of 5.9%. While high compared to the previous fiscal year, the national unemployment rate has decreased significantly from a 11.1% in June 2020. Overall, it appears the U.S. economy will continue to recover well throughout the coming fiscal year, but may continue to be impacted by inflation, supply chain issues, and uncertainties regarding new COVID-19 variants.

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 continued historically low mortgage interest rates which have made home purchases less expensive. Commercial development activity in Campbell continues to be strong, but the development review process could be slowed in the coming fiscal year by various staffing vacancies at the City. These vacancies though are planned to be filled throughout the upcoming fiscal year so that the development review process can proceed smoothly. The Silicon Valley though continues to be a leader in innovation and productivity and interest in commercial developments could further increase as the economy continues to recover from the pandemic and health concerns about COVID-19 further subside.

Campbell is home to a diversified economic base of business segments located throughout the community. There are over 4,500 businesses in the City that generated approximately \$14.5 million in sales and use tax revenue, an increase of 7.4% from the previous fiscal year due to ongoing economic recovery from the COVID-19 pandemic. The largest categories of sales tax producers comprise restaurants and hotels, building and construction, business and industry, and general consumer goods.

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. And for the upcoming fiscal year, Council priorities are to address Comprehensive Long-Term Land Use Planning, Measure O Implementation, Fiscal Stability, Financial Recovery, and Open Space. The City also seeks to properly respond to the pandemic's health, safety, and economic impacts timely, enhance economic development with community involvement, maintain and improve the City's infrastructure and facilities, 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 2020-21, including schematic designs for the Measure O Library and Police buildings, public art murals along the Los Gatos Creek Trail underneath the Creekside Way underpass, Traffic Calming in the East Campbell and Ridgeley Drive neighborhoods, Hamilton Avenue/Winchester Boulevard Signal Pole Replacement, Annual Street Maintenance, and Winchester Boulevard Resurfacing. Additionally, a number of notable capital projects were also started in fiscal year 2020-21, including the Police Department Officer Safety Equipment Replacement Plan, further Measure O design work for the new Police Station and renovated Library, construction work for the John D Morgan All-Inclusive Play Area, and construction/retrofit work on a City-wide energy savings project, including streetlight retrofit work (to LEDs), indoor lighting changes, HVAC improvements, and improved building control systems; funded by PG&E utility rebates and a loan from the California Energy Commission (CEC).

The City also continues to address various labor compensation changes imposed through legislation in the areas of paid sick leave and COVID-19 protections, pension rate increase, healthcare premium increases, and negotiated and implemented labor agreements and terms.

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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. 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 Annual Comprehensive Financial Report whose contents conform to program standards. The ACFR 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 32 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 2020-21. This is the 28th 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**

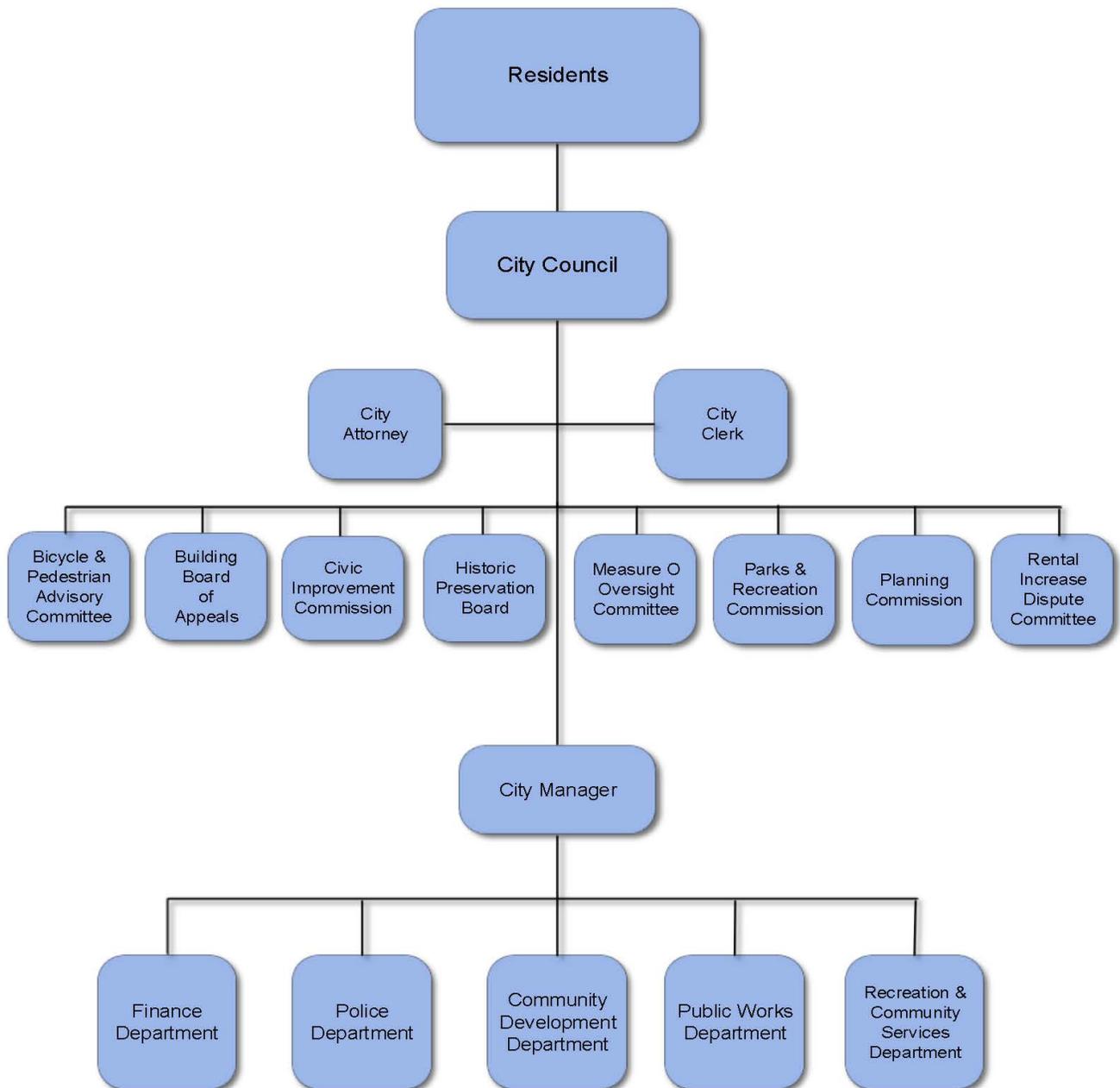
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

City of Campbell General Organizational Chart



City Officials

City Council

Mayor – Susan M. Landry

Vice Mayor – Liz Gibbons

Councilmember – Rich Waterman

Councilmember – Paul Resnikoff

Councilmember – Anne Bybee

Note: Mayor serves an annual term from December to December. Names and positions are as of July 1, 2020.

City Administrative Staff

City Manager – Brian Loventhal

Deputy City Manager – Vacant

Acting City Clerk – Andrea Sanders

City Attorney – William Seligmann

Community Development Director – Paul Kermoyan

Finance Director – Will Fuentes

Human Resources Manager – Jill Lopez

Information Technology Manager – Cecil Lawson

Police Chief – Gary Berg

Public Works Director – Todd Capurso

Acting Recreation & Community Services Director – Natasha Bissell

Commissions, Committees, and Advisory Boards

Planning Commission

Michael Krey, Chairperson
Maggie Ostrowski, Vice Chairperson
Adam Buchbinder
Stuart Ching
Nicholas Colvill
Terrence Hines
Andrew Rivilin

Parks and Recreation Commission

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

Civic Improvement Commission

Carol Hoffman, Chairperson
William Kaufman, Vice Chairperson
Amy Carpenter
Davis Fields
Viral Khajuria
Anne Souza
Maryanne Yoshikawa

Building Board of Appeal

Bruno Marcelic
Jim Morelan
Jay Perrine
Kevin Salazar
Todd Zeman

Historical Preservation Board

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

Rental Fact Finding Committee

Jennifer Dooley
William Pierce

Bicycle/Pedestrian Committee

Carmen Lynaugh, Chairperson
David Sadjord, Vice Chairperson
Laura Smith
Barton Smith
Paul Tuttle

Note: Names and Positions as of July 1, 2020



Financial Section
June 30, 2021

City of Campbell





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, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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, 2021, 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.

Emphasis of Matter – Change in Accounting Principle

As discussed in Notes 1 and 17 to the financial statements, the City has adopted provisions of GASB Statement No. 84, *Fiduciary Activities*, which has resulted in a restatement of the net position as of July 1, 2020. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 to 12, and 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, on pages 74 to 85, 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 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.

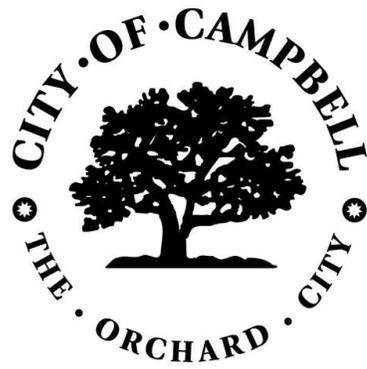
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2021, 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 cursive script that reads "Eide Sully LLP".

Menlo Park, California
December 30, 2021



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, 2021. 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 2020-21 Financial Highlights

City-wide, the City ended its fiscal year with total revenues of \$64.4 million, an increase of \$2.7 million from the previous year, and total expenses of \$61.0 million, a decrease of \$4.8 million compared to the previous year. Excluding property taxes, general revenues; comprised of sales tax, transient occupancy tax and other revenues, decreased \$1.5 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 \$39.8 million. Of this amount, \$56.2 million represents the net investment in capital assets while \$21.5 million is restricted for various purposes including affordable housing, streets and roads, community development and debt service. The negative \$37.9 million in unrestricted net position decreased by \$5.3 million since last year.
- Total net position increased from the previous year by \$3.4 million primarily attributable to an increase in deferred outflow of resources and a decrease in deferred inflow of resources related to pensions.

Fund level

- Total governmental fund balances were \$61.0 million at fiscal year-end, an increase of \$17.1 million from the previous year.
- General Fund revenues, excluding transfers, decreased \$1.0 million to \$48.6 million from the previous year. Related expenditures decreased by \$1.3 million from the previous year to \$50.1 million.
- General Fund's fund balance decreased \$1.4 million to \$20.9 million at fiscal year-end.
- Total Committed General Fund balance of \$4.3 million is for future contingencies and capital improvement projects. Total Assigned General Fund balance of \$3.7 million is for CalPERS retirement costs and other post-employment benefits, and the remainder for general government. The reserves represent a 41.3% 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 (in millions):

| | Governmental Activities | |
|----------------------------------|--------------------------------|----------------|
| | 2021 | 2020 |
| Cash and Investments | \$ 56.7 | \$ 43.3 |
| Capital Assets | 68.8 | 58.7 |
| Other Assets | 18.5 | 12.7 |
| Total assets | <u>144.0</u> | <u>114.7</u> |
| Deferred Outflows of Resources | <u>15.6</u> | <u>12.8</u> |
| Noncurrent Liabilities | 39.9 | 17.6 |
| Other Liabilities | 10.8 | 7.2 |
| Net OPEB Liability | 4.0 | 3.9 |
| Net Pension Liability | 64.2 | 60.0 |
| Total liabilities | <u>118.9</u> | <u>88.7</u> |
| Deferred Inflows of Resources | <u>0.9</u> | <u>2.4</u> |
| Net Position | | |
| Net investment in capital assets | 56.2 | 48.8 |
| Restricted | 21.5 | 20.2 |
| Unrestricted | <u>(37.9)</u> | <u>(32.6)</u> |
| Total net position | <u>\$ 39.8</u> | <u>\$ 36.4</u> |

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

- Cash and investments increased by a net of \$13.4 million, which is primarily due to the issuance of Measure O general obligation bonds.
- Capital asset additions during the year were \$13.0 million and increases in accumulated depreciation were \$2.9 million. In net, capital assets increased by \$10.1 million.
- Other assets such as taxes receivable, accounts receivable, and note receivables increased by a net of \$5.8 million.
- Deferred outflows of resources increased \$2.8 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 increased \$22.3 million mostly resulting from issuance of the Measure O general obligation bonds.
- Other liabilities increased by \$3.6 million due primarily to increases in unearned revenues as a result of American Rescue Plan Act of 2021 timing.

- Net Pension Liability increased \$4.2 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 decreased \$1.5 million due primarily to amounts related to pensions and OPEB.
- Net investment in capital assets increased by \$7.4 million mainly due to ongoing capital projects and the issuance of Measure O bonds, which are to be used towards building a new Police Station and renovating the Library.
- Restricted net position assets have external limitations placed upon them regarding how they may be spent. This balance increased by \$1.3 million mostly due to an increase in restricted assets from the Measure O general obligation issuance.

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 | |
|------------------------------------|--------------------------------|-------------|
| | 2021 | 2020 |
| Revenues | | |
| Program revenues | | |
| Charges for services | \$ 10.8 | \$ 11.1 |
| Operating grants and contributions | 7.1 | 4.7 |
| Capital grants and contributions | 3.5 | 2.6 |
| General revenues | | |
| Property taxes | 21.0 | 19.8 |
| Sales and use taxes | 14.0 | 14.0 |
| Other taxes | 6.5 | 8.0 |
| Investment Income | 0.1 | 1.1 |
| Miscellaneous | 1.4 | 0.4 |
| Total revenues | 64.4 | 61.7 |
| Expenses | | |
| General government | 7.7 | 8.3 |
| Recreation | 4.3 | 6.8 |
| Community development | 2.9 | 4.2 |
| Public safety | 32.0 | 31.2 |
| Public works | 13.0 | 15.0 |
| Interest on long term debt | 1.1 | 0.3 |
| Total expenses | 61.0 | 65.8 |
| Change in Net Position | 3.4 | (4.1) |
| Beginning of Year | 36.4 | 40.5 |
| End of Year | \$ 39.8 | \$ 36.4 |

Government-wide net position increased \$3.4 million from the prior year. Key elements of activity are as follows:

Revenues

- Within program revenues, charges for services decreased \$0.3 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 \$2.4 million due to the receipt of the first tranche of American Rescue Plan Act (ARPA) funds. Capital grants and contributions increased \$0.9 million, funding several ongoing capital projects during the fiscal year.
- Within general revenues, property tax revenues increased \$1.2 million reflecting continued strength in the real estate market as assessed values on secured residential and commercial properties continue to grow. Furthermore, of the \$21.0 million in Property Tax Revenues collected government-wide, \$1.2 million is attributed to the levies as a result of the 2018 passage of Measure O.
- General tax revenue, other than property tax, decreased by \$1.5 million primarily due to a decrease in transient occupancy.
- Other revenue including investment income and miscellaneous revenue did not significantly change.

Expenses

- General Government expenses decreased \$0.6 million attributable to a decrease in personnel costs related to vacation leave cash out.
- Recreation expenses decreased \$2.5 million largely due to decreased staffing costs and other contractual or professional services.
- Community Development expenses decreased \$1.3 million partly due to staffing vacancy and decreased personnel costs.
- Public Safety expenses increased \$0.8 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 decreased \$2.0 million due to a decrease in personnel costs.
- Interest on long-term debt increased \$0.8 million as a result of debt service payment for the Measure O general obligation bond.

Financial Analysis of Fund Financial Statements

Combined governmental fund balances at fiscal year-end were \$61.0 million, an increase of \$17.1 million from the previous year. The City has Restricted, Committed, Assigned and Unassigned fund balances of \$40.6 million; \$4.3 million; \$4.6 million and \$11.5 million, respectively, at year end.

Governmental fund revenues, excluding transfers, were \$64.9 million, increasing \$4.0 million from the previous year. Property taxes were higher by \$1.2 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 \$4.0 million largely due to grant reimbursements for capital projects and ARPA funds. On the other hand, other taxes such as transient occupancy tax decreased for a combined \$1.5 million as a direct result of statewide and regional stay-at-home orders to contain COVID-19. Furthermore, investment income decreased by \$0.8 million.

Governmental fund expenditures, excluding transfers, increased from the prior year by a net amount of \$8.9 million to \$71.5 million. The increase is attributable to an increase in capital project expenditures and debt service payments.

Analysis of Major Governmental Funds

General Fund

The General Fund realized a deficiency of revenues over expenditures of \$1.5 million, excluding transfers. General Fund revenues, excluding transfers, decreased \$1.0 million from the previous year to \$48.6 million. Property taxes increased \$0.7 million, sales tax increased \$1.0 million, and other taxes decreased \$1.6 million.

General Fund expenditures, excluding transfers, were \$50.1 million, a decrease of \$1.3 million from the previous year. The decrease was primarily due to decreased personnel costs.

The General Fund's fund balance at fiscal year-end was \$20.9 million, a decrease of \$1.4 million from the previous year. Committed and Assigned fund balances at year end were \$4.3 million and \$3.6 million, respectively. These balances are utilized to fund operational costs such as capital projects, compensated absences, and to maintain a reserve for PERS and OPEB related costs. Unassigned fund balance of \$13.0 million serves as an additional reserve for unanticipated needs that may arise including a \$9.0 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.

Other Grants Special Revenue Fund

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

ARPA Special Revenue Fund

Accounts for American Rescue Plan Act (ARPA) federal grant funds which are provided for specific purposes.

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 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 \$68.8 million as of June 30, 2021. The following is a summary of the City's capital assets for the fiscal year ended June 30:

Capital Assets (in millions)

| | 2021 | | 2020 |
|--------------------------------|---------|--|---------|
| Land | \$ 9.1 | | \$ 9.1 |
| Construction in progress | 8.3 | | 4.0 |
| Building & improvements | 26.2 | | 25.4 |
| Machinery & equipment | 13.1 | | 12.8 |
| Infrastructure | 59.7 | | 52.3 |
| Less: Accumulated depreciation | (47.6) | | (44.8) |
| Net capital assets | \$ 68.8 | | \$ 58.8 |

Total additions to capital assets were \$13.0 million during the year consisting primarily of infrastructure and construction in progress, 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. In August 2020, the City issued \$20 million of general obligation bonds to fund a police emergency operations center and a renovated library. 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 ACFR. Total outstanding debt of the Successor Agency for the refunding tax allocation bonds was \$17.4 million at June 30, 2021.

The City had \$3.6 million in outstanding certificates of participation, \$5.2 million in refunding lease revenue bonds, and \$18.9 million of 2018 election general obligation bonds outstanding at June 30, 2021.

Economic Outlook and Next Year's Budget

As previously stated, the nation's economy saw GDP growth equaling 2.1% in the third quarter of 2021; following a GDP increase equaling 6.7% in the second quarter of 2021. The increase was a result of the re-opening of most sectors in the economy, the rollout of vaccinations and improved therapeutics, federal stimulus aid, pent up demand, and significant levels of personal savings. As the U.S. economy continues to recover, the unemployment rate in Campbell is of similar trend. While the unemployment rate in Campbell has improved to 4.8% as of June 2021, it continues to hover above the preceding pre-pandemic years.

For the FY21 budget, 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. For the FY22 budget, as to ensure long-term fiscal stability, address structural budget issues, and recover from the pandemic, staff developed and Council approved several strategic and operational actions that would place the City in a more stable financial position starting in FY22 and progressing into FY23 and beyond. In developing the FY22 budget, the following information was used:

- Property tax revenues are expected to grow 4.3% compared to FY21 due to continued appreciation in the property tax base. With low mortgage interest rates, 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 increase 9.5% when compared to FY21. This is entirely due to accelerated spending as vaccinations are made available, COVID-19 cases drop, and the economy reopens to pent up demand.
- Charges for Service is historically the City's third largest revenue source. While it is estimated to increase by 11.9% in FY22, it will still be well below pre-recessionary levels of approximately \$6.7 million in FY19.
- Transient Occupancy Tax is estimated to increase 33% in FY22 when compared to FY21. However, similar to charges for service, it will still be well below pre-recessionary levels.
- Employee Services costs are expected to increase by 3.1% in FY22 when compared to FY21.

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.

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
Statement of Net Position
June 30, 2021

| | Governmental Activities |
|--|------------------------------------|
| Assets | |
| Cash and investments | \$ 56,720,213 |
| Cash held with fiscal agent | 13,518 |
| Receivables | |
| Taxes | 3,963,552 |
| Accounts | 6,566,353 |
| Interest | 53,447 |
| Notes and loans | 7,853,726 |
| Deposits | 90,000 |
| Capital assets, not depreciated | 17,355,804 |
| Capital assets, depreciated, net | 51,425,801 |
| Total assets | 144,042,414 |
| Deferred outflows of resources | |
| Amount related to pensions | 14,849,366 |
| Amount related to OPEB | 718,463 |
| Total deferred outflows of resources | 15,567,829 |
| Liabilities | |
| Accounts payable | 3,533,031 |
| Accrued expenses | 2,233,919 |
| Interest payable | 270,625 |
| Deposits payable | 1,982,016 |
| Unearned revenues | 2,784,217 |
| Noncurrent liabilities | |
| Due in less than one year | |
| Bonds, notes, claims, compensated absences | 4,817,386 |
| Due in more than one year | |
| Bonds, notes, claims, compensated absences | 35,036,281 |
| Net OPEB liability | 3,961,740 |
| Net pension liability | 64,222,161 |
| Total Liabilities | 118,841,376 |
| Deferred inflows of resources | |
| Amount related to pensions | 651,958 |
| Amount related to OPEB | 297,278 |
| Total deferred inflows of resources | 949,236 |
| Net Position | |
| Net investment in capital assets | 56,200,867 |
| Restricted for | |
| Debt service | 3,517,244 |
| Streets and roads | 4,052,154 |
| Museum and adult center | 22,755 |
| Public safety | 262,700 |
| Low and moderate income housing | 9,010,071 |
| Community development | 4,676,356 |
| Unrestricted | (37,922,516) |
| Total net position | \$ 39,819,631 |

City of Campbell
Statement of Activities
Year Ended June 30, 2021

| Functions/Programs | Expenses | Program Revenues | | | Net (Expenses) |
|--------------------------------------|----------------------|----------------------|------------------------------------|----------------------------------|-------------------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Revenues and Change in Net Position |
| | | | | | Governmental Activities |
| Governmental Activities | | | | | |
| General government | \$ 7,740,547 | \$ 342 | \$ 34,370 | \$ - | \$ (7,705,835) |
| Recreation | 4,281,719 | 3,225,350 | 107,630 | - | (948,739) |
| Community development | 2,938,422 | 2,857,170 | 697,815 | - | 616,563 |
| Public safety | 31,982,827 | 409,743 | 689,226 | - | (30,883,858) |
| Public works | 12,994,559 | 4,289,206 | 5,606,558 | 3,537,522 | 438,727 |
| Interest expense and other charges | 1,056,277 | - | - | - | (1,056,277) |
| Total governmental activities | \$ 60,994,351 | \$ 10,781,811 | \$ 7,135,599 | \$ 3,537,522 | (39,539,419) |
| General revenues | | | | | |
| Taxes | | | | | |
| Property | | | | | |
| Sales and use | | | | | |
| Transient occupancy | | | | | |
| Franchise | | | | | |
| Other | | | | | |
| Payments in lieu of taxes | | | | | |
| Investment income | | | | | |
| Miscellaneous | | | | | |
| Total general revenues | | | | | |
| Change in net position | | | | | |
| Net Position At Beginning of Year | | | | | |
| Net Position At the End of Year | | | | | |

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

The funds described below were determined to be Major Funds by the City in fiscal year 2021. Individual 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.

Other Grants Special Revenue Fund

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

ARPA Special Revenue Fund

Accounts for American Rescue Plan Act (ARPA) federal grant funds which are provided for specific purposes.

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.

City of Campbell
Balance Sheet – Governmental Funds
June 30, 2021

| | Special Revenue Funds | | | | Capital Projects Funds | | Other Governmental Funds | Total Governmental Funds |
|---|-----------------------|---------------------|---------------------|---------------------|-----------------------------|----------------------|--------------------------------|--------------------------------|
| | General Fund | Housing Assets | Other Grants | ARPA Fund | Capital Projects Fund | Measure O | | |
| Assets | | | | | | | | |
| Cash and Investments | \$ 16,093,295 | \$ 1,320,984 | \$ 804,516 | \$ - | \$ 2,026,967 | \$ 19,318,490 | \$ 12,848,015 | \$ 52,412,267 |
| Cash held with fiscal agent | - | - | - | - | - | - | 13,518 | 13,518 |
| Receivables | | | | | | | | |
| Accounts | 611,460 | - | 750,960 | 4,998,887 | 8,280 | - | 187,215 | 6,556,802 |
| Taxes | 3,787,668 | - | - | - | - | - | 175,884 | 3,963,552 |
| Interest | 26,055 | 580 | 1,274 | - | - | 18,509 | 7,029 | 53,447 |
| Notes and loans | - | 7,713,726 | - | - | - | - | 140,000 | 7,853,726 |
| Due From other Funds | 5,939,132 | - | - | - | - | - | - | 5,939,132 |
| Total assets | \$ 26,457,610 | \$ 9,035,290 | \$ 1,556,750 | \$ 4,998,887 | \$ 2,035,247 | \$ 19,336,999 | \$ 13,371,661 | \$ 76,792,444 |
| Liabilities | | | | | | | | |
| Accounts payable | \$ 1,546,076 | \$ 25,565 | \$ - | \$ - | \$ 1,121,015 | \$ 533,421 | \$ 203,705 | \$ 3,429,782 |
| Accrued payroll | 2,013,068 | - | - | - | - | - | 166,829 | 2,179,897 |
| Deposits payable | 1,982,016 | - | - | - | - | - | - | 1,982,016 |
| Due to other funds | - | - | 2,981,147 | 2,214,670 | - | - | 198,947 | 5,394,764 |
| Unearned revenue | - | - | - | 2,784,217 | - | - | - | 2,784,217 |
| Total Liabilities | 5,541,160 | 25,565 | 2,981,147 | 4,998,887 | 1,121,015 | 533,421 | 569,481 | 15,770,676 |
| Fund balances (deficit) | | | | | | | | |
| Restricted | - | 9,009,725 | - | - | - | 18,803,578 | 12,802,180 | 40,615,483 |
| Committed | 4,296,174 | - | - | - | - | - | - | 4,296,174 |
| Assigned | 3,643,857 | - | - | - | 914,232 | - | - | 4,558,089 |
| Unassigned | 12,976,419 | - | (1,424,397) | - | - | - | - | 11,552,022 |
| Total fund balances (deficit) | 20,916,450 | 9,009,725 | (1,424,397) | - | 914,232 | 18,803,578 | 12,802,180 | 61,021,768 |
| Total liabilities, deferred inflows of resources and fund balances | \$ 26,457,610 | \$ 9,035,290 | \$ 1,556,750 | \$ 4,998,887 | \$ 2,035,247 | \$ 19,336,999 | \$ 13,371,661 | \$ 76,792,444 |

City of Campbell

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
Year Ended June 30, 2021

| | | |
|---|---------------------|----------------------|
| Fund balances - total governmental funds | | \$ 61,021,768 |
| 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 | \$ 107,626,090 | |
| Accumulated depreciation | <u>(40,333,452)</u> | 67,292,638 |
| 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: | | |
| Bonds and certificates of participation | (31,384,316) | |
| Compensated absences | (4,484,685) | |
| Claims payable | (246,103) | |
| Accrued interest | <u>(270,625)</u> | (36,385,729) |
| 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 | 718,463 | |
| Deferred inflows of resources | (297,278) | |
| Net OPEB liability | <u>(3,961,740)</u> | (3,540,555) |
| 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 | 14,849,366 | |
| Deferred inflows of resources | (651,958) | |
| Net pension liability | <u>(64,222,161)</u> | (50,024,753) |
| 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. | | |
| | | <u>1,456,262</u> |
| Net Position of Governmental Activities | | <u>\$ 39,819,631</u> |

City of Campbell

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended June 30, 2021

| | General Fund | Special Revenue Funds | | | Capital Projects Fund | | Other Governmental Funds | Total Governmental Funds |
|--------------------------|---------------|-----------------------|--------------|-----------|-----------------------|-----------|--------------------------|--------------------------|
| | | Housing Assets | Other Grants | ARPA Fund | Capital Projects Fund | Measure O | | |
| Revenues | | | | | | | | |
| Property taxes | \$ 17,950,698 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,058,404 | \$ 21,009,102 |
| Sales and use taxes | 14,478,163 | - | - | - | - | - | - | 14,478,163 |
| Other Taxes | 6,375,526 | 104,432 | - | - | - | - | - | 6,479,958 |
| Special assessments | - | - | - | - | - | - | 1,398,933 | 1,398,933 |
| Licenses and permits | 4,493,838 | - | - | - | - | - | - | 4,493,838 |
| Fines and forfeitures | 547,469 | - | - | - | - | - | - | 547,469 |
| Investment income | (8,137) | 23,637 | (5,219) | - | - | 139,827 | (12,027) | 138,081 |
| Rents and leases | 1,927,211 | - | - | - | - | - | - | 1,927,211 |
| Intergovernmental | 914,806 | - | 4,566,230 | 2,214,670 | - | - | 2,744,955 | 10,440,661 |
| Charges for services | 1,762,593 | - | - | - | - | - | 804,350 | 2,566,943 |
| Project revenues | - | - | - | - | 270,309 | - | - | 270,309 |
| Parkland dedication fees | - | - | - | - | - | - | 400,116 | 400,116 |
| Miscellaneous revenues | 162,023 | - | - | - | - | 510,000 | 30,983 | 703,006 |
| Total revenues | 48,604,190 | 128,069 | 4,561,011 | 2,214,670 | 270,309 | 649,827 | 8,425,714 | 64,853,790 |

City of Campbell

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds, Continued
Year Ended June 30, 2021

| | General Fund | Special Revenue Funds | | | Capital Projects Fund | | Other Governmental Funds | Total Governmental Funds |
|---|----------------------|-----------------------|-----------------------|--------------------|-----------------------|----------------------|--------------------------|--------------------------|
| | | Housing Assets | Other Grants | ARPA Fund | Capital Projects Fund | Measure O | | |
| Expenditures | | | | | | | | |
| Current | | | | | | | | |
| General government | 7,262,628 | - | - | - | - | - | 3,538 | 7,266,166 |
| Recreation | 4,018,010 | - | - | - | - | - | - | 4,018,010 |
| Community development | 2,689,081 | 179,881 | - | - | - | 69,068 | - | 2,938,030 |
| Public safety | 31,052,874 | - | - | - | - | - | 366,367 | 31,419,241 |
| Public works | 5,044,678 | - | - | - | - | - | 5,703,796 | 10,748,474 |
| Capital outlay | - | - | - | - | 11,046,339 | 1,504,384 | - | 12,550,723 |
| Debt service | | | | | | | | |
| Principal | - | - | - | - | - | - | 1,690,000 | 1,690,000 |
| Interest and fiscal charges | - | - | - | - | - | - | 833,397 | 833,397 |
| Total expenditures | <u>50,067,271</u> | <u>179,881</u> | <u>-</u> | <u>-</u> | <u>11,046,339</u> | <u>1,573,452</u> | <u>8,597,098</u> | <u>71,464,041</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(1,463,081)</u> | <u>(51,812)</u> | <u>4,561,011</u> | <u>2,214,670</u> | <u>(10,776,030)</u> | <u>(923,625)</u> | <u>(171,384)</u> | <u>(6,610,251)</u> |
| Other financing sources (uses) | | | | | | | | |
| Proceeds from the sale of bonds | - | - | - | - | - | - | 23,171,626 | 23,171,626 |
| Transfers in | 5,364,551 | - | - | - | 10,773,712 | 20,000,000 | 4,646,837 | 40,785,100 |
| Transfers out | <u>(5,257,528)</u> | <u>-</u> | <u>(7,184,451)</u> | <u>(2,214,670)</u> | <u>(787,083)</u> | <u>-</u> | <u>(24,796,064)</u> | <u>(40,239,796)</u> |
| Total other financing sources (uses) | <u>107,023</u> | <u>-</u> | <u>(7,184,451)</u> | <u>(2,214,670)</u> | <u>9,986,629</u> | <u>20,000,000</u> | <u>3,022,399</u> | <u>23,716,930</u> |
| Net change in fund balances | (1,356,058) | (51,812) | (2,623,440) | - | (789,401) | 19,076,375 | 2,851,015 | 17,106,679 |
| Fund balances at beginning of year | <u>22,272,508</u> | <u>9,061,537</u> | <u>1,199,043</u> | <u>-</u> | <u>1,703,633</u> | <u>(272,797)</u> | <u>9,951,165</u> | <u>43,915,089</u> |
| Fund balances at end of year | <u>\$ 20,916,450</u> | <u>\$ 9,009,725</u> | <u>\$ (1,424,397)</u> | <u>\$ -</u> | <u>\$ 914,232</u> | <u>\$ 18,803,578</u> | <u>\$ 12,802,180</u> | <u>\$ 61,021,768</u> |

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2021

Net change in fund balances - total governmental funds \$ 17,106,679

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 | 12,550,723 | |
| Depreciation expense | <u>(2,606,800)</u> | 9,943,923 |

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 | 1,690,000 |
|---|-----------|

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.

(222,880)

Bond proceeds provide current financial sources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

(23,171,626)

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 | (440,271) | |
| Net change in claims payable | <u>(37,263)</u> | (477,534) |

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental
Funds to the Statement of Activities
Year Ended June 30, 2021

| | |
|---|---------------------|
| Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds. | (279,517) |
| 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. | (235,492) |
| 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. | 59,015 |
| 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>(956,224)</u> |
| Change in net position of governmental activities | <u>\$ 3,456,344</u> |

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
Statement of Net Position – Proprietary Funds
June 30, 2021

| | Governmental Activities |
|---|----------------------------|
| | Internal Service Funds |
| Assets | |
| Current assets | |
| Cash and investments | \$ 4,307,946 |
| Accounts receivable | 9,551 |
| Deposits | 90,000 |
| Total current assets | 4,407,497 |
| Noncurrent assets | |
| Capital assets, net of accumulated depreciation | 1,488,967 |
| Total assets | 5,896,464 |
| Liabilities | |
| Current liabilities | |
| Accounts payable | 103,249 |
| Accrued payroll | 54,022 |
| Due to other funds | 544,368 |
| Compensated absences, current portion | 68,219 |
| Claims and judgments payable, current portion | 476,174 |
| Total current liabilities | 1,246,032 |
| Noncurrent liabilities | |
| Compensated absences | 83,627 |
| Claims payable and judgments | 3,110,543 |
| Total noncurrent liabilities | 3,194,170 |
| Total liabilities | 4,440,202 |
| Net position | |
| Investment in capital assets | 1,488,967 |
| Unrestricted | (32,705) |
| Total net position | \$ 1,456,262 |

City of Campbell
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds
Year Ended June 30, 2021

| | Governmental Activities |
|-----------------------------------|----------------------------|
| | Internal Service Funds |
| Operating revenues | |
| Investment income | \$ (15,534) |
| Charges for services | 2,901,934 |
| Other | 84,439 |
| Total operating revenues | 2,970,839 |
| Operating expenses | |
| Personnel services | 1,162,851 |
| Services and supplies | 1,929,000 |
| Depreciation | 289,908 |
| Total operating expenses | 3,381,759 |
| Operating loss | (410,920) |
| Transfers | |
| Transfers in | 301,000 |
| Transfers out | (846,304) |
| Total transfers | (545,304) |
| Change In net position | (956,224) |
| Net position at beginning of year | 2,412,486 |
| Net position at end of year | \$ 1,456,262 |

City of Campbell
Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2021

| | Governmental Activities |
|---|----------------------------|
| | Internal Service Funds |
| Cash flows from operating activities | |
| Cash received from department users | \$ 2,981,382 |
| Cash payments to suppliers of goods and services | (1,655,367) |
| Cash payments to employees for services | <u>(1,115,638)</u> |
| Net cash provided by operating activities | <u>210,377</u> |
| Cash flows from noncapital financing activities: | |
| Cash received from other funds | 301,000 |
| Cash paid to other funds | <u>(811,446)</u> |
| Net cash provided by noncapital financing activities | <u>(510,446)</u> |
| Cash flows from capital and related financing activities | |
| Acquisition of capital assets | <u>(240,602)</u> |
| Net cash used by capital and related financing activities | <u>(240,602)</u> |
| Net decrease in cash and cash equivalents | (540,671) |
| Cash and cash equivalents at beginning of year | <u>4,848,617</u> |
| Cash and cash equivalents at end of year | <u><u>\$ 4,307,946</u></u> |
| Reconciliation of operating loss to | |
| Net cash provided by operating activities | |
| Operating loss | \$ (410,920) |
| Adjustments to reconcile operating loss to net cash provided by operating activities | |
| Depreciation | 289,908 |
| Changes in operating assets and liabilities | |
| (Increase) decrease in accounts receivable | 10,543 |
| Increase (decrease) in accounts payable | 29,704 |
| Increase (decrease) in accrued payroll | 10,542 |
| Increase (decrease) in compensated absences | 36,671 |
| Increase (decrease) in claims and judgments payable | <u>243,929</u> |
| Net cash provided by operating activities | <u><u>\$ 210,377</u></u> |

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.

Custodial Funds

Custodial 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 government-wide financial statements but are presented in separate Fiduciary Fund financial statements.

City of Campbell
Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2021

| | Private- Purpose Trust Fund | Custodial Funds |
|---|-----------------------------------|--------------------|
| Assets | | |
| Cash and investments | \$ 811,724 | \$ 2,104,992 |
| Accounts receivable | 29 | 154 |
| Capital assets, not being depreciated | 7,123,531 | - |
| Capital assets, net of accumulated depreciation | 9,032,530 | - |
| Total assets | 16,967,814 | 2,105,146 |
| Liabilities | | |
| Accounts payable | - | 15,186 |
| Accrued interest payable | 91,631 | - |
| Long-term liabilities | | |
| Due within one year | 1,375,000 | - |
| Due in more than one year | 16,050,000 | - |
| Total liabilities | 17,516,631 | 15,186 |
| Net Position | | |
| Restricted for individuals and organizations | \$ (548,817) | \$ 2,089,960 |

City of Campbell
Statement of Changes in Net Position – Fiduciary Funds
Year Ended June 30, 2021

| | Private- Purpose Trust Fund | Custodial Funds |
|---|-----------------------------------|---------------------|
| Additions | | |
| Local government-administered contributions | \$ 1,596,378 | \$ 747,268 |
| Other income | - | 695,243 |
| Investment income | (5,047) | (930) |
| | <u>1,591,331</u> | <u>1,441,581</u> |
| Deductions | | |
| Professional and special services | 3,000 | 317,731 |
| Administrative | - | 988,469 |
| Depreciation | 697,519 | - |
| Interest and fiscal agent costs | 400,308 | - |
| | <u>1,100,827</u> | <u>1,306,200</u> |
| Change in net position | 490,504 | 135,381 |
| Net position at beginning of year, restated | <u>(1,039,321)</u> | <u>1,954,579</u> |
| Net position at end of year | <u>\$ (548,817)</u> | <u>\$ 2,089,960</u> |

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.

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.

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.

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. Custodial funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

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.

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 funds, 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.

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.

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.

The Other Grants Special Revenue Fund is used to account for Federal, State and local grant funds which are provided for specific purposes.

The ARPA Special Revenue Fund is used to account for American Rescue Plan Act (ARPA) federal grant funds which are provided for specific purposes.

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

The Measure O Capital Projects Fund is used to accounts for the expenditures and financing of the City's capital projects related to the Measure O bond.

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 - These funds are used to account for the activity related to the City's share of proceeds from the 2016 Refunding Lease Revenue Bonds and 2018 election General Obligation Bonds, which were utilized chiefly to fund capital projects and refund debt related to the Police Station, 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 Custodial Funds. The Private-Purpose Trust Fund accounts for activities of the Successor Agency to the Campbell Redevelopment Agency. Custodial Funds are used to account for monies held for the West Valley Solid Waste Management Authority, 1915 Act Bonds, and the Santa Clara County Specialized Enforcement Task Fund (SCCET).

Change in Accounting Principles

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 provisions of this statement have been implemented as of July 1, 2020.

GASB Statement No. 97 – In June 2020, the 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 primary objectives of this statement are to increase consistency and comparability related to the reporting of fiduciary component units; mitigate costs associated with the reporting; and 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 that are related to the accounting and financial reporting for Section 457 plans are effective for fiscal years beginning after June 15, 2021. For purposes of determining whether a primary government is financially accountable for a potential component unit, the requirements of this statement that provide that the primary government performs the duties that a governing board typically would perform, are effective for reporting periods beginning after June 15, 2021. This Statement did not have an impact on the financial statements.

New Accounting Pronouncements

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. 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.

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.

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.
- 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.

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.

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.

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 with maturities of three months or less at the time of purchase that they present insignificant risk of changes in value because of limited interest rate risk. Cash equivalents also represent the proprietary fund’s share in the cash and investment pool of the City.

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.

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.

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.

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.

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.

Note 2 - Cash and Investments

Cash and Investments

Cash and investments as of June 30, 2021 are classified in the accompanying financial statements as follows:

| | |
|-------------------------------------|-----------------------------|
| Statement of Net Position | |
| Cash and investments | \$ 56,720,213 |
| Cash held with fiscal agent | 13,518 |
| Statement of Fiduciary Net Position | |
| Cash and investments | <u>2,916,716</u> |
| Total Cash and Investments | <u><u>\$ 59,650,447</u></u> |

Cash and investments as of June 30, 2021 consisted of the following:

| | |
|--------------------------------------|-----------------------------|
| Cash on Hand | \$ 7,490 |
| Deposits with Financial Institutions | 2,675,074 |
| Investments | <u>56,967,883</u> |
| Total Cash and Investments | <u><u>\$ 59,650,447</u></u> |

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 | 30% | 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 | \$75 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

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 | \$75 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.

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.

| Investment Type | Remaining Maturity (in Months) | | | Total |
|---|--------------------------------|---------------------|---------------------|----------------------|
| | 12 Months or Less | 13 to 24 Months | 25 to 60 Months | |
| U.S. Government Sponsored Entities | \$ - | \$ - | \$ 1,993,910 | \$ 1,993,910 |
| California Local Agency Investment Fund | 52,927,814 | - | - | 52,927,814 |
| Negotiable Certificates of Deposits | - | 2,046,159 | - | 2,046,159 |
| Total Investments | \$ 52,927,814 | \$ 2,046,159 | \$ 1,993,910 | \$ 56,967,883 |

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.

| Investment Type | Minimum Legal Rating | Total as of June 30, 2021 | AA+ | Not Rated |
|---|----------------------------|------------------------------|---------------------|----------------------|
| U.S. Government Sponsored Entities | None | \$ 1,993,910 | \$ 1,993,910 | \$ - |
| California Local Agency Investment Fund | None | 52,927,814 | - | 52,927,814 |
| Negotiable Certificates of Deposits | None | 2,046,159 | - | 2,046,159 |
| Total Investments | | \$ 56,967,883 | \$ 1,993,910 | \$ 54,973,973 |

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, 2021, the City's investments included no issuers represented more than 5% of total City investments.

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, 2021, 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.

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, 2021:

| | Quoted Prices Level 1 | Observable Inputs Level 2 | Unobservable Inputs Level 3 | Total |
|--|-----------------------------|---------------------------------|-----------------------------------|-------------------|
| U.S. Government Sponsored Entities | \$ - | \$ 1,993,910 | \$ - | \$ 1,993,910 |
| Negotiable Certificates of Deposits | - | 2,046,159 | - | 2,046,159 |
| Total investments | \$ - | \$ 4,040,069 | \$ - | 4,040,069 |
| Uncategorized | | | | |
| California local agency investment fund* | | | | 52,927,814 |
| Total investment portfolio | | | | \$ 56,967,883 |

* uncategorized; not subject to fair value measurement tiers.

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 | \$ 198,947 |
| | Other Grants Fund | 2,981,147 |
| | ARPA Fund | 2,214,670 |
| | Internal Service Funds | 544,368 |
| | | \$ 5,939,132 |

Transfers In/Out

Transfers between funds during the fiscal year ended June 30, 2021 were as follows:

| Transfers Out | Transfers In | Amount |
|--------------------------|--|---------------|
| General Fund | Other Governmental Funds (a) (b) (c) (d) (e) | \$ 3,950,537 |
| | Capital Projects Fund (e) | 1,005,991 |
| | Internal Service Funds (b) | 301,000 |
| Other Grants | General Fund (d) | 12,064 |
| | Capital Projects Fund (e) | 7,172,387 |
| ARPA Fund | General Fund (d) | 2,214,670 |
| Capital Projects Fund | General Fund (a) | 787,083 |
| Other Governmental Funds | General Fund (a) (b) (d) | 1,504,430 |
| | Capital Projects Fund (e) | 2,595,334 |
| | Measure O (e) | 20,000,000 |
| | Other Governmental Funds (a) (e) | 696,300 |
| Internal Service Funds | General Fund (a) | 846,304 |
| | | \$ 41,086,100 |

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

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, 2021 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, 2021 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, 2021 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, 2021 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, 2021, the City had outstanding rehabilitation loans of \$140,000 in its Community Development Block Grant Special Revenue Fund.

Note 5 - Capital Assets

Capital assets activity for the year ended June 30, 2021 is as follows:

| | Balance at July 1, 2020 | Additions | Deletions | Transfers | Balance at June 30, 2021 |
|---|----------------------------|----------------------|--------------------|--------------------|-----------------------------|
| Capital Assets, not Being Depreciated | | | | | |
| Land | \$ 9,105,635 | \$ - | \$ - | \$ - | \$ 9,105,635 |
| Construction in progress | 3,956,653 | 12,550,723 | - | (8,257,207) | 8,250,169 |
| Total capital assets, not being depreciated | <u>13,062,288</u> | <u>12,550,723</u> | <u>-</u> | <u>(8,257,207)</u> | <u>17,355,804</u> |
| Capital Assets, Being Depreciated | | | | | |
| Buildings and improvements | 25,352,837 | - | - | 862,779 | 26,215,616 |
| Machinery and equipment | 12,782,135 | 443,409 | (164,477) | - | 13,061,067 |
| Infrastructure | 52,323,091 | - | - | 7,394,428 | 59,717,519 |
| Total capital assets, being depreciated | <u>90,458,063</u> | <u>443,409</u> | <u>(164,477)</u> | <u>8,257,207</u> | <u>98,994,202</u> |
| Less Accumulated Depreciation for | | | | | |
| Buildings and improvements | (16,295,567) | (544,749) | - | - | (16,840,316) |
| Machinery and equipment | (9,160,580) | (601,590) | 154,153 | - | (9,608,017) |
| Infrastructure | (19,369,699) | (1,750,369) | - | - | (21,120,068) |
| Total accumulated depreciation | <u>(44,825,846)</u> | <u>(2,896,708)</u> | <u>154,153</u> | <u>-</u> | <u>(47,568,401)</u> |
| Total capital assets, being depreciated, net | <u>45,632,217</u> | <u>(2,453,299)</u> | <u>(10,324)</u> | <u>8,257,207</u> | <u>51,425,801</u> |
| Governmental Activities capital assets, net | <u>\$ 58,694,505</u> | <u>\$ 10,097,424</u> | <u>\$ (10,324)</u> | <u>\$ -</u> | <u>\$ 68,781,605</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 | \$ 233,065 |
| Recreation | 247,150 |
| Public safety | 309,658 |
| Public works | 2,106,835 |
| Total depreciation expense - governmental activities | <u>\$ 2,896,708</u> |

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, 2021:

| | Balance July 1, 2020 | Additions | Reductions | Balance June 30, 2021 | Due within One Year |
|---|-------------------------|----------------------|-----------------------|--------------------------|------------------------|
| Other Debt | | | | | |
| 2002 refunding certificates of participation - civic center project | \$ 3,443,762 | \$ 203,329 | \$ - | \$ 3,647,091 | \$ - |
| 2016 refunding lease revenue bonds | 5,725,000 | - | (550,000) | 5,175,000 | 570,000 |
| Bond premium | 727,223 | - | (90,903) | 636,320 | 90,903 |
| 2018 general obligation bond, series 2020 | - | 20,000,000 | (1,140,000) | 18,860,000 | 1,660,000 |
| 2018 GOB, series 2020 premium | - | 3,171,626 | (105,721) | 3,065,905 | 105,721 |
| Other Noncurrent Liabilities | | | | | |
| Compensated absences | 4,159,589 | 552,913 | (75,971) | 4,636,531 | 1,914,588 |
| Claims payable (Note 12) | 3,551,628 | 879,888 | (598,696) | 3,832,820 | 476,174 |
| | <u>\$ 17,607,202</u> | <u>\$ 24,807,756</u> | <u>\$ (2,561,291)</u> | <u>\$ 39,853,667</u> | <u>\$ 4,817,386</u> |

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, 2021, 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, 2021 is \$2,401,247.

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

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, 2021 are as follows:

| 2002 Refunding COP | | | |
|----------------------------------|--------------|--------------|--------------|
| Fiscal Year Ending | Principal | Interest | Total |
| 2022 | \$ - | \$ - | \$ - |
| 2023 | - | - | - |
| 2024 | - | - | - |
| 2025 | - | - | - |
| 2026 | - | - | - |
| 2027-2031 | 660,357 | 2,569,643 | 3,230,000 |
| 2032-2033 | 585,487 | 2,644,513 | 3,230,000 |
| | 1,245,844 | 5,214,156 | 6,460,000 |
| Accumulated Accreted Interest | 2,401,247 | (2,401,247) | - |
| | \$ 3,647,091 | \$ 2,812,909 | \$ 6,460,000 |

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.

| 2016 Lease Revenue Bonds | | | |
|--------------------------|--------------|------------|--------------|
| Fiscal Year Ending | Principal | Interest | Total |
| 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 | 655,000 | 98,300 | 753,300 |
| 2027-2031 | 2,130,000 | 130,200 | 2,260,200 |
| Total | \$ 5,175,000 | \$ 866,450 | \$ 6,041,450 |

2018 Measure O General Obligation Bond

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 0.20% to 4% and the maturity date is September 1, 2038. Payments are made semiannually on April 1 and October 1, commencing on April 1, 2021. There is no reserve requirement on bonds.

| 2018 Measure O General Obligation Bond | | | |
|--|---------------|---------------|---------------|
| Fiscal Year Ending | Principal | Interest | Total |
| 2022 | \$ 1,660,000 | \$ 636,000 | \$ 2,296,000 |
| 2023 | 1,000,000 | 596,100 | 1,596,100 |
| 2024 | 780,000 | 565,500 | 1,345,500 |
| 2025 | 345,000 | 543,000 | 888,000 |
| 2026 | 360,000 | 528,900 | 888,900 |
| 2027-2031 | 2,025,000 | 2,412,000 | 4,437,000 |
| 2032-2036 | 2,460,000 | 1,964,900 | 4,424,900 |
| 2037-2041 | 2,930,000 | 1,508,550 | 4,438,550 |
| 2042-2046 | 3,315,000 | 1,111,000 | 4,426,000 |
| 2047-2051 | 3,985,000 | 411,100 | 4,396,100 |
| Total | \$ 18,860,000 | \$ 10,277,050 | \$ 29,137,050 |

Note 7 - Construction and other Significant Commitments

In the regular course of business, the City enters into contracts for various services and construction projects. At June 30, 2021, the City had the following construction commitments:

| Project | Remaining Commitment |
|--|-------------------------|
| Campbell Park Improvement - Design | \$ 32,674 |
| JDM Improvements - Budd | 1,023,535 |
| Measure O Civic Center | 1,312,122 |
| Energy Efficiency Project. (ESCO) | 1,100,363 |
| All other capital projects commitments | 2,769,997 |
| | \$ 6,238,691 |

At June 30, 2021, the City had the following other significant commitments under various contracts:

| Fund | Amount |
|--------------------------|--------------|
| General Fund | \$ 496,602 |
| Capital Projects Fund | 6,238,691 |
| Other Governmental Funds | 17,254 |
| Internal Service Funds | 80,144 |
| Total commitments | \$ 6,832,691 |

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.

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 \$9,028,076 to provide budget stabilization during 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.

Fund balances for all the major and other governmental funds as of June 30, 2021, were classified as follows:

| | General Fund | Special Revenue Funds | | Capital Projects Fund | | Other Governmental Funds | Total Governmental Funds |
|------------------------------|---------------|-----------------------|----------------|-----------------------|----------------|--------------------------|--------------------------|
| | | Housing and Assets | Other Grants | Capital Projects Fund | Measure O Fund | | |
| Restricted | | | | | | | |
| Debt service | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,787,869 | \$ 3,787,869 |
| Streets and roads | - | - | - | - | - | 4,052,154 | 4,052,154 |
| Museum and adult center | - | - | - | - | - | 22,755 | 22,755 |
| Public Safety | - | - | - | - | - | 262,700 | 262,700 |
| Community development | - | - | - | - | 18,803,578 | 4,676,356 | 23,479,934 |
| Housing | - | 9,009,725 | - | - | - | 346 | 9,010,071 |
| Total restricted | - | 9,009,725 | - | - | 18,803,578 | 12,802,180 | 40,615,483 |
| Committed | | | | | | | |
| General plan update | 250,460 | - | - | - | - | - | 250,460 |
| Compensated absences | 1,202,662 | - | - | - | - | - | 1,202,662 |
| Liability insurance | 173,311 | - | - | - | - | - | 173,311 |
| Capital improvements reserve | 1,609,113 | - | - | - | - | - | 1,609,113 |
| Capital projects | 771,825 | - | - | - | - | - | 771,825 |
| Workers' compensation | - | - | - | - | - | - | - |
| Community Center | 33,498 | - | - | - | - | - | 33,498 |
| Heritage Theater | 255,305 | - | - | - | - | - | 255,305 |
| Total committed | 4,296,174 | - | - | - | - | - | 4,296,174 |
| Assigned | | | | | | | |
| Capital projects | 532,255 | - | - | 914,232 | - | - | 1,446,487 |
| Unemployment insurance | 90,000 | - | - | - | - | - | 90,000 |
| PERS | 2,252,000 | - | - | - | - | - | 2,252,000 |
| OPEB | 273,000 | - | - | - | - | - | 273,000 |
| All other | 496,602 | - | - | - | - | - | 496,602 |
| Total assigned | 3,643,857 | - | - | 914,232 | - | - | 4,558,089 |
| Unassigned | | | | | | | |
| City council reserve | 1,000,000 | - | (1,424,397) | - | - | - | (424,397) |
| Economic fluctuations | 362,624 | - | - | - | - | - | 362,624 |
| Emergency | 9,028,076 | - | - | - | - | - | 9,028,076 |
| Total unassigned | 2,585,719 | - | - | - | - | - | 2,585,719 |
| Total | 12,976,419 | - | (1,424,397) | - | - | - | 11,552,022 |
| Total | \$ 20,916,450 | \$ 9,009,725 | \$ (1,424,397) | \$ 914,232 | \$ 18,803,578 | \$ 12,802,180 | \$ 61,021,768 |

Note 9 - Pension Plans

The following is a summary of pension related items for the year ended June 30, 2021:

| | Pension Liability | Deferred Outflows of Resources | Deferred Inflows of Resources | Pension Expense |
|-----------------------|----------------------|--------------------------------------|-------------------------------------|----------------------|
| CalPERS Miscellaneous | \$ 33,054,446 | \$ 6,380,242 | \$ - | \$ 4,823,251 |
| CalPERS Safety | 31,167,715 | 8,469,124 | (651,958) | 5,202,066 |
| | <u>\$ 64,222,161</u> | <u>\$ 14,849,366</u> | <u>\$ (651,958)</u> | <u>\$ 10,025,317</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.

The Plans' provisions and benefits in effect for the measurement period ended June 30, 2020, are summarized as follows:

| | Miscellaneous | | |
|---|--------------------|--------------------|--------------------|
| | Prior to | On or After | On or after |
| 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 | 7.75% | 7% | 7.25% |
| Required employer contribution rates: | | | |
| Normal cost rate | 11.364% | 11.364% | 11.364% |
| Employer portion of unfunded liability | \$ 2,190,073 | \$ - | \$ - |

| | Safety | | |
|---|--------------------|--------------------|--------------------|
| | Prior to | On or After | On or after |
| 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% | 13.00% |
| Required employer contribution rates: | | | |
| Normal cost rate | 25.540% | 19.214% | 13.044% |
| Employer portion of unfunded liability | \$ 2,822,720 | \$ 27,740 | \$ 28,461 |

Employees Covered

At June 30, 2020, the measurement date, the following employees were covered by the benefit terms for the Miscellaneous Plan:

| | Miscellaneous |
|--|---------------|
| Inactive employees or beneficiaries currently receiving benefits | 230 |
| Inactive employees entitled but not yet receiving benefits | 161 |
| Active employees | 137 |
| Total | 528 |

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, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2021 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, 2019 actuarial valuations were determined using the following actuarial methods and assumptions:

| | Miscellaneous | Safety |
|----------------------------------|---------------------------------|---------------------------------|
| Valuation Date | June 30, 2019 | June 30, 2019 |
| Measurement Date | June 30, 2020 | June 30, 2020 |
| 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.

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.

| <u>Asset Class</u> | <u>Current Target Allocation</u> | <u>Real Return Years 1 - 10 (a)</u> | <u>Real Return Years 11+ (b)</u> |
|-------------------------------|--------------------------------------|---|--------------------------------------|
| 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% |
| | <u>100.0%</u> | | |

(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.

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:

| | Increase (Decrease) | | |
|---|---------------------|--------------------|---------------|
| | Total Pension | Plan Fiduciary Net | Net Pension |
| Balance at June 30, 2020 | \$ 116,002,176 | \$ 85,557,280 | \$ 30,444,896 |
| Changes in the Year | | | |
| Service cost | 2,407,298 | - | 2,407,298 |
| Interest on the total pension liability | 8,227,199 | - | 8,227,199 |
| Changes in assumptions | - | - | - |
| Differences between expected and actual experience | 613,576 | - | 613,576 |
| Contribution - employer | - | 3,446,237 | (3,446,237) |
| Contribution - employee | - | 1,052,758 | (1,052,758) |
| Net investment income | - | 4,262,754 | (4,262,754) |
| Administrative expenses | - | (120,615) | 120,615 |
| Benefit payments, including refunds of employee contributions | (5,507,392) | (5,507,392) | - |
| Other miscellaneous income (expense) | - | (2,611) | 2,611 |
| Net changes | \$ 5,740,681 | \$ 3,131,131 | \$ 2,609,550 |
| Balance at June 30, 2021 | \$ 121,742,857 | \$ 88,688,411 | \$ 33,054,446 |

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 | \$ 31,167,715 |

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, 2020, 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, 2019 rolled forward to June 30, 2021 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, 2019 and 2020 was as follows:

| | |
|--|---------------|
| | Safety |
| Proportion - Fiscal Year ended June 30, 2020 | 0.47274% |
| Proportion - Fiscal Year ended June 30, 2021 | 0.46782% |
| Change - Increase (decrease) | -0.00492% |

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:

| | Miscellaneous | Safety |
|-----------------------|---------------|---------------|
| 1% Decrease | 6.15% | 6.15% |
| Net Pension Liability | \$ 48,784,903 | \$ 45,249,195 |
| Current Discount Rate | 7.15% | 7.15% |
| Net Pension Liability | \$ 33,054,446 | \$ 31,167,715 |
| 1% Increase | 8.15% | 8.15% |
| Net Pension Liability | \$ 20,021,538 | \$ 19,612,529 |

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2021, the City recognized an aggregate pension expense of \$10,025,317. The City recognized pension expense of \$4,823,251 related to the Miscellaneous Plan and \$5,202,066 related to the Safety Plan. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Miscellaneous | | Safety | | Total | |
|--|---------------------|-------------|---------------------|---------------------|----------------------|---------------------|
| | Deferred | Deferred | Deferred | Deferred | Deferred | Deferred |
| Pension contributions subsequent to measurement date | \$ 4,821,385 | \$ - | \$ 4,968,440 | \$ - | \$ 9,789,825 | \$ - |
| Difference between expected Changes in assumptions | 738,383 | - | 2,416,898 | - | 3,155,281 | - |
| Difference between actual and projected contribution | - | - | - | (103,820) | - | (103,820) |
| Change in proportion | 820,474 | - | 406,380 | - | 1,226,854 | - |
| Net difference between projected and actual earnings on pension plan investments | - | - | - | (548,138) | - | (548,138) |
| | - | - | 677,406 | - | 677,406 | - |
| | <u>\$ 6,380,242</u> | <u>\$ -</u> | <u>\$ 8,469,124</u> | <u>\$ (651,958)</u> | <u>\$ 14,849,366</u> | <u>\$ (651,958)</u> |

\$4,821,385 and \$4,968,440 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, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year Ending June 30, | Miscellaneous | Safety | Total |
|----------------------|---------------------|---------------------|---------------------|
| 2022 | \$ 313,942 | \$ 639,621 | \$ 953,563 |
| 2023 | 415,618 | 1,110,596 | 1,526,214 |
| 2024 | 468,107 | 759,090 | 1,227,197 |
| 2025 | 361,190 | 339,418 | 700,608 |
| | <u>\$ 1,558,857</u> | <u>\$ 2,848,725</u> | <u>\$ 4,407,582</u> |

Payable to the Pension Plans

At June 30, 2021, the City had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2021.

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, 2021, total contributions of \$29,918 (\$24,733 employee and \$5,185 employer) were made based on covered compensation of \$399,190.

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, 2020 measurement date, the following current and former employees were covered by the benefit terms under the plan:

| | |
|--|-----|
| Inactive employees or beneficiaries currently receiving benefits | 96 |
| Inactive employees or beneficiaries entitled to but not yet receiving benefit payments | 75 |
| Active plan members | 173 |
| | 344 |
| | 344 |

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, 2021, the City’s cash contributions were \$115,548 in payments to the trust, \$376,308 of cash benefits payments and an estimated implied subsidy of \$120,000 and administrative expenses paid outside the trust of \$1,535 resulting in payments of \$613,391.

Net OPEB Liability

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

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, 2020 |
| 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 2021, decreasing to an ultimate rate of 4.0% in 2076 and later years. Medicare - 6.3% for 2021, 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% | |

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, 2019 (measurement date) | \$ 8,608,828 | \$ 4,754,101 | \$ 3,854,727 |
| Changes recognized for year | | | |
| Service cost | 331,712 | - | 331,712 |
| Interest | 587,481 | - | 587,481 |
| Contributions | | | |
| Employer - explicit subsidy | - | 530,871 | (530,871) |
| Employer - implicit subsidy | - | 116,000 | (116,000) |
| Net investment income | - | 169,139 | (169,139) |
| Administrative expenses | - | (3,830) | 3,830 |
| Benefit payments | (474,260) | (474,260) | - |
| Net changes | \$ 444,933 | \$ 337,920 | \$ 107,013 |
| Balance at June 30, 2020 (measurement date) | <u>\$ 9,053,761</u> | <u>\$ 5,092,021</u> | <u>\$ 3,961,740</u> |

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%) |
|-------------------------------|----------------------------------|-------------------------------|
| \$ 5,029,238 | \$ 3,961,740 | \$ 3,066,472 |

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) |
|---|--|---|
| \$ 3,337,642 | \$ 3,961,740 | \$ 4,732,173 |

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$554,376. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------|-------------------------------|
| Employer contributions made subsequent to the measurement date | \$ 613,391 | \$ - |
| Differences between expected and actual experience | - | (268,241) |
| Changes in assumptions | - | (29,037) |
| Net differences between projected and actual earnings on plan investments | 105,072 | - |
| Total | \$ 718,463 | \$ (297,278) |

\$613,391 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, 2022. 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 | Deferred Outflows/(Inflows) |
|-------------------|-----------------------------|
| 2022 | \$ (47,823) |
| 2023 | (31,147) |
| 2024 | (24,660) |
| 2025 | (29,118) |
| 2026 | (59,458) |
| Thereafter | - |
| | \$ (192,206) |

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'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, 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> |
| Balance as of July 1, 2020 | \$ 208,840 | \$ 3,342,788 | \$ 3,551,628 |
| Liability for current year fiscal claims | 103,822 | 519,641 | 623,463 |
| Increase (decrease) in estimated liability | 44,935 | 211,490 | 256,425 |
| Claims paid | (111,494) | (487,202) | (598,696) |
| Balance as of June 30, 2021 | <u>\$ 246,103</u> | <u>\$ 3,586,717</u> | <u>\$ 3,832,820</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, 2021, the City contributed \$308,530 to SVACA for field services and sheltering costs. Audited financial statements are available from SVACA at 2340-A Walsh Avenue, Santa Clara, California 95051.

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, 2021 amounted to \$1,628,245. 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, 2021 are as follows:

| Fiscal Year Ended | Rental Income |
|-------------------|---------------|
| 2022 | \$ 1,509,847 |
| 2023 | 164,748 |
| 2024 | 26,841 |
| | \$ 1,701,436 |

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 2020-21, however if certain conditions are met, this annual amount may be adjusted.

Note 16 - Successor Agency

Capital Assets

Capital assets of the Successor Agency as of June 30, 2021 consisted of the following:

| | Balance at July 1,2020 | Additions | Deletions | Reclassification | Balance at June 30,2021 |
|---|---------------------------|---------------------|-------------|------------------|----------------------------|
| 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 | (10,800,161) | (309,152) | - | - | (11,109,313) |
| Other improvements | (10,215,661) | (388,368) | - | - | (10,604,029) |
| Total accumulated depreciation | <u>(21,015,822)</u> | <u>(697,520)</u> | <u>-</u> | <u>-</u> | <u>(21,713,342)</u> |
| Total capital assets, being depreciated, net | <u>9,730,050</u> | <u>(697,520)</u> | <u>-</u> | <u>-</u> | <u>9,032,530</u> |
| Governmental Activities capital assets, net | <u>\$ 16,853,581</u> | <u>\$ (697,520)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 16,156,061</u> |

Long-term Liabilities

Long-term liabilities of the Successor Agency as of June 30, 2021 consisted of the following:

| | Balance July 1,2020 | Additions | Deletions | Balance June 30,2021 | Due Within One Year |
|-------------------------------------|------------------------|-------------|-----------------------|-------------------------|------------------------|
| 2016 Tax Allocation Refunding Bonds | <u>\$ 18,625,000</u> | <u>\$ -</u> | <u>\$ (1,200,000)</u> | <u>\$ 17,425,000</u> | <u>\$ 1,375,000</u> |

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, 2021 are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|-------------------------|----------------------|---------------------|----------------------|
| 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 | 1,660,000 | 232,066 | 1,892,066 |
| 2027-2031 | 9,610,000 | 614,369 | 10,224,369 |
| Total | <u>\$ 17,425,000</u> | <u>\$ 2,113,632</u> | <u>\$ 19,538,632</u> |

Note 17 - Restatement of Prior Year Net Position

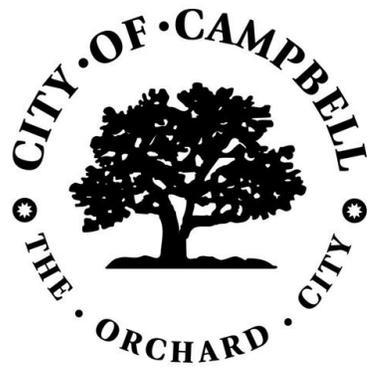
As of July 1, 2020, the city adopted GASB Statement No. 84, *Fiduciary Activities* (GASB 84). As a result of the implementation of GASB 84, the city has reclassified its custodial funds previously reported without net position. The following table describes the effects of the implementation on beginning net position.

| | Custodial Funds |
|---|--------------------|
| Net position - Beginning | \$ - |
| Reclassification of agency funds to custodial funds | 1,954,579 |
| Net position - Beginning as restated | \$ 1,954,579 |



Required Supplementary Information
June 30, 2021

City of Campbell



Schedule of Changes in the Pension Liability and Related Ratios – CalPERS Miscellaneous Plan
Last Ten Fiscal Years*

| Fiscal Year ended | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|
| Measurement period ended | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 |
| Total Pension Liability: | | | | | | | |
| Service cost | \$ 2,407,298 | \$ 2,335,864 | \$ 2,318,339 | \$ 2,334,869 | \$ 1,958,173 | \$ 1,794,374 | \$ 1,803,589 |
| Interest on total pension liability | 8,227,199 | 7,839,384 | 7,392,762 | 7,134,146 | 6,827,812 | 6,544,912 | 6,237,266 |
| Differenc General Revenues | 613,576 | 1,563,454 | (487,309) | 166,228 | (487,339) | (413,601) | - |
| Changes in assumptions | - | - | (809,156) | 5,879,356 | - | (1,598,990) | - |
| Changes in benefits | - | - | - | - | - | - | - |
| Benefit payments | (5,507,392) | (5,293,752) | (4,779,950) | (4,314,617) | (4,673,560) | (3,798,085) | (3,467,485) |
| Net Change in Total Pension Liability | 5,740,681 | 6,444,950 | 3,634,686 | 11,199,982 | 3,625,086 | 2,528,610 | 4,573,370 |
| Total Pension Liability - Beginning of Year | 116,002,176 | 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>\$ 121,742,857</u> | <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 | \$ 3,446,237 | \$ 3,062,946 | \$ 2,683,458 | \$ 2,424,792 | \$ 2,168,070 | \$ 1,811,356 | \$ 1,592,734 |
| Contributions - employee | 1,052,758 | 1,050,023 | 1,040,310 | 920,368 | 903,290 | 818,954 | 869,838 |
| Net investment income | 4,262,754 | 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 | (120,615) | (58,198) | (119,314) | (103,210) | (43,290) | (79,967) | - |
| Benefit payments | (5,507,392) | (5,293,752) | (4,779,950) | (4,314,617) | (4,673,560) | (3,798,085) | (3,467,485) |
| Other miscellaneous income/expenses | (2,611) | 189 | (226,579) | - | - | - | - |
| Net Change in Plan Fiduciary Net Position | 3,131,131 | 4,003,630 | 4,985,611 | 6,662,745 | (1,126,963) | 306,074 | 9,316,650 |
| Plan Fiduciary Net Position - Beginning of Year | 85,557,280 | 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>\$ 88,688,411</u> | <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>\$ 33,054,446</u> | <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 | 72.85% | 73.75% | 74.44% | 72.29% | 73.80% | 77.97% | 79.85% |
| Covered payroll | \$13,742,363 | \$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 | 240.53% | 238.95% | 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
Schedule of Pension Contributions – CalPERS Miscellaneous Plan
Last Ten Fiscal Years*

| Fiscal Year ended | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Actuarially determined contribution | \$ 3,446,237 | \$ 3,062,946 | \$ 2,683,458 | \$ 2,424,792 | \$ 2,168,070 | \$ 1,811,356 | \$ 1,592,734 |
| Contributions in relation to the actuarially determined contributions | (3,446,237) | (3,062,946) | (2,683,458) | (2,424,792) | (2,168,070) | (1,811,356) | (1,592,734) |
| Contribution deficiency (excess) | <u>\$ -</u> |
| Covered payroll | \$13,359,291 | \$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 | 25.80% | 22.29% | 20.17% | 19.21% | 17.54% | 15.72% | 15.10% |

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
Schedule of Proportionate Share of the Net Pension Liability – CalPERS Safety Plans
Last Ten Fiscal Years*

| Fiscal Year ended | June 30, 2021 | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Measurement period ended | June 30, 2020 | June 30, 2019 | June 30, 2018 | June 30, 2017 | June 30, 2016 | June 30, 2015 | June 30, 2014 |
| Proportion of the net pension liability | 0.46782% | 0.47274% | 0.48183% | 0.47999% | 0.50062% | 0.52828% | 0.52660% |
| Proportionate share of the net pension liability | \$31,167,715 | \$29,511,142 | \$28,271,751 | \$28,680,686 | \$25,928,666 | \$21,767,656 | \$19,752,687 |
| Covered payroll | \$6,137,525 | \$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 | 507.82% | 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 | 73.12% | 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
Schedule of Pension Contributions – CalPERS Safety Plan
Last Ten Fiscal Years*

| Fiscal Year ended | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Actuarially determined contribution | \$ 4,968,440 | \$ 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>(4,968,440)</u> | <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 | \$6,646,761 | \$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 | 74.75% | 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
Schedule of Changes in the Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*

| Fiscal Year ended | <u>6/30/2021</u> | <u>6/30/2020</u> | <u>6/30/2019</u> | <u>6/30/2018</u> |
|---|---------------------|---------------------|---------------------|---------------------|
| Measurement period ended | <u>6/30/2020</u> | <u>6/30/2019</u> | <u>6/30/2018</u> | <u>6/30/2017</u> |
| Total OPEB Liability: | | | | |
| Service cost | \$ 331,712 | \$ 339,543 | \$ 329,653 | \$ 320,051 |
| Interest on total OPEB liability | 587,481 | 582,939 | 549,781 | 518,912 |
| Actual vs. expected experience | - | (375,537) | - | - |
| Assumption changes | - | (40,651) | - | - |
| Benefit payments | (474,260) | (388,140) | (408,022) | (374,490) |
| Net Change in Total OPEB Liability | <u>444,933</u> | <u>118,154</u> | <u>471,412</u> | <u>464,473</u> |
| Total OPEB Liability - Beginning of Year | 8,608,828 | 8,490,674 | 8,019,262 | 7,554,789 |
| Total OPEB Liability - End of Year (a) | <u>9,053,761</u> | <u>8,608,828</u> | <u>8,490,674</u> | <u>8,019,262</u> |
| Plan Fiduciary Net Position: | | | | |
| Contributions - employer | 646,871 | 675,398 | 1,566,022 | 829,490 |
| Net investment income | 169,139 | 261,853 | 255,576 | 251,971 |
| Administrative expenses | (3,830) | (2,124) | (5,460) | (1,332) |
| Benefit payments | (474,260) | (388,140) | (408,022) | (374,490) |
| Net Change in Plan Fiduciary Net Position | <u>337,920</u> | <u>546,987</u> | <u>1,408,116</u> | <u>705,639</u> |
| Plan Fiduciary Net Position - Beginning of Year | 4,754,101 | 4,207,114 | 2,798,998 | 2,093,359 |
| Plan Fiduciary Net Position - End of Year (b) | <u>5,092,021</u> | <u>4,754,101</u> | <u>4,207,114</u> | <u>2,798,998</u> |
| Net OPEB Liability - Ending (a) - (b) | <u>\$ 3,961,740</u> | <u>\$ 3,854,727</u> | <u>\$ 4,283,560</u> | <u>\$ 5,220,264</u> |
| Plan fiduciary net position as a percentage of the total OPEB Liability | 56.24% | 55.22% | 49.55% | 34.90% |
| Covered employee payroll | \$23,681,909 | \$22,349,167 | \$22,223,899 | \$21,017,236 |
| Net OPEB Liability as percentage of covered payroll | 16.73% | 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 2018 was the 1st year of implementation.

City of Campbell
Schedule of OPEB Contributions
Last Ten Fiscal Years*

| Fiscal Year ended | <u>June 30, 2021</u> | <u>June 30, 2020</u> | <u>June 30, 2019</u> | <u>June 30, 2018</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Actuarially determined contribution | \$ 610,000 | \$ 642,000 | \$ 629,000 | \$ 1,038,000 |
| Contributions in relation to the actuarially determined contributions | <u>(613,391)</u> | <u>(646,871)</u> | <u>(675,398)</u> | <u>(1,566,022)</u> |
| Contribution deficiency (excess) | <u>\$ (3,391)</u> | <u>\$ (4,871)</u> | <u>\$ (46,398)</u> | <u>\$ (528,022)</u> |
| Covered employee payroll | \$23,360,322 | \$23,681,909 | \$22,349,167 | \$22,223,899 |
| Contributions as a percentage of covered payroll | 2.63% | 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 2018 was the 1st year of implementation.



City of Campbell
 Budgetary Comparison Schedule – General Fund
 Fiscal Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|---------------------------------------|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | \$ 17,481,100 | \$ 17,225,206 | \$ 17,950,698 | \$ 725,492 |
| Sales and use taxes | 14,172,118 | 13,153,960 | 14,478,163 | 1,324,203 |
| Other taxes | 8,117,414 | 6,216,201 | 6,375,526 | 159,325 |
| Licenses and permits | 3,265,000 | 2,034,000 | 4,493,838 | 2,459,838 |
| Fines and forfeitures | 175,000 | 44,001 | 547,469 | 503,468 |
| Investment income | 384,400 | 384,400 | (8,137) | (392,537) |
| Rents and leases | 2,828,400 | 1,812,100 | 1,927,211 | 115,111 |
| Intergovernmental | 900,075 | 5,562,920 | 914,806 | (4,648,114) |
| Charges for services | 4,332,526 | 2,807,982 | 1,762,593 | (1,045,389) |
| Miscellaneous | 922,735 | 235,178 | 162,023 | (73,155) |
| Total Revenues | <u>52,578,768</u> | <u>49,475,948</u> | <u>48,604,190</u> | <u>(871,758)</u> |
| Expenditures | | | | |
| General government | | | | |
| City council | 384,977 | 384,977 | 310,840 | 74,137 |
| City manager | 796,037 | 784,678 | 845,740 | (61,062) |
| City clerk | 485,335 | 449,567 | 339,330 | 110,237 |
| Human resources | 1,223,136 | 1,135,832 | 1,262,118 | (126,286) |
| Accounting | 1,762,023 | 1,780,793 | 1,783,486 | (2,693) |
| Non-departmental finance | 1,335,751 | 1,602,329 | 2,034,590 | (432,261) |
| COVID response | 500,000 | 250,000 | 108,923 | 141,077 |
| Legal services | 562,800 | 534,628 | 577,601 | (42,973) |
| Total general government | <u>7,050,059</u> | <u>6,922,804</u> | <u>7,262,628</u> | <u>(339,824)</u> |
| Recreation | | | | |
| Community services and administration | 366,925 | 337,083 | 180,259 | 156,824 |
| Senior citizens nutrition program | 217,113 | 215,979 | 221,063 | (5,084) |
| Adult services | 553,483 | 353,629 | 339,322 | 14,307 |
| Campbell community center | 1,313,477 | 1,186,641 | 1,223,881 | (37,240) |
| Museum services | 353,964 | 333,520 | 321,897 | 11,623 |
| Theater | 748,469 | 480,435 | 451,367 | 29,068 |
| Sports, aquatics and fitness | 820,933 | 675,388 | 714,129 | (38,741) |
| Trips, tours and classes | 962,104 | 623,951 | 566,092 | 57,859 |
| Total recreation | <u>5,336,468</u> | <u>4,206,626</u> | <u>4,018,010</u> | <u>188,616</u> |
| Community development | | | | |
| Community development administration | 536,017 | 573,183 | 560,415 | 12,768 |
| Current planning | 963,774 | 808,434 | 722,700 | 85,734 |
| Policy development | 171,471 | 706,409 | 227,028 | 479,381 |
| Building | 1,354,319 | 1,221,591 | 1,044,497 | 177,094 |
| Economic development | 204,705 | 191,145 | 134,441 | 56,704 |
| Total community development | <u>3,230,286</u> | <u>3,500,762</u> | <u>2,689,081</u> | <u>811,681</u> |

City of Campbell
 Budgetary Comparison Schedule – General Fund
 Fiscal Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|----------------------|----------------------|----------------------|---|
| | Original | Final | | |
| Public safety | | | | |
| Police administration | \$ 1,435,559 | \$ 1,430,209 | 1,315,946 | \$ 114,263 |
| Communications | 2,704,444 | 2,728,202 | 2,675,477 | 52,725 |
| Records | 1,382,253 | 1,315,803 | 1,415,004 | (99,201) |
| Special enforcement services | 4,711,192 | 4,289,525 | 4,559,546 | (270,021) |
| Field services | 9,996,481 | 10,073,004 | 11,530,341 | (1,457,337) |
| Fire protection services | 9,552,487 | 9,552,487 | 9,556,560 | (4,073) |
| Total public safety | <u>29,782,416</u> | <u>29,389,230</u> | <u>31,052,874</u> | <u>(1,663,644)</u> |
| Public works | | | | |
| Public works administration | 709,405 | 682,367 | 657,388 | 24,979 |
| Transportation engineering | 417,918 | 413,099 | 374,019 | 39,080 |
| Engineering | 1,386,421 | 1,304,875 | 1,215,846 | 89,029 |
| Land development/environment programs | 967,621 | 1,052,073 | 934,405 | 117,668 |
| Maintenance administration | 605,530 | 597,712 | 563,400 | 34,312 |
| Building maintenance | 1,466,101 | 1,420,645 | 1,299,620 | 121,025 |
| Total Public works | <u>5,552,996</u> | <u>5,470,771</u> | <u>5,044,678</u> | <u>426,093</u> |
| Total expenditures | <u>50,952,225</u> | <u>49,490,193</u> | <u>50,067,271</u> | <u>(577,078)</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>1,626,543</u> | <u>(14,245)</u> | <u>(1,463,081)</u> | <u>(1,448,836)</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 1,248,626 | 3,144,688 | 5,364,551 | 2,219,863 |
| Transfers out | (4,182,007) | (5,730,059) | (5,257,528) | 472,531 |
| Total other financing sources (uses) | <u>(2,933,381)</u> | <u>(2,585,371)</u> | <u>107,023</u> | <u>2,692,394</u> |
| Net change in fund balance | (1,306,838) | (2,599,616) | (1,356,058) | 1,243,558 |
| Fund balance at beginning of year | <u>22,272,508</u> | <u>22,272,508</u> | <u>22,272,508</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 20,965,670</u> | <u>\$ 19,672,892</u> | <u>\$ 20,916,450</u> | <u>\$ 1,243,558</u> |

City of Campbell
 Budgetary Comparison Schedule – Housing Assets Special Revenue Fund
 Fiscal Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|-----------------------------------|----------------------------|----------------------------|----------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ 18,000 | \$ 18,000 | \$ 23,637 | \$ 5,637 |
| Miscellaneous revenue | 50,000 | 50,000 | - | (50,000) |
| Total Revenues | <u>68,000</u> | <u>68,000</u> | <u>23,637</u> | <u>(44,363)</u> |
| Expenditures | | | | |
| Current | | | | |
| Community development | <u>265,679</u> | <u>265,012</u> | <u>179,881</u> | <u>85,131</u> |
| Net change in fund balance | (197,679) | (197,012) | (156,244) | 40,768 |
| Fund balance at beginning of year | <u>9,061,537</u> | <u>9,061,537</u> | <u>9,061,537</u> | <u>-</u> |
| Fund balance at end of year | <u><u>\$ 8,863,858</u></u> | <u><u>\$ 8,864,525</u></u> | <u><u>\$ 8,905,293</u></u> | <u><u>\$ 40,768</u></u> |

City of Campbell
 Budgetary Comparison Schedule – Other Grants Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|----------------------------|------------------------------|------------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ - | \$ - | \$ (5,219) | \$ (5,219) |
| Intergovernmental | 6,086,965 | 6,199,179 | 4,566,230 | (1,632,949) |
| Total Revenues | <u>6,086,965</u> | <u>6,199,179</u> | <u>4,561,011</u> | <u>(1,638,168)</u> |
| Expenditures | | | | |
| Current | | | | |
| Public works | - | 102,000 | - | 102,000 |
| Excess (deficiency) of revenues over (under) expenditures | <u>6,086,965</u> | <u>6,097,179</u> | <u>4,561,011</u> | <u>(1,536,168)</u> |
| Other financing sources (uses) | | | | |
| Transfers out | <u>(6,086,965)</u> | <u>(9,895,874)</u> | <u>(7,184,451)</u> | <u>2,711,423</u> |
| Total other financing sources (uses) | <u>(6,086,965)</u> | <u>(9,895,874)</u> | <u>(7,184,451)</u> | <u>2,711,423</u> |
| Net change in fund balance | - | (3,798,695) | (2,623,440) | 1,175,255 |
| Fund balance at beginning of year | <u>1,199,043</u> | <u>1,199,043</u> | <u>1,199,043</u> | <u>-</u> |
| Fund balance at end of year | <u><u>\$ 1,199,043</u></u> | <u><u>\$ (2,599,652)</u></u> | <u><u>\$ (1,424,397)</u></u> | <u><u>\$ 1,175,255</u></u> |

City of Campbell
 Budgetary Comparison Schedule – ARPA Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--------------------------------------|------------------|-------------|--------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Intergovernmental | \$ - | \$ - | \$ 2,214,670 | \$ 2,214,670 |
| Total Revenues | - | - | 2,214,670 | 2,214,670 |
| Other financing sources (uses) | | | | |
| Transfers out | - | - | (2,214,670) | 2,214,670 |
| Total other financing sources (uses) | - | - | (2,214,670) | (2,214,670) |
| Net change in fund balance | - | - | - | - |
| Fund balance at beginning of year | - | - | - | - |
| Fund balance at end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

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 department 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.

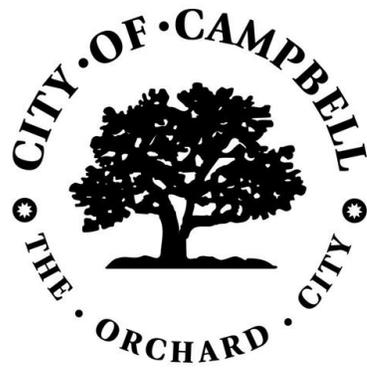
Excess of Expenditures over Appropriations

Expenditures exceeded budgeted appropriations in the following funds:

| | Final Budget | Actual | Variance with Final Budget |
|-----------------------------------|-----------------|--------------|-------------------------------|
| Major Fund | | | |
| General Fund - General Government | \$ 6,922,804 | \$ 7,262,628 | \$ (339,824) |
| General Fund - Public Safety | 29,389,230 | 31,052,874 | (1,663,644) |

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
June 30, 2021

City of Campbell

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.

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.

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 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
Combining Balance Sheet – Other Governmental Fund
Year Ended June 30, 2021

| | Special Revenue Funds | | | | | | |
|---|-----------------------|---------------------------|--------------------------------|---|---|--------------------------------|---------------------------|
| | Gas Tax | Vehicle Impact Fees | Parkland Dedication Fees | Lighting and Landscaping District | Community Development Block Grant | Drug Enforcement Revenue | Environmental Services |
| Assets | | | | | | | |
| Cash and investments | \$ - | \$ 2,623,856 | \$ 4,499,248 | \$ 866,161 | \$ 16 | \$ 81,402 | \$ 624,437 |
| Cash held with fiscal agent | - | - | - | - | - | - | - |
| Receivables: | | | | | | | |
| Accounts | 2,479 | 39,800 | - | 43,651 | - | - | 101,285 |
| Taxes | 142,860 | - | - | 28,319 | - | - | - |
| Interest | 407 | 1,308 | 2,078 | - | - | - | 357 |
| Notes and loans | - | - | - | - | 140,000 | - | - |
| Total assets | <u>\$ 145,746</u> | <u>\$ 2,664,964</u> | <u>\$ 4,501,326</u> | <u>\$ 938,131</u> | <u>\$ 140,016</u> | <u>\$ 81,402</u> | <u>\$ 726,079</u> |
| Liabilities | | | | | | | |
| Accounts payable | \$ 30,346 | \$ - | \$ - | \$ 172,514 | \$ - | \$ 490 | \$ - |
| Accrued payroll | 56,123 | - | - | 97,710 | - | - | 6,796 |
| Due to other funds | 59,277 | - | - | - | 139,670 | - | - |
| Total liabilities | <u>145,746</u> | <u>-</u> | <u>-</u> | <u>270,224</u> | <u>139,670</u> | <u>490</u> | <u>6,796</u> |
| Fund balances (deficit) | | | | | | | |
| Restricted | <u>-</u> | <u>2,664,964</u> | <u>4,501,326</u> | <u>667,907</u> | <u>346</u> | <u>80,912</u> | <u>719,283</u> |
| Total fund balances (deficit) | <u>-</u> | <u>2,664,964</u> | <u>4,501,326</u> | <u>667,907</u> | <u>346</u> | <u>80,912</u> | <u>719,283</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 145,746</u> | <u>\$ 2,664,964</u> | <u>\$ 4,501,326</u> | <u>\$ 938,131</u> | <u>\$ 140,016</u> | <u>\$ 81,402</u> | <u>\$ 726,079</u> |

City of Campbell
Combining Balance Sheet – Other Governmental Fund
Year Ended June 30, 2021

| | Special Revenue Funds | | | Debt Service Fund | | Total Other Governmental Funds | |
|---|------------------------------------|--|--|-------------------------------|---------------------|---|----------------------|
| | Supplemental Law Enforcement | Community Facilities District #1 | Community Facilities District #2 | Museum and Adult Center | Measure O | | 2016 LRB |
| Assets | | | | | | | |
| Cash and investments | \$ 187,987 | \$ 3,431 | \$ 170,698 | \$ 22,744 | \$ 3,768,035 | \$ - | \$ 12,848,015 |
| Cash held with fiscal agent | - | - | - | - | - | 13,518 | 13,518 |
| Receivables: | | | | | | | |
| Accounts | - | - | - | - | - | - | 187,215 |
| Taxes | - | 1,180 | - | - | 3,525 | - | 175,884 |
| Interest | 1 | 3 | 73 | 11 | 2,778 | 13 | 7,029 |
| Notes and loans | - | - | - | - | - | - | 140,000 |
| Total assets | <u>\$ 187,988</u> | <u>\$ 4,614</u> | <u>\$ 170,771</u> | <u>\$ 22,755</u> | <u>\$ 3,774,338</u> | <u>\$ 13,531</u> | <u>\$ 13,371,661</u> |
| Liabilities | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ 355 | \$ - | \$ - | \$ - | \$ 203,705 |
| Accrued payroll | 6,200 | - | - | - | - | - | 166,829 |
| Due to other funds | - | - | - | - | - | - | 198,947 |
| Total liabilities | <u>6,200</u> | <u>-</u> | <u>355</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>569,481</u> |
| Fund balances (deficit) | | | | | | | |
| Restricted | <u>181,788</u> | <u>4,614</u> | <u>170,416</u> | <u>22,755</u> | <u>3,774,338</u> | <u>13,531</u> | <u>12,802,180</u> |
| Total fund balances (deficit) | <u>181,788</u> | <u>4,614</u> | <u>170,416</u> | <u>22,755</u> | <u>3,774,338</u> | <u>13,531</u> | <u>12,802,180</u> |
| Total liabilities, deferred inflows of resources and fund balances | <u>\$ 187,988</u> | <u>\$ 4,614</u> | <u>\$ 170,771</u> | <u>\$ 22,755</u> | <u>\$ 3,774,338</u> | <u>\$ 13,531</u> | <u>\$ 13,371,661</u> |

City of Campbell
Combining Statement of Revenues, Expenditures and Changes in Fund Balance other Governmental Funds
Year Ended June 30, 2021

| | Special Revenue Funds | | | | | | |
|--|-----------------------|---------------------------|--------------------------------|---|---|--------------------------------|---------------------------|
| | Gas Tax | Vehicle Impact Fees | Parkland Dedication Fees | Lighting and Landscaping District | Community Development Block Grant | Drug Enforcement Revenue | Environmental Services |
| Revenues | | | | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ 1,822,758 | \$ - | \$ - | \$ - |
| Special assessments | - | - | - | 1,204,646 | - | - | - |
| Investment income | (1,124) | (3,695) | (15,988) | (1,095) | - | (1,354) | (1,142) |
| Intergovernmental | 1,708,595 | 757,321 | - | 42,071 | - | 55,605 | 24,636 |
| Charges for services | - | - | - | - | - | - | 804,350 |
| Parkland dedication fees | - | - | 400,116 | - | - | - | - |
| Miscellaneous revenues | 4,129 | - | - | 26,754 | - | - | - |
| Total revenues | <u>1,711,600</u> | <u>753,626</u> | <u>384,128</u> | <u>3,095,134</u> | <u>-</u> | <u>54,251</u> | <u>827,844</u> |
| Expenditures | | | | | | | |
| Current: | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | 183,895 | - |
| Public works | 1,842,826 | - | - | 3,704,776 | - | - | 131,240 |
| Debt service: | | | | | | | |
| Principal | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - |
| Total expenditures | <u>1,842,826</u> | <u>-</u> | <u>-</u> | <u>3,704,776</u> | <u>-</u> | <u>183,895</u> | <u>131,240</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(131,226)</u> | <u>753,626</u> | <u>384,128</u> | <u>(609,642)</u> | <u>-</u> | <u>(129,644)</u> | <u>696,604</u> |
| Other financing sources (uses) | | | | | | | |
| Proceeds from the sale of bonds | - | - | - | - | - | - | - |
| Transfers in | 1,289,914 | - | - | 1,559,098 | - | - | 1,029,000 |
| Transfers out | (1,814,280) | (232,697) | (548,357) | (242,840) | - | (4,500) | (1,643,620) |
| Total other financing sources (uses) | <u>(524,366)</u> | <u>(232,697)</u> | <u>(548,357)</u> | <u>1,316,258</u> | <u>-</u> | <u>(4,500)</u> | <u>(614,620)</u> |
| Net change in fund balances | (655,592) | 520,929 | (164,229) | 706,616 | - | (134,144) | 81,984 |
| Fund balances at beginning of year | 655,592 | 2,144,035 | 4,665,555 | (38,709) | 346 | 215,056 | 637,299 |
| Fund balances at end of year | <u>\$ -</u> | <u>\$ 2,664,964</u> | <u>\$ 4,501,326</u> | <u>\$ 667,907</u> | <u>\$ 346</u> | <u>\$ 80,912</u> | <u>\$ 719,283</u> |

City of Campbell

Combining Statement of Revenues, Expenditures and Changes in Fund Balance other Governmental Funds
Year Ended June 30, 2021

| | Special Revenue Funds | | | Debt Service Fund | | Total Other Governmental Funds | |
|--|------------------------------------|--|--|-------------------------------|---------------------|---|----------------------|
| | Supplemental Law Enforcement | Community Facilities District #1 | Community Facilities District #2 | Museum and Adult Center | Measure O | | 2016 LRB |
| Revenues | | | | | | | |
| Property taxes | \$ - | \$ - | \$ - | \$ - | \$ 1,235,646 | \$ - | \$ 3,058,404 |
| Special assessments | - | 145,394 | 48,893 | - | - | - | 1,398,933 |
| Investment income | (2,231) | 187 | (378) | (807) | 15,533 | 67 | (12,027) |
| Intergovernmental | 156,727 | - | - | - | - | - | 2,744,955 |
| Charges for services | - | - | - | - | - | - | 804,350 |
| Parkland dedication fees | - | - | - | - | - | - | 400,116 |
| Miscellaneous revenues | - | - | - | 100 | - | - | 30,983 |
| Total revenues | <u>154,496</u> | <u>145,581</u> | <u>48,515</u> | <u>(707)</u> | <u>1,251,179</u> | <u>67</u> | <u>8,425,714</u> |
| Expenditures | | | | | | | |
| Current: | | | | | | | |
| General government | - | 3,538 | - | - | - | - | 3,538 |
| Public safety | 182,472 | - | - | - | - | - | 366,367 |
| Public works | - | - | 24,954 | - | - | - | 5,703,796 |
| Debt service: | | | | | | | |
| Principal | - | - | - | - | 1,140,000 | 550,000 | 1,690,000 |
| Interest and fiscal charges | - | - | - | - | 622,597 | 210,800 | 833,397 |
| Total expenditures | <u>182,472</u> | <u>3,538</u> | <u>24,954</u> | <u>-</u> | <u>1,762,597</u> | <u>760,800</u> | <u>8,597,098</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(27,976)</u> | <u>142,043</u> | <u>23,561</u> | <u>(707)</u> | <u>(511,418)</u> | <u>(760,733)</u> | <u>(171,384)</u> |
| Other financing sources (uses) | | | | | | | |
| Proceeds from the sale of bonds | - | - | - | - | 23,171,626 | - | 23,171,626 |
| Transfers in | - | - | - | - | - | 768,825 | 4,646,837 |
| Transfers out | - | (143,000) | (12,000) | (154,770) | (20,000,000) | - | (24,796,064) |
| Total other financing sources (uses) | <u>-</u> | <u>(143,000)</u> | <u>(12,000)</u> | <u>(154,770)</u> | <u>3,171,626</u> | <u>768,825</u> | <u>3,022,399</u> |
| Net change in fund balances | <u>(27,976)</u> | <u>(957)</u> | <u>11,561</u> | <u>(155,477)</u> | <u>2,660,208</u> | <u>8,092</u> | <u>2,851,015</u> |
| Fund balances at beginning of year | <u>209,764</u> | <u>5,571</u> | <u>158,855</u> | <u>178,232</u> | <u>1,114,130</u> | <u>5,439</u> | <u>9,951,165</u> |
| Fund balances at end of year | <u>\$ 181,788</u> | <u>\$ 4,614</u> | <u>\$ 170,416</u> | <u>\$ 22,755</u> | <u>\$ 3,774,338</u> | <u>\$ 13,531</u> | <u>\$ 12,802,180</u> |

City of Campbell

Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget Actual – Gas Tax Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|------------------|----------------|-------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ - | \$ - | \$ (1,124) | \$ (1,124) |
| Intergovernmental | 1,766,267 | 1,766,267 | 1,708,595 | (57,672) |
| Miscellaneous revenue | 2,500 | 2,500 | 4,129 | 1,629 |
| Total Revenues | 1,768,767 | 1,768,767 | 1,711,600 | (57,167) |
| Expenditures | | | | |
| Current | | | | |
| Public works | 1,990,180 | 1,986,180 | 1,842,826 | 143,354 |
| Excess (deficiency) of revenues over (under) expenditures | (221,413) | (217,413) | (131,226) | 86,187 |
| Other financing sources (uses) | | | | |
| Transfers in | 645,300 | 630,120 | 1,289,914 | 659,794 |
| Transfers out | (740,000) | (2,354,776) | (1,814,280) | 540,496 |
| Total other financing sources (uses) | (94,700) | (1,724,656) | (524,366) | 1,200,290 |
| Net change in fund balance | (316,113) | (1,942,069) | (655,592) | 1,286,477 |
| Fund balance at beginning of year | 655,592 | 655,592 | 655,592 | - |
| Fund balance at end of year | \$ 339,479 | \$ (1,286,477) | \$ - | \$ 1,286,477 |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Vehicle Impact Fees Special
 Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|-----------------------------------|---------------------|--------------------|---------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ 250 | \$ 250 | \$ (3,695) | \$ (3,945) |
| Intergovernmental | 777,000 | 777,000 | 757,321 | (19,679) |
| Total revenues | <u>777,250</u> | <u>777,250</u> | <u>753,626</u> | <u>(23,624)</u> |
| Other financing sources (uses) | | | | |
| Transfers out | <u>(777,000)</u> | <u>(2,491,079)</u> | <u>(232,697)</u> | <u>2,258,382</u> |
| Net change in fund balance | 250 | (1,713,829) | 520,929 | 2,234,758 |
| Fund balance at beginning of year | <u>2,144,035</u> | <u>2,144,035</u> | <u>2,144,035</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 2,144,285</u> | <u>\$ 430,206</u> | <u>\$ 2,664,964</u> | <u>\$ 2,234,758</u> |

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Parkland Dedication Fees
 Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|-----------------------------------|------------------|--------------|--------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ 85,827 | \$ 85,827 | \$ (15,988) | \$ (101,815) |
| Parkland dedication fees | 400,000 | 400,000 | 400,116 | 116 |
| Total revenues | 485,827 | 485,827 | 384,128 | (101,699) |
| Other financing sources (uses) | | | | |
| Transfers out | (925,000) | (1,609,135) | (548,357) | 1,060,778 |
| Net change in fund balance | (439,173) | (1,123,308) | (164,229) | 959,079 |
| Fund balance at beginning of year | 4,665,555 | 4,665,555 | 4,665,555 | - |
| Fund balance at end of year | \$ 4,226,382 | \$ 3,542,247 | \$ 4,501,326 | \$ 959,079 |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Lighting and Landscaping
 District Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|--------------------|--------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | \$ 1,143,000 | \$ 1,143,000 | \$ 1,822,758 | \$ 679,758 |
| Special assessments | 1,210,000 | 1,210,000 | 1,204,646 | (5,354) |
| Investment income | - | - | (1,095) | (1,095) |
| Intergovernmental | - | - | 42,071 | 42,071 |
| Miscellaneous revenues | 27,500 | 27,500 | 26,754 | (746) |
| Total revenues | 2,380,500 | 2,380,500 | 3,095,134 | 714,634 |
| Expenditures | | | | |
| Current | | | | |
| Public works | 3,794,683 | 3,721,582 | 3,704,776 | 16,806 |
| Excess (deficiency) of revenues over (under) expenditures | (1,414,183) | (1,341,082) | (609,642) | 731,440 |
| Other financing sources (uses) | | | | |
| Transfers in | 1,559,098 | 1,531,362 | 1,559,098 | 27,736 |
| Transfers out | (111,300) | (242,840) | (242,840) | - |
| Total other financing sources (uses) | 1,447,798 | 1,288,522 | 1,316,258 | 27,736 |
| Net change in fund balance | 33,615 | (52,560) | 706,616 | 759,176 |
| Fund balance at beginning of year | (38,709) | (38,709) | (38,709) | - |
| Fund balance at end of year | \$ (5,094) | \$ (91,269) | \$ 667,907 | \$ 759,176 |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Drug Enforcement Revenue
 Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|------------------|------------|------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ - | \$ - | \$ (1,354) | \$ (1,354) |
| Intergovernmental | 5,000 | 5,000 | 55,605 | 50,605 |
| Total revenues | 5,000 | 5,000 | 54,251 | 49,251 |
| Expenditures | | | | |
| Current | | | | |
| Public Safety | - | - | 183,895 | (183,895) |
| Excess (deficiency) of revenues over (under) expenditures | 5,000 | 5,000 | (129,644) | (134,644) |
| Other financing sources (uses) | | | | |
| Transfers out | (4,500) | (4,500) | (4,500) | - |
| Total other financing sources (uses) | (4,500) | (4,500) | (4,500) | - |
| Net change in fund balance | 500 | 500 | (134,144) | (134,644) |
| Fund balance at beginning of year | 215,056 | 215,056 | 215,056 | - |
| Fund balance at end of year | \$ 215,556 | \$ 215,556 | \$ 80,912 | \$ (134,644) |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Environmental Services
 Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|------------------|-------------|-------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ 500 | \$ 500 | \$ (1,142) | \$ (1,642) |
| Intergovernmental | 10,000 | 10,000 | 24,636 | 14,636 |
| Charges for services | 621,464 | 621,464 | 804,350 | 182,886 |
| Miscellaneous revenues | 49,356 | 49,356 | - | (49,356) |
| Total revenues | 681,320 | 681,320 | 827,844 | 146,524 |
| Expenditures | | | | |
| Current | | | | |
| Public works | 135,670 | 133,749 | 131,240 | 2,509 |
| Excess (deficiency) of revenues over (under) expenditures | 545,650 | 547,571 | 696,604 | 149,033 |
| Other financing sources (uses) | | | | |
| Transfers in | 1,029,000 | 1,011,899 | 1,029,000 | 17,101 |
| Transfers out | (1,574,526) | (1,670,603) | (1,643,620) | 26,983 |
| Total other financing sources (uses) | (545,526) | (658,704) | (614,620) | 44,084 |
| Net change in fund balance | 124 | (111,133) | 81,984 | 193,117 |
| Fund balance at beginning of year | 637,299 | 637,299 | 637,299 | - |
| Fund balance at end of year | \$ 637,423 | \$ 526,166 | \$ 719,283 | \$ 193,117 |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Supplemental Law
Enforcement Special Revenue Fund
Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|-----------------------------------|------------------|-----------|------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ - | \$ - | \$ (2,231) | \$ (2,231) |
| Intergovernmental | - | 100,000 | 156,727 | 56,727 |
| Total revenues | - | 100,000 | 154,496 | 54,496 |
| Expenditures | | | | |
| Current | | | | |
| Public safety | - | 305,929 | 182,472 | 123,457 |
| Net change in fund balance | - | (205,929) | (27,976) | 177,953 |
| Fund balance at beginning of year | 209,764 | 209,764 | 209,764 | - |
| Fund balance at end of year | \$ 209,764 | \$ 3,835 | \$ 181,788 | \$ 177,953 |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Community Facilities
 District #1 Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|------------------|------------------|------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Special assessments | \$ 146,350 | \$ 146,350 | \$ 145,394 | \$ (956) |
| Investment income | 500 | 500 | 187 | (313) |
| Total revenues | <u>146,850</u> | <u>146,850</u> | <u>145,581</u> | <u>(1,269)</u> |
| Expenditures | | | | |
| Current | | | | |
| Community development | <u>3,500</u> | <u>3,500</u> | <u>3,538</u> | <u>(38)</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>143,350</u> | <u>143,350</u> | <u>142,043</u> | <u>(1,307)</u> |
| Other financing sources (uses) | | | | |
| Transfers out | <u>(143,000)</u> | <u>(143,000)</u> | <u>(143,000)</u> | <u>-</u> |
| Net change in fund balance | 350 | 350 | (957) | (1,307) |
| Fund balance at beginning of year | <u>5,571</u> | <u>5,571</u> | <u>5,571</u> | <u>-</u> |
| Fund balance at end of year | <u>\$ 5,921</u> | <u>\$ 5,921</u> | <u>\$ 4,614</u> | <u>\$ (1,307)</u> |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Community Facilities
 District #2 Special Revenue Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|------------------|------------|------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ - | \$ - | \$ (378) | \$ (378) |
| Special assessments | 35,250 | 35,250 | 48,893 | 13,643 |
| Total revenues | 35,250 | 35,250 | 48,515 | 13,265 |
| Expenditures | | | | |
| Current | | | | |
| Community development | 23,000 | 24,200 | 24,954 | (754) |
| Excess (deficiency) of revenues over (under) expenditures | 12,250 | 11,050 | 23,561 | 12,511 |
| Other financing sources (uses) | | | | |
| Transfers out | (12,000) | (12,000) | (12,000) | - |
| Total other financing sources (uses) | (12,000) | (12,000) | (12,000) | - |
| Net change in fund balance | 250 | (950) | 11,561 | 12,511 |
| Fund balance at beginning of year | 158,855 | 158,855 | 158,855 | - |
| Fund balance at end of year | \$ 159,105 | \$ 157,905 | \$ 170,416 | \$ 12,511 |

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Capital Projects Fund
Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|----------------------------|-----------------------------|--------------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Project revenues | \$ - | \$ - | \$ 270,309 | \$ 270,309 |
| Miscellaneous revenues | 60,000 | 60,000 | - | (60,000) |
| Total revenues | <u>60,000</u> | <u>60,000</u> | <u>270,309</u> | <u>210,309</u> |
| Expenditures | | | | |
| Current | | | | |
| Capital outlay | 9,104,049 | 66,019 | 11,046,339 | (10,980,320) |
| Excess (deficiency) of revenues over (under) expenditures | <u>(9,044,049)</u> | <u>(6,019)</u> | <u>(10,776,030)</u> | <u>(10,770,011)</u> |
| Other financing sources (uses) | | | | |
| Transfers in | 9,104,049 | 18,574,226 | 10,773,712 | (7,800,514) |
| Transfers out | - | (787,083) | (787,083) | - |
| Total other financing sources (uses) | <u>9,104,049</u> | <u>17,787,143</u> | <u>9,986,629</u> | <u>(7,800,514)</u> |
| Net change in fund balance | 60,000 | 17,781,124 | (789,401) | (18,570,525) |
| Fund balance at beginning of year | <u>1,703,633</u> | <u>1,703,633</u> | <u>1,703,633</u> | <u>-</u> |
| Fund balance at end of year | <u><u>\$ 1,763,633</u></u> | <u><u>\$ 19,484,757</u></u> | <u><u>\$ 914,232</u></u> | <u><u>\$ (18,570,525)</u></u> |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Measure O Capital Projects Fund
 Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|------------------|--------------|----------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ - | \$ - | \$ 139,827 | \$ 139,827 |
| Miscellaneous revenues | - | - | 510,000 | 510,000 |
| TOTAL REVENUES | - | - | 649,827 | 649,827 |
| Expenditures | | | | |
| Current | | | | |
| Capital outlay | 1,844,695 | 2,925,115 | 1,573,452 | 1,351,663 |
| Excess (deficiency) of revenues over (under) expenditures | (1,844,695) | (2,925,115) | (923,625) | 2,001,490 |
| Other financing sources (uses) | | | | |
| Sale of bond proceeds | 10,000,000 | 10,000,000 | - | (10,000,000) |
| Transfers in | - | - | 20,000,000 | 20,000,000 |
| Total other Financing sources (uses) | 10,000,000 | 10,000,000 | 20,000,000 | 10,000,000 |
| Net Change in Fund Balance | 8,155,305 | 7,074,885 | 19,076,375 | 12,001,490 |
| Fund Balance at Beginning of Year | (272,797) | (272,797) | (272,797) | - |
| Fund Balance at End of Year | \$ 7,882,508 | \$ 6,802,088 | \$ 18,803,578 | \$ 12,001,490 |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – 2016 LRB Debt Service Fund
Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|--|------------------|-----------|-----------|---|
| | Original | Final | | |
| Revenues | | | | |
| Investment income | \$ 500 | \$ 500 | \$ 67 | \$ (433) |
| Expenditures | | | | |
| Debt Service | | | | |
| Principal | 550,000 | 550,000 | 550,000 | - |
| Interest and fees | 219,300 | 219,300 | 210,800 | 8,500 |
| Total expenditures | 769,300 | 769,300 | 760,800 | 8,500 |
| Excess (deficiency) of revenues over (under) expenditures | (769,300) | (768,800) | (760,733) | 8,067 |
| Other financing sources (uses) | | | | |
| Transfers in | 762,825 | 762,825 | 768,825 | 6,000 |
| Net change in fund balance | (6,475) | (5,975) | 8,092 | 14,067 |
| Fund balance at beginning of year | 5,439 | 5,439 | 5,439 | - |
| Fund balance at end of year | \$ (1,036) | \$ (536) | \$ 13,531 | \$ 14,067 |

City of Campbell

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget Actual – Measure O Debt Service Fund
Year Ended June 30, 2021

| | Budgeted Amounts | | Actual | Variance with Final Budget - Positive (Negative) |
|---|------------------|--------------|--------------|--|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | \$ - | \$ - | \$ 1,235,646 | \$ 1,235,646 |
| Investment income | - | - | 15,533 | 15,533 |
| Total revenues | - | - | 1,251,179 | 1,251,179 |
| Expenditures | | | | |
| Debt Service | | | | |
| Interest and fees | - | - | 1,762,597 | (1,762,597) |
| Excess (deficiency) of revenues over (under) expenditures | - | - | (511,418) | (511,418) |
| Other financing sources (uses) | | | | |
| Proceeds from the sale of bonds | - | - | 23,171,626 | 23,171,626 |
| Transfers out | - | - | (20,000,000) | (20,000,000) |
| Total other financing sources (uses) | - | - | 3,171,626 | 3,171,626 |
| Net change in fund balance | - | - | 2,660,208 | 2,660,208 |
| Fund balance at beginning of year | 1,114,130 | 1,114,130 | 1,114,130 | - |
| Fund balance at end of year | \$ 1,114,130 | \$ 1,114,130 | \$ 3,774,338 | \$ 2,660,208 |

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
Combining Statement of Net Position – Internal Service Funds
June 30, 2021

| | Motor Vehicle Pool | Workers' Compensation Self-Insurance | Information Technology Services | Total |
|---|--------------------------|--|---------------------------------------|---------------------|
| Assets | | | | |
| Current assets | | | | |
| Cash and investments | \$ - | \$ 4,073,351 | \$ 234,595 | \$ 4,307,946 |
| Accounts receivable | - | 1,954 | 7,597 | 9,551 |
| Deposits | - | 90,000 | - | 90,000 |
| Total current assets | - | 4,165,305 | 242,192 | 4,407,497 |
| Noncurrent assets | | | | |
| Capital assets, net of accumulated depreciation | 1,165,487 | - | 323,480 | 1,488,967 |
| Total noncurrent assets | 1,165,487 | - | 323,480 | 1,488,967 |
| Total assets | 1,165,487 | 4,165,305 | 565,672 | 5,896,464 |
| Liabilities | | | | |
| Current liabilities | | | | |
| Accounts payable | 45,217 | 38,789 | 19,243 | 103,249 |
| Accrued payroll | 23,726 | - | 30,296 | 54,022 |
| Due to other funds | 544,368 | - | - | 544,368 |
| Compensated absences, current portion | 27,658 | - | 40,561 | 68,219 |
| Claims and judgments payable, current portion | - | 476,174 | - | 476,174 |
| Total current liabilities | 640,969 | 514,963 | 90,100 | 1,246,032 |
| Noncurrent liabilities | | | | |
| Compensated absences | 28,222 | - | 55,405 | 83,627 |
| Claims and judgments payable | - | 3,110,543 | - | 3,110,543 |
| Total noncurrent liabilities | 28,222 | 3,110,543 | 55,405 | 3,194,170 |
| Total liabilities | 669,191 | 3,625,506 | 145,505 | 4,440,202 |
| Net position | | | | |
| Investments in capital assets | 1,165,487 | - | 323,480 | 1,488,967 |
| Unrestricted | (669,191) | 539,799 | 96,687 | (32,705) |
| Total net position | \$ 496,296 | \$ 539,799 | \$ 420,167 | \$ 1,456,262 |

City of Campbell

Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds
Year Ended June 30, 2021

| | Motor Vehicle Pool | Worker' Compensation Self-Insurance | Information Technology Service | Total |
|-----------------------------------|--------------------------|---|--------------------------------------|---------------------|
| Operating revenues | | | | |
| Investment income | \$ - | \$ (14,382) | \$ (1,152) | \$ (15,534) |
| Charges for services | 1,101,068 | 638,874 | 1,161,992 | 2,901,934 |
| Other | 66,726 | - | 17,713 | 84,439 |
| Total operating revenues | <u>1,167,794</u> | <u>624,492</u> | <u>1,178,553</u> | <u>2,970,839</u> |
| Operating expenses | | | | |
| Personnel services | 474,918 | - | 687,933 | 1,162,851 |
| Services and supplies | 740,224 | 839,419 | 349,357 | 1,929,000 |
| Depreciation | 235,525 | - | 54,383 | 289,908 |
| Total operating expenses | <u>1,450,667</u> | <u>839,419</u> | <u>1,091,673</u> | <u>3,381,759</u> |
| Operating gain (loss) | <u>(282,873)</u> | <u>(214,927)</u> | <u>86,880</u> | <u>(410,920)</u> |
| Transfers | | | | |
| Transfers in | 97,000 | - | 204,000 | 301,000 |
| Transfers out | (50,000) | (649,734) | (146,570) | (846,304) |
| Total transfers | <u>47,000</u> | <u>(649,734)</u> | <u>57,430</u> | <u>(545,304)</u> |
| Net change in fund balance | (235,873) | (864,661) | 144,310 | (956,224) |
| Fund balance at beginning of year | <u>732,169</u> | <u>1,404,460</u> | <u>275,857</u> | <u>2,412,486</u> |
| Fund balance at end of year | <u>\$ 496,296</u> | <u>\$ 539,799</u> | <u>\$ 420,167</u> | <u>\$ 1,456,262</u> |

City of Campbell
Combining Statement of Cash Flows – Internal Service Funds
Year Ended June 30, 2021

| | Motor Vehicle Pool | Worker' Compensation Self-Insurance | Information Technology Service | Total |
|---|--------------------------|---|--------------------------------------|---------------------|
| Cash flows from operating activities | | | | |
| Cash received from department users | \$ 1,168,651 | \$ 637,480 | \$ 1,175,251 | \$ 2,981,382 |
| Cash payments to suppliers of goods and services | (706,530) | (575,475) | (373,362) | (1,655,367) |
| Cash payments to employees for services | (464,413) | - | (651,225) | (1,115,638) |
| Net cash provided (used) by operating activities | <u>(2,292)</u> | <u>62,005</u> | <u>150,664</u> | <u>210,377</u> |
| Cash flows from noncapital financing activities | | | | |
| Cash received from other funds | 97,000 | - | 204,000 | 301,000 |
| Investment earnings | | | | |
| Cash paid to other funds | (15,142) | (649,734) | (146,570) | (811,446) |
| Net cash provided by noncapital financing activities | <u>81,858</u> | <u>(649,734)</u> | <u>57,430</u> | <u>(510,446)</u> |
| Cash flows from capital and related financing activities | | | | |
| Acquisition of capital assets | (79,566) | - | (161,036) | (240,602) |
| Net cash used by capital and related financing activities | <u>(79,566)</u> | <u>-</u> | <u>(161,036)</u> | <u>(240,602)</u> |
| Net increase (decrease) in cash and cash equivalents | - | (587,729) | 47,058 | (540,671) |
| Cash and cash equivalents at beginning of year | - | 4,661,080 | 187,537 | 4,848,617 |
| Cash and cash equivalents at end of year | <u>\$ -</u> | <u>\$ 4,073,351</u> | <u>\$ 234,595</u> | <u>\$ 4,307,946</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities | | | | |
| Operating income (loss) | \$ (282,873) | \$ (214,927) | \$ 86,880 | \$ (410,920) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities | | | | |
| Depreciation | 235,525 | - | 54,383 | 289,908 |
| Changes in operating assets and liabilities | | | | |
| (Increase) decrease in accounts receivables | 857 | 12,988 | (3,302) | 10,543 |
| Increase (decrease) in accounts payable | 33,694 | 20,015 | (24,005) | 29,704 |
| Increase (decrease) in accrued payroll | 6,045 | - | 4,497 | 10,542 |
| Increase (decrease) in compensation absences | 4,460 | - | 32,211 | 36,671 |
| Increase (decrease) in claims and judgements payable | - | 243,929 | - | 243,929 |
| Net cash provided (used) by operating activities | <u>\$ (2,292)</u> | <u>\$ 62,005</u> | <u>\$ 150,664</u> | <u>\$ 210,377</u> |

Custodial Funds

Custodial 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.

Account for assets held by the City on behalf of other organizations are as follows:

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)

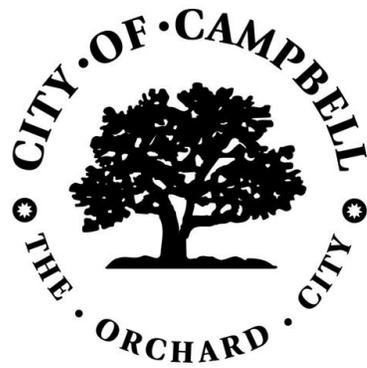
Accounts for the monies of the Santa Clara County Specialized Enforcement Task Force. The City acts as custodian for the operating resources of the task force.

City of Campbell
Combining Statement of Fiduciary Net Position – Custodial Funds
June 30, 2021

| | West Valley Solid Waste Management Authority | 1915 Act Bonds Fund | SCCSET Fund | Total |
|---|---|------------------------|----------------|--------------|
| Assets | | | | |
| Cash and investments | \$ 289,722 | \$ 32,094 | \$ 1,783,176 | \$ 2,104,992 |
| Accounts receivable | 139 | 15 | - | 154 |
| Total assets | 289,861 | 32,109 | 1,783,176 | 2,105,146 |
| Liabilities | | | | |
| Accounts payable | 15,186 | - | - | 15,186 |
| Net Position | | | | |
| Restricted for individuals and organizations | \$ 274,675 | \$ 32,109 | \$ 1,783,176 | \$ 2,089,960 |

City of Campbell
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds
Year Ended June 30, 2021

| | West Valley Solid Waste Management Authority | 1915 Act Bonds Fund | SCCSET Fund | Total |
|--|---|------------------------|---------------------|---------------------|
| Additions | | | | |
| Local government-administered contributions | \$ 747,268 | \$ - | \$ - | \$ 747,268 |
| Other income | 21,376 | - | 673,867 | 695,243 |
| Investment income | (842) | (88) | - | (930) |
| Total additions | 767,802 | (88) | 673,867 | 1,441,581 |
| Deductions | | | | |
| Professional and special services | 317,731 | - | - | 317,731 |
| Administrative | 450,000 | - | 538,469 | 988,469 |
| Total deductions | 767,731 | - | 538,469 | 1,306,200 |
| Change in net position | 71 | (88) | 135,398 | 135,381 |
| Net position at beginning of year, restated | 274,604 | 32,197 | 1,647,778 | 1,954,579 |
| Net position at end of year | \$ 274,675 | \$ 32,109 | \$ 1,783,176 | \$ 2,089,960 |





Statistical Section (Unaudited)
June 30, 2021

City of Campbell

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

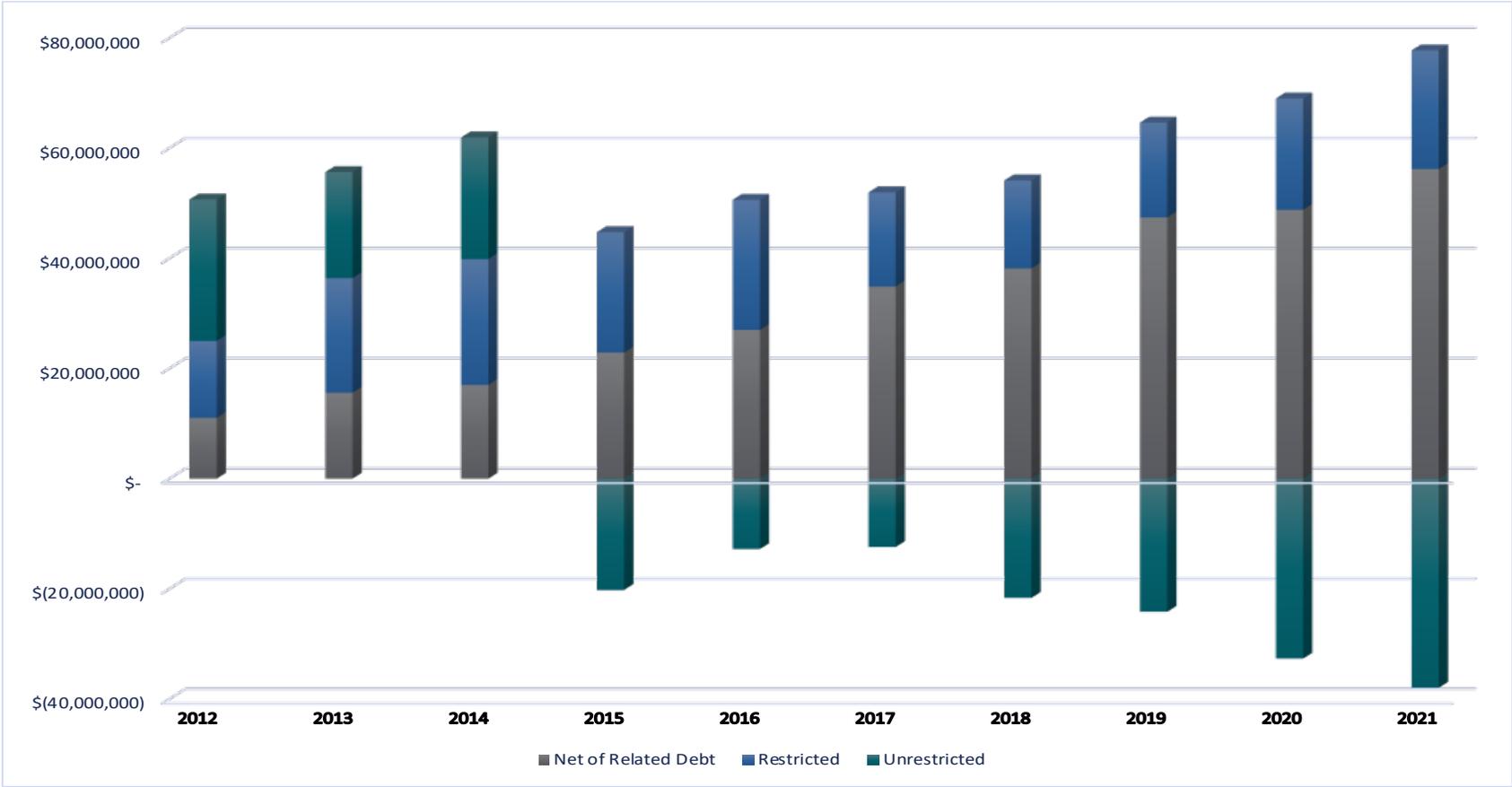
Contents:

| | 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. | 113 - 117 |
| <u>Revenue Capacity</u> these schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax. | 118 - 121 |
| <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. | 122 - 125 |
| <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. | 126 - 127 |
| <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. | 128 - 130 |

Sources:

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

City of Campbell
 Net Position by Component
 Last Ten Fiscal Years (Accrual Basis of Accounting)



City of Campbell
Net Position by Component
Last Ten Fiscal Years (Accrual Basis of Accounting)

| | Fiscal Year Ended June 30, | | | | |
|--|----------------------------|----------------------|----------------------|----------------------|----------------------|
| | 2012 (A) | 2013 | 2014 | 2015 (B) | 2016 |
| Governmental activities: | | | | | |
| Net investments in capital assets | \$ 11,036,245 | \$ 15,612,650 | \$ 17,024,512 | \$ 22,884,579 | \$ 26,997,661 |
| Restricted | 13,973,818 | 20,802,425 | 22,841,487 | 21,868,884 | 23,616,442 |
| Unrestricted | 25,667,911 | 19,239,382 | 22,067,786 | (20,170,607) | (12,748,328) |
| Total governmental activities net position | <u>\$ 50,677,974</u> | <u>\$ 55,654,457</u> | <u>\$ 61,933,785</u> | <u>\$ 24,582,856</u> | <u>\$ 37,865,775</u> |
| Primary government: | | | | | |
| Net investments in capital assets | \$ 11,036,245 | \$ 15,612,650 | \$ 17,024,512 | \$ 22,884,579 | \$ 26,997,661 |
| Restricted | 13,973,818 | 20,802,425 | 22,841,487 | 21,868,884 | 23,616,442 |
| Unrestricted | 25,667,911 | 19,239,382 | 22,067,786 | (20,170,607) | (12,748,328) |
| Total primary government net position | <u>\$ 50,677,974</u> | <u>\$ 55,654,457</u> | <u>\$ 61,933,785</u> | <u>\$ 24,582,856</u> | <u>\$ 37,865,775</u> |
| Expenses | | | | | |
| | Fiscal Year Ended June 30, | | | | |
| | 2017 | 2018 | 2019 | 2020 | 2021 |
| Governmental activities: | | | | | |
| Net investments in capital assets | \$ 34,884,223 | \$ 38,177,017 | \$ 47,429,206 | \$ 48,798,520 | \$ 56,200,867 |
| Restricted | 17,077,829 | 15,970,726 | 17,211,524 | 20,196,004 | 21,541,280 |
| Unrestricted | (12,358,383) | (21,605,385) | (24,121,289) | (32,631,237) | (37,922,516) |
| Total governmental activities net position | <u>\$ 39,603,669</u> | <u>\$ 32,542,358</u> | <u>\$ 40,519,441</u> | <u>\$ 36,363,287</u> | <u>\$ 39,819,631</u> |
| Primary government: | | | | | |
| Net investments in capital assets | \$ 34,884,223 | \$ 38,177,017 | \$ 47,429,206 | \$ 48,798,520 | \$ 56,200,867 |
| Restricted | 17,077,829 | 15,970,726 | 17,211,524 | 20,196,004 | 21,541,280 |
| Unrestricted | (12,358,383) | (21,605,385) | (24,121,289) | (32,631,237) | (37,922,516) |
| Total primary government net position | <u>\$ 39,603,669</u> | <u>\$ 32,542,358</u> | <u>\$ 40,519,441</u> | <u>\$ 36,363,287</u> | <u>\$ 39,819,631</u> |

(A) Activities previously classified as Unrestricted have been reclassified to Restricted in order to comply with provision in GASB 54.

(A) Dissolution of the Redevelopment Agency on 1/31/2012 resulted in a \$17.2 million reduction in net position.

(B) Reported Pension Liability resulted in a negative \$20.1 million of unrestricted in net position in order to comply with provision of GASB 68.

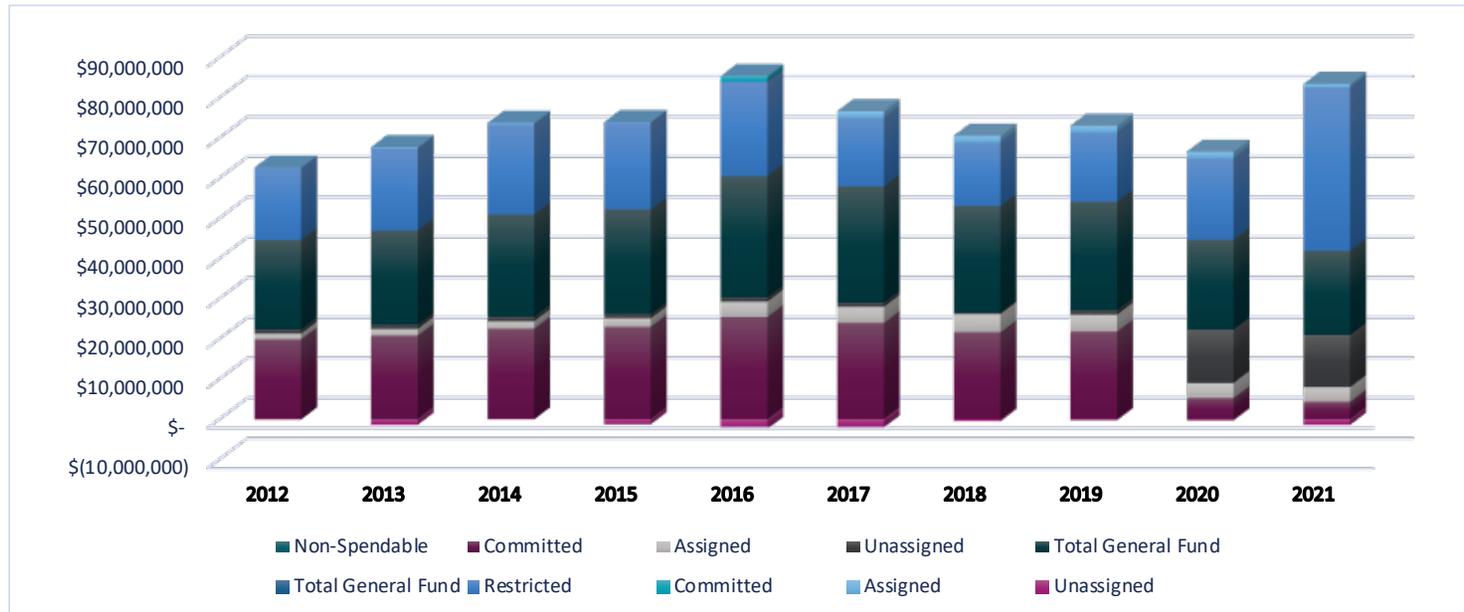
City of Campbell
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|-----------------------------|----------------------------|--------------|--------------|---------------|--------------|----------------|----------------|----------------|--------------|
| Expenses: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| General government | \$ 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 | \$ 7,740,547 |
| Public safety | 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 | 31,982,827 |
| Public Works | 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 | 12,994,559 |
| Community Development | 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 | 2,938,422 |
| Recreation and Community Services | 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 | 4,281,719 |
| Interest on long-term debt | 1,791,038 | 1,013,545 | 990,140 | 965,225 | 936,250 | 579,013 | 336,577 | 330,687 | 324,934 | 1,056,277 |
| Total Primary Government Expenses | 46,186,117 | 44,462,061 | 43,548,297 | 46,990,291 | 48,670,305 | 54,132,615 | 61,202,203 | 62,095,875 | 65,821,785 | 60,994,351 |
| Program Revenues: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges of services: | | | | | | | | | | |
| General government | - | 1,201 | 1,492,558 | 1,478,895 | 1,624,617 | 1,602,647 | 1,586,881 | 18,592 | 9,375 | 342 |
| Public safety | 789,476 | 685,552 | 684,986 | 686,364 | 740,750 | 790,163 | 857,212 | 693,216 | 787,204 | 409,743 |
| Public Works | 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 | 4,289,206 |
| Community Development | 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 | 2,857,170 |
| Recreation and Community Services | 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 | 3,225,350 |
| Operating Grants and Contribution | 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 | 7,135,599 |
| Capital Grants and Contributions | 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 | 3,537,522 |
| Total Primary Government Program Revenues | 16,484,782 | 15,504,349 | 17,098,748 | 16,734,876 | 22,684,665 | 17,334,977 | 16,036,687 | 17,145,177 | 18,396,961 | 21,454,932 |
| Net (Expense)/Revenue: | | | | | | | | | | |
| Total primary government net revenue | (29,701,335) | (28,957,712) | (26,449,549) | (30,255,415) | (25,985,640) | (36,797,638) | (45,165,516) | (44,950,698) | (47,424,824) | (39,539,419) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Taxes: | | | | | | | | | | |
| Property tax | 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 | 21,009,102 |
| Sales Tax | 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 | 14,006,163 |
| Transient Occupancy Tax | 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 | 1,568,908 |
| Franchise Fees | 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 | 3,458,300 |
| Business License Taxes | 598,342 | 625,050 | 647,872 | 662,787 | 683,445 | 694,569 | 698,184 | 693,263 | 664,071 | 666,642 |
| Property Transfer Taxes | 199,791 | 285,292 | 354,112 | 526,054 | 551,007 | 467,990 | 761,583 | 519,407 | 566,794 | 542,456 |
| Construction Taxes | 87,701 | 67,920 | 212,522 | 50,710 | 338,718 | 208,373 | 85,406 | 26,451 | 50,505 | 143,066 |
| Motor Vehicle In Lieu | 20,214 | 20,946 | 17,335 | 26,321 | 69,109 | 19,077 | 45,523 | 20,494 | 34,231 | 135,448 |
| Investment earnings | 221,274 | 329,371 | 621,301 | 529,495 | 487,662 | 171,257 | 181,016 | 1,040,069 | 1,062,566 | 122,547 |
| Miscellaneous | 471,107 | 627,170 | 291,071 | 153,958 | 1,399,265 | 586,210 | 436,370 | 293,126 | 439,896 | 1,343,131 |
| Total Primary Government | 30,505,205 | 30,879,440 | 32,728,877 | 35,576,191 | 39,268,559 | 38,535,532 | 40,459,884 | 43,483,323 | 43,268,670 | 42,995,763 |
| Change in Net Position | | | | | | | | | | |
| Governmental activities | 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) | 3,456,344 |
| Extraordinary Loss | (18,006,154) ^(a) | (1,159,962) ^(b) | - | - | - | - | - | - | - | - |
| Total primary government | \$ (17,202,284) | \$ 761,766 | \$ 6,279,328 | \$ 5,320,776 | \$ 13,282,919 | \$ 1,737,894 | \$ (4,705,632) | \$ (1,467,375) | \$ (4,156,154) | \$ 3,456,344 |

(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)



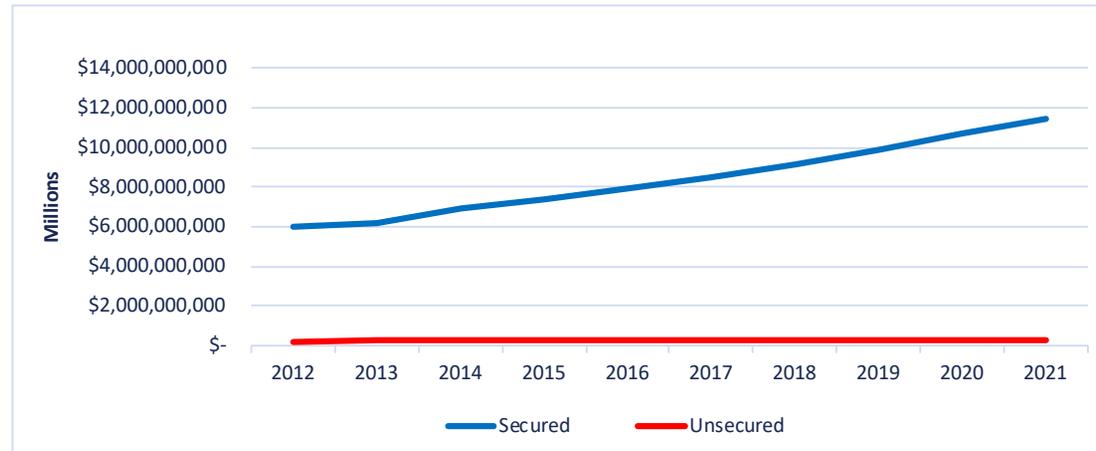
| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| General Fund | | | | | | | | | | |
| Non-Spendable | \$ - | \$ 12,782 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Committed | 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 | 4,296,174 |
| Assigned | 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 | 3,643,857 |
| Unassigned | 1,013,113 | 987,225 | 1,104,285 | 961,258 | 1,000,000 | 999,994 | 360,129 | 1,026,759 | 13,322,046 | 12,976,419 |
| Total General Fund | \$ 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 | \$ 20,916,450 |
| All Other Governmental Funds | | | | | | | | | | |
| Restricted | \$ 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 | \$ 40,615,483 |
| Committed | - | - | - | - | 1,223,623 | - | - | - | - | - |
| Assigned | 93,599 | 303,127 | 371,381 | 108,767 | 140,666 | 1,758,104 | 1,747,982 | 1,715,955 | 1,703,633 | 914,232 |
| Unassigned | (70,955) | (1,411,586) | (44,852) | (1,234,364) | (2,414,736) | (2,064,713) | (498,452) | (242,428) | (311,506) | (1,424,397) |
| Total all other governmental funds | \$ 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 | \$ 40,105,318 |

City of Campbell
Changes in Fund Balances of Governmental Fund
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|-----------------------|-----------------------|---------------------|-----------------------|---------------------|-----------------------|-----------------------|---------------------|-----------------------|-----------------------|
| Revenues | | | | | | | | | | |
| Taxes | \$ 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 | \$ 41,967,223 |
| License, permits and fees | 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 | 4,493,838 |
| Special Assessments | 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 | 1,398,933 |
| Fines and forfeitures | 354,359 | 302,199 | 332,100 | 354,445 | 324,137 | 320,193 | 345,627 | 704,030 | 694,347 | 547,469 |
| Use of money and property | 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 | 2,065,292 |
| Intergovernmental revenues | 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 | 10,440,661 |
| Changes for services | 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 | 2,566,943 |
| Other | 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 | 1,373,431 |
| Total Revenues | 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 | 64,853,790 |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General government | 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 | 7,266,166 |
| Public safety | 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 | 31,419,241 |
| Public works | 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 | 10,748,474 |
| Community development | 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 | 2,938,030 |
| Recreation and Community Services | 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 | 4,018,010 |
| Capital outlay | 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 | 12,550,723 |
| Debt services: | | | | | | | | | | |
| Principal repayment | 1,745,000 | 715,000 | 740,000 | 775,000 | 810,000 | 625,000 | 595,000 | 605,000 | 535,000 | 1,690,000 |
| Interest and fiscal changes | 1,688,531 | 892,369 | 861,944 | 829,600 | 793,300 | 176,642 | 259,200 | 244,275 | 227,076 | 833,397 |
| Bond issuance costs | - | - | - | - | - | 209,762 | - | - | - | - |
| Payments to refunding escrow agent | - | - | - | - | - | 6,203,790 | - | - | - | - |
| Total Expenditures | 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 | 71,464,041 |
| Excess (deficiency) of revenues over (under) expenditures | (1,272,357) | (287,645) | 5,589,850 | (1,381,017) | 6,412,721 | (7,417,303) | (2,009,296) | 2,364,053 | (1,694,384) | (6,610,251) |
| Other Financing Sources (Uses) | | | | | | | | | | |
| Transfers In | 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 | 40,785,100 |
| Transfers Out | (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) | (40,239,796) |
| 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) | (4,523,167) | (1,105,062) | (178,200) | (252,600) | (313,867) | 362,330 | (97,816) | (154,400) | (103,400) | 545,304 |
| Net Change in fund balances | \$ (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) | \$ (6,064,947) |
| Debt service as a percentage of noncapital expenditures | 7.1% | 3.8% | 3.7% | 3.5% | 3.2% | 11.5% * | 1.5% | 1.5% | 1.3% | 4.3% |

* 2017 Debt service as a percentage of noncapital expenditures is calculated by taking the sum of the principal repayment, interest and fiscal changes, and payments to refunding escrow agent by Total expenditures less capital outlay.

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

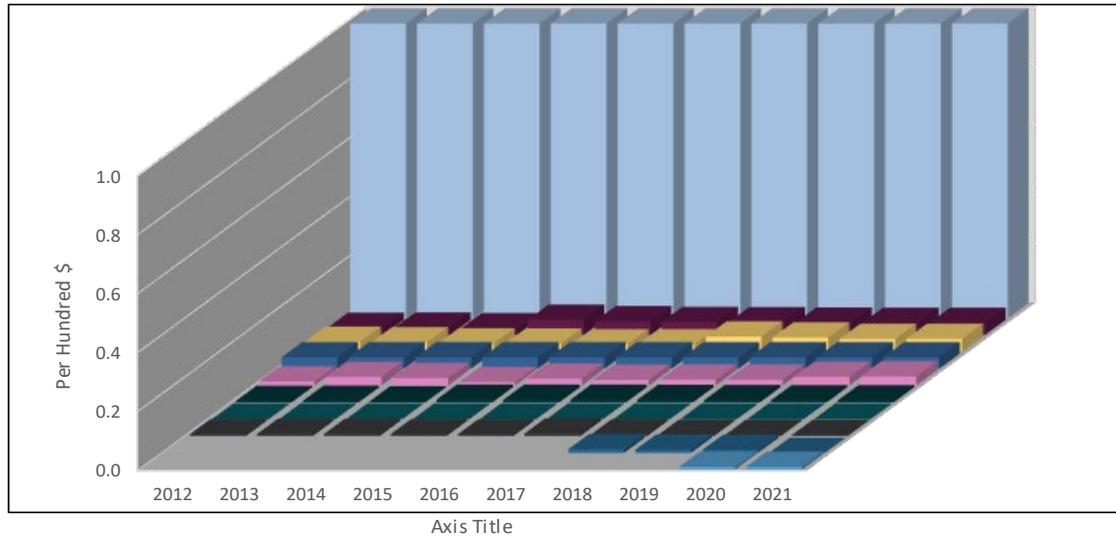


| Fiscal Year | Secured Property | HOPTR Exemptions | SBE Utilities | Total Secured Value | Unsecured Property | Total Assessed (a) | Total Direct Tax Rate (b) |
|-------------|------------------|------------------|---------------|---------------------|--------------------|--------------------|---------------------------|
| 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% |
| 2021 | 11,446,319,015 | 42,973,000 | 238,500 | 11,489,530,515 | 318,127,779 | 11,807,658,294 | 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

| Expenses 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 |
|---------------|-----------------------|----------------|--------------------|------------------|------------------------------|-------------------|---------------------|---------------------|--------------------------|--------------|--------|
| 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 |
| 2021 | 1.0000 | 0.0388 | 0.0024 | 0.0100 | 0.0415 | 0.0439 | 0.0037 | 0.0311 | 0.0069 | 0.00000 | 1.1783 |

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 | 14% | Special Districts | 6% |
| Other (Successor Agencies) | 11% | County | 18% |
| | | Total | 100% |

City of Campbell
Principal Property Taxpayers
Current Year and Ten Years Ago

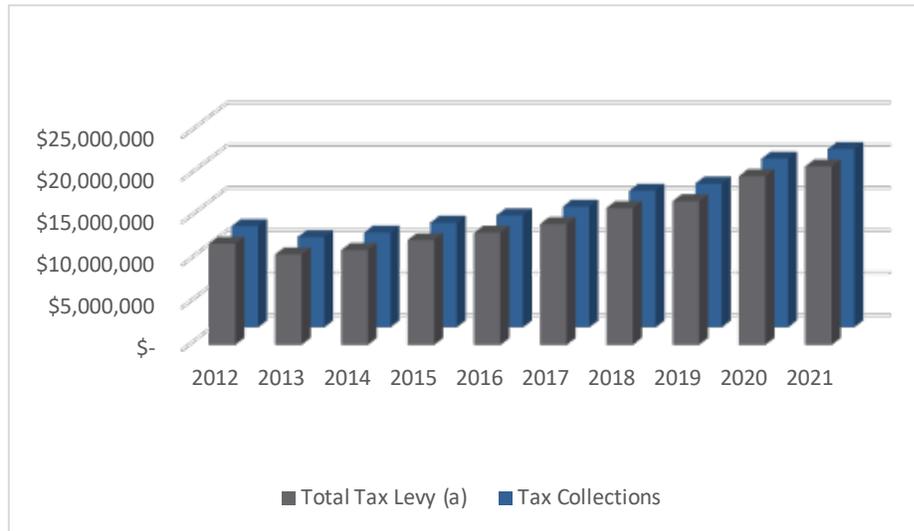
| Taxpayer | 2020-21 | | | 2011-12 | | |
|---------------------------------|-------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| Pruneyard Regengy LLC | \$ 212,500,000 | 1 | 1.80% | | | |
| Pruneyard Office Investors LLC | 160,344,000 | 2 | 1.36% | | | |
| AG-SW Hamilton Plaza Owner L P | 148,293,197 | 3 | 1.26% | | | |
| Revres LLC | 123,716,183 | 4 | 1.05% | | | |
| Bravista Parcelco II LLC | 117,877,318 | 5 | 1.00% | | | |
| Parc Residences LLC | 109,948,516 | 6 | 0.93% | | | |
| 675 Creekside Owner LLC | 104,525,402 | 7 | 0.89% | | | |
| Campbell Technology Pk LLC | 84,970,777 | 8 | 0.72% | 72,533,204 | 2 | 1.15% |
| Raintree Campbell LLC | 70,097,692 | 9 | 0.59% | | | |
| Railway Campbell LLC | 69,781,322 | 10 | 0.59% | | | |
| Blackhawk Parent LLC | | | | 168,719,810 | 1 | 2.68% |
| Legacy III Campbell LLC | | | | 63,675,894 | 3 | 1.01% |
| Hines VAF No Cal Properties LP | | | | 60,235,189 | 4 | 0.96% |
| Buzolich Marc W Trustee & Et Al | | | | 50,347,764 | 5 | 0.80% |
| Bay Apartment Communities Inc | | | | 48,867,260 | 6 | 0.78% |
| Fund X PY Campbell LLC | | | | 47,750,718 | 7 | 0.76% |
| Essex The Commons LP | | | | 42,538,752 | 8 | 0.67% |
| Allergen Sales LLC | | | | 30,164,067 | 9 | 0.48% |
| Dell Industrial Campbell LLC | | | | 29,081,063 | 10 | 0.46% |
| | <u>\$ 1,202,054,407</u> | | <u>10.19%</u> | <u>\$ 613,913,721</u> | | <u>9.75%</u> |

Total Net Assessed Valuation

Fiscal Year 2020-2021 \$ 11,807,658,294
Fiscal Year 2011-2012 6,302,265,402

Source: Santa Clara Tax Assessor's Office.

City of Campbell
Property Tax Levies and Collections
Last Ten Fiscal Years



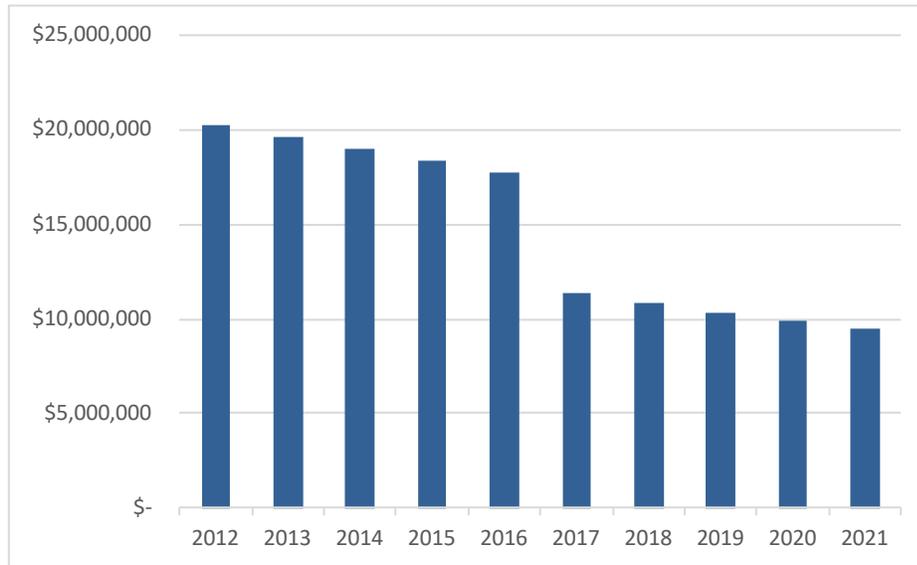
| Fiscal Year | Total Tax Levy (a) | Current Tax Collections | Percent of Levy Collected | Delinquent Tax Collections | Total Tax Collections | Percent of Total Tax Collections to Tax Levy |
|-------------|--------------------|-------------------------|---------------------------|----------------------------|-----------------------|--|
| 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% |
| 2021 | 20,965,132 | 20,965,132 | 100% | - | 20,965,132 | 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 | Lease Revenue | | Total Primary Government | Percentage of Personal Income ^(a) | Per Capita ^(a) |
|-------------|-------------------------------------|--|--------------------------|--|---------------------------|
| | Tax Allocation Bonds ^(b) | Bonds and Certificates of Participation ^(c) | | | |
| 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 | - | 11,359,261 | 11,359,261 | 0.3481% | 265.86 |
| 2018 | - | 10,844,548 | 10,844,548 | 0.3157% | 253.99 |
| 2019 | - | 10,329,913 | 10,329,913 | 0.2863% | 238.85 |
| 2020 | - | 9,895,985 | 9,895,985 | 0.2347% | 234.01 |
| 2021 | - | 9,458,411 | 9,458,411 | 0.2202% | 227.73 |

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 126 (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, 2021

| OVERLAPPING GENERAL FUND DEBT | Net Debt Outstanding | Applicable Percentage ⁽¹⁾ | Amount Applicable to City of Campbell |
|--|-------------------------|---|---|
| Santa Clara County | \$ 812,685,000 | 2.143% | \$ 17,415,840 |
| West Valley - Mission Community College District | 589,080,000 | 7.432% | 43,780,426 |
| Campbell Union High School District | 357,945,000 | 21.375% | 76,510,744 |
| Cambrian School District | 62,324,944 | 31.158% | 19,419,206 |
| Campbell Union School District | 211,274,895 | 31.486% | 66,522,013 |
| Moreland School District | 127,582,251 | 12.865% | 16,413,457 |
| City of Campbell | 18,860,000 | 100.000% | 18,860,000 |
| Midpeninsula Regional Open Space District | 86,400,000 | 0.027% | 23,328 |
| Santa Clara County Valley Water District benefit Assessment District | 57,010,000 | 2.143% | 1,221,724 |
| | | | <u>\$ 260,166,738</u> |
| DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT | | | |
| Santa Clara County General Fund Obligations | \$ 914,957,860 | 2.143% | \$ 19,607,547 |
| Santa Clara County Pension Obligations Bonds | 341,399,194 | 2.143% | 7,316,185 |
| Santa Clara County Board of Education Certificates of Participation | 2,670,000 | 2.143% | 57,218 |
| West Valley - Mission Community College District General Fund Obligations | 49,850,000 | 7.432% | 3,704,852 |
| Campbell Union High School District General Fund Obligations | 20,000,000 | 21.375% | 4,275,000 |
| Campbell Union School District General Fund Obligations | 2,180,000 | 31.486% | 686,395 |
| City of Campbell General Fund Obligations | 8,822,091 | 100.000% | 8,822,091 |
| Midpeninsula Regional Open Space District General Fund Obligations | 106,000,600 | 0.027% | 28,620 |
| Santa Clara County Vector Control District Certificates of Participation | 1,765,000 | 2.143% | 37,824 |
| | | | <u>\$ 44,535,732</u> |
| SUB-TOTAL OVERLAPPING GENERAL FUND OBLIGATION DEBT | | | <u>\$ 44,535,732</u> |
| Less: Santa Clara County supported obligations | | | 541,692 |
| TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT | | | <u>\$ 43,994,040</u> |
| <u>OVERLAPPING TAX INCREMENT DEBT (Successor agency):</u> | 17,425,000 | 100.000% | \$ 17,425,000 |
| TOTAL DIRECT DEBT | | | \$ 27,682,091 |
| TOTAL GROSS OVERLAPPING DEBT | | | \$ 294,445,379 |
| TOTAL NET OVERLAPPING DEBT | | | \$ 293,903,687 |
| GROSS COMBINED TOTAL DEBT | | | \$ 322,127,470 |
| NET COMBINED TOTAL DEBT (excludes County supported item) | | | \$ 321,585,778 |
| | | | |
| ⁽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. | | | |
| | | | |
| Ratios to 2020-21 Assessed Valuation: | | | |
| Total Overlapping Tax and Assessment Debt | 2.20% | | |
| Total Direct Debt (\$27,682,091) | 0.23% | | |
| Gross Combined Total Debt | 2.73% | | |
| Net Combined Total Debt | 2.72% | | |
| | | | |
| Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,308,323,372): | | | |
| Total Overlapping Tax Increment Debt | 1.33% | | |

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 |
|----------------|-------------------|------------------------------------|---|-------------------------|
| 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 |
| 2021 | 11,807,658,294 | 442,787,186 | 18,860,000 | 423,927,186 |

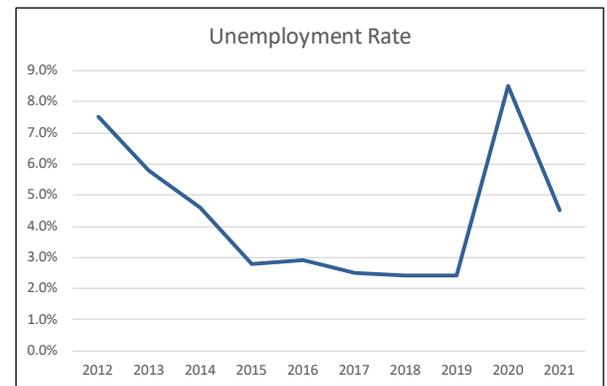
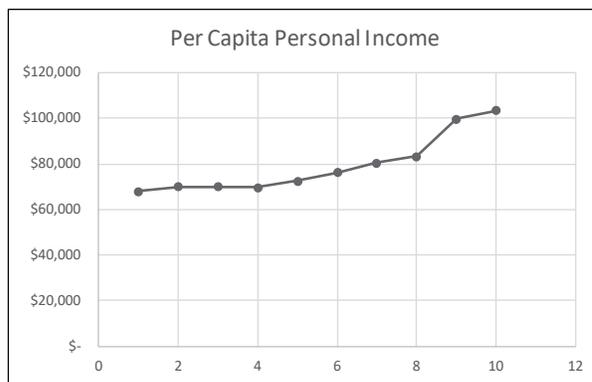
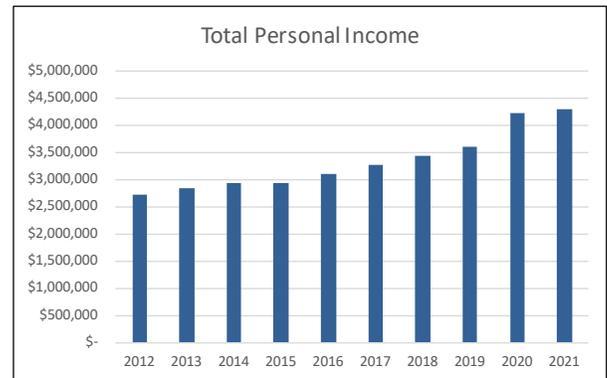
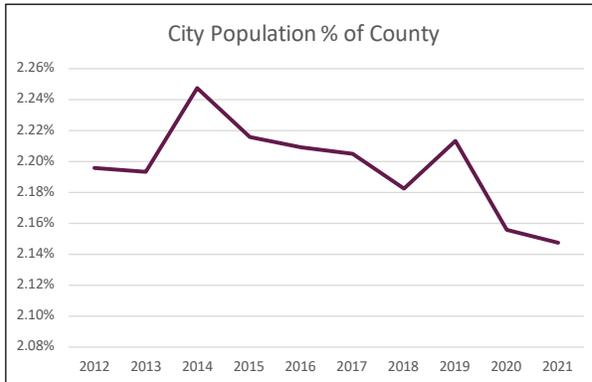
⁽¹⁾ Pursuant to California Government Code Section 43605 (15% of 25% of full cash value).

Source: City of Campbell Finance Department.

Bonded Debt Pledged Revenue Coverage – Redevelopment/Successor Agency Tax Allocation Bonds
Last Ten Fiscal Years

| Fiscal Year | Tax Increment Revenue | Principal | Interest and Fiscal Charges | Total Debt Service | Coverage |
|--------------------|------------------------------|------------------|------------------------------------|---------------------------|-----------------|
| 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 |
| 2021 | 1,590,737 | 1,200,000 | 390,737 | 1,590,737 | 1.00 |

City of Campbell
Demographic and Economic Statics
Last Ten Fiscal Years



| <u>Calendar</u> | <u>Population</u> | <u>Personal</u> | <u>Per Capita Personal</u> | <u>Unemployment</u> | <u>Santa Clara</u> | <u>City Population %</u> |
|-----------------|-------------------|-----------------|----------------------------|---------------------|--------------------|--------------------------|
| 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 | 8.5% | 1,961,969 | 2.16% |
| 2021 | 41,533 | 4,294,776 | 103,406 | 4.5% | 1,934,171 | 2.15% |

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%).

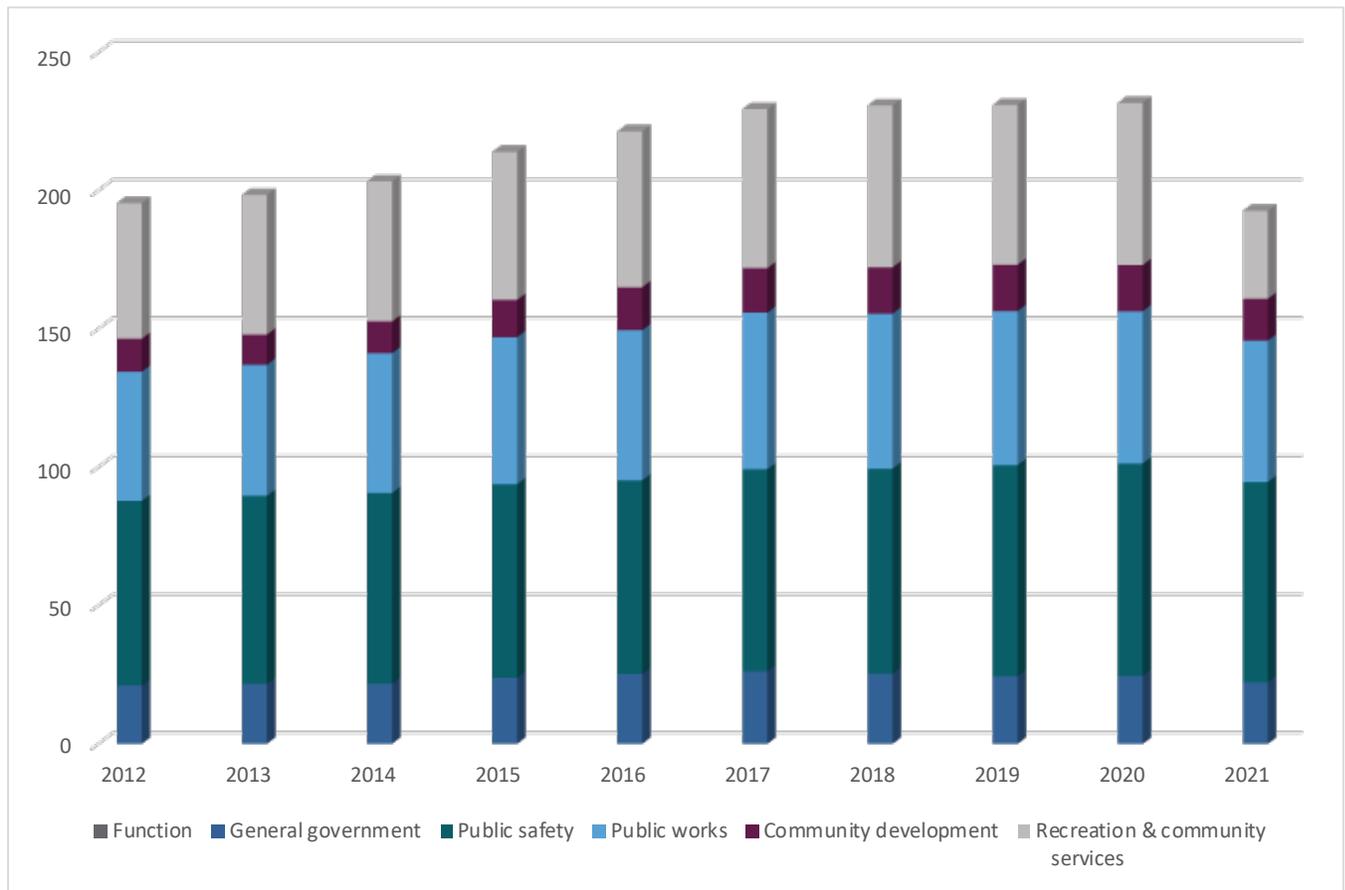
(1) The City annexed several County pockets effective May 1, 2013.

City of Campbell
Top Ten Principal Employers
Current Year and Ten Years Ago

| Employer | 2020-21 | | | 2011-12 | | |
|--------------------------------------|---------------------|------|-------------------------------------|---------------------|------|-------------------------------------|
| | Number of Employees | Rank | Percentage of Total City Employment | Number of Employees | Rank | Percentage of Total City Employment |
| Chargepoint, Inc. | 1,029 | 1 | 4.00% | | | |
| 8x8 Inc | 742 | 2 | 2.89% | | | |
| Barracuda Networks Inc. | 315 | 3 | 1.23% | 393 | 1 | 1.7% |
| Home Depot | 230 | 4 | 0.89% | 189 | 7 | 0.8% |
| Family Matters In-Home Care | 210 | 5 | 0.82% | | | 0.0% |
| Whole Foods Market | 208 | 6 | 0.81% | 250 | 4 | 1.1% |
| Moss Adams LLP | 201 | 7 | 0.78% | | | 0.0% |
| SAAMA Technologies | 185 | 8 | 0.72% | 182 | 8 | 0.8% |
| Bioreference Laboratories Inc | 170 | 9 | 0.70% | | | 0.0% |
| Groupware Technology | 170 | 10 | 0.70% | | | 0.0% |
| Safeway Inc | | | | 338 | 2 | 1.5% |
| Fry's Electronics | | | | 250 | 3 | 1.1% |
| Hunter Laboratories | | | | 200 | 5 | 0.9% |
| Yousendit Inc. | | | | 200 | 6 | 0.9% |
| Mohler, Nixon & Williams Accountancy | | | | 165 | 9 | 0.7% |
| City of Campbell | | | | 154 | 10 | 0.7% |
| Total City Labor Force | <u>25,700</u> | | | <u>23,146</u> | | |

Source: City of Campbell - California Employment Development Department

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



| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Function | | | | | | | | | | |
| General government | 21.07 | 21.65 | 21.72 | 23.88 | 25.28 | 26.26 | 25.35 | 24.45 | 24.55 | 22.30 |
| Public safety | 66.81 | 68.01 | 69.01 | 70.01 | 70.01 | 73.01 | 74.13 | 76.33 | 76.83 | 72.37 |
| Public works | 46.67 | 47.42 | 50.5 | 53.14 | 54.26 | 56.65 | 56.05 | 55.7 | 55.00 | 51.10 |
| Community development | 11.91 | 10.91 | 11.51 | 13.51 | 15.55 | 16.1 | 16.77 | 16.77 | 16.77 | 15.14 |
| Recreation & community services | 49.04 | 50.52 | 50.67 | 53.48 | 56.37 | 57.49 | 58.5 | 57.73 | 58.57 | 31.81 |
| Total | 195.50 | 198.51 | 203.41 | 214.02 | 221.47 | 229.51 | 230.80 | 230.98 | 231.72 | 192.72 |

Source: City of Campbell, California Budget Documents.

City of Campbell
Operating Indicators by Function/Program
Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| Function/Program | | | | | | | | | | |
| Public safety | | | | | | | | | | |
| Fire: | | | | | | | | | | |
| Fire calls for service | 72 | 70 | 76 | 90 | 81 | 67 | 72 | 90 | 84 | 78 |
| Medical aid calls | 1,931 | 1,946 | 1,886 | 1,966 | 2,177 | 2,318 | 2,354 | 2,174 | 2,102 | 2,044 |
| Police: | | | | | | | | | | |
| Police calls for service | 22,098 | 23,353 | 24,151 | 24,624 | 24,408 | 23,275 | 23,312 | 26,242 | 25,141 | 29,917 |
| Law violations: | | | | | | | | | | |
| Arrests | 1,535 | 1,660 | 1,835 | 2,141 | 2,183 | 2,027 | 2,080 | 1,898 | 1,347 | 1,657 |
| Traffic violations | 4,232 | 4,083 | 4,607 | 6,205 | 4,501 | 4,638 | 4,339 | 3,544 | 1,356 | 825 |
| Parking violations | 2,986 | 2,394 | 2,335 | 3,110 | 3,733 | 4,384 | 3,741 | 3,716 | 2,369 | 518 |
| Public works | | | | | | | | | | |
| Miles of streets (major) | 15 | 15 | 16 | 16 | 16 | 16 | 16 | 16 | 15 | 14 |
| Miles of streets (secondary) | 77 | 77 | 80 | 80 | 80 | 80 | 80 | 80 | 80 | 80 |
| Potholes repaired | | 160 | 78 | 81 | 90 | 108 | 58 | 228 | 350 | 200 |
| Culture and recreation: | | | | | | | | | | |
| Community services: | | | | | | | | | | |
| Recreation class participants | 32,674 | 33,526 | 31,749 | 30,022 | 35,082 | 35,737 | 42,195 | 63,207 | 51,150 | 23,133 |
| Performing Arts Center performances | 10 | 7 | 8 | 8 | 6 | 6 | 7 | 6 | 4 | 0 |
| Wastewater | | | | | | | | | | |
| Miles of sewers (storm) | 50 | 50 | 50 | 50 | 50 | 50 | 59 | 59 | 59 | 59 |
| Miles of sewers (sanitary - entire district) | 618 | 618 | 618 | 618 | 618 | 618 | 602 | 602 | 602 | 602 |
| Miles of sewers (sanitary - Campbell only) | 158 | 158 | 158 | 158 | 158 | 158 | 168 | 168 | 168 | 168 |
| Solid Waste | | | | | | | | | | |
| Refuse landfilled (tons per year) | - | 25,514 | 26,555 | 27,398 | 29,422 | 28,386 | 28,300 | 22,082 | 26,460 | 24,943 |
| Green waste | - | - | - | - | - | 6,781 | 7,312 | 6,893 | 7,375 | 7,201 |
| Recyclables processed (tons per year) | 15,561 | 14,541 | 15,414 | 16,702 | 15,866 | 10,004 | 18,483 | 10,251 | 9,085 | 9,362 |

City of Campbell
Capital Assets Statistics by Function/Program
Last Ten Fiscal Years

| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|----------------------------|------|------|------|------|------|------|------|------|------|------|
| Function/Program | | | | | | | | | | |
| Public works: | | | | | | | | | | |
| Miles of streets | 92 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 94 |
| Street lights | 2535 | 2610 | 2610 | 2705 | 2705 | 2706 | 2715 | 2715 | 2800 | 2800 |
| Traffic Signals | 43 | 43 | 43 | 44 | 44 | 44 | 45 | 45 | 46 | 45 |
| 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 | 8 | 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 | 4 | 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 |