

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2022

Resilient together



Mission

To enrich the quality of life for our community with the services provided for a safe, fulfilling and vibrant life.



www.belmont.gov

Vision

We are celebrated for enhancing:

- Distinctive community character
- Easy mobility
- Natural beauty
- Thriving culture
- Thriving economy



CITY OF BELMONT, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2022

Prepared by
FINANCE DEPARTMENT

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Introductory Section



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For the Year Ended June 30, 2022

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Message from the Finance Director

November 3, 2022

To the Citizens of the City of Belmont, California:

We are pleased to present the City of Belmont's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022.

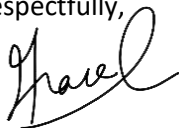
Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City, and in particular, the Finance Department. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The following pages in this transmittal are intended to summarize and highlight the City's financial results for the fiscal year just ended and complement the Management's Discussion & Analysis (MD&A) and basic financial statements.

The MD&A, which provides a more comprehensive look at the City's financial results, includes a narrative introduction, overview, and analysis. Readers are encouraged to read the MD&A, which can be found immediately following the independent auditor's report in the financial section of the Annual Comprehensive Financial Report, along with accompanying basic financial statements.

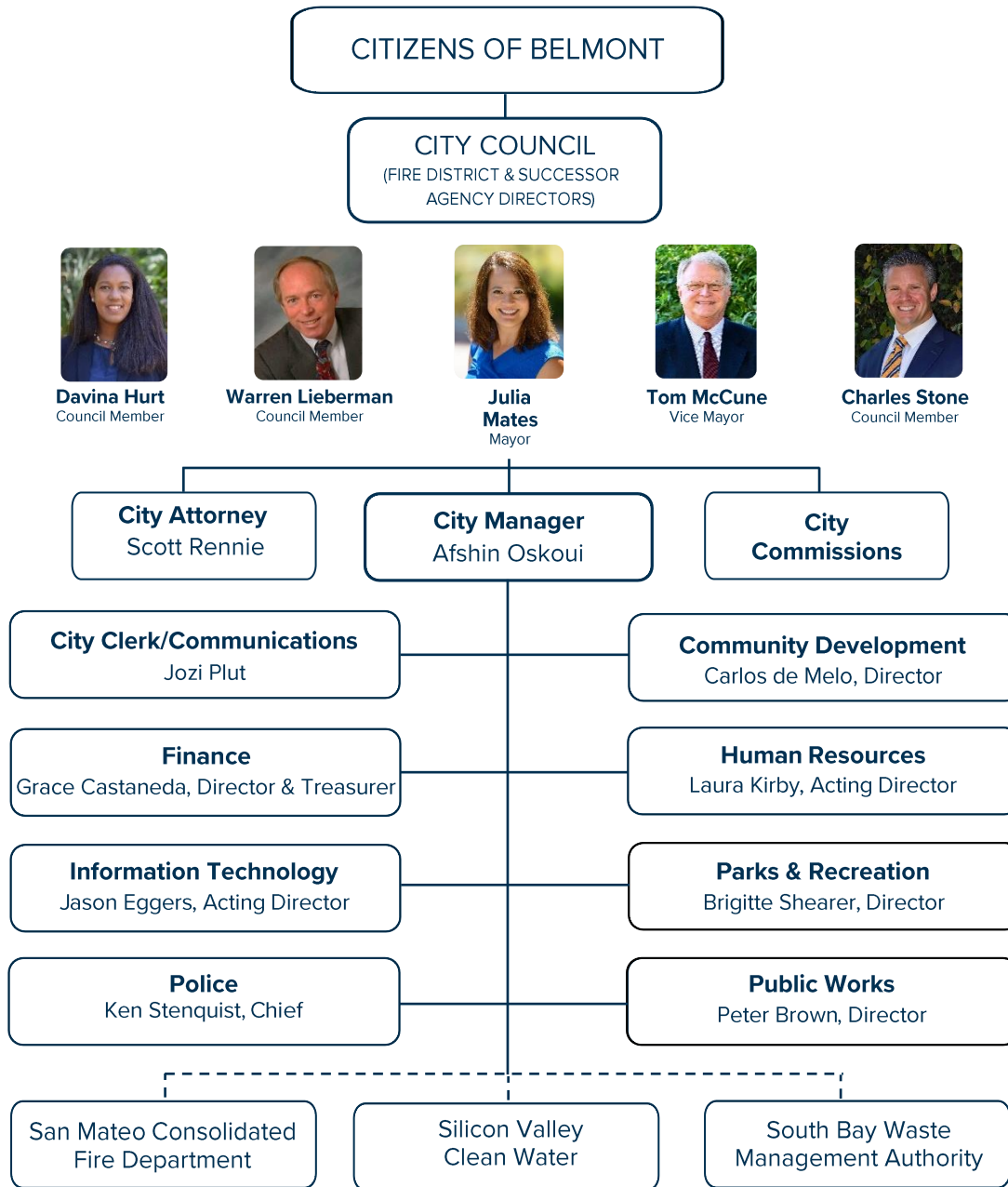
The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Sincere appreciation is expressed to all those who assisted and contributed to its preparation.

Respectfully,

A handwritten signature in black ink, appearing to read "Grace".

Grace Castaneda
Finance Director

Organizational Chart and Principal Officials



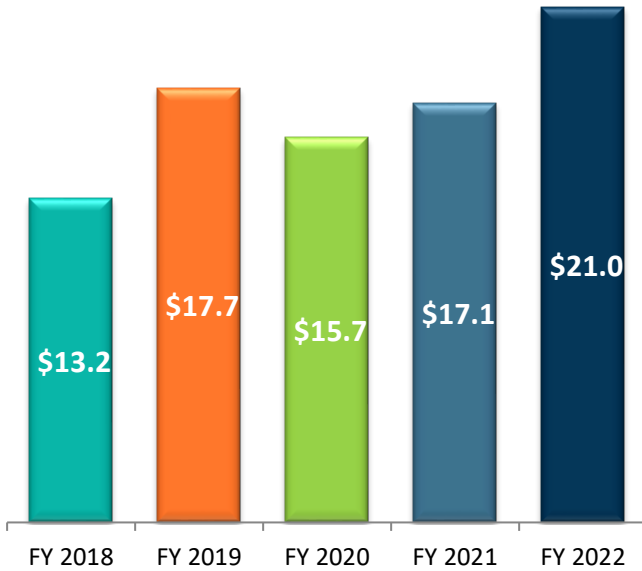
About City of Belmont

The City of Belmont, incorporated in 1926, is located on the San Francisco Peninsula, midway between San Francisco and San Jose. The City of Belmont operates under the council-manager form of government. Policy-making and legislative authority are vested in a governing council consisting of the mayor and four other members. The City Council is responsible, amongst other things, for passing ordinances, adopting the budget, appointing commissions, and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing day-to-day operations of the City, and for appointing the heads of the various departments.

The City provides a full range of services including police and fire protection; sanitation services; construction and maintenance of highways, streets, and infrastructure; community development; parks; recreational activities; and general government activities.

General Fund Results

General Fund Balance Trends



*includes Measure I

The City continues to manage and recover from the impacts of the coronavirus pandemic. Prior year successes in stabilizing operations, a General Fund balance and financial assistance from the Federal Government are available to partially mitigate the effects of the pandemic.

FY 2022 revenues increased by \$2.8 million to \$30.5 million from \$27.7 million in prior year. Tax revenues were \$21.0 million, including \$2.3 million of Measure I revenue.

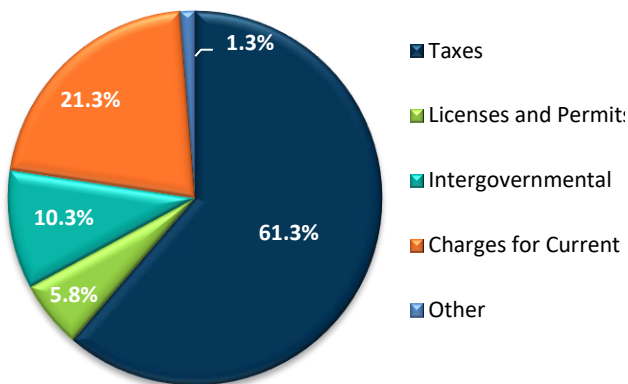
FY 2022 expenditures were managed and below the final budget by \$3.8 million.

Total fund balance of the General Fund increased by \$3.8 million to \$21.0 million, due primarily to the first of two tranches of \$3.2 million American Rescue Plan Act (ARPA) Federal Coronavirus State and Local Fiscal Recovery Funds. The City is still recovering from impacts of the pandemic, with the long-term forecast projecting close to a 25% drop in fund balance in the next five years.

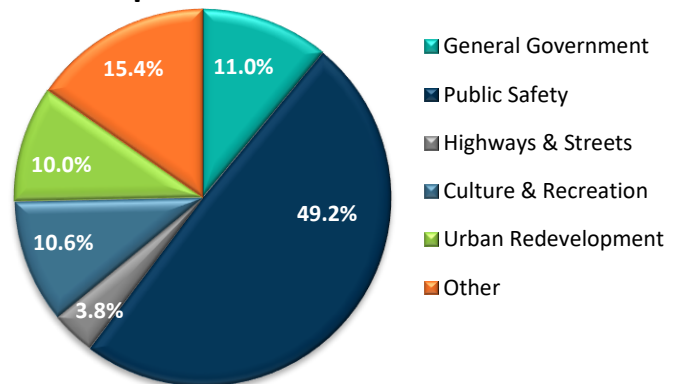
Looking forward, FY 2023 Adopted Budget is \$28.3 million, including \$4.4 million transfer out to support other funds. It projects a General Fund Reserve balance of \$20.6 million. This meets the target reserve policy set by City Council, which is 33% of total General Fund operations, with a minimum of \$5 million.

Governmental Fund Results

Revenues



Expenditures

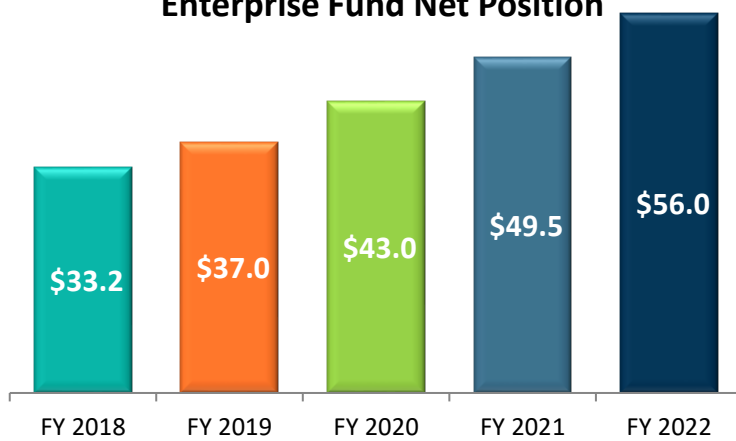


Belmont Fire Protection District

The San Mateo Consolidated Fire Department (SMC Fire) Joint Powers Authority (JPA) was established on November 22, 2017 by the City of San Mateo, the City of Belmont/Belmont Fire Protection District, and the City of Foster City/Estero Municipal Improvement District to provide integrated and comprehensive fire protection, fire prevention, and emergency response services to all three communities. SMC Fire commenced operations on January 13, 2019.

Enterprise Fund Results

Enterprise Fund Net Position



FY 2022 operating revenues of \$21.2 million were 1.1% higher than last year, due primarily to an increase in the collection of sewer service charges.

FY 2022 operating expenses were flat at \$11.3 million.

FY 2023 Adopted Budget includes \$16.4 million for operations and \$6.4 million in sewer system capital improvements.

Long-Term Debt

At the end of fiscal year 2022, the City had a total of \$78.4 million in long-term debt. The existing long-term debt does not include addressing deferred capital maintenance and retirement obligations discussed in greater detail below.



Cash Management

Cash temporarily idle during the year was invested in U.S. Government securities and with the State Treasurer's Local Agency Investment Fund (LAIF).

Risk Management

Since 2004, the City has purchased primary workers' compensation insurance with no deductible. All claims from that date are covered 100% by the carrier. Prior to 2004, the City maintained a self-insurance program for workers' compensation. The City also purchases commercial insurance against general liability claims above the City's self-insured retention of \$250,000.

Internal Control

Management is responsible for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatement.



Long-Term Financial Planning & Major Initiatives

The City has long been fiscally responsible with a focus on long-term sustainability. It provides an extended financial projection as part of the budget process, allowing the City to be proactive in seeking both short-term and long-term budget solutions.

The City Council annually performs a review of the City’s strategic plan, including priorities and policy modifications. This year’s collaborative and productive discussions to address Belmont’s critical issues generated five Strategic Focus Areas to build on the City’s continued momentum and success. A unified vision for the future uses the following City Council focus areas as its roadmap for action over the next 3-5 years, as highlighted below.

Strategic Focus Areas



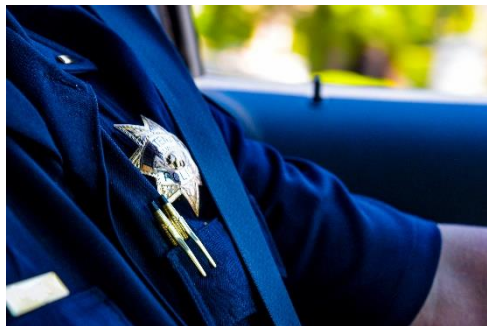
Infrastructure and Mobility



Economic Development & Housing



Fiscal & Organizational Stability



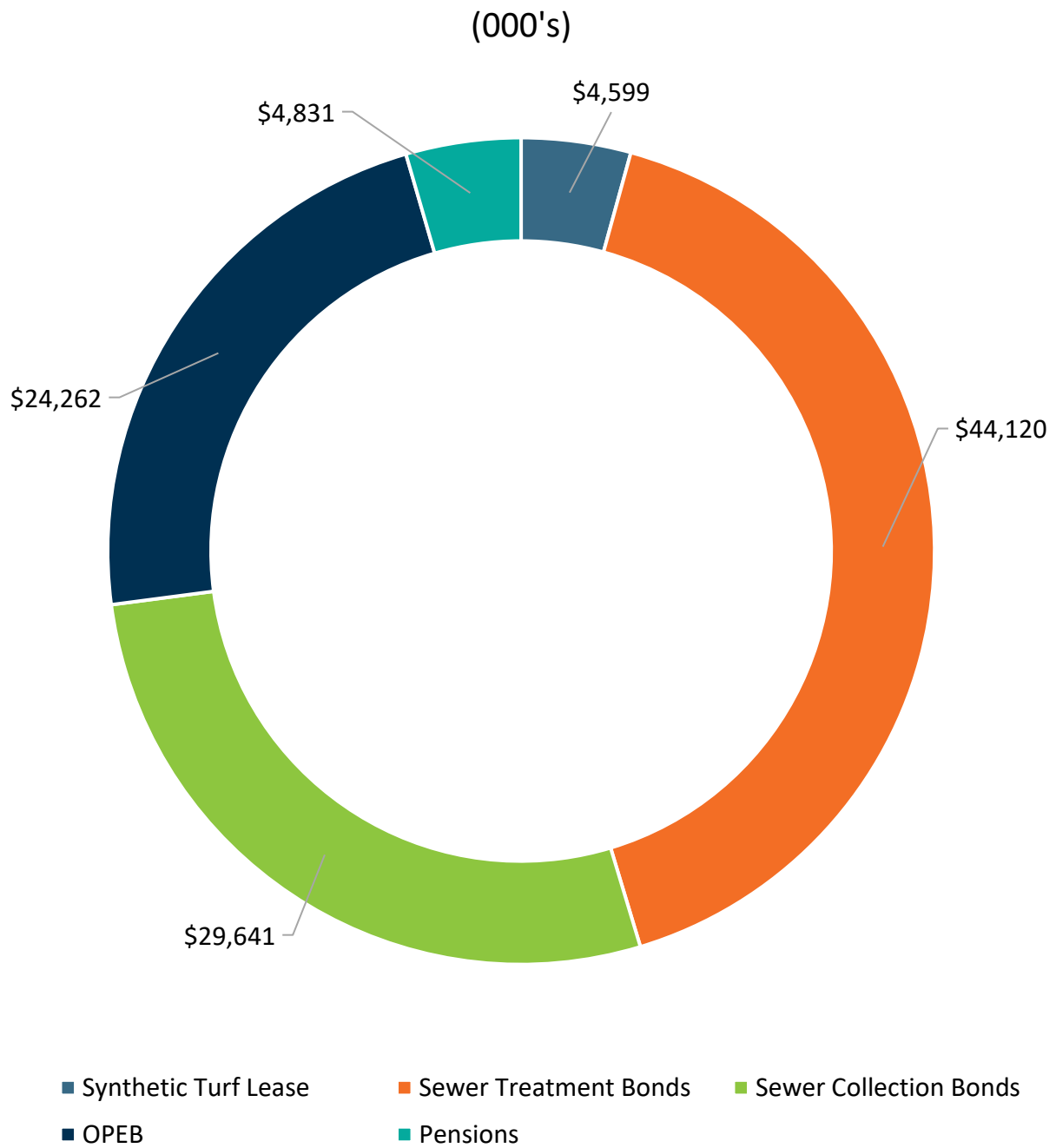
Public Safety



Quality of Life

Capital and Retirement Obligations

The chart below summarizes the City's capital and retirement obligations as of June 30, 2022.



Facts and Statistics

2022 Population

27,203



FTE Employees

City – 134.30

Area

4.61 Sq. Miles

Parks & Recreation

Recreation Class Participants – 52,714

Developed Parks – 15

Acres of Open Space – 287.58

Acres of Developed Parks – 61.4

Permit Center

Permits Issued – 1,854

Inspections Performed – 5,635

Public Safety

Police

Calls for Service – 20,858

Parking Violations – 1,574

Physical Arrests – 504

Traffic Violations – 1,150

Fire

Calls for Service – 2,510

Plan Checks – 171

Annual Fire Inspections – 340

Public Works

Sewer

Miles of Sewer – 85

Sewer Connections – 7,690

Storm Drains

Miles of Storm Drains – 27

Storm Drain Inlets – 1,500

Streets

Miles of Streets – 70

Streetlights – 1,465

Traffic Signals – 18

Vision Statement

The City's Vision Statement typically drives Council's Strategic Focus Areas, goals and objectives, and includes the following areas:

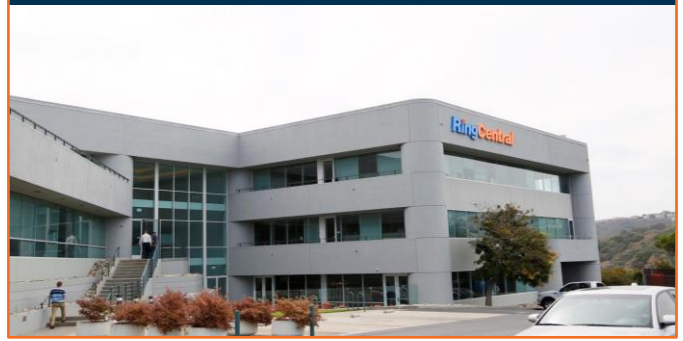
- Distinctive Community Character
- Easy Mobility
- Natural Beauty
- Thriving Culture
- Thriving Economy



Top 10 Employers*

1. RingCentral, Inc.
2. Autobahn Motors
3. Safeway Store #1138
4. Lunardi's Market
5. Silverado – Belmont Hills
6. Nikon Precision Inc.
7. Woodmont Real Estate Services
8. Sunrise of Belmont
9. Merry Moppet Preschool, Inc.
10. Nikon Research Corporation of America

**Excludes governmental agencies and not for profit entities*



Request for Information

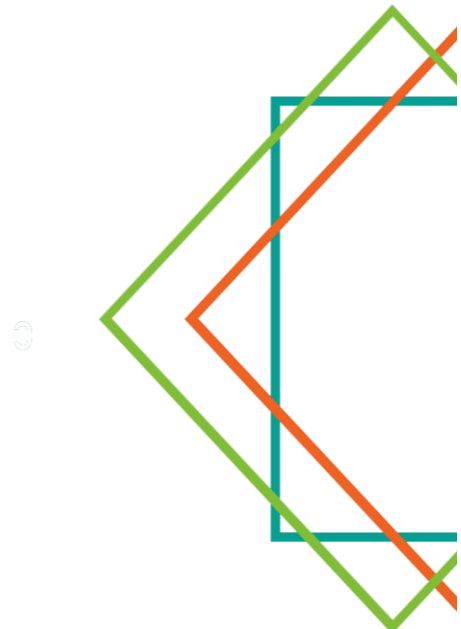
This financial report is designed to provide a general overview of the City of Belmont's finances for all those interested.

Questions concerning any information provided in this report should be addressed to the Finance Director or for additional information regarding the City's financial activities, including past award winning Annual Comprehensive Financial Reports, transparency efforts and best practices please visit the City at www.belmont.gov.

Contact Us:

Finance Director
Finance Department
Belmont City Hall
One Twin Pines Lane, Suite 320
Belmont, CA 94002

Phone (650) 595-7433
finance@belmont.gov





Financial Section



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INDEPENDENT AUDITOR'S REPORT

To the Honorable Members of the City Council
City of Belmont, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Belmont, California (City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the Table of Contents.

In our opinion, based on our audit and report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons listed in the Table of Contents as part of the basic financial statements for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of San Mateo Consolidated Fire Department (SMC Fire) as of and for the year ended June 30, 2021, related to the calculation of the Investment in Joint Venture. The Investment in this Joint Venture represents 2%, 3% and 0%, respectively, of the assets, net position and revenues of the governmental activities. The financial statements of SMC Fire were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the calculation of the Investment in Joint Venture, is based solely on the report of the other auditors.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibility of Management 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Change in Accounting Principles

Management adopted the provisions of the Governmental Accounting Standards Board Statement No. 87 – *Leases*, which became effective during the year ended June 30, 2022 and had material effects on the financial statements as discussed in Note 10 to the financial statements:

The emphasis of this matter does not constitute a modification to our opinions.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and other Required Supplementary Information as listed in the Table of Contents be presented to supplement the basic financial statements. Such information is the responsibility of management, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Supplementary Information, as listed in the Table of Contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section listed in the Table of Contents, but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 3, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Mane & Associates

Pleasant Hill, California
November 3, 2022

**CITY OF BELMONT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Management of the City of Belmont offers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022, to make the financial statements clearer and more understandable. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The City's total assets increased by \$28.5 million to \$309.5 million, of which \$174.0 million represented governmental assets and \$135.5 million represented business-type assets.
- City's total liabilities decreased by \$22.3 million to \$117.4 million, of which \$39.2 million were governmental liabilities and \$78.2 million were business-type liabilities.
- The City's total net position increased by \$22.0 million (14.6%) from the prior year . On June 30, 2022, net position totaled \$172.0 million, comprised of \$116.0 million for governmental activities and \$56.0 million for business-type activities. Of the \$172.0 million net position, \$32.3 million is unrestricted which can be used to meet the City's ongoing obligations.
- City-wide revenues were \$84.0 million, of which \$62.8 million were generated by governmental activities and \$21.2 million were generated by business-type activities.
- City-wide expenses were \$62.1 million, of which \$47.3 million were incurred by governmental activities and \$14.8 million were incurred by business-type activities.
- Governmental Fund balances increased by \$9.0 million (17.7%) to \$59.8 million. Of this amount, \$17.6 million, or 29.5%, was unassigned fund balance and available for spending at the City's discretion.
- Governmental Fund revenues were \$58.5 million, an increase of \$4.8 million (9.0%) from prior fiscal year.
- Governmental Fund expenditures decreased by \$0.7 million to \$52.3 million, from prior year.
- Enterprise Fund net position increased by \$6.5 million (13.0%) to \$56.0 million. Of this amount, \$28.8 million (51.5%) was unrestricted net position and available for spending at the City's discretion.
- Enterprise Fund operating revenues were \$21.2 million compared to \$20.9 million in the prior year.
- Enterprise Fund operating expenses were \$11.3 million, a slight increase of \$48 thousand comparing to the prior fiscal year.
- In April 2022, the 2022 Sewer Treatment Facilities Revenue Refunding Bonds of \$6.4 million were issued. The proceeds were used to refund the 2009A Sewer Treatment Facility Revenue Bonds. The refunding resulted in an overall debt services savings of \$3.5 million.
- The City received the first of two tranches of \$3.2 million one-time ARPA Federal Coronavirus State and Local Fiscal Recovery Funds in the current fiscal year.
- Net pension liability decreased by \$16.2 million (41.5%) from prior year to \$24.3 million. The decrease was primarily due to high returns on CalPERS investments as of the measurement date on June 30, 2021.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Annual Comprehensive Financial Report is composed of the following:

1. Introductory section, which includes the Transmittal Letter and general information,
2. Management's Discussion and Analysis (this part),
3. Basic Financial Statements, which include the Government-wide and the Fund financial statements along with the Notes to these financial statements,
4. Required and Other Supplemental Information, and
5. Statistical information.

The Basic Financial Statements

The Basic Financial Statements consist of the Government-wide Financial Statements and the Fund Financial Statements. These two sets of financial statements provide two different views of the City's financial activities and financial position—long-term and short-term.

The Government-wide Financial Statements provide a longer-term view of the City's activities as a whole and consist of the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the City as a whole, including all its capital assets and long-term liabilities on the full accrual basis, similar that used by corporations. The Statement of Activities provides information about all of the City's revenues and expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each of the City's programs. The Statement of Activities explains in detail the change in Net Position for the year.

The Fund Financial Statements report the City's operations in more detail than the City-wide statement and focus primarily on the short-term activities of the City's General Fund and other Major Funds. The Fund Financial Statements measure only current revenues and expenditures, current assets, liabilities, and fund balances; they exclude capital assets, long-term debt, and other long-term amounts.

Major Funds account for the major financial activities of the City and are presented individually, while the activities of Non-major Funds are presented in summary, with subordinate schedules presenting the detail for each of these other funds. Major Funds are explained below.

The Government-wide Financial Statements

The Government-wide Financial Statements provide a broad view of the City's finances in a manner like private-sector businesses and consist of the Statement of Net Position and the Statement of Activities.

The Statement of Net Position provides information about the financial position of the City as a whole, including its capital assets plus deferred outflow of resources and long-term liabilities plus deferred inflow of resources, with the difference reported as net position. Over time, increase 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 on all City's revenues and expenses with the emphasis on measuring net revenues or expenses of each of the City's programs. The statement explains in detail how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., loans receivable, and earned but unused compensated leaves).

The City's basic services are considered governmental activities, including, general government, public safety, highways and streets, culture and recreation, urban development, and miscellaneous. These services are supported by taxes, intergovernmental revenues, and program revenues, such as user fees and charges. The City's governmental activities also include the activities of two separate legal entities: the Belmont Fire Protection District and the Belmont Joint Powers Financing Authority. The City is financially accountable for these entities.

The City's enterprise activities are reported as Business-type activities, including sewer, storm drainage, and solid waste. Unlike governmental services, these activities are supported by charges paid by users based on the amount of service they use and are intended to recover all costs.

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 Belmont, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds at the City of Belmont can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

The Fund financial statements provide detailed information about each of the City's significant funds, called Major Funds. Each Major Fund is presented individually with all Non-major Funds summarized and presented in a single column. Subordinate schedules present the detail of these non-major funds. Major Funds present the major activities of the City for the year. The General Fund is always a Major Fund, and other funds may change from year to year because of changes in the pattern of the City's activities.

The City has one Major Governmental Fund in fiscal year 2022 in addition to the General Fund, which is discussed in the Analysis of Major Governmental Funds section.

Comparisons of Budget and Actual financial information are presented for the General Fund and other Major governmental funds.

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

Governmental fund financial statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are presented only in the government-wide financial statements.

The focus of governmental funds is narrower than that of government-wide financial statements, so it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions.

Because governmental fund financial statements do not encompass the long-term focus of the government-wide statements, additional information is provided that reconciles the governmental fund financial statements to the government-wide statements explaining the relationship (or differences) between them.

Proprietary funds. The City maintains two different types of proprietary funds, enterprise funds and internal service funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its sewer, storm drain, and solid waste activities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its workers compensation, liability, vision, benefit prefunding, fleet and equipment, facilities management, and other such services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Sewer, Storm Drainage, and Solid Waste activities. Internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Fiduciary funds. The City acts as an agent on behalf of outside parties, holding funds collected, and disbursing them as directed or required. The City's fiduciary activities are reported in the separate Statement of Fiduciary Net Position and Statement of Changes in Net Position. These activities are excluded from the City's other financial statements because the City cannot use these assets to finance its own operations.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the fund financial statements in this report.

Other Information

Information concerning the City's pension and other post-employment benefits can be found in Required Supplementary Information Section. The combining statements and schedules in connection with General Fund, non-major Governmental Funds, and Internal Service Funds can be found in the Supplemental information section of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Governmental Activities

Tables 1 and 2 present the net position and changes in net position of the City's governmental activities on June 30, 2021 and June 30, 2022.

Table 1		
Governmental Activities Net Position on June 30		
(in Thousands)		
	2022	2021*
Current and other assets	\$89,175	\$70,021
Capital assets	84,835	79,455
Total assets	<u>174,010</u>	<u>149,476</u>
Deferred outflows related to pension	8,440	8,796
Deferred outflows related to OPEB	1,593	1,812
Total deferred outflows	<u>10,033</u>	<u>10,608</u>
Current and other liabilities	6,499	5,148
Long-term obligations outstanding	32,767	51,954
Total liabilities	<u>39,266</u>	<u>57,102</u>
Deferred inflows related to pension	17,176	703
Deferred inflows related to OPEB	3,678	1,784
Deferred inflows related to leases	7,925	
Total deferred inflows	<u>28,779</u>	<u>2,487</u>
Net position:		
Net investment in capital assets	80,638	74,700
Restricted	31,882	29,925
Unrestricted	3,478	(4,130)
Total net position	<u>\$115,998</u>	<u>\$100,495</u>
<p>*Due to the implementation of Government Accounting Standards Board Statement 87 on Leases during the fiscal year ended June 30, 2022, financial data shown for the previous year has not been restated and may not be comparable. See Note 10 for additional information.</p>		

Table 2
Changes in Governmental Activities Net Position
for the year ended June 30
(in Thousands)

	2022	2021*
Revenues		
Program revenues:		
Charges for services	\$17,367	\$17,708
Operating grants and contributions	5,895	3,457
Capital grants and contributions	1,869	1,228
Total program revenues	25,131	22,393
General revenues:		
Taxes:		
Property taxes	20,469	20,132
Sales taxes	6,602	5,970
Transient occupancy	2,432	1,321
Franchise	1,474	1,373
Motor vehicle in lieu	2,833	1,943
Equity in (losses) of joint ventures	(221)	405
Gain on sale of capital assets	4,050	
Other	67	281
Total general revenues	37,706	31,425
Total revenues	62,837	53,818
Expenses		
General government	7,642	8,168
Public safety	24,909	25,706
Highways and streets	2,937	2,564
Culture and recreation	6,218	5,707
Urban redevelopment	5,520	5,678
Interest on long-term debt	108	120
Total expenses	47,334	47,943
Change in net position	15,503	5,876
Net position-Beginning	100,495	94,619
Net position-Ending	\$115,998	\$100,495

*Due to the implementation of Government Accounting Standards Board Statement 87 on Leases during the fiscal year ended June 30, 2022, financial data shown for the previous year has not been restated and may not be comparable. See Note 10 for more information.

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. At the close of the fiscal year 2022, the governmental activities' total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$116.0 million, 15.4% increase from the prior year.

The largest portion, approximately \$80.6 million, of the City's net position represents its investment in infrastructure and other capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), net of amounts borrowed to finance that investment. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be liquidated for these liabilities.

An additional portion of the City's governmental net position of \$31.9 million, or 27.5%, represents resources that are subject to external restrictions and may only be used to construct specified capital projects, debt service, or special revenue programs. The restrictions on these funds were placed by outsiders and cannot be changed by the City.

The remaining \$3.5 million of net position is unrestricted. Unrestricted net position can, when positive, be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions.

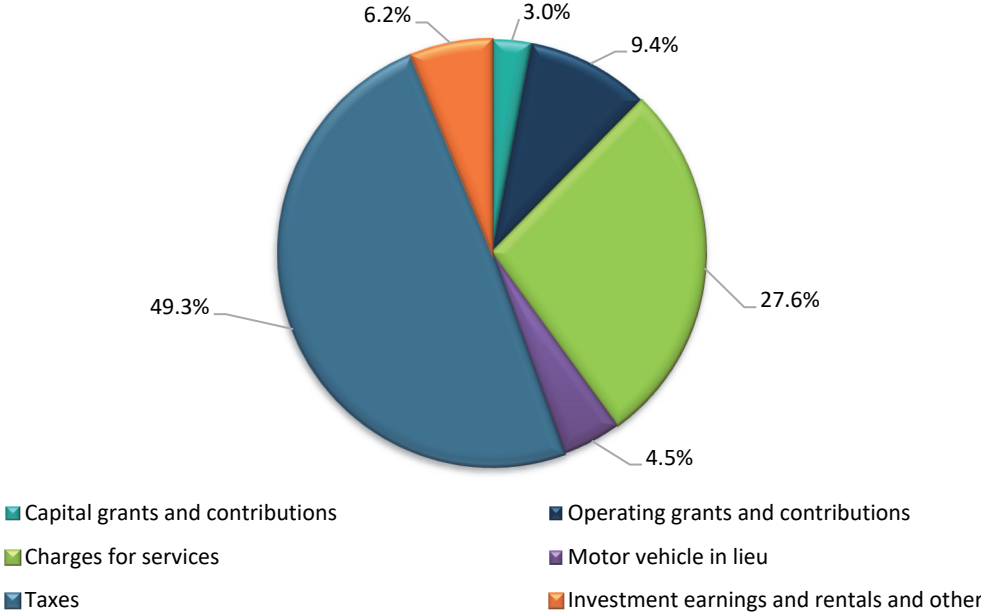
Changes in Net Position

The Statement of Activities provides information about all the City's revenues and all its expenses, with the emphasis on measuring net revenues or expenses of each of the City's programs. The Statement of Activities explains in detail the change in Net Position for the year.

The City's governmental activities net position increased by \$15.5 million. Governmental activities revenue increased by \$9.0 million to \$62.8 million. Compared to prior year, program revenues increased by \$2.7 million, or 12.2%. The governmental activities expenses decreased by \$0.6 million to \$47.3 million.

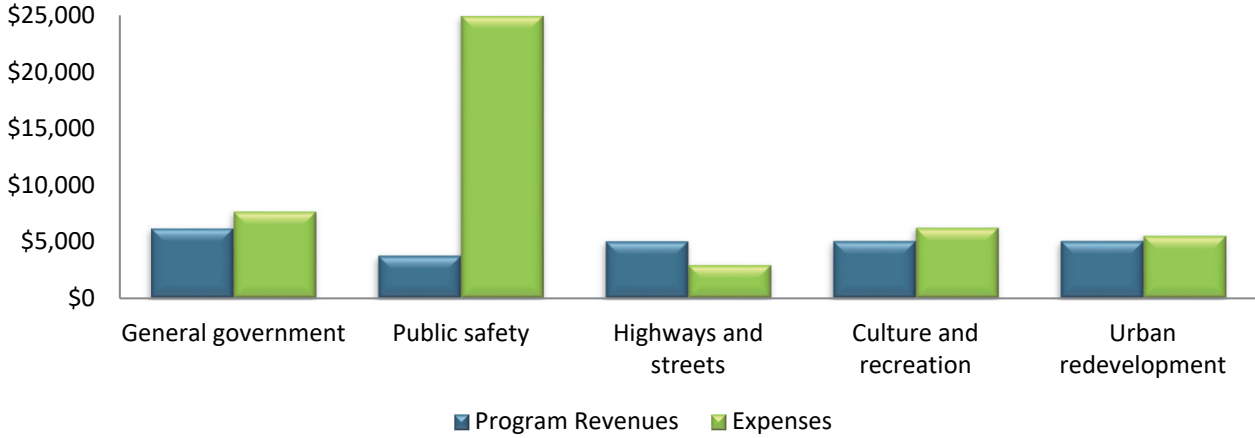
The following charts display the City’s governmental activities revenues by source, as well as expenses and program revenues for fiscal year 2022.

Revenues by Source Governmental Activities



Expenses and Program Revenues Governmental Activities

(in thousands)



Business-Type Activities

The City's business-type activities include sewer collection, sewer treatment, storm drainage, and solid waste. Tables 3 and 4 present the net position and changes in net position of the City's business-type activities on June 30, 2021 and June 30, 2022.

Table 3		
Business-Type Net Position on June 30		
(in Thousands)		
	<u>2022</u>	<u>2021</u>
Current and other assets	\$102,428	\$98,154
Capital assets	33,023	33,316
Total assets	<u>135,451</u>	<u>131,470</u>
Deferred outflows related to pension	714	774
Deferred outflows related to OPEB	135	160
Total deferred outflows	<u>849</u>	<u>934</u>
Current and other liabilities	4,475	4,088
Long-term debt outstanding	73,689	78,584
Total liabilities	<u>78,164</u>	<u>82,672</u>
Deferred inflows related to pension	1,862	80
Deferred inflows related to OPEB	311	150
Total deferred inflows	<u>2,174</u>	<u>230</u>
Net position:		
Net investment in capital assets	1,163	3,971
Restricted	25,992	24,301
Unrestricted	28,807	21,230
Total net position	<u>\$55,962</u>	<u>\$49,502</u>

Table 4
Business-Type Activities
Changes in Net Position for the year ended June 30
(in Thousands)

	2022	2021
Revenues		
Program Revenues:		
Charges for Services	\$21,150	\$20,914
Operating Grants and Contributions	59	
Capital Grants and Contributions		
Total program revenues	<u>21,209</u>	<u>20,914</u>
General Revenues and Transfers:		
Investment earnings and transfers	<u>15</u>	<u>205</u>
Total general revenues and transfers	<u>15</u>	<u>205</u>
Total revenues	<u>21,224</u>	<u>21,119</u>
Expenses		
Sewer	12,072	12,131
Storm Drainage	2,190	2,056
Solid Waste	<u>502</u>	<u>453</u>
Total expenses	<u>14,764</u>	<u>14,640</u>
Change in net position	6,460	6,479
Net position-Beginning	<u>49,502</u>	<u>43,023</u>
Net position-Ending	<u><u>\$55,962</u></u>	<u><u>\$49,502</u></u>

Net Position

At the close of the fiscal year, the net position of business-type activities was \$56.0 million, an increase of \$6.5 million (13.0%) from the prior fiscal year. \$1.2 million or 2.1% of net position was invested in capital assets, net of related debt, \$26.0 million or 46.4% is restricted for sewer treatment facility activities, and \$28.8 million or 51.5% are unrestricted and available for the operations of the proprietary funds.

Changes in Net Position

Total program revenues of business-type activities were \$21.2 million in fiscal year 2022. This was an increase of \$0.3 million over the prior year. Total expenses were \$14.8 million, a slight increase of \$0.1 million over the prior year.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

Table 5 below summarizes the Governmental Funds’ balances.

Table 5		
Financial Highlights at Fund Level for the year ended June 30		
(in Thousands)		
	2022	2021
Total assets	\$72,102	\$53,975
Total liabilities	4,391	3,181
Deferred Inflows	7,925	
Total fund balances	59,786	50,794
Total revenues	58,525	53,711
Total expenditures	52,318	53,064
Total other financing sources (uses)	2,785	(122)

As of June 30, 2022, the City’s Governmental Funds reported combined ending fund balances of \$59.8 million, an increase of \$9.0 million, or 17.7%, from the prior year. In comparison with the prior year, revenues increased by \$4.8 million to \$58.5 million, and expenditures decreased by \$0.8 million to \$52.3 million.

Analysis of Major Governmental Funds

General Fund

As the principal operating fund of the City, the General Fund, by definition, is a Major Governmental fund. The General Fund accounted for 52.1% of total governmental revenues and 44.6% of total expenditures. City basic services are accounted for in the General Fund, including public safety, general government, culture and recreation and community development.

As of June 30, 2022, the total fund balance of General Fund increased by \$3.8 million to \$21.0 million, representing a 22.2% increase over the prior year. This increase was primarily due to the receipt of \$3.2 million ARPA Federal Coronavirus State and Local Fiscal Recovery Funds.

The unassigned fund balance of \$17.6 million represents 84.2% of the total fund balance. Since the unassigned fund balance represents available liquid resources for spending at the City’s discretion, it may be useful to compare the unassigned fund balance to total fund expenditures. The City’s unassigned fund balance represents 75.6%, or equates to approximately 276 days, of total General Fund expenditures (excluding transfers out) for the year.

General Fund Budgetary Highlights

The fiscal year 2022 adopted budget for General Fund expenditures amounted to \$26.9 million (excluding \$3.0 million transfers out). The final budget amount was \$27.1 million. General Fund revenues budget was adopted at \$28.4 million, and the final budget amount was \$29.8 million.

Overall expenditures were below the final budget by \$3.8 million, mainly due to unfilled positions and delay of capital projects that are expected to be completed in fiscal year 2023. Overall revenues exceeded the final budget by \$0.7 million. The positive variance was driven primarily by the recovery in transient occupancy tax.

Belmont Fire Protection District Fund

The Belmont Fire Protection District Fund (the District) accounts for resources received by a special district, shown as a blended component unit, from the citizens of Belmont and the unincorporated Harbor Industrial Area to finance fire protection and suppression services.

As of June 30, 2022, the fund balance increased \$0.8 million over the prior year to \$16.2 million. Overall revenues decreased slightly to \$12.5 million. Overall expenditures increased by \$0.6 million over the prior year to \$11.6 million, mainly due to the increase in member agency contributions for contracted fire services. The District has a \$10.0 million reserve set aside for replacing facilities.

Analysis of the Enterprise Funds

Sewer Collections

Compared to prior year, operating revenues increased \$0.1 million to \$16.4 million. Operating expenses dropped by \$0.1 million to \$8.5 million. Net position totaled \$25.6 million, an increase of \$5.6 million from the prior year, due in part from an increase in the collection of sewer service charges. Of this amount, \$27.5 million was unrestricted, including equity interest in Silicon Valley Clean Water Joint Powers Authority (SVCW) (Note 14). The remaining net position was a negative \$1.9 million in net investment in capital assets, due to the recording of the current net book value of the capital assets, less the outstanding balance of debt issued to finance these assets.

Sewer Treatment

Compared to prior year, operating revenues decreased \$0.1 million to \$3.1 million and operating expenses were relatively unchanged at \$0.1 million. Net position totaled \$26.0 million, a \$1.7 million increase compared to prior year, all of which is restricted for sewer treatment facility activities.

Storm Drainage Fund

This fund is used to account for the maintenance of the storm drain system and other activities related to the mandated National Pollution Discharge Elimination System (NPDES).

Storm drainage fund operating revenues, which consist primarily of NPDES storm drain charges and street sweeping charges, increased nominally to \$1.0 million. Operating expenses increased slightly to \$2.2 million. Net position totaled \$2.6 million, with \$3.0 million invested in capital assets and a negative \$0.4 million in unrestricted net position due to the recording of the net pension and OPEB liabilities and related deferred outflows/inflows of resources.

Solid Waste Fund

Both operating revenues and operating expenditures were relatively flat at \$0.6 million and \$0.5 million respectively, from the prior year. Net position was \$1.8 million, which is unrestricted as to use.

CAPITAL ASSETS

Table 6 presents the City’s capital assets on June 30, 2021 and June 30, 2022. Additional information can be found in Note 7 to the financial statements.

Table 6		
Capital Assets on June 30		
(in Thousands)		
	2022	2021
<i>Governmental Activities</i>		
Land	\$13,493	\$12,610
Construction in progress	4,402	391
Buildings	38,469	38,469
Improvements other than buildings	5,450	5,288
Streets and infrastructure	71,885	68,816
Machinery and equipment	7,032	6,546
Vehicles	4,792	4,607
Less accumulated depreciation	(60,688)	(57,274)
Totals	\$84,835	\$79,455
<i>Business-Type Activities</i>		
Land	\$15	\$15
Construction in progress	6,229	5,263
Improvements other than buildings	48,557	48,168
Machinery and equipment	327	327
Less accumulated depreciation	(22,105)	(20,457)
Totals	\$33,023	\$33,316

DEBT ADMINISTRATION

Table 7 summarizes the City’s long-term debt on June 30, 2021 and June 30, 2022. Additional information on the City’s long-term debt can be found in Note 8 to the financial statement.

Table 7
Long Term Debt on June 30
(in Thousands)

	2022	2021
Governmental Activity Debt:		
Capital Lease:		
2019 Synthetic Turf Installation project, 2%, due 2029	\$4,599	\$5,159
Subtotal Governmental Activity Debt	<u>4,599</u>	<u>5,159</u>
Business-type Activities Debt – Sewer Enterprise Funds:		
Long-Term Bonds Payable:		
2009 Sewer Revenue Bonds, 3%-5%, due 2042		6,950
2016 Sewer Refunding Revenue Bonds, 3%-5% due 2035	7,906	8,467
2016 Sewer Revenue Bonds, 2%-50% due 2046	15,656	15,770
2018 Sewer Treatment Revenue Bonds, 5% due 2048	23,233	23,694
2019 Sewer Collection Bonds, 5% due 2049	20,558	20,970
2022 Sewer Revenue Bonds, 2.15%, due 2033	6,408	
Subtotal Business-type Activities Debt	<u>73,761</u>	<u>75,851</u>
Total Long-Term Obligations	<u>\$78,360</u>	<u>\$81,010</u>

In April 2022, the 2022 Sewer Treatment Facilities Revenue Refunding Bonds of \$6.4 million were issued. The proceeds were used to refund the 2009A Sewer Treatment Facility Revenue Bonds. The refunding resulted in an overall debt services savings of \$3.5 million.

On June 30, 2022, the City had total long-term debt outstanding \$78.4 million, excluding compensated absences, pension and OPEB liabilities. The reduction in debt over the prior year was mainly due to scheduled retirements that were made. A majority of the outstanding long-term debt is composed of bonds secured by specified revenue sources, e.g., sewer charges.

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

The economy of the City and its major initiatives for the coming year are discussed in detail in the accompanying Transmittal Letter.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This Annual Comprehensive Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the City's finances. Questions about this Report should be directed to the Finance Department at One Twin Pines Lane, Suite 320, Belmont, CA 94002. Additional information about the City's operations and activities can be obtained from the website at www.belmont.gov.

<p style="text-align: center;">STATEMENT OF NET POSITION AND STATEMENT OF ACTIVITIES</p>

The Statement of Net Position and the Statement of Activities summarize the 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 and deferred outflows of resources and all its liabilities and deferred inflows of resources, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the City's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between City funds have been eliminated.

The City's Governmental Activities include the activities of its General Fund, along with all its Special Revenue 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 City's Business-type Activities include all its Enterprise Fund activities.

The Statement of Activities reports increases and decreases in the City's net position. It is also prepared on the full accrual basis, which means it includes all the City's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, current deferred outflows/inflows of resources, available revenues and measurable expenditures.

The format of the Statement of Activities presents the City's expenses first, listed by program, and follows these with the expenses of its business-type activities. 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 and business-type program. The City's general revenues are then listed in the Governmental Activities or Business-type Activities column, as appropriate, 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, the Belmont Fire Protection District and the Belmont Joint Powers Financing Authority, which are legally separate but are component units of the City because they are controlled by the City, which is financially accountable for the activities of these entities.

These financial statements along with the fund financial statements and footnotes are called *Basic Financial Statements*.

CITY OF BELMONT
STATEMENT OF NET POSITION
JUNE 30, 2022

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments (Note 3)	\$62,853,474	\$48,128,622	\$110,982,096
Cash and investments with fiscal agent (Note 3)		6,111,822	6,111,822
Receivables:			
Accounts	2,593,725	237,972	2,831,697
Interest	199,453		199,453
Due from other governmental agencies	1,369,906	195,284	1,565,190
Notes receivable (Note 5)	6,560,415		6,560,415
Leases (Note 10)	8,111,856		8,111,856
Prepays and other assets	1,837,262		1,837,262
Land held for resale (Note 6)	1,651,791		1,651,791
Net OPEB asset (Note 12)	156,163		156,163
Investment in SVCW - Joint Venture (Note 14A)		47,753,980	47,753,980
Investment in SMC Fire - Joint Venture (Note 14A)	3,840,269		3,840,269
Capital assets (Note 7)			
Land and construction in progress	17,894,474	6,243,891	24,138,365
Depreciable assets, net	66,940,756	26,779,211	93,719,967
Total Assets	<u>174,009,544</u>	<u>135,450,782</u>	<u>309,460,326</u>
DEFERRED OUTFLOWS OF RESOURCES			
Related to pensions (Note 11B)	8,440,171	714,024	9,154,195
Related to OPEB (Note 12)	1,592,555	134,734	1,727,289
Total Deferred Outflows of Resources	<u>10,032,726</u>	<u>848,758</u>	<u>10,881,484</u>
LIABILITIES			
Accounts payable and other liabilities	3,601,548	1,760,880	5,362,428
Unearned revenue	4,152		4,152
Deposits	1,029,714		1,029,714
Compensated absences (Note 1H)			
Due within one year	944,958	119,457	1,064,415
Due in more than one year	1,686,421	103,164	1,789,585
Long-term debt (Note 8)			
Due within one year	572,010	2,595,000	3,167,010
Due in more than one year	4,027,260	71,166,164	75,193,424
Net Pension Liability (Note 11)			
Due in more than one year	22,219,592	2,042,897	24,262,489
Net OPEB Liability (Note 12)			
Due in more than one year	4,609,962	376,801	4,986,763
Claims payable (Note 13)			
Due within one year	346,855		346,855
Due in more than one year	223,696		223,696
Total Liabilities	<u>39,266,168</u>	<u>78,164,363</u>	<u>117,430,531</u>
DEFERRED INFLOWS OF RESOURCES			
Related to leases (Note 10)	7,924,510		7,924,510
Related to pensions (Note 11B)	17,175,843	1,862,399	19,038,242
Related to OPEB (Note 12)	3,677,980	311,166	3,989,146
Total Deferred Inflows of Resources	<u>28,778,333</u>	<u>2,173,565</u>	<u>30,951,898</u>
NET POSITION (Note 9)			
Net investment in capital assets	80,638,254	1,163,216	81,801,470
Restricted for:			
Capital projects	2,618,096		2,618,096
Special revenue programs:			
Belmont Fire Protection District	16,182,901		16,182,901
Recreation	1		1
Senior Activities	90,044		90,044
Library Maintenance & Operations	835,588		835,588
City Trees	297,128		297,128
Street Improvements Measures A, W and Grants	2,361,955		2,361,955
Traffic Mitigation	200,429		200,429
Athletic Field Maintenance	375,498		375,498
Affordable Housing Successor Agency	6,467,886		6,467,886
Housing Inclusionary	2,452,257		2,452,257
Sewer Treatment Facility Charge		25,991,829	25,991,829
Total Restricted Net Position	<u>31,881,783</u>	<u>25,991,829</u>	<u>57,873,612</u>
Unrestricted	3,477,732	28,806,567	32,284,299
Total Net Position	<u>\$115,997,769</u>	<u>\$55,961,612</u>	<u>\$171,959,381</u>

See accompanying notes to financial statements

CITY OF BELMONT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2022

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental Activities:						
General government	\$7,642,172	\$6,161,208	\$37,605		(\$1,443,359)	(\$1,443,359)
Public safety	24,908,569	370,671	3,398,131		(21,139,767)	(21,139,767)
Highways and streets	2,936,535	868,986	2,336,787	\$1,831,026	2,100,264	2,100,264
Culture and recreation	6,218,434	4,942,718	85,476	37,500	(1,152,740)	(1,152,740)
Urban redevelopment	5,520,422	5,023,122	37,500		(459,800)	(459,800)
Interest on long-term debt	107,965				(107,965)	(107,965)
Total Governmental Activities	47,334,097	17,366,705	5,895,499	1,868,526	(22,203,367)	(22,203,367)
Business-type Activities:						
Sewer Collections	10,634,189	16,360,163			\$5,725,974	5,725,974
Sewer Treatment	1,437,779	3,142,679			1,704,900	1,704,900
Storm Drainage	2,190,249	1,024,532			(1,165,717)	(1,165,717)
Solid Waste	502,470	623,030	58,914		179,474	179,474
Total Business-type Activities	14,764,687	21,150,404	58,914		6,444,631	6,444,631
Total	\$62,098,784	\$38,517,109	\$5,954,413	\$1,868,526	(22,203,367)	(15,758,736)
General revenues:						
Taxes:						
Property taxes					20,468,903	20,468,903
Sales taxes					6,602,318	6,602,318
Transient occupancy taxes					2,432,335	2,432,335
Franchise					1,473,569	1,473,569
Motor vehicle in lieu, unrestricted					2,833,129	2,833,129
Gain on sale of capital assets (Note 5)					4,050,000	4,050,000
Investment earnings and rentals					(166,620)	(219,641)
Miscellaneous					12,680	80,663
Total general revenues					37,706,314	37,721,276
Change in Net Position					15,502,947	21,962,540
Net Position-Beginning					100,494,822	149,996,841
Net Position-Ending					\$115,997,769	\$171,959,381

See accompanying notes to financial statements

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FUND FINANCIAL STATEMENTS

Fund Financial Statements are presented by individual major funds, while non-major funds are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year.

MAJOR GOVERNMENTAL FUNDS

The funds described below were determined to be Major Funds by the City. Individual non-major funds may be found in the Supplemental section.

GENERAL FUND

The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police protection, parks operations and maintenance, and legal and administrative services. The General Fund also accounts for Measure I, a half cent local district tax approved in 2016 that will expire in 30 years. This general tax funding source provides for street and road and storm drain repair.

BELMONT FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND

To account for property taxes received and expended by the District on providing fire protection services to the City of Belmont and the unincorporated Harbor Industrial Area.

CITY OF BELMONT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2022

	General	Belmont Fire Protection District	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and investments (Note 3)	\$20,538,667	\$14,442,491	\$16,503,912	\$51,485,070
Receivables:				
Accounts	608,023	6,333	193,684	808,040
Interest	199,453			199,453
Due from other governmental agencies	1,137,313	43,333	189,260	1,369,906
Notes (Note 5)			6,560,415	6,560,415
Leases (Note 10)	8,111,856			8,111,856
Due from other funds (Note 4B)	101,214			101,214
Prepays and other assets	77,789	1,736,353		1,814,142
Land held for resale (Note 6)	298,748		1,353,043	1,651,791
Total Assets	<u>\$31,073,063</u>	<u>\$16,228,510</u>	<u>\$24,800,314</u>	<u>\$72,101,887</u>
LIABILITIES				
Accounts payable and other liabilities	\$1,240,174	\$11,227	\$2,053,515	\$3,304,916
Unearned revenue	4,152			4,152
Deposits	952,831		76,883	1,029,714
Due to other funds (Note 4B)			52,300	52,300
Total Liabilities	<u>2,197,157</u>	<u>11,227</u>	<u>2,182,698</u>	<u>4,391,082</u>
DEFERRED INFLOWS OF RESOURCES				
Related to leases (Note 10)	7,924,510			7,924,510
FUND BALANCES (Note 9)				
Nonspendable	376,537	1,736,353		2,112,890
Restricted		14,480,930	16,496,752	30,977,682
Committed for:				
Measure I Infrastructure	2,938,455			2,938,455
Special Revenue Programs			2,422,303	2,422,303
Assigned			3,698,561	3,698,561
Unassigned	17,636,404			17,636,404
Total Fund Balances	<u>20,951,396</u>	<u>16,217,283</u>	<u>22,617,616</u>	<u>59,786,295</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$31,073,063</u>	<u>\$16,228,510</u>	<u>\$24,800,314</u>	<u>\$72,101,887</u>

See accompanying notes to financial statements

CITY OF BELMONT
Reconciliation of the
GOVERNMENTAL FUNDS -- BALANCE SHEET
with the
STATEMENT OF NET POSITION
JUNE 30, 2022

Total fund balances reported on the governmental funds balance sheet \$59,786,295

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds. 84,835,230

ALLOCATION OF INTERNAL SERVICE FUND NET POSITION

Internal service funds are not governmental funds. However, they are used by management to charge the costs of certain activities, such as insurance and central services and maintenance to individual governmental funds. The net current assets of the Internal Service Funds are therefore included in Governmental Activities in the following line items in the Statement of Net Position.

Cash and investments	11,368,404
Accounts receivable	1,785,685
Prepays and other assets	23,120
Accounts payable and other liabilities	(296,632)
Due to other funds	(48,914)
Claims payable	(570,551)
Compensated absences	(229,967)

DEFERRED INFLOWS AND OUTFLOWS

The deferred outflows below are not current assets or financial resources; and the deferred inflows are not due and payable in the current period and therefore are not reported in the Governmental Funds.

Deferred outflows related to pensions	8,440,171
Deferred outflows related to OPEB	1,592,555
Deferred inflows related to pensions	(17,175,843)
Deferred inflows related to OPEB	(3,677,980)

LONG-TERM ASSETS AND LIABILITIES

The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:

Net OPEB asset	156,163
Investment in JPA Equity	3,840,269
Long-term debt	(4,599,270)
Net OPEB liability	(4,609,962)
Compensated absences	(2,401,412)
Net pension liability	<u>(22,219,592)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$115,997,769

See accompanying notes to financial statements

CITY OF BELMONT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	General	Belmont Fire Protection District	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$20,994,552	\$12,752,858	\$2,129,616	\$35,877,026
Licenses and permits	1,068,168		2,344,489	3,412,657
Fines and forfeitures	156,422			156,422
Use of money and property	466,772	(352,481)	178,550	292,841
Intergovernmental	3,269,239	50,904	2,686,762	6,006,905
Charges for current services	4,439,421		8,042,528	12,481,949
Miscellaneous	84,196		213,236	297,432
Total Revenues	30,478,770	12,451,281	15,595,181	58,525,232
EXPENDITURES				
Current:				
General government	5,750,762			5,750,762
Public safety	13,921,818	11,596,380	242,493	25,760,691
Highways and streets			2,001,625	2,001,625
Culture and recreation	1,949,999		3,408,665	5,358,664
Urban redevelopment			5,219,975	5,219,975
Capital outlay	1,709,387	41,113	5,808,046	7,558,546
Debt service:				
Principal			560,035	560,035
Interest and fiscal charges			107,965	107,965
Total Expenditures	23,331,966	11,637,493	17,348,804	52,318,263
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	7,146,804	813,788	(1,753,623)	6,206,969
OTHER FINANCING SOURCES (USES)				
Gain from the sale of capital assets			4,050,000	4,050,000
Transfers in (Note 4A)			6,252,414	6,252,414
Transfers (out) (Note 4A)	(3,344,679)		(4,172,566)	(7,517,245)
Total Other Financing Sources (Uses)	(3,344,679)		6,129,848	2,785,169
NET CHANGE IN FUND BALANCES	3,802,125	813,788	4,376,225	8,992,138
BEGINNING FUND BALANCES	17,149,271	15,403,495	18,241,391	50,794,157
ENDING FUND BALANCES	\$20,951,396	\$16,217,283	\$22,617,616	\$59,786,295

See accompanying notes to financial statements

CITY OF BELMONT
 Reconciliation of the
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
 with the
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2022

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$8,992,138

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital outlay and departmental expenditures are therefore added back to fund balance	7,408,547
Assets transferred from land held for resale are added back to fund balance	913,537
Retirements of capital assets are deducted from fund balance	(30,507)
Depreciation expense is deducted from the fund balance (Depreciation expense is net of internal service fund depreciation of \$560,282 which has already been allocated to serviced funds)	(2,910,663)

LONG TERM DEBT PROCEEDS AND PAYMENTS

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.

Repayment of debt principal is added back to fund balance	560,035
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ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Investment in SMC Fire - Joint Venture	651
Compensated absences	(22,073)
Pension expense	(1,037,249)
OPEB expense	165,336

ALLOCATION OF INTERNAL SERVICE FUND ACTIVITY

Internal Service Funds are used by management to charge the costs of certain activities, such as equipment acquisition, maintenance, and insurance to individual funds. The portion of the net revenue (expense) of these Internal Service Funds arising out of their transactions with governmental funds is reported with governmental activities, because they service those activities.

Change in Net Position - All Internal Service Funds	<u>1,463,195</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$15,502,947</u></u>
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See accompanying notes to financial statements

CITY OF BELMONT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes	\$18,422,529	\$19,733,529	\$20,994,552	\$1,261,023
Licenses and permits	1,072,512	1,072,512	1,068,168	(4,344)
Fines and forfeitures	164,000	164,000	156,422	(7,578)
Use of money and property	1,114,844	1,092,844	466,772	(626,072)
Intergovernmental	3,230,660	3,230,660	3,269,239	38,579
Charges for current services	4,364,328	4,453,328	4,439,421	(13,907)
Miscellaneous	7,465	47,465	84,196	36,731
Total Revenues	<u>28,376,338</u>	<u>29,794,338</u>	<u>30,478,770</u>	<u>684,432</u>
EXPENDITURES:				
Current:				
General government	6,294,336	7,205,899	5,750,762	1,455,137
Public safety	14,430,563	14,430,563	13,921,818	508,745
Culture and recreation	2,027,378	2,027,378	1,949,999	77,379
Capital outlay	4,110,000	3,460,000	1,709,387	1,750,613
Total Expenditures	<u>26,862,277</u>	<u>27,123,840</u>	<u>23,331,966</u>	<u>3,791,874</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,514,061</u>	<u>2,670,498</u>	<u>7,146,804</u>	<u>4,476,306</u>
OTHER FINANCING SOURCES (USES)				
Transfers out (Note 4A)	<u>(3,015,000)</u>	<u>(4,243,000)</u>	<u>(3,344,679)</u>	<u>898,321</u>
Total Other Financing Sources (Uses)	<u>(3,015,000)</u>	<u>(4,243,000)</u>	<u>(3,344,679)</u>	<u>898,321</u>
NET CHANGE IN FUND BALANCE	<u>(\$1,500,939)</u>	<u>(\$1,572,502)</u>	3,802,125	<u>\$5,374,627</u>
BEGINNING FUND BALANCE			<u>17,149,271</u>	
ENDING FUND BALANCE			<u>\$20,951,396</u>	

See accompanying notes to financial statements

CITY OF BELMONT
 BELMONT FIRE PROTECTION DISTRICT SPECIAL REVENUE FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes	\$14,587,974	\$12,597,474	\$12,752,858	\$155,384
Use of money and property	38,873	38,873	(352,481)	(391,354)
Intergovernmental	64,290	71,290	50,904	(20,386)
Total Revenues	<u>14,691,137</u>	<u>12,707,637</u>	<u>12,451,281</u>	<u>(256,356)</u>
EXPENDITURES:				
Current:				
Public safety	11,559,733	11,650,733	11,596,380	54,353
Capital outlay		42,500	41,113	1,387
Total Expenditures	<u>11,559,733</u>	<u>11,693,233</u>	<u>11,637,493</u>	<u>55,740</u>
NET CHANGE IN FUND BALANCE	<u>\$3,131,404</u>	<u>\$1,014,404</u>	813,788	<u>(\$200,616)</u>
BEGINNING FUND BALANCE			<u>15,403,495</u>	
ENDING FUND BALANCE			<u>\$16,217,283</u>	

See accompanying notes to financial statements

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PROPRIETARY FUNDS

Proprietary 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 be financed primarily through user charges.

The City has identified the funds below as major proprietary funds in fiscal year 2022.

SEWER COLLECTIONS FUND

To account for sanitary sewer services provided to the citizens of Belmont. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital improvement, and billing and collections.

SEWER TREATMENT FUND

To account for capital improvements made to the Silicon Valley Clean Water Authority treatment plant and related capital improvements. Revenue for the improvements comes from the sewer treatment facility charge paid by users connected to the sanitary system.

STORM DRAINAGE FUND

To account for the maintenance of the storm drain system, street sweeping and other activities related to the mandated National Pollution Discharge Elimination System (NPDES). Funding comes from customers connected to the City's sewer system, due to extensive infiltration and intrusion to the City's sewer system, street sweeping charges, and NPDES charges.

NON-MAJOR FUND:

SOLID WASTE FUND

To account for operating costs associated with administering the solid waste franchise.

CITY OF BELMONT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2022

	Business-type Activities-Enterprise Funds				Totals	Governmental Activities- Internal Service Funds
	Sewer Collections	Sewer Treatment	Storm Drainage	Nonmajor- Solid Waste		
ASSETS						
Current Assets:						
Cash and investments (Note 3)	\$39,148,019	\$6,172,352	\$801,685	\$2,006,566	\$48,128,622	\$11,368,404
Cash and investments with fiscal agent (Note 3)	3,292,294	2,819,528			6,111,822	
Accounts receivable	171,844	55,563	10,565		237,972	1,785,685
Prepays and other assets						23,120
Due from other governmental agencies			48,884	146,400	195,284	
Total Current Assets	42,612,157	9,047,443	861,134	2,152,966	54,673,700	13,177,209
Noncurrent Assets:						
Investment in SVCW joint venture (Note 14)	717,644	47,036,336			47,753,980	
Capital assets (Note 7):						
Land and construction in progress	6,201,312		42,579		6,243,891	
Depreciable assets, net	23,803,358		2,975,853		26,779,211	1,412,037
Total Noncurrent Assets	30,722,314	47,036,336	3,018,432		80,777,082	1,412,037
Total Assets	73,334,471	56,083,779	3,879,566	2,152,966	135,450,782	14,589,246
DEFERRED OUTFLOWS						
Related to pension (Note 11B)	409,007		241,925	63,092	714,024	
Related to OPEB (Note 12)	80,800		35,674	18,260	134,734	
Total Deferred Outflows	489,807		277,599	81,352	848,758	
LIABILITIES						
Current Liabilities:						
Accounts payable and other liabilities	1,305,487	450,602	4,791		1,760,880	296,632
Due to other funds (Note 4B)						48,914
Claims payable (Note 13)						346,855
Long-term debt (Note 8)	900,000	1,695,000			2,595,000	
Compensated absences (Note 1H)	70,235		39,224	9,998	119,457	80,814
Total Current Liabilities	2,275,722	2,145,602	44,015	9,998	4,475,337	773,215
Noncurrent Liabilities:						
Claims payable (Note 13)						223,696
Compensated absences (Note 1H)	63,271		19,720	20,173	103,164	149,153
Long-term debt (Note 8)	43,219,816	27,946,348			71,166,164	
Net pension liability (Note 11)	1,170,215		692,170	180,512	2,042,897	
Net OPEB liability (Note 12)	225,969		99,766	51,066	376,801	
Total Noncurrent Liabilities	44,679,271	27,946,348	811,656	251,751	73,689,026	372,849
Total Liabilities	46,954,993	30,091,950	855,671	261,749	78,164,363	1,146,064
DEFERRED INFLOWS						
Related to pension (Note 11B)	1,066,822		631,014	164,563	1,862,399	
Related to OPEB (Note 12)	186,607		82,388	42,171	311,166	
Total Deferred Inflows	1,253,429		713,402	206,734	2,173,565	
NET POSITION (Note 9)						
Net investment in capital assets	(1,855,216)		3,018,432		1,163,216	1,412,037
Restricted for treatment facility		25,991,829			25,991,829	
Unrestricted	27,471,072		(430,340)	1,765,835	28,806,567	12,031,145
Total Net Position	\$25,615,856	\$25,991,829	\$2,588,092	\$1,765,835	\$55,961,612	\$13,443,182

See accompanying notes to financial statements

CITY OF BELMONT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES
 AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2022

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	Sewer Collections	Sewer Treatment	Storm Drainage	Nonmajor- Solid Waste	
OPERATING REVENUES					
Charges for current services					
Sewer service charges	\$13,995,360	\$3,142,679			\$17,138,039
Sewer connection fees	2,255,284				2,255,284
NPDES storm drain charges			\$499,152		499,152
Street sweeping			481,867		481,867
Garbage franchise fee				\$623,030	623,030
Interdepartmental charges	109,519		43,513		153,032
Total Operating Revenues	16,360,163	3,142,679	1,024,532	623,030	21,150,404
					\$9,150,541
OPERATING EXPENSES					
Personnel services	1,709,147		881,025	340,359	2,930,531
Services and supplies	5,406,610	125,473	1,068,694	162,111	6,762,888
Insurance premiums					937,913
Professional and legal					1,599,319
Operating costs					3,998,218
Pension and other post employment benefits					1,355,121
Insurance claims, net of change in claims payable					12,989
Depreciation	1,407,649		240,530		1,648,179
Total Operating Expenses	8,523,406	125,473	2,190,249	502,470	11,341,598
Operating Income (Loss)	7,836,757	3,017,206	(1,165,717)	120,560	9,808,806
					686,699
NONOPERATING REVENUES (EXPENSES)					
Interest	(45,649)	(14,039)	2,028	4,639	(53,021)
Interest expense	(1,387,174)	(1,312,306)			(2,699,480)
Loss from investment in SVCW - Joint Venture (Note 14)	(723,609)				(723,609)
Gain from sale of capital assets					17,408
Intergovernmental and miscellaneous			67,983	58,914	126,897
Total Nonoperating Revenues (Expenses)	(2,156,432)	(1,326,345)	70,011	63,553	(3,349,213)
Income (Loss) Before Transfers	5,680,325	1,690,861	(1,095,706)	184,113	6,459,593
Transfers in (Note 4A)			98,948		98,948
Transfers (out) (Note 4A)	(98,948)				(98,948)
Net transfers	(98,948)		98,948		351,294
Change in net position	5,581,377	1,690,861	(996,758)	184,113	6,459,593
BEGINNING NET POSITION	20,034,479	24,300,968	3,584,850	1,581,722	49,502,019
ENDING NET POSITION	\$25,615,856	\$25,991,829	\$2,588,092	\$1,765,835	\$55,961,612

See accompanying notes to financial statements

CITY OF BELMONT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED JUNE 30, 2022

	Business-type Activities-Enterprise Funds				Governmental Activities- Internal Service Funds
	Sewer Collections	Sewer Treatment	Storm Drainage	Nonmajor- Solid Waste	
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from customers	\$16,207,314	\$3,137,258	\$974,659	\$518,112	\$20,837,343
Other receipts			67,983	58,914	126,897
Interdepartmental charges	109,519		43,513		153,032
Payments to suppliers	(6,068,513)	(125,473)	(1,086,938)	(165,890)	(7,446,814)
Payments to employees	(1,505,788)		(746,422)	(276,228)	(2,528,438)
Claims paid					(22,208)
Cash Flows from Operating Activities	<u>8,742,532</u>	<u>3,011,785</u>	<u>(747,205)</u>	<u>134,908</u>	<u>11,142,020</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund receipts			98,948		98,948
Interfund payments	(98,948)				(98,948)
Cash Flows from Noncapital Financing Activities	<u>(98,948)</u>		<u>98,948</u>		<u>400,208</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of capital assets					17,408
Acquisition of capital assets	(1,256,460)		(98,948)		(1,355,408)
Proceeds from issuance of capital debt		6,408,000			6,408,000
Payment to refunding escrow		(6,846,292)			(6,846,292)
Principal payments on capital debt	(865,000)	(555,000)			(1,420,000)
Interest paid	(1,605,375)	(1,432,461)			(3,037,836)
Investment in SVCW		(2,849,226)			(2,849,226)
Cash Flows from Capital and Related Financing Activities	<u>(3,726,835)</u>	<u>(5,274,979)</u>	<u>(98,948)</u>		<u>(9,100,762)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and rents	(45,649)	(14,039)	2,028	4,639	(53,021)
Cash Flows from Capital and Related Investing Activities	<u>(45,649)</u>	<u>(14,039)</u>	<u>2,028</u>	<u>4,639</u>	<u>261,812</u>
Net Cash Flows	4,871,100	(2,277,233)	(745,177)	139,547	1,988,237
Cash and investments at beginning of period	37,569,213	11,269,113	1,546,862	1,867,019	52,252,207
Cash and investments at end of period	<u>\$42,440,313</u>	<u>\$8,991,880</u>	<u>\$801,685</u>	<u>\$2,006,566</u>	<u>\$54,240,444</u>
Reconciliation of Operating Income (Loss) to Cash Flows from Operating Activities:					
Operating income (loss)	\$7,836,757	\$3,017,206	(\$1,165,717)	\$120,560	\$9,808,806
Adjustments to reconcile operating income (loss) to cash flows from operating activities:					
Depreciation	1,407,649		240,530		1,648,179
Miscellaneous			67,983	58,914	126,897
Change in assets, deferred outflows and liabilities:					
Receivables, net	(43,330)	(5,421)	(6,360)	(104,918)	(160,029)
Accounts payable	(661,903)		(18,244)	(3,779)	(683,926)
Claims payable					(7,369)
Deferred outflows	55,165		27,321	2,840	85,326
Deferred inflows	1,112,609		646,412	184,893	1,943,914
Net pension liability	(826,853)		(489,075)	(127,546)	(1,443,474)
Net OPEB liability	(132,944)		(50,984)	(4,747)	(188,675)
Compensated absences	(4,618)		929	8,691	5,002
Cash Flows from Operating Activities	<u>\$8,742,532</u>	<u>\$3,011,785</u>	<u>(747,205)</u>	<u>\$134,908</u>	<u>\$11,142,020</u>
Non-cash transactions					
Amortization of Bond Premiums	\$222,730	\$105,513			\$328,243
Loss from investment in SVCW - Joint Venture (Note 14)	(723,609)				(723,609)
	<u>(\$500,879)</u>	<u>\$105,513</u>			<u>(\$395,366)</u>

See accompanying notes to financial statements

FIDUCIARY FUNDS

Successor Agency Private-Purpose Trust Fund (Successor Agency) accounts for the activities related to the wind-down of the former Redevelopment Agency.

Custodial Funds report resources, not in a trust, that are held by the City for other parties outside of the City's reporting entity. The Library Community Facilities District Custodial Fund accounts for payment of interest and principal on debt service of the District for the construction, maintenance and operations of the Library building.

CITY OF BELMONT
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET POSITION
 JUNE 30, 2022

	Successor Agency Private-Purpose Trust Fund	Custodial Fund Library Community Facilities District
ASSETS		
Cash and investments (Note 3)		\$260,577
Due from other governmental agencies		9,815
Total Assets		270,392
NET POSITION (DEFICIT):		
Restricted for:		
Bondholders		270,392
Total Net Position (Deficit)		\$270,392

See accompanying notes to financial statements

CITY OF BELMONT
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2022

	<u>Successor Agency Private-Purpose Trust Fund</u>	<u>Custodial Fund Library Community Facilities District</u>
Additions:		
Property taxes	\$3,922,881	
Special assessments		\$674,058
Intergovernmental	112,732	
Use of money and property	<u>975</u>	<u>239</u>
Total Additions	<u>4,036,588</u>	<u>674,297</u>
Deductions:		
Urban redevelopment	296,868	
Payments to bondholders		670,833
Interest expense	<u>310,156</u>	
Total Deductions	<u>607,024</u>	<u>670,833</u>
Change in net position	3,429,564	3,464
Beginning Net Position (Deficit)	<u>(3,429,564)</u>	<u>266,928</u>
Ending Net Position (Deficit)	<u><u> </u></u>	<u><u>\$270,392</u></u>

See accompanying notes to financial statements

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CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Belmont was incorporated as a general law city in 1926. The City operates under the Council-Manager form of government and is governed by a five member council elected by the City’s voters. The City provides the following services: public safety (police and fire), highways and streets, sewer, storm drainage, solid waste, recreation, public improvements, planning and zoning, building inspections, general administration services, and economic development.

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

A. Reporting Entity

The financial statements of the City of Belmont include the financial activities of the City, the Belmont Fire Protection District and the Belmont Joint Powers Financing Authority. All of these entities are controlled by and dependent on the City and their financial activities have been aggregated and merged (termed “blended”) with those of the City in the accompanying financial statements.

The **Belmont Fire Protection District**, established in 1928, is a special district created under the general laws of California to provide fire protection services to City residents. The District is controlled by the City and has the same governing board as the City, which also performs all accounting and administrative functions for the District. The financial activities of the District have been included in these financial statements in the Belmont Fire Protection District Special Revenue Fund. The District does not issue separate financial statements.

The **Belmont Joint Powers Financing Authority** is a separate government entity whose purpose is to assist with the financing certain public capital facilities for the City through the issuance of bonds or other forms of debt. The Authority is controlled by the City and has the same governing body as the City, which also performs all accounting and administrative functions for the Authority. The Authority does not issue separate financial statements.

B. Major Funds

The City’s major governmental and enterprise funds are identified and presented separately in the fund financial statements. All other funds, called non-major funds, are combined and reported in a single column, regardless of their fund-type.

Major funds are defined as funds that have either assets, liabilities, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The City may also select other funds it believes should be presented as major funds.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reported the following major governmental funds in the accompanying financial statements:

General Fund – The General Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes such activities as police protection, parks operations and maintenance, and legal and administrative services. The General Fund also accounts for Measure I, a half cent local district tax approved in 2016 that will expire in 30 years. This general tax funding source provides for street and road and storm drain repair.

Belmont Fire Protection District Special Revenue Fund – To account for property taxes received and expended by the District on providing fire protection services to the City of Belmont and the unincorporated Harbor Industrial Area.

The City reported the following enterprise funds as major funds in the accompanying financial statements:

Sewer Collections Fund – To account for certain sanitary sewer services provided to the citizens of Belmont. Activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, capital improvement, and billing and collections.

Sewer Treatment Fund – To account for capital improvements made to the Silicon Valley Clean Water Authority treatment plant and related capital improvements. Revenue for the improvements comes from the sewer treatment facility charge paid by users connected to the sanitary system.

Storm Drainage Fund – To account for the maintenance of the storm drain system, street cleaning and other activities related to the mandated National Pollution Discharge Elimination System (NPDES). Funding comes from customers connected to the City's sewer system, due to extensive infiltration and intrusion to the City's sewer system, street sweeping charges, and NPDES charges.

The City also reports the following fund types:

Internal Service Funds

The funds account for workers' compensation, general liability, vision, benefit prefunding, fleet and equipment management, and facilities management; all of which are provided to other departments on a cost-reimbursement basis.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fiduciary Funds

Trust Funds and Custodial Funds are used to account for assets held by the City as an agent or trustee for individuals, private organizations, and other governments. The City has one custodial fund: the Library Community Facilities District Fund, a fund reporting cash and investments for the District. The Successor Agency Private-purpose Trust Fund accounts for the financial activities assumed by the Successor Agency from the former Redevelopment Agency. The financial activities of these funds are excluded from the Government-wide financial statements, and are presented in a separate Fiduciary Fund financial statement.

C. Basis of Accounting

The government-wide, proprietary fund and fiduciary fund financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, lease liabilities, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions, including entering into contracts giving the City the right to use leased assets, are reported as *expenditures* in governmental funds. Proceeds of governmental long-term debt and financing through leases are reported as *other financing sources*.

Those revenues susceptible to accrual are property, sales and use, transient occupancy, franchise and gas taxes, business license taxes, intergovernmental revenues, grants, parking fines and interest revenue. Other fines, licenses and permits, and charges for services are not susceptible to accrual because they are not measurable until collected.

Non-exchange transactions, in which the City gives or receives value without directly, receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Certain indirect costs are included in program expenses reported for individual functions and activities.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Presentation

The City's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

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

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall City government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's proprietary funds and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements: The fund financial statements provide information about the City's funds, including fiduciary funds and blended component units. Separate statements for each fund category—*governmental*, *proprietary*, and *fiduciary*—are presented. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each of which is displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

E. Revenue Recognition for Enterprise Funds

Sewer and Storm Drain user fee revenues are placed on the county tax rolls. The County bills customers annually and requires payment prior to year-end. Solid waste revenue is remitted by Recology San Mateo County as part of garbage services. At year-end there were no material uncollected sewer, storm drain, or solid waste user fees.

F. Property Tax

San Mateo County assesses properties, and it bills, collects, and distributes property taxes to the City. The County remits the entire amount levied and handles all delinquencies, retaining interest, and penalties. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year.

Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent on August 31. Collection of delinquent accounts is the responsibility of the County, which retains all penalties.

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

G. Capital Assets

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available, except for intangible right to use lease assets, the measurement of which is discussed in Note 10 below. Contributed capital assets are valued at their estimated acquisition value on the date contributed.

The City has recorded all its public domain (infrastructure) capital assets, which include roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

Capital assets with limited useful lives and the right to use leased assets are depreciated over their estimated useful lives. The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year’s pro rata share of the cost of capital assets.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The City has assigned the useful lives listed below to capital assets:

Building and Building Improvements	40 years
Improvements Other than Buildings	25-75 years
Streets and Infrastructure	25-100 years
Machinery and Equipment	5-10 years
Vehicles	5-10 years

Non-infrastructure and infrastructure assets with historical costs exceeding \$5,000 and \$25,000 respectively are capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

H. *Compensated Absences*

Compensated absences comprise unpaid vacation and the vested portion of sick leave, which are accrued as earned. Employee bargaining unit agreements specify the vested portion of unused sick leave, which accumulates and is paid at time of termination of City employment. The City's liability for compensated absences is recorded in various Governmental funds and Proprietary funds as appropriate. The liability for compensated absences is determined annually. For all governmental funds, amounts expected to be paid due to terminations are recorded as fund liabilities; the long term portion is recorded in the Statement of Net Position.

The changes of the compensated absences were as follows:

	Governmental Activities	Business-Type Activities			Total
		Sewer Collections	Storm Drainage	Solid Waste	
Summary of Activity:					
Beginning Balance	\$2,591,056	\$138,124	\$58,015	\$21,480	\$2,808,675
Additions	1,082,106	75,652	44,348	23,995	1,226,101
Retirements	(1,041,783)	(80,270)	(43,419)	(15,304)	(1,180,776)
Ending Balance	<u>\$2,631,379</u>	<u>\$133,506</u>	<u>\$58,944</u>	<u>\$30,171</u>	<u>\$2,854,000</u>
Financial Statement Presentation:					
Due within One Year	\$944,958	\$70,235	\$39,224	\$9,998	\$1,064,415
Due in More than One Year	<u>1,686,421</u>	<u>63,271</u>	<u>19,720</u>	<u>20,173</u>	<u>1,789,585</u>
Total Ending Balance	<u>\$2,631,379</u>	<u>\$133,506</u>	<u>\$58,944</u>	<u>\$30,171</u>	<u>\$2,854,000</u>

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated absences are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

I. Fair Value Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels based on the extent to which inputs used in measuring fair value are observable in the market.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs are inputs – other than quoted prices included within level 1 – that are observable for an asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for an asset or liability.

If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

J. Deferred Outflows/Inflows of Resources

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

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

K. Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred outflows/inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. *New, Closed and Renamed Funds*

The Public Art Special Revenue Fund was established to account for the development fee paid in lieu of providing public art elements in certain private development projects that will be used by the City to fund public art installations consistent with the Public Art Master Plan.

The activity for the newly established General Plan Maintenance Special Revenue Fund was previously reported as a component of the Development Services Special Revenue Fund, and is used to account for activities related to the General Plan update.

With the final dissolution of the Successor Agency discussed in Note 16, the Successor Agency Private-Purpose Trust Fund was closed as of June 30, 2022.

The Low Moderate Income Housing Special Revenue Fund was renamed to the Affordable Housing Special Revenue Fund and the Inclusionary Housing Special Revenue Fund was renamed to the Housing Mitigation Fees Special Revenue Fund.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

The City Manager submits to the City Council a proposed annual operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means of financing them and is subjected to public hearings where comments are obtained for consideration. The Council adopts the budget through passage of a budget resolution at which time the proposed expenditures become appropriations. The budget is effective the following July 1 and may be amended by subsequent resolutions. The City Manager is authorized to transfer appropriations between any departments; however, any revisions, which increase the total appropriations of any fund, must be approved by the Council. Transfers not included in the original budget must be approved by the Finance Director. Where not contractually committed, expenditures may not exceed appropriations at the fund level. Unencumbered appropriations lapse at year end. Supplemental appropriations adopted by the Council are included in the budget versus actual statements.

Formal budgetary integration is employed as a management control device. Encumbrance accounting is employed as an extension of formal budgetary integration in all funds. Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING (Continued)

Encumbrances outstanding at year end do not constitute expenditures or liabilities and are reappropriated in the following year budget. Budget amounts include appropriations, which are formally integrated into the City’s accounting records for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds. Encumbrances outstanding by fund as of June 30, 2022 were as follows:

Major Governmental Funds:	
General Fund	\$2,015,564
Non-Major Governmental Funds	5,953,918
Total Encumbrances	\$7,969,482

Expenditures exceeded budget for the following funds:

Fund	Expenditures in Excess of
Non-Major Governmental Funds:	
Recreation Special Revenue Fund	\$30,786
Supplemental Law Enforcement Services Special Revenue Fund	29,135

Sufficient resources were available within each fund to finance the excess amounts.

NOTE 3 – CASH AND INVESTMENTS

The City pools cash from all sources and all funds except Cash and Investments held by Trustees so that it can be invested consistent with the principles of safety and liquidity, while individual funds can make expenditures at any time.

A. Policies

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the City’s cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the City’s name and places the City ahead of general creditors of the institution.

The City invests in individual investments and in investment pools. Individual investments are evidenced by specific identifiable securities instruments, or by an electronic entry registering the owner in the records of the institution issuing the security, called the book entry system. In order to increase security, the City employs the Trust Department of a bank as the custodian of certain City managed investments, regardless of their form.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

The City’s investments are carried at fair value, as required by generally accepted accounting principles. The City adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of City debt instruments or Agency agreements.

Cash and investments as of June 30, 2022 consist of the following:

Statement of Net Position	
Cash and investments	\$110,982,096
Cash and investments with fiscal agent	6,111,822
Fiduciary Funds	
Cash and investments	<u>260,577</u>
Total Cash and Investments	<u><u>\$117,354,495</u></u>

Cash and Investments Available for Operations is used in preparing proprietary fund statements of cash flows because these assets are highly liquid and are expended to liquidate liabilities arising during the year.

As of June 30, 2022, the City holds \$8,967,636 in unexpended proceeds from the Sewer Revenue Bonds, Series 2019, which were included in Cash and Investments, but recorded in the Sewer Collections Enterprise Fund. The restricted fund is to be spent on project costs as defined in the underlying indenture.

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

The City’s Investment Policy and the California Government Code allow the City to invest in the investment types included in the following schedule, provided the credit ratings of the issuers are acceptable to the City, and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the City’s Investment Policy where the City’s Investment Policy is more restrictive.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality	Maximum % of Portfolio	Maximum Investment In One Issuer
Local Agency Municipal Bonds	5 years	None	None	None
U.S. Treasury Obligations	5 years	None	None	None
State of California and Other State Obligations	5 years	None	None	None
CA Local Agency Obligations	5 years	None	None	None
U.S. Agency Securities	5 years	None	None	None
Bankers Acceptances	180 days	None	40%	30%
Commercial Paper (pooled)	270 days	A1 / P1	40%	10%
Commercial Paper (non-pooled)	270 days	A1 / P1	25%	10%
Negotiable Certificates of Deposit	5 years	None	30%	None
Non-Negotiable Certificates of Deposit	5 years	None	None	None
Placement Service Deposits	5 years	None	50% (A)	None
Placement Service Certificates of Deposit	5 years	None	50% (A)	None
Repurchase Agreements	1 year	None	None	None
Reverse Repurchase Agreements and Securities Lending Agreements	92 days	None	20% of base value of portfolio	None
Medium Term Corporate Notes	5 years	A	30%	None
Mutual Funds	N/A	Top rating category	20%	10%
Money Market Mutual Funds	N/A	Top rating category	20%	10%
Collateralized Bank Deposits	5 years	None	None	None
Mortgage Pass-Through and Asset-Backed Securities	5 years	AA	20%	None
County Pooled Investment Funds	N/A	None	None	None
Joint Powers Authority Pool	N/A	Multiple	None	None
California Local Agency Investment Fund	N/A	None	None	\$75M per account
Voluntary Investment Program Fund	N/A	None	None	None
Supranational Obligations (B)	5 years	AA	30%	None

(A) 50% maximum % of portfolio is for deposits and certificates of deposit combined.

(B) Only those obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and Inter-American Development Bank (IADB)

D. Investments Authorized by Debt Agreements

The City must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the City fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with City resolutions, bond indentures or State statutes. These bond indentures did not disclose limitations for maximum percentage of portfolio and investment in one issuer. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

Authorized Investment Type	Maximum Maturity	Minimum Credit Quality
Local Agency Municipal Bonds	N/A	Two highest rating categories
U.S. Treasury Obligations	N/A	N/A
State of California Obligations	N/A	A2/A
CA Local Agency Obligations	N/A	N/A
U.S. Agency Securities (A)	N/A	N/A
Bankers Acceptances	1 year	A1
Commercial Paper	270 days	A-1 +
Short-Term Certificates of Deposit	1 year	A-1+
Repurchase Agreements	30 days	A, A-
Money Market Mutual Funds	N/A	AA-M
Collateralized Bank Deposits	N/A	N/A
Fund	N/A	N/A
Unsecured CD's, deposit accounts, time deposits, bankers acceptances	365 Days	A-1+
Special Revenue Bonds	N/A	AA-
Prefunded Municipal Obligations	N/A	AAA
FDIC insured deposit	N/A	N/A
Investment Agreements	N/A	AA-
Pre Refunded Municipal Obligations	N/A	Two highest rating categories
Cash	N/A	N/A

(A) Securities issued by agencies of the federal government such as the Federal Farm Credit Bank (FFCB), the Federal Home Loan Bank (FHLB), the Federal National Mortgage Association (FNMA), Export-Import Bank, Farm Credit System Financial Assistance Corporation, Farmers Home Administration, General Services Administration, United States Maritime Administration, Small Business Administration, Government National Mortgage Association (GNMA), United States Department of Housing & Urban Development (PHA's), the Federal Home Loan Mortgage Corporation (FHLMC) and Federal Housing Administration debentures.

The 2019 Sewer Revenue Bonds also allow investment in Federal Housing Administration debentures.

E. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of the City's investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity or earliest call date:

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

Investment Type	12 Months or less	13 to 24 Months	Total
California Local Agency Investment Fund	\$109,242,170		\$109,242,170
Held by Trustees:			
Money Market Mutual Funds	358,723		358,723
U.S. Treasury Notes	2,504,761	\$2,607,539	5,112,300
Total Investments	<u>\$112,105,654</u>	<u>\$2,607,539</u>	114,713,193
Cash in banks and on hand			<u>2,641,302</u>
Total Cash and Investments			<u>\$117,354,495</u>

F. Local Agency Investment Fund

The City is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City reports its investment in LAIF at the amortized costs provided by LAIF, which is the same as the value of the pool share. The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Each regular LAIF account is permitted to have up to 15 transactions per month, with a minimum transaction amount of \$5,000, a maximum transaction amount of \$75 million and at least 24 hours advance notice for withdrawals of \$10 million or more. Bond proceeds accounts are subject to a one-time deposit with no cap and are set up with a monthly draw down schedule. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2022, these investments matured in an average of 311 days.

G. Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

The following is a summary of the fair value hierarchy of the City’s investments as of June 30, 2022:

Investment Type	Level 1	Exempt or Amortized Cost	Total
California Local Agency Investment Fund		\$109,242,170	\$109,242,170
<i>Held by Trustees:</i>			
Money Market Mutual Funds		358,723	358,723
U.S. Treasury Notes	\$5,112,300		5,112,300
Total Investments	<u>\$5,112,300</u>	<u>\$109,600,893</u>	<u>\$114,713,193</u>

U.S. Treasury Notes totaling \$5,112,300 classified in Level 1 of the fair value hierarchy are valued using quoted prices in an active market for identical assets. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices. These prices are obtained from various pricing sources by the custodian bank. As an external investment pool, the Local Agency Investment Fund is exempt from the fair value hierarchy.

H. Credit Risk

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. The actual ratings as of June 30, 2022 are provided by Standard and Poor’s except as noted.

Investment Type	AAAm	Total Investments
Money Market Mutual Funds	<u>\$358,723</u>	\$358,723
<i>Not rated:</i>		
California Local Agency Investment Fund		109,242,170
<i>Exempt from rating requirement:</i>		
U.S. Treasury Notes		<u>5,112,300</u>
Total investments		<u>\$114,713,193</u>

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 4 – INTERFUND TRANSACTIONS

A. Transfers Between Funds

The purpose of the majority of transfers is to provide annual subsidiary to the transit fund, which has made an expenditure on behalf of another fund. Less often, a transfer may be made to open or close a fund.

Transfers between funds during the fiscal year ended June 30, 2022 were as follows:

Fund Receiving Transfer	Fund Making Transfer	Amount Transferred
Special Revenue Funds		
Recreation	General Fund	\$766,377
Development Services	General Fund	334,492
General Plan Maintenance	Development Services Special Revenue Fund	738,129 (b)
Supplemental Law Enforcement Services	General Fund	78,938
Street Maintenance	General Fund	183,476
Road Maintenance and Rehabilitation Account (SB1)	General Fund	244,238 (a)
Capital Projects Funds		
Infrastructure	General Fund	1,385,864 (a)
Planned Park	Park Impact Fees Capital Projects Fund	2,500,000 (a)
Open Space	Planned Park Capital Projects Fund	20,900 (a)
Enterprise Fund		
Storm Drainage	Sewer Collections Enterprise Fund	98,948 (a)
Internal Service Fund		
Facilities Management	General Fund	351,294
		<u>\$6,702,656</u>

The purpose of the significant transfers that were not routine in nature or consistent with activities of the fund making the transfers is set forth below:

- (a) Transfer to fund capital projects.
- (b) To establish new fund.

In addition to the above transfers, the Affordable Housing Special Revenue Fund transferred land held for resale in the amount of \$913,537 to governmental activities capital assets.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 4 – INTERFUND TRANSACTIONS (Continued)

B. Current Interfund Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after at the end of the fiscal year. The Street Maintenance Special Revenue Fund and the Facilities Management Internal Service Fund owed the General Fund \$52,300 and \$48,914, respectively, as of June 30, 2022.

NOTE 5 – NOTES RECEIVABLE

These notes are summarized below:

Project	Amount
Mid-Peninsula Horizons, Inc.	\$243,018
Home Buyer Assistance Program	228,250
Firehouse Square	6,089,147
Total notes receivable	\$6,560,415

The former Belmont Redevelopment Agency (Agency) entered into the loan programs below to improve the quality of housing and to increase the availability of affordable housing. With the dissolution of the former Redevelopment Agency, the City elected to become the successor to the former Agency's housing activities and as a result assumed the loans receivable as of February 1, 2012.

On September 30, 1992 the former Agency made a loan to **Mid-Peninsula Horizons, Inc.**, a nonprofit corporation, to assist in financing an affordable housing project. The Agency loan is secured by a second deed of trust. The loan bears interest at one percent per annum and is due along with interest in 2039 or the date the project is no longer subject to a related regulatory agreement with HUD, whichever is later.

In fiscal year 1999, the former Agency began providing financial assistance for first time home buyers through the **Home Buyer Assistance Program**. Loans provide down payment assistance to qualified home buyers in Belmont. Loans are long-term low interest loans for down payments on the purchase of single-family residences, town homes, or condominiums. Loans are secured by a deed of trust.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 5 – NOTES RECEIVABLE (Continued)

On October 22, 2019 the City approved Development Agreements with **MP Firehouse Square Associates, L.P.**, and **Belmont Firehouse Square LLC** for the construction of a new four-story, mixed-use residential/commercial building consisting of 65 affordable rental apartment units, a manager's unit, amenity space, a community room, and 3,748 square feet of retail and commercial space; and a 15-unit market rate for sale townhome component. The project site is located on City-owned property at 1300 El Camino Real and 875 O'Neill Avenue that was to be sold to the developer for \$2,616,150. The City had committed to loan the Developer up to \$5,598,000, comprised of the Predevelopment Component (\$316,000), the Construction Component (\$2,000,000) and the Construction Contingency Amount (\$2,598,000). On July 14, 2020, the City amended the terms of the Development Agreements to instead ground lease the property to the Developer for a period of seventy (70) years at the rate of one dollar (\$1.00) per year, paid annually, and reduce the project funding to a predevelopment loan of up to \$1,000,000, a construction loan of up to \$1,150,000, and a grant of \$1,000,000. Total potential costs to the City will not exceed \$5,648,000. During the year ended June 30, 2020, the developer drew down \$1,000,000 of the predevelopment loan, and during the year ended June 30, 2021, the developer drew down the construction loan of \$1,150,000 and the grant of \$1,000,000. The loans bear simple interest at three percent per annum and is payable from residual receipts as defined in the Agreement and is due upon the earliest of the transfer of the project or the developer's interest in the property in a manner that is not approved by the City, the occurrence of a Developer event of default, or 70 years from the date of the promissory note or August 2090. The balance of the loans as of June 30, 2022, including accrued interest, was \$2,289,147.

In August 2021, the City and Belmont Firehouse Square, LLC entered into an amended and restated Development Agreement that includes selling property for its appraised value of \$4,800,000 for phase 2 of the project, which includes the 15-unit market rate for sale townhomes. In June 2022, the Agreement was assigned to Belmont Firehouse Square Property, LLC. On June 30, 2022 the City and Belmont Firehouse Square Property, LLC, closed the sale of phase 2 of the Firehouse Square project. Per the Amended and Restated Development Agreement, the developer paid the City \$1,000,000 at close of escrow; the balance of the sales price of \$3,800,000 was funded by a loan from the City's affordable housing funds. The loan is secured by a promissory note and deed of trust on the property. Prior to or concurrently with the sale of each townhome unit in the project, the Developer is required to pay the City in cash an amount equal to the then outstanding indebtedness under the Promissory Note divided by the number of unsold townhome units existing immediately prior to the sale of such townhome unit, which will be credited to the outstanding balance of the loan. The loan bears compound interest at four percent per month and is payable no later than December 31, 2024. The balance of the loan as of June 30, 2022 was \$3,800,000.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 6 – LAND HELD FOR RESALE

The City purchased parcels of land as part of efforts to develop or redevelop properties. Land held for resale is carried in the financial statements at the lower of cost or estimated net realizable value.

With the dissolution of the Redevelopment Agency in fiscal year 2012, the City elected to assume housing activities as the Housing Successor, and the land held for resale was transferred to the Affordable Housing Special Revenue Fund on February 1, 2012.

NOTE 7 – CAPITAL ASSETS

A. Capital Asset Additions and Retirements

Capital assets at June 30 comprise:

	Balance June 30, 2021	Additions	Retirements	Transfers	Balance June 30, 2022
Governmental Activities					
Capital assets not being depreciated:					
Land	\$12,609,903	\$913,537	(\$30,507)		\$13,492,933
Construction in progress	391,266	4,025,909		(\$15,634)	4,401,541
Total capital assets not being depreciated	<u>13,001,169</u>	<u>4,939,446</u>	<u>(30,507)</u>	<u>(15,634)</u>	<u>17,894,474</u>
Capital assets being depreciated:					
Buildings and building improvements	38,468,962				38,468,962
Improvements other than buildings	5,287,545	162,357			5,449,902
Streets and infrastructure	68,816,408	3,053,314		15,634	71,885,356
Machinery and equipment	6,547,505	484,240			7,031,745
Vehicles	4,607,467	241,885	(56,989)		4,792,363
Total capital assets being depreciated	<u>123,727,887</u>	<u>3,941,796</u>	<u>(56,989)</u>	<u>15,634</u>	<u>127,628,328</u>
Less accumulated depreciation for:					
Buildings and building improvements	18,076,418	908,046			18,984,464
Improvements other than buildings	1,921,822	234,792			2,156,614
Streets and infrastructure	27,471,795	1,704,994			29,176,789
Machinery and equipment	5,844,135	346,628			6,190,763
Vehicles	3,959,446	276,485	(56,989)		4,178,942
Total accumulated depreciation	<u>57,273,616</u>	<u>3,470,945</u>	<u>(56,989)</u>		<u>60,687,572</u>
Net depreciable assets	<u>66,454,271</u>	<u>470,851</u>		<u>15,634</u>	<u>66,940,756</u>
Governmental activities capital assets, net	<u>\$79,455,440</u>	<u>\$5,410,297</u>	<u>(\$30,507)</u>		<u>\$84,835,230</u>

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 7 – CAPITAL ASSETS (Continued)

	Balance June 30, 2021	Additions	Balance June 30, 2022
Business-type activities			
Capital assets not being depreciated:			
Land	\$14,792		\$14,792
Construction in progress	5,262,950	\$966,149	6,229,099
Total capital assets not being depreciated	<u>5,277,742</u>	<u>966,149</u>	<u>6,243,891</u>
Capital assets being depreciated:			
Improvements other than buildings	48,167,870	389,259	48,557,129
Machinery and equipment	326,766		326,766
Total capital assets being depreciated	<u>48,494,636</u>	<u>389,259</u>	<u>48,883,895</u>
Less accumulated depreciation			
Improvements other than buildings	20,140,321	1,646,208	21,786,529
Machinery and equipment	316,184	1,971	318,155
Total accumulated depreciation	<u>20,456,505</u>	<u>1,648,179</u>	<u>22,104,684</u>
Net depreciable assets	<u>28,038,131</u>	<u>(1,258,920)</u>	<u>26,779,211</u>
Business-type activities capital assets, net	<u>\$33,315,873</u>	<u>(\$292,771)</u>	<u>\$33,023,102</u>

B. Capital Asset Contributions

Some capital assets may be acquired using federal and State grant funds, or they may be contributed by developers or other governments. These contributions are required to be accounted for as revenues at the time the capital assets are acquired.

C. Depreciation Allocation

Depreciation expense is charged to functions and programs based on their usage of the related assets. The amounts allocated to each function or program are as follows:

Governmental Activities	
General Government	\$1,116,774
Public Safety	88,895
Highways and Streets	1,261,557
Culture and Recreation	443,437
Depreciation Charges to Internal Service Funds	<u>560,282</u>
Total Governmental Activities	<u>\$3,470,945</u>
Business-Type Activities	
Sewer Collections	\$1,407,649
Storm Drainage	<u>240,530</u>
Total Business-Type Activities	<u>\$1,648,179</u>

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 8 – LONG TERM DEBT

The City generally incurs long-term debt to finance projects or purchase assets, which will have useful lives equal to or greater than the related debt.

This debt will be repaid only out of governmental funds but is not accounted for in these funds because this debt does not require an appropriation or expenditure in this accounting period.

Proprietary Fund (Enterprise) long-term debt is accounted for in the proprietary funds, which will repay the debt because these funds are accounted for on the full-accrual basis in a similar manner to commercial operations.

The City's debt issues and transactions are summarized below and discussed in detail thereafter.

A. Current Year Transactions and Balances

	Balance June 30, 2021	Additions	Retirements	Balance as of June 30, 2022	
				Due Within One Year	Due Beyond One Year
GOVERNMENTAL ACTIVITIES DEBT					
Lease Financing					
2019 San Mateo County 2%, due 2029	\$5,159,305		\$560,035	\$572,010	\$4,027,260
Total Governmental Activities Debt	5,159,305		560,035	572,010	4,027,260
BUSINESS-TYPE ACTIVITIES DEBT					
Bonds:					
2009A Sewer Treatment Facility Revenue Bonds					
3.00%-5.00%, due serially to 2042	6,950,000		6,950,000		
2016 Sewer Revenue Refunding Bonds					
3.00%-5.00%, due serially to 2035	7,720,000		485,000	505,000	6,730,000
Premium	747,409		76,657		670,752
2016 Sewer Revenue Bonds					
2.00%-5.00%, due serially to 2046	15,730,000		110,000	110,000	15,510,000
Premium	40,528		4,158		36,370
2018 Sewer Treatment Revenue Bonds					
5%, due serially to 2048	20,845,000		355,000	375,000	20,115,000
Premium	2,848,861		105,513		2,743,348
2019 Sewer Revenue Bonds					
5%, due serially to 2049	16,925,000		270,000	285,000	16,370,000
Premium	4,044,609		141,915		3,902,694
Subtotal Bonds	75,851,407		8,498,243	1,275,000	66,078,164
Direct Placement:					
2022 Sewer Treatment Revenue Refunding Obligations					
2.15%, due serially to 2033		\$6,408,000		1,320,000	5,088,000
Total Business-Type Activities Debt	75,851,407	6,408,000	8,498,243	2,595,000	71,166,164
Total Long-Term Obligations	\$81,010,712	\$6,408,000	\$9,058,278	\$3,167,010	\$75,193,424

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

B. 2019 San Mateo County Lease Agreement

On December 18, 2019, the City entered into Lease and Sublease Agreements with the County of San Mateo under which the City leased the Belmont Sports Complex & Conference Center to the County for which the County made a one-time up-front lease payment to the City in the amount of \$6,000,000. Simultaneously, the City will sublease back from the County with annual rental payments over a lease term of 10 years, at a fixed interest rate of 2% per year. The Sublease is secured by the Belmont Sports Complex and the funds are to be used for turf replacement. The Sublease is repayable in semi-annual payments of \$334,000 beginning April 15, 2020 through December 15, 2029. While the pledge of repayment is from the General Fund, repayment will be made from Planned Park (Quimby/Park In Lieu) and Park Impact Fees. To terminate the Sublease after having fully paid all installment payments through and including the year seven payment, the City may make a one-time, lumpsum payment to the County of \$1,926,013.

C. Summary of Sewer Debt Issues

On December 30, 2009, the Authority issued \$8,500,000 principal amount of **Sewer Treatment Facility Revenue Bonds, Series 2009A**. Proceeds will be used to finance certain improvements to the Silicon Valley Clean Water's sewer treatment facility. Interest is due semiannually on February 1 and August 1 and principal is due annually on August 1 and is payable solely from Sewer Treatment Facility Revenues. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if the following conditions occur: default on debt service payments. There were no such events during the fiscal year ending June 30, 2022. The 2009A Bonds were called on May 27, 2022.

On October 1, 2018, the Authority issued \$21,385,000 in **Sewer Treatment Facility Revenue Bonds, Series 2018**. Proceeds will be used to finance certain improvements to the Silicon Valley Clean Water's sewer treatment facility. Interest is due semiannually on February 1 and August 1 and principal is due annually on August 1 and is payable on parity with the 2009A bonds solely from Sewer Treatment Facility Revenues. Interest on the Bonds commenced August 1, 2019. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if any of the following conditions occur: default on debt service payments; the failure of the City to observe or perform the conditions, covenants, or agreement terms of the debt; or bankruptcy filing by the City. There were no such events during the fiscal year ending June 30, 2022.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

On April 29, 2022, the Authority issued \$6,408,000 principal amount of 2022 Sewer Treatment Facilities Revenue Refunding Obligations. Proceeds from the Installment Purchase Agreement were used to refund the Series 2009A Bonds. Interest is due semiannually on February 1 and August 1 and principal is due annual on August 1 and is payable solely from Sewer Treatment Facility Revenues. The Agreement is on parity with the Series 2018 Bonds. Principal and interest payments on the Agreement commence on August 1, 2022 and continue through 2033. The Agreement contains events of default that allow the Authority to declare all principal and accrued interest to be immediately due and payable if any of the following conditions occur: default on debt service payments; failure of the City to observe or perform the conditions, covenants or agreement terms of the Agreement; or bankruptcy filing by the City. There were no such events during the fiscal year ending June 30, 2022. The refunding resulted in an overall debt service savings of \$3,507,151. The net present value of the debt service savings is called an economic gain and amounted to \$2,337,020. The 2009A Bonds were called on May 27, 2022.

The pledge of future Sewer Treatment Facility charges ends upon repayment of \$43,133,276 in remaining debt service on the 2018 Bonds and 2022 Obligations which is scheduled to occur in 2048. For fiscal year 2022, Sewer Treatment Facility Revenues amounted to \$3,142,679 and debt service, excluding payments related to the bond refunding, was \$3,150,457.

On March 2016, the Authority issued \$9,945,000 in **Sewer Revenue Refunding Bonds, Series 2016** and \$16,120,000 in **Sewer Revenue Bonds, Series 2016** with interest rates ranging from 3.0% to 5.0% and 2.0% to 5.0% respectively. The \$11,094,848 in net proceeds (including a \$1,149,848 premium and after payment of \$104,670 in underwriting fees and other issuance costs) of the Sewer Revenue Refunding Bonds, Series 2016, were used to refund \$10,830,000 of outstanding 2001 and 2006 Series Sewer Revenue Bonds which had interest rates ranging from 4.375% to 5.00% and 4.00% to 4.375% respectively. The net proceeds of \$15,182,357 from the Sewer Revenue Bonds, Series 2016 (including a \$62,357 premium and after payment of \$169,662 in underwriting fees and other issuance costs) will be used to finance improvements to the City's sewer system.

The 2016 Revenue Bonds are general obligations of the City, payable solely from System Revenues and all amounts on deposit in the System Revenue Fund collected by the City of Belmont. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if the following conditions occur: default on debt service payments. There were no such events during the fiscal year ending June 30, 2022.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

On November 20, 2019, the Authority issued \$17,095,000 principal amount of **Sewer Revenue Bonds, Series 2019**. Proceeds will be used to finance certain improvements to the sewer collection, conveyance and treatment system of the City. Interest is due semiannually on February 1 and August 1, commencing February 1, 2020 and principal is due annually on August 1. The Bonds are payable on parity with the 2016 bonds, solely from System Revenues and all amounts on deposit in the System Revenue Fund collected by the City. The Bonds are structured with a par optional redemption date of August 1, 2029. The bond covenants contain events of default that require the revenue of the City to be applied by the Trustee as specified in the terms of the agreement if the following conditions occur: default on debt service payments. There were no such events during the fiscal year ending June 30, 2022.

The pledge of future Sewer Collections Fund Revenues ends upon repayment of \$63,888,905 in remaining debt service on the 2016 Sewer Revenue Refunding Bonds, 2016 Sewer Revenue Bonds and 2019 Sewer Revenue Bonds, which is scheduled to occur in 2049. For fiscal year 2022, Sewer Fund Revenues, excluding sewer treatment facility revenue, including operating revenues, but not connection charges or non-operating interest earnings, amounted to \$16,360,163 and operating costs including operating expenses, but not interest, depreciation or amortization amounted to \$7,115,757. Net revenues available for debt service amounted to \$9,244,406.

D. Debt Service Requirements

Annual debt service requirements are shown below for all long-term debt with specified repayment terms:

For the Year Ending June 30	Governmental Activities		Business-Type Activities			
	Lease Financing		Bonds		Direct Placement	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$572,010	\$95,990	\$1,275,000	\$2,602,496	\$1,320,000	\$89,904
2024	584,022	83,978	1,335,000	2,540,321	1,346,000	94,923
2025	596,729	71,271	1,405,000	2,471,820	725,000	72,660
2026	609,489	58,511	1,470,000	2,399,946	740,000	56,911
2027	622,522	45,478	1,545,000	2,324,572	757,000	40,818
2028 - 2032	1,614,498	55,502	8,720,000	10,634,967	1,150,000	93,312
2033 - 2037			10,700,000	8,623,706	370,000	7,998
2038 - 2042			13,110,000	6,160,543		
2043 - 2047			14,790,000	3,034,034		
2048 - 2050			5,650,000	365,250		
Total	\$4,599,270	\$410,730	\$60,000,000	\$41,157,655	\$6,408,000	\$456,526

E. Special Assessment Debt With No City Commitment

On February 4, 2004, the Community Facilities District No. 2000-1 issued Special Tax Bonds, Series 2004A for \$8,650,000 to finance the construction, maintenance and building operations of a new library. The City has no legal or moral liability with respect to the payment of this debt, which is secured by proceeds of an annual special tax levy received by the District. Therefore, this debt is not included in the long-term debt of the City. As of June 30, 2022, the outstanding balance was \$4,425,000.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 8 – LONG TERM DEBT (Continued)

Pursuant to the terms of the underlying indenture for the Special Tax Bonds, the Trustee holds a Surety Bond issued by AMBAC Assurance Corporation as a debt service reserve for the Bonds. During fiscal 2010-11, AMBAC declared bankruptcy. As of the date of this report, the Trustee had not requested, and the District had not obtained, a replacement surety bond.

NOTE 9 – NET POSITION AND FUND BALANCES

Net Position is measured on the full accrual basis while Fund Balance is measured on the modified accrual basis.

A. Net Position

Net Position is the excess of all the City's assets and deferred outflows, if any, over all its liabilities and deferred inflows, if any, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below.

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter. These principally include developer fees received for use on capital projects, debt service requirements, and redevelopment funds restricted to low and moderate income housing purposes.

Unrestricted describes the portion of Net Position which is not restricted to use.

B. Fund Balances

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The City's fund balances are classified in accordance with generally accepted accounting principles which require the City to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the City prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

Nonspendables represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact, such as Permanent Funds, and assets not expected to be converted to cash, such as prepaids, notes receivable, and land held for resale are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. Nonspendable amounts subject to restrictions are included along with spendable resources.

Committed fund balances have constraints imposed by resolution of the City Council which may be altered only by resolution of the City Council. Nonspendable amounts subject to council commitments are included along with spendable resources.

Assigned fund balances are amounts constrained by the City's intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the City Council or its designee and may be changed at the discretion of the City Council or its designee. This category includes encumbrances; Nonspendables, when it is the City's intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects and Debt Service Funds which have not been restricted or committed. Through a Council Resolution, the City Council has designated the City Manager to determine the amount of assigned fund balances.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

Detailed classifications of the City's fund balances, as of June 30, 2022, are below:

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

Fund Balance Classifications	General Fund	Belmont Fire Protection District	Other Governmental Funds	Total
Nonspendables:				
Items not in spendable form:				
Prepays	\$77,789	\$1,736,353		\$1,814,142
Land held for resale	298,748			298,748
Total Nonspendable Fund Balances	<u>376,537</u>	<u>1,736,353</u>		<u>2,112,890</u>
Restricted for:				
Transportation			\$2,562,384	2,562,384
Belmont Fire Protection District		14,480,930		14,480,930
Special Revenue Programs:				
Recreation			1	1
Library Maintenance & Operations			835,588	835,588
City Trees			297,128	297,128
Athletic Field Maintenance			375,498	375,498
Senior Donations			90,044	90,044
Public Art			395,576	395,576
Affordable Housing			8,920,143	8,920,143
Capital Projects			2,712,060	2,712,060
Special Assessment District			308,330	308,330
Total Restricted Fund Balances		<u>14,480,930</u>	<u>16,496,752</u>	<u>30,977,682</u>
Committed to:				
Measure I Infrastructure	2,938,455			2,938,455
Special Revenue Programs:				
Development Services			1,084,263	1,084,263
General Plan Maintenance			1,305,231	1,305,231
Public Safety			32,809	32,809
Total Committed Fund Balances	<u>2,938,455</u>		<u>2,422,303</u>	<u>5,360,758</u>
Assigned to:				
Capital Projects			3,698,561	3,698,561
Total Assigned Fund Balances			<u>3,698,561</u>	<u>3,698,561</u>
Unassigned	<u>17,636,404</u>			<u>17,636,404</u>
Total Unassigned Fund Balances	<u>17,636,404</u>			<u>17,636,404</u>
Total Fund Balances	<u>\$20,951,396</u>	<u>\$16,217,283</u>	<u>\$22,617,616</u>	<u>\$59,786,295</u>

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 9 – NET POSITION AND FUND BALANCES (Continued)

C. Minimum Fund Balance Policies

The City Council has established a policy with adoption of the annual budget that the General Fund balance should be maintained at a target of 33% of operating expenditures with a \$5,000,000 minimum. In addition, the City Council has established a \$250,000 Contingency appropriation which may be used to pay for an emergency or an uncertain occurrence. The use of contingency funds requires City Council approval. As of June 30, 2022, the City is in compliance with its minimum fund balance policies.

D. Belmont Fire Protection District

The District established a \$10,000,000 reserve of fund balance for the future replacement of a fire station. The reservation is included in the Belmont Fire Protection District Special Revenue Fund's restricted fund balance.

E. Net Investment In Capital Assets

The balances related to Net Investment in Capital Assets are comprised of the following as of June 30, 2022:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Capital Assets, Net of Accumulated Depreciation	\$84,835,230	\$33,023,102	\$117,858,332
Less Capital Debt	(4,599,270)	(44,119,816)	(48,719,086)
Plus Unspent Bond Proceeds	402,294	12,259,930	12,662,224
	<u> </u>	<u> </u>	<u> </u>
Net Investment in Capital Assets	<u>\$80,638,254</u>	<u>\$1,163,216</u>	<u>\$81,801,470</u>

F. Restatement

The City implemented the provisions of Governmental Accounting Standards Board Statement No. 87 – Leases during the year ended June 30, 2022. As a result, the City determined that beginning the balances of leases receivable and deferred inflows of resources related to leases were \$8,222,012 as of July 1, 2021 and restated and increased the balances in that amount, and the net effect on beginning net position was zero. See the Leases disclosure in Note 10.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 10 – LEASES

A. Policies

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. The City recognizes lease receivable or liabilities with an initial, individual value of \$100,000 or more, based on the future lease payments remaining at the start of the lease.

Lessee – The City does not have any noncancellable leases of nonfinancial assets as of June 30, 2022, other than the financed purchase discussed in Note 8. If there were such leases outstanding, the City would recognize a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

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

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

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

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor – The City is a lessor for noncancellable leases of buildings and facilities. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 10 – LEASES (Continued)

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

B. Leases Receivable

The balances related to leases receivable and deferred inflows of resources as of June 30, 2022 were:

	Lease Receivable	Deferred Inflows of Resources
Governmental Activities		
Leases Receivable (Lessor)		
1070 Sixth Avenue Rentals	\$311,578	\$306,960
Facilities Rentals	998,171	969,156
Billboard Lease	4,952,751	4,819,567
Airspace Lease	1,849,356	1,828,827
Total governmental activities leases receivable	\$8,111,856	\$7,924,510

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 10 – LEASES (Continued)

The City's leases receivable and transactions are summarized below and discussed in detail thereafter.

	Balance June 30, 2021 (as restated)	Additions	Retirements	Balance June 30, 2022
Governmental Activities				
Leases Receivable (Lessor)				
1070 Sixth Avenue Rentals	\$149,372	\$246,925	\$84,719	\$311,578
Facilities Rentals	1,123,498		125,327	998,171
Billboard Lease	5,014,296		61,545	4,952,751
Airspace Lease	1,934,846		85,490	1,849,356
	<u>\$8,222,012</u>	<u>\$246,925</u>	<u>\$357,081</u>	<u>\$8,111,856</u>
Total governmental activities leases receivable	<u>\$8,222,012</u>	<u>\$246,925</u>	<u>\$357,081</u>	<u>\$8,111,856</u>

1070 Sixth Avenue Rentals – The City leases office space attached to City Hall to third parties. During the year ended June 30, 2022, of the three office space leases, the City had two leases that were subject to being recorded as leases receivable under generally accepted accounting principles. The original lease terms were just over five years each and as of June 30, 2022, the two leases had nine months and five years remaining. The leases can be renewed for one additional five year term upon written notice of the tenant. The City recognized \$85,355 in lease revenue and \$2,345 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

Facilities Rentals – The City leases various facilities to third parties. During the year ended June 30, 2022, the City had three leases, with original lease terms ranging from ten to thirty years and as of June 30, 2022, the leases had 4.5 to 9.8 years remaining. The City recognized \$154,341 in lease revenue and \$29,157 in interest revenue during the current fiscal year related to these leases. Also, the City has deferred inflows of resources associated with these leases that will be recognized as revenue over the lease term.

Billboard Lease – The City leases billboard space to a third party. The original term of the lease was thirty years and as of June 30, 2022, the lease had 25 years remaining. The rent is based on a minimum annual guaranteed payment, paid on a monthly basis, which increases 3% per year. In addition, the City receives a percentage rent if that amount exceeds the minimum annual guaranteed payment. The City recognized \$194,730 in lease revenue and \$136,895 in interest revenue during the current fiscal year related to this lease. Also, the City has deferred inflows of resources associated with this lease that will be recognized as revenue over the lease term.

Airspace Lease – The City leases airspace to a third party. The original term of the lease was twenty years, but the most recent amendment in October 2019 extended the lease term for ten years, with two five year options. As of June 30, 2022, the City determined that the remaining lease term is seventeen years. The City recognized \$106,019 in lease revenue and \$51,972 in interest revenue during the current fiscal year related to this lease. Also, the City has deferred inflows of resources associated with this lease that will be recognized as revenue over the lease term.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 11 – PENSION PLAN

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

A. General Information about the Pension Plan

Plan Description – All qualified employees are eligible to participate in the City’s separate Safety (Police and Fire) and Miscellaneous (all other) Employee Pension Rate Plans. The City’s Miscellaneous and Safety Rate Plans are part of the public agency cost-sharing multiple-employer defined benefit pension plan (PERF C), which is administered by the California Public Employees’ Retirement System (CalPERS). PERF C consists of a miscellaneous pool and a safety pool (also referred to as “risk pools”), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Individual employers may sponsor more than one miscellaneous and safety rate plan. The employer participates in one cost-sharing multiple-employer defined benefit pension plan, regardless of the number of rate plans the employer sponsors. The City sponsors six rate plans and the District sponsors three rate plans as follows:

- City Miscellaneous (Tier 1)
- City Miscellaneous (Tier 2)
- City Miscellaneous (Tier 3)
- City Safety (Tier 1)
- City Safety (Tier 2)
- City Safety (Tier 3)
- District Safety (Tier 1)
- District Safety (Tier 2)
- District Safety (Tier 3)

The Plan is administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website (www.calpers.ca.gov.)

With the transfer of the District’s personnel to the San Mateo Consolidated Fire Department Joint Powers Authority in January 2019 discussed in Note 14A, the District’s Safety Plan is closed to new entrants.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 11 – PENSION PLAN (Continued)

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1959 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

The Plan’s provisions and benefits in effect at June 30, 2022 are summarized as follows:

	City Miscellaneous Rate Plans		
	Tier 1	Tier 2	Tier 3
Hire date	Prior to August 1, 2012 (1)	On or after August 1, 2012 (1)	On or after January 1, 2013
Benefit formula	2% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final Average Compensation Period	One Year	Three Year	Three Year
Retirement age	50 - 67	50 - 67	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.426% to 2.418%	1.0% to 2.5%
Required employee contribution rates	7.0%	7.0%	7.0%
Required employer contribution rates (normal cost)	11.19%	10.65%	7.65%
	City Safety Rate Plans		
	Tier 1	Tier 2	Tier 3
Hire date	Prior to October 1, 2011	On or after October 1, 2011	On or after January 1, 2013
Benefit formula	3% @ 50	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final Average Compensation Period	One Year	Three Year	Three Year
Retirement age	50	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	3.0%	2.4% to 3.0%	2.0% to 2.7%
Required employee contribution rates	9.0%	9.0%	13.0%
Required employer contribution rates (normal cost)	23.71%	20.64%	13.13%
	District Safety Rate Plans		
	Tier 1	Tier 2	Tier 3
Hire date	Prior to January 1, 2012	On or after January 1, 2012	On or after January 1, 2013
Benefit formula	3% @ 55	2% @ 50	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Final Average Compensation Period	Three Year	Three Year	Three Year
Retirement age	50 - 55	50 - 55	50 - 57
Monthly benefits, as a % of eligible compensation	2.4% to 3.0%	2.0% to 2.7%	2.0% to 2.7%
Required employee contribution rates	0.0%	0.0%	0.0%
Required employer contribution rates (normal cost)	0.0%	0.0%	0.0%

- (1) For unrepresented employees, the hire date that determines the level of benefits is December 28, 2012.
(2) The District’s Safety Plan has no active participants as of January 2019.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 11 – PENSION PLAN (Continued)

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis or may be paid in a lump sum at a discount. The City's and District's required contributions for the unfunded liability were \$3,457,519 and \$89,609, respectively, in fiscal year 2022, which were made under the lump sum option.

Contributions – Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with 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. Employer 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 contribution requirements are classified as plan member contributions.

For the year ended June 30, 2022, the contributions recognized as part of pension expense for the Plan were as follows:

	Safety	Miscellaneous	Total
Contributions - employer	\$2,752,531	\$2,825,996	\$5,578,527

During fiscal year 2022, the City made additional contributions to reduce the unfunded liability balances in the Safety and Miscellaneous rate plans in the amounts of \$197,493 and \$233,520, respectively, which are included in the contribution amounts above.

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

As of June 30, 2022, the City reported the collective net pension liabilities for its proportionate shares of the net pension liability of the Plan as follows:

	Share of Net Pension Liability
Safety Rate Plans	\$11,813,386
Miscellaneous Rate Plans	12,449,103
Total Net Pension Liability	\$24,262,489

Pension liabilities are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities net pension liabilities is liquidated primarily by the General Fund and the Belmont Fire Protection District Special Revenue Fund.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 11 – PENSION PLAN (Continued)

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020, rolled forward to June 30, 2021 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for the Plan as of June 30, 2021 and 2022 was as follows:

	<u>Safety</u>	<u>Miscellaneous</u>
Proportion - June 30, 2021	0.30%	0.50%
Proportion - June 30, 2022	<u>0.34%</u>	<u>0.66%</u>
Change - Increase (Decrease)	<u>0.04%</u>	<u>0.16%</u>

For the year ended June 30, 2022, the City recognized pension expense of \$8,581,277. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$5,578,527	
Differences between actual and expected experience	3,414,340	
Changes in assumptions		
Net differences between projected and actual earnings on plan investments	-	(\$17,898,644)
Change in proportion and differences between actual contributions and proportionate share of contributions	<u>161,328</u>	<u>(1,139,598)</u>
Total	<u>\$9,154,195</u>	<u>(\$19,038,242)</u>

\$5,578,527 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (credits) as follows:

<u>Year Ended June 30</u>	<u>Annual Amortization</u>
2023	(\$3,042,103)
2024	(3,448,589)
2025	(4,033,793)
2026	(4,938,089)

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 11 – PENSION PLAN (Continued)

Actuarial Assumptions – For the measurement period ended June 30, 2021, the total pension liability was determined by rolling forward the June 30, 2020 total pension liability. The June 30, 2021 total pension liability was based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Payroll Growth	(1)
Projected Salary Increase	Varies by Entry Age and Service
Investment Rate of Return	7.15% (2)
Mortality	Derived using CalPERS Membership Data for all Funds (3)
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

(1) Depending on age, service and type of employment

(2) Net of pension plan investment expenses, including inflation

(3) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using the Society of Actuaries 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.

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2020 valuation were based on the results of a December 2017 actuarial experience study for the period 1997 to 2015. Further details of the Experience Study can be found on the CalPERS website.

Discount Rate – The discount rate used to measure the total pension liability for the Plan was 7.15%. The projection of cash flows used to determine the discount rate for the Plan assumed that contributions from all plan members in the Public Employees Retirement Fund (PERF) 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.

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

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 11 – PENSION PLAN (Continued)

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11+ 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 to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rates of return by asset class.

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1 - 10(b)	Real Return Years 11+(c)
Public Equity	50%	4.80%	5.98%
Fixed Income	28%	1.00%	2.62%
Inflation Assets	0%	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	0.00%	-0.92%
Total	<u>100%</u>		

- (a) In the CalPERS Annual Comprehensive Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt
- (b) An expected inflation of 2.00% used for this period.
- (c) An expected inflation of 2.92% used for this period.

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

	Discount Rate		
	1% Decrease 6.15%	Current 7.15%	1% Increase 8.15%
Safety	\$21,831,889	\$11,813,386	\$3,584,422
Miscellaneous	23,348,465	12,449,103	3,438,756
Total	<u>\$45,180,354</u>	<u>\$24,262,489</u>	<u>\$7,023,178</u>

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 11 – PENSION PLAN (Continued)

C. Subsequent Event – Reduction of CalPERS Discount Rate

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy approved by the CalPERS Board in 2015, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the CalPERS Board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense, but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the CalPERS Board. These new assumptions will be reflected in the CalPERS GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS

A. General Information about the City's Other Post Employment Benefit (OPEB) Plans

By resolution and through agreements with its labor units, the City and District provide certain health care benefits for retired employees (spouse and dependents are not included) under third-party insurance plans (Retiree Health Care Benefits Plans). The City and District participate in the CalPERS health care plan, which is governed under the California Public Employees Health and Medical Care Act (PEMCHA). During fiscal year 2008, the City Council and, during fiscal year 2012, the District passed resolutions to participate in the California Employers Retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB. CERBT is an agent multiple-employer defined benefit other postemployment benefits plan administered by CalPERS, and is managed by an appointed board not under the control of the City Council or Fire Board of Directors. CERBT consists of participating employers of the State of California and public agencies. Individual employers may establish more than one plan.

The CERBT was established by Chapter 331 of the 1988 California Statutes, and employers elect to participate in the CERBT to pre-fund health, dental, and other non-pension postemployment benefits for their retirees and survivors. The CERBT has pooled administrative and investment functions, while separate employer accounts are maintained to prefund and pay for health care or other postemployment benefits in accordance with the terms of the participating employers' plans. There are three CalPERS Board approved investment strategies for employers to choose from depending on their expected levels of return and volatility. Benefit provisions are established by participating employers.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The CERBT Trusts are not considered a component unit by the City or District and have been excluded from these financial statements. Separately issued financial statements for CERBT may be obtained from CALPERS at P.O. Box 942709, Sacramento, CA 94229-2709.

A summary of eligibility and retiree contribution requirements for the City and District Plans are shown below by bargaining unit:

Eligibility	<p>Service or Disability Retirement from the City</p> <ul style="list-style-type: none"> - Age and service requirements: AFSCME - 50 & 10 hired before 7/1/1985 and retired before 7/1/2001 - 50 & 12 retired after 7/1/2001 and retired before 8/1/2012 - 50 & 12 hired after 8/1/2012 or who retire due to disability BPOA - 50 & 12 retired before 7/1/2001 - 50 & 12 retired on or after 7/1/2001 and hired before 10/11/2011 - 50 & 12 hired on or after 10/11/2011 MMCEA - 50 & 12 retired before 7/1/2001 - 50 & 12 retired on or after 7/1/2001 and hired before 10/1/2012 - 50 & 12 hired on or after 10/1/2012 or who retire due to disability Unrepresented - 50 & 12 retired before 7/1/2001 - 50 & 12 retired on or after 7/1/2001 and hired before 1/1/2013 - 50 & 12 hired on or after 1/1/2013 or who retire due to disability <p>Service or Disability Retirement from District</p> <ul style="list-style-type: none"> - 50 & 5 Transitioning to District from BSCFD - 50 & 15 including service with BSCFD or South County Fire Authority, provided that 5 years must be with the District; or effective 10/1/2012, employees with 25 years of service (including any time served with SCFA or BSCFD) may retire after 3 years. 						
Benefit	<p>Service Retirement:</p> <ul style="list-style-type: none"> - Retire before 7/1/2001 - Bay Area Single premium for retiree selected plan - Retire on or after 7/1/2001 and hired prior to 10/11/2011 (BPOA), 10/1/2012 (MMCEA), 8/1/2012 (AFCME), 1/1/2013 (Unrepresented) - Receive a benefit which, when added to the CalPERS Minimum Employer Contribution, brings the total up to the lesser of the Bay Area single premium rate for the medical plan selected by the retiree and the Bay Area Kaiser single rate. - Hired on or after 10/11/2011 (BPOA), 10/1/2012 (MMCEA), 8/1/2012 (AFCME), 1/1/2013 (Unrepresented)- Public Employees' Medical Hospital Care Act (PEMHCA) minimum only. <p>Disability Retirement:</p> <ul style="list-style-type: none"> - Miscellaneous Group - Same benefit as service retirement or PEMHCA minimum if eligibility requirement not met. - BPOA - same benefit as service retirement but without the age or service requirement. <p>Retirement from District:</p> <ul style="list-style-type: none"> - PEMHCA minimum, subject to "unequal method" <p>Transitioning to District from BSCFD (or on active eligible list until 10/1/12):</p> <ul style="list-style-type: none"> - Receive a benefit which, when added to the CalPERS Minimum Employer Contribution, brings the total up to the lesser of the Bay Area single premium rate for the medical plan selected by the retiree and the Bay Area Kaiser single rate. 						
Surviving Spouse Continuation	<p>City:</p> <ul style="list-style-type: none"> - Public Employees Medical Hospital Care Act (PEMHCA) minimum only. <p>District:</p> <ul style="list-style-type: none"> - Based on CalPERS retirement election - PEMHCA Minimum - Unequal Method 						
Public Employees' Medical Hospital Care Act (PEMHCA) minimum	<p>CalPERS minimum employer contribution:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">YEAR</th> <th style="text-align: left;">PEMHCA Minimum</th> </tr> </thead> <tbody> <tr> <td>2022</td> <td>\$149</td> </tr> <tr> <td>2023+</td> <td>Increase medical care component of CPI</td> </tr> </tbody> </table>	YEAR	PEMHCA Minimum	2022	\$149	2023+	Increase medical care component of CPI
YEAR	PEMHCA Minimum						
2022	\$149						
2023+	Increase medical care component of CPI						

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

In accordance with the City and District budgets, the Actuarially Determined Contribution (ADC) is to be funded throughout the year as a percentage of payroll. For the year ended June 30, 2022, the City's contributions to the Plan were \$1,059,766. The District did not make any current year contributions.

Employees Covered by Benefit Terms – Membership in the Plans consisted of the following at the June 30, 2021 measurement date:

City	
Inactive employees or beneficiaries currently receiving benefits	102
Inactive employees entitled to but not yet receiving benefits	24
Active employees	<u>120</u>
Total	<u><u>246</u></u>
District	
Inactive employees or beneficiaries currently receiving benefits	8
Inactive employees entitled to but not yet receiving benefits	14
Active employees	<u>0</u>
Total	<u><u>22</u></u>

As of June 30, 2022, there were approximately 129 active City eligible participants, 106 eligible City retirees or surviving spouses, exclusive of living spouses and dependents, receiving benefits, and 23 retirees that were eligible, but not enrolled in the Plan benefits. For the District, as of June 30, 2022 there were no active District eligible participants and there were 8 eligible District retirees or surviving spouses, exclusive of living spouses and dependents, receiving benefits and 14 retirees that were eligible, but not enrolled in the Plan benefits.

OPEB Liabilities, OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB – For purposes of measuring the net OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's and District's OPEB Plans and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by CERBT. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

B. Net OPEB Liability

Actuarial Methods and Assumptions – The City and District net OPEB liabilities were measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021, based on the following actuarial methods and assumptions:

City

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal level percent of pay
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation	2.50%
Salary Increases	2.75%
Mortality Rates	Same as CalPERS (1)
Healthcare Cost Trend Rates	Pre-Medicare: 6.50% for 2023, and trending down to 3.75% in 2076 and beyond. Medicare (Non-Kaiser): 5.65% in 2023, trending down to 3.75% in 2076 and beyond. Medicare (Kaiser): 4.60% in 2023, trending down to 3.75% in 2076 and beyond. PEMHCA: 4.00% of retiree premium

District

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal level percent of pay
Actuarial Assumptions:	
Discount Rate	5.25%
Inflation	2.50%
Salary Increases	No active District employees
Mortality Rates	Same as CalPERS (1)
Healthcare Cost Trend Rates	Pre-Medicare: 6.50% for 2023, and trending down to 3.75% in 2076 and beyond. Medicare (Non-Kaiser): 5.65% in 2023, trending down to 3.75% in 2076 and beyond. Medicare (Kaiser): 4.60% in 2023, trending down to 3.75% in 2076 and beyond. PEMHCA: 4.00% of retiree premium

(1) The mortality table used was developed based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Mortality Improvement Scale MP 2021. For more details on this table, please refer to the CalPERS 2000-2019 experience study report available on the CalPERS website.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

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

City

Asset Class	Target Allocation	Long-term expected real rate of return
Global Equity	49.0%	4.56%
Long US Treasuries	5.0%	0.29%
Mortgage-Backed Securities	5.0%	0.49%
Investment Grade Corporates	4.0%	1.56%
High Yield	4.0%	3.00%
Sovereigns	5.0%	2.76%
TIPS	5.0%	-0.08%
Commodities	3.0%	1.22%
REITs	20.0%	4.06%
Total	<u>100.0%</u>	
Assumed Long-Term Rate of Inflation		<u>2.50%</u>
Expected Long-Term Net Rate of Return		<u>6.25%</u>

District

Asset Class	Target Allocation	Long-term expected real rate of return
Global Equity	23.0%	4.56%
Long US Treasuries	11.0%	0.29%
Mortgage-Backed Securities	11.0%	0.49%
Investment Grade Corporates	9.0%	1.56%
High Yield	9.0%	3.00%
Sovereigns	11.0%	2.76%
TIPS	9.0%	-0.08%
Commodities	3.0%	1.22%
REITs	14.0%	4.06%
Total	<u>100.0%</u>	
Assumed Long-Term Rate of Inflation		<u>2.50%</u>
Expected Long-Term Net Rate of Return		<u>5.25%</u>

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Change of Assumptions – For the measurement date of June 30, 2021, the discount rate decreased from 6.75% to 6.25% for the City and to 5.25% for District, the inflation rate decreased from 2.75% to 2.50%, the payroll growth rate decreased from 3.00% to 2.75%, and the mortality improvement scale was updated to Scale MP- 2021. In addition, in September 2021, the District changed from CERBT’s Investment Strategy 1 to 3, to reflect a lower investment risk profile.

Discount Rate – The discount rate used to measure the total OPEB liability was 6.25% for the City and 5.25% for the District. The projection of cash flows used to determine the discount rate assumed that City and District contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plans’ fiduciary net position were each 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.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

C. Changes in Net OPEB Liability

The changes in the net OPEB liability for each plan follows:

City	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at Report Date June 30, 2021	<u>\$15,042,788</u>	<u>\$7,101,158</u>	<u>\$7,941,630</u>
Changes for the year:			
Service Cost	346,358		346,358
Interest on the Total OPEB Liability	1,012,016		1,012,016
Differences between Expected and Actual Experience	(1,009,642)		(1,009,642)
Changes of Assumptions	(304,718)		(304,718)
Contributions			
Employer - Department's contribution		876,080	(876,080)
Employer - implicit subsidy		162,997	(162,997)
Employee			-
Net Investment Income		1,964,480	(1,964,480)
Benefit payments, including Refunds of Employee Contributions	(629,633)	(629,633)	-
Implicit Rate Subsidy Fulfilled	(162,997)	(162,997)	-
Administrative Expense		(4,676)	4,676
Other Changes			-
Net changes	<u>(748,616)</u>	<u>2,206,251</u>	<u>(2,954,867)</u>
Balance at June 30, 2022	<u>\$14,294,172</u>	<u>\$9,307,409</u>	<u>\$4,986,763</u>
District			
	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2021	<u>\$1,350,067</u>	<u>\$1,993,409</u>	<u>(\$643,342)</u>
Changes for the year:			
Service Cost			-
Interest on the Total OPEB Liability	87,950		87,950
Differences between Expected and Actual Experience	781,678		781,678
Changes of Assumptions	167,346		167,346
Contributions			
Employer - Department's contribution			-
Employer - implicit subsidy			-
Employee			-
Net Investment Income		550,861	(550,861)
Benefit payments, including Refunds of Employee Contributions	(68,772)	(68,772)	-
Implicit Rate Subsidy Fulfilled	(25,449)	(25,449)	-
Administrative Expense		(1,066)	1,066
Other Changes			-
Net changes	<u>942,753</u>	<u>455,574</u>	<u>487,179</u>
Balance at June 30, 2022	<u>\$2,292,820</u>	<u>\$2,448,983</u>	<u>(\$156,163)</u>
June 30, 2022 Total, Both Plans	<u>\$16,586,992</u>	<u>\$11,756,392</u>	<u>\$4,830,600</u>

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

Detailed information about the OPEB plans' fiduciary net position is available in the separately issued CalPERS Annual Comprehensive Financial Report that may be obtained from CalPERS website.

OPEB liabilities are liquidated by the fund that has recorded the liability. The long-term portion of governmental activities net OPEB liabilities is liquidated primarily by the General Fund and the Belmont Fire Protection District Special Revenue Fund.

D. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the City and District, as well as what the City's or District'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:

<u>City</u>	<u>Trend Rate</u>
1% Decrease	5.25%
Net OPEB Liability (Asset)	\$6,665,343
Current Discount Rate	6.25%
Net OPEB Liability (Asset)	\$4,986,763
1% Increase	7.25%
Net OPEB Liability (Asset)	\$3,576,772
<u>District</u>	<u>Trend Rate</u>
1% Decrease	4.25%
Net OPEB Liability (Asset)	\$115,178
Current Discount Rate	5.25%
Net OPEB Liability (Asset)	(\$156,163)
1% Increase	6.25%
Net OPEB Liability (Asset)	(\$382,484)

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

The following presents the net OPEB liability of the City and District, as well as what the City's and District'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:

<u>City</u>	<u>Trend Rate</u>
1% Decrease	5.5% Decreasing to 2.75%
Net OPEB Liability (Asset)	\$3,544,708
Trend Rate	6.5% Decreasing to 3.75%
Net OPEB Liability (Asset)	\$4,986,763
1% Increase	7.5% Decreasing to 4.75%
Net OPEB Liability (Asset)	\$6,713,811
<u>District</u>	<u>Trend Rate</u>
1% Decrease	5.5% Decreasing to 2.75%
Net OPEB Liability (Asset)	\$101,514
Trend Rate	6.5% Decreasing to 3.75%
Net OPEB Liability (Asset)	(\$156,163)
1% Increase	7.5% Decreasing to 4.75%
Net OPEB Liability (Asset)	(\$372,500)

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

E. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2022, the City and District recognized OPEB expense of \$156,645 and \$824,940, respectively. At June 30, 2022, the City and District reported deferred outflows and inflows of resources related to OPEB from the following sources:

<u>City</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Employer contributions subsequent to measurement date	\$1,059,766	
Differences between actual and expected experience		(\$2,178,147)
Changes of assumptions	578,438	(440,155)
Net differences between projected and actual earnings on OPEB plan investments		<u>(1,051,027)</u>
Total	<u>\$1,638,204</u>	<u>(\$3,669,329)</u>
<u>District</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Employer contributions subsequent to measurement date	\$89,085	
Differences between actual and expected experience		(\$28,440)
Changes of assumptions		(291,377)
Net differences between projected and actual earnings on OPEB plan investments		<u>(291,377)</u>
Total	<u>\$89,085</u>	<u>(\$319,817)</u>
Grand Total, Both Plans	<u>\$1,727,289</u>	<u>(\$3,989,146)</u>

\$1,148,851 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

<u>Fiscal Year Ended June 30</u>	<u>Annual Amortization</u>	
	<u>City</u>	<u>District</u>
2023	(\$697,847)	(\$72,979)
2024	(695,167)	(72,274)
2025	(701,071)	(75,786)
2026	(663,311)	(87,578)
2027	(196,173)	(4,310)
Thereafter	(137,322)	(6,890)

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

F. *Deferred Compensation Plans*

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

The Plan is part of the public agency agent multiple-employer defined contribution plans that are administered by Mission Square Retirement (formerly ICMA RC). Benefit provisions under the Plan are established by City resolution.

The City has no liability for any losses incurred by the Plan and does not participate in any gains, but does have the duty of due care that would be required of an ordinary prudent investor. The City has a contract with Mission Square to manage and invest the assets of the Plan. The administrator pools the assets of the Plan with those of other participants and does not make separate investments for the City. The assets in the Plan are the sole property of the participants or their beneficiaries. Since the assets held under the Plan 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. The Plan requires investments to be stated at fair market value and it requires all gains and losses on Plan investments to accrue directly to participant accounts.

A summary of eligibility and employer contribution requirements for the City's Plan are shown below by bargaining unit:

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 12 – OTHER POST EMPLOYMENT BENEFITS (Continued)

AFSCME

All employees:

-1.3% of base salary plus \$150.00 per month.

Employees hired before August 1, 2012 receive additional deferred compensation contributions as follows:

- Employees that waive the City's medical insurance receive \$150.07 per month for plan year 2022
- Employees that continue to waive coverage as of January 1, 2023 receive an additional \$150.07 per month (for a total of \$300.14).
- Employees that later elect to be covered by the City's medical insurance no longer receive the additional deferred compensation contributions.

BPOA

Police Records Specialist I and II, Community Service Officer and Police Dispatcher:

- \$100.00 per month.

Employees hired before October 11, 2011 receive additional deferred compensation contributions as follows:

- Employees that waive the City's medical insurance receive \$192.38 per month for plan year 2022
- Employees that change coverage status (i.e., waiver to coverage, coverage to waiver, or increase/decrease in level of coverage) are treated as an employee hired after October 11, 2011.
- Employees who previously waived coverage, but elected coverage due to a qualifying life event occurring in plan year 2021 shall be permitted on a one-time basis to waive coverage on or before June 1, 2022 as part of a qualifying life event occurring before that date and receive the \$192.38 in deferred compensation as if the employee had waived coverage as of January 1, 2022 for plan year 2022.
- Employees that later elect to be covered by the City's medical insurance no longer receive the additional deferred compensation contributions.

MMCEA

Certain classifications (31 specific class titles):

-\$335.00 per month

Employees hired before October 1, 2012 receive additional deferred compensation contributions as follows:

- Employees that waive the City's medical insurance receive \$150.07 per month for plan year 2022
- Employees that continue to waive coverage as of January 1, 2023 receive an additional \$150.07 per month (for a total of \$300.14).
- Employees that later elect to be covered by the City's medical insurance no longer receive the additional deferred compensation contributions.

Unrepresented:

All employees:

-\$350.00 per month

City Manager:

-5% of annual base salary

City Attorney:

-4% of annual base salary

The City's required contributions for the year ended June 30, 2022 totaled \$314,261.

The District previously sponsored two public agency agent multiple-employer defined contribution Deferred Compensation Plans. Since the District does not have any active employees, it no longer makes contributions to the Plans.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 13 – RISK MANAGEMENT

The City is exposed to various risks of loss related to theft of, damage to, and destruction of assets; general liability; errors and omissions; injuries to employees; natural disasters; and inverse condemnation.

The City is a member of Public Risk Innovation, Solutions and Management (PRISM) (formerly the California State Association of Counties Excess Insurance Authority (CSAC EIA)) for general liability, worker's compensation and other coverage. PRISM is a public entity risk pool of cities and counties within California. Loss contingency reserves established by the PRISM are funded by contributions from member agencies. The City pays an annual contribution to the PRISM, which includes its pro-rata share of excess insurance premiums, charges for pooled risk, claims adjusting and legal costs, and administrative and other costs to operate the risk pool. The City paid contributions of \$1,106,034 for the year ended June 30, 2022. PRISM provides insurance through the pool up to a certain level, beyond which group purchased commercial excess insurance is obtained. PRISM is currently fully funded. No provision has been made on these financial statements for liabilities related to possible additional assessments.

Audited financial statements for PRISM are available from PRISM, 75 Iron Point Circle, Suite 200, Folsom, CA 95630.

A. *Liability Coverage*

The PRISM provides general liability coverage up to \$25,000,000 per occurrence above the City's \$250,000 self-insured retention. The City has auto physical damage commercial coverage through PRISM of \$3,933,386 above the City's deductible of \$1,000 or \$5,000, depending on the size of the vehicle, and commercial property coverage at the replacement value of the property with a limit of \$200,000,000 above the City's deductible of \$10,000. The City also purchases pollution insurance through PRISM with coverage of \$2,000,000 per occurrence and up to \$25,000,000 in aggregate above the City's deductible of \$250,000. The City's pollution insurance prior to July 1, 2021 included coverage of \$10,000,000 per occurrence and up to \$50,000,000 in the aggregate above the City's deductible of \$250,000.

B. *Workers Compensation Coverage*

Effective December 1, 2004 the City purchased insurance for workers compensation through PRISM with coverage up to statutory limits after the City's self-insured retention of zero. This policy also covered the District as of October 1, 2011, until the San Mateo Consolidated Fire Department discussed in Note 13A commenced operations on January 13, 2019. Prior to those dates, the City purchased commercial insurance for workers compensation coverage up to statutory limits that had deductibles ranging from \$100,000 to \$275,000.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 13 – RISK MANAGEMENT (Continued)

C. Liability for Uninsured Claims

The City provides for the uninsured portion of claims and judgments in the Workers' Compensation and General Liability Internal Service Funds. Claims and judgments, including a provision for claims incurred but not reported, are recorded when a loss is deemed probable of assertion and the amount of the loss is reasonably determinable. As discussed, above, the City has coverage for such claims, but it has retained the risk for the deductible or uninsured portion of these claims.

For the fiscal years ended June 30, 2022, 2021 and 2020 the amount of settlements did not exceed insurance coverage.

The City's liability for uninsured claims is limited to workers' compensation and general liability claims, as discussed above, and was estimated by management based on prior year's claims experience as follows:

	2022	2021
Balance, July 1	\$577,920	\$999,674
Net change in claims liabilities	7,030	(327,275)
Claims paid	(14,399)	(94,479)
Balance, June 30	\$570,551	\$577,920

NOTE 14 – JOINT VENTURES

The City participates in the joint ventures discussed below through formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each joint venture is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective joint venture, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board. Obligations and liabilities for certain of these joint ventures are not the City's responsibility and the City generally does not have an equity interest in the assets of each joint venture except upon dissolution of the joint venture.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 14 – JOINT VENTURES (Continued)

A. Equity Interests

The City has recorded its equity interest in the following joint ventures:

Silicon Valley Clean Water Joint Powers Authority (SVCW), formerly known as the South Bayside System Authority, was formed in 1975 between the Cities of San Carlos, Belmont and Redwood City and the West Bay Sanitary District to operate a wastewater treatment facility. The cost of operating and maintaining the facility is divided in proportion to the volume of sewage entering from each member entity, based on three-year averages and updated annually. SVCW applies the JPA-defined formula to allocate annual budgeted operating costs to the four member entities and the City's proportionate share was 11.1% for fiscal year 2022 and is projected to be 11.1% in fiscal year 2023. The City's share of debt service of SVCW is allocated to the member entities according to the Joint Power Authority Agreement-defined percentage of ownership, as well as member's participation in each debt issuance. As SVCW continues to fund capital construction projects, debt service payments will peak in fiscal year 2029-30, once significant projects are complete, and all necessary debt is secured. The City's actual and projected share of debt service costs range from \$178,425 in fiscal year 2022 to \$1.43 million in fiscal year 2033. The City's proportionate share of operating and maintaining the facility and debt service, during the year ended, June 30, 2022 was \$2,849,225.

In addition, during fiscal year 2009, the SVCW and its members authorized the commencement of a major renovation and replacement project to its infrastructure wastewater facility. In conjunction with that project, the City is obligated to fund its share of project costs. The City's share of project costs is 9.45%, based on the percentages for each member entity defined in the Joint Power Authority Agreement, which are based on each member's dry weather capacity owned and its allocated share of future dry weather capacity.

The City has an equity interest in the net assets of SVCW, which has been recorded as Investment in SVCW in the Sewer Enterprise Funds based on the latest audited financial statements of SVCW as of June 30, 2021, plus the additional capital contribution made during the year ended June 30, 2022. The loss from investment in SVCW was \$723,609 for the year ended June 30, 2022, and the investment was comprised of the following:

	Sewer Collections	Sewer Treatment	Total
Balance June 30, 2021	\$1,441,253	\$44,187,110	\$45,628,363
Change in investment	(723,609)		(723,609)
Additional capital contribution		2,849,226	2,849,226
Balance June 30, 2022	<u>\$717,644</u>	<u>\$47,036,336</u>	<u>\$47,753,980</u>

Financial statements may be obtained by mailing a request to the Silicon Valley Clean Water, 1400 Radio Road, Redwood City, CA 94065.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 14 – JOINT VENTURES (Continued)

San Mateo Consolidated Fire Department (SMC Fire) Joint Powers Authority (JPA) was established on November 22, 2017 by the City of San Mateo, the City of Belmont/Belmont Fire Protection District and the City of Foster City/Estero Municipal Improvement District to provide integrated and comprehensive fire protection, fire prevention, and emergency response services to all three communities serving a population of over 164,000. SMC Fire commenced operations on January 13, 2019. Thereafter, certain costs, including the annual employer contribution associated with the unfunded CalPERS pension liability remain with Belmont. Effective January 13, 2019, Belmont’s financial contributions to SMC Fire are accounted for annually as an investment in equity interest in its government-wide financial statements.

SMC Fire is governed under the terms of the JPA Agreement by a Board of Directors consisting of one voting representative and one alternate who are elected members from the governing boards of the three JPA Member Agencies. Each member agency has the following weighted vote: City of San Mateo (60%), Belmont (20%) and City of Foster City (20%). The City’s contributions to SMC Fire in fiscal year 2022 to fund capital outlay and operations totaled \$8,405,749. The City has an equity interest in the net assets of SMC Fire, which has been recorded as an Investment in SMC Fire in the governmental activities based on the latest audited financial statements of SMC Fire as of June 30, 2021, plus the capital contributions made during the year ended June 30, 2022, and the investment is comprised of the following:

	Governmental Activities
Balance June 30, 2021	\$3,839,618
Change in investment	(221,349)
Additional capital contribution	222,000
Balance June 30, 2022	\$3,840,269

Audited financial statements are available from City of San Mateo, 330 West 20th Avenue, San Mateo, CA 94403.

B. Other Jointly Governed Organizations

The City also participates in the following jointly governed organizations under which it is obligated to fund annual operating costs, but there is no ongoing equity interest in the net assets of the organizations:

City/County Association of Governments of San Mateo County (C/CAG) was formed in 1990 between the various cities in San Mateo County to prepare, adopt, monitor and enforce state mandated plans for the management of traffic congestion, integrated solid waste, airport land use, hazardous waste and county-wide housing element. The City’s contribution to C/CAG was \$84,372 for the year ended June 30, 2022. Financial statements may be obtained by mailing a request to the City of San Carlos, 666 Elm Street, San Carlos, CA 94070.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 14 – JOINT VENTURES (Continued)

Peninsula Traffic Congestion Relief Agency was formed by the cities of San Mateo County and San Mateo County to attempt to mitigate traffic congestion. The Agency is funded through a Countywide sales tax levied for transportation systems improvements.

Belmont-San Carlos Fire Department was formed in 1979 between the City of San Carlos and Belmont Fire Protection District on an equal basis to provide more efficient fire protection services. Any assets used by the Department but owned by the member agencies prior to the creation of the Department remain the property of the members.

On September 30, 2011, the Department terminated providing services to the Members. As a result, the Department's employees were laid off, its capital assets were distributed to the Members and certain lease obligations were assumed by the Members. Subsequent to that date, the Department operates in an inactive mode, collecting Member contributions to fund legacy costs, such as pension and retiree medical obligations and claims payable, remaining after service termination. As required under the Agreement, these legacy costs are funded through contributions from Members according to the average of annual funding formulas used to determine Member contributions. The City's contribution was roughly \$1.7 million for the year ended June 30, 2022.

The Department had a negative net position balance of \$30.2 million per its audited financial statements as of June 30, 2022. Belmont's share of this balance was 47.1% or approximately \$14.2 million. The negative position is due to unfunded liabilities of the Department.

South Bayside Waste Management Authority (SBWMA) is a joint powers agreement formed on October 13, 1999. Members of the South Bayside Waste Management Authority currently include the cities of Atherton, Belmont, Burlingame, East Palo Alto, Foster City, Hillsborough, Menlo Park, Redwood City, San Carlos, San Mateo, as well as the West Bay Sanitary District and the County of San Mateo. The Members are required by AB939 to reduce, recycle and reuse solid waste generated within their respective jurisdictions and to provide source reduction, recycling and composting activities. The South Bayside Waste Management Authority's purpose is to assist its members in meeting these requirements.

NOTE 15 – COMMITMENTS AND CONTINGENT LIABILITIES

A. *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.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 15 – COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

B. Grant Programs

The City participates in Federal, State and local grant programs. These programs have been audited by the City's independent accountants in accordance with the provisions of the Federal Single Audit Act as amended and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

C. San Mateo County Animal Shelter

Since 1951 cities in San Mateo County have contracted with the County to manage animal control field and sheltering services. The current shelter has been determined to be inadequate to meet current animal sheltering services. In May 2014, all the municipalities signed an agreement, effective September 9, 2014, to share in the construction costs for a new animal control center by repaying the County through a 30-year, interest free lease agreement in the amount of \$20.2 million. The certificate of occupancy for the shelter was issued in May 2020 and the final costs of construction totaled \$25.7 million. The City's share of annual lease payment is based on a methodology of three year average of shelter use and percentage of population. Payment on the lease commenced on July 1, 2020 and the City paid \$25,821 for the year ended June 30, 2022.

The cities and the County entered into a new animal care and control, shelter services, and animal licensing agreement effective July 1, 2021 for 5 years ending on June 30, 2026, under which the annual shared contractor and administrative costs total \$6.9 million and the annual license fees are expected to be approximately \$190 thousand. The City's share of the costs is 2.58%, or \$180 thousand per year for the contractor and administrator costs, plus actual license fees of approximately \$5 thousand per year. Payments under the agreement totaled \$145,591 for the year ended June 30, 2022.

D. COVID-19 Global Pandemic

On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (COVID-19) a global pandemic and recommended containment and mitigation measures worldwide. The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings of businesses and shelter in place orders for all but those deemed essential services. City Hall remained closed to the public until July 2021, and although many of the City's services are considered essential, certain other services transitioned to online. The City's major revenue sources, including businesses that collect sales and transient occupancy taxes, have been directly impacted by these events. However, the ultimate financial impact and duration cannot be reasonably estimated at this time.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 16 – SUCCESSOR AGENCY TRUST FUND (SUCCESSOR AGENCY) ACTIVITIES

A. *Redevelopment Dissolution*

Effective January 31, 2012, all Redevelopment Agencies were dissolved. Certain assets of the former Belmont Redevelopment Agency Low and Moderate Income Housing Fund were distributed to a Housing Successor; and all remaining former Redevelopment Agency assets and liabilities were distributed to the Successor Agency.

ABx1 26 and AB1484 directed the State Controller to review the activities of all former redevelopment agencies and successor agencies to determine whether an asset transfer between a former redevelopment agency and any public agency occurred on or after January 1, 2011. If an asset transfer did occur and the public agency that received the asset is not contractually committed to a third party for the expenditure or encumbrance of the asset, the legislation purports to require the State Controller to order the asset returned to the redevelopment agency. The Belmont Successor Agency received a Finding of Completion from the California Department of Finance (DOF) in October 1, 2014, pursuant to Health and Safety Code (HSC) Section 34179.7.

The City, acting as the Successor Agency, prepared a Long Range Property Management Plan (LRPMP) in compliance with AB 1484, which was approved by the Belmont Oversight Board on February 12, 2015, and subsequently submitted to the State DOF. Following the submission of the LRPMP to DOF, the Successor Agency identified additional information which necessitated revising the LRPMP previously submitted. On May 28, 2015, the Successor Agency Oversight Board approved a revised LRPMP, which was approved by the State DOF on September 4, 2015.

On December 19, 2017, the State DOF approved the Belmont Successor Agency's Last and Final Recognized Obligations Payment Schedule.

In April 2021, both the Belmont Successor Agency and San Mateo Countywide Oversight Board took a series of actions to initiate early defeasance of the outstanding Senior Series 2014A and Subordinate Series 2014B Bonds ("2014 Series Bonds") held by the Successor Agency. This included approval of amendments to the 2014 Series Bonds indentures of trust, approval of an Amended Last and Final Recognized Obligations Payment Schedule, and directing the Successor Agency to defease the bonds and initiate final dissolution of the Successor Agency. DOF approved the Amended Last and Final ROPS on July 30, 2021.

The 2014 Series Bonds were defeased in January 2022 as detailed below, after which the Successor Agency and San Mateo Countywide Oversight Board took the required actions to dissolve the Belmont Successor Agency. DOF issued a final dissolution approval letter on April 27, 2022; all Successor Agency operations have been terminated as of June 30, 2022.

B. *San Mateo Countywide Consolidated Oversight Board*

On July 1, 2018, the duties of the Belmont Oversight Board transferred to a new San Mateo Countywide Consolidated Oversight Board, which is responsible for overseeing the winddown affairs of all Successor Agencies in San Mateo County, including the Belmont Successor Agency.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 16 – SUCCESSOR AGENCY TRUST FUND (SUCCESSOR AGENCY) ACTIVITIES (Continued)

C. Long-Term Debt

1. Current Year Transactions and Balances

The Successor Agency assumed the long-term obligations of the former Redevelopment Agency as of February 2012. The debt issues and transactions are summarized below.

	Balance June 30, 2021	Retirements	Balance as of June 30, 2022	
			Due Within One Year	Due Beyond One Year
Redevelopment Long-Term Bonds Payable:				
2014 Series A Refunding Bonds,				
2.22%-3.41%, due serially to 2030	\$3,095,000	\$3,095,000		
2014 Series B Subordinated Bonds,				
2.33%-3.89%, due serially to 2030	1,840,000	1,840,000		
Total	<u>\$4,935,000</u>	<u>\$4,935,000</u>	<u>\$0</u>	<u>\$0</u>

On August 19, 2014, the Successor Agency issued the \$7,375,000 Series 2014A Senior Tax Allocation Refunding Bonds to facilitate a current refunding of the outstanding 1999A Bonds; and the \$3,050,000 Series 2014AB Subordinate Tax Allocation Refunding Bonds to facilitate a current refunding of both outstanding 1999B Bonds and 1996 Housing Set-Aside Bonds.

In December 2021, the Successor Agency received a one-time lump sum allocation of property taxes from San Mateo County in the amount of \$3,856,881, which the Successor Agency used along with cash on hand and available debt service fund totaling \$598,684 to advance refund \$4,100,000 of the outstanding 2014AB Bonds, which were to mature in fiscal year 2030. In January 2022, the Successor Agency deposited \$4,455,565 in an irrevocable trust with an escrow agent to provide funds for the future debt service payments on the refunded bonds until they can be called in August 2024. As a result, the 2014AB Bonds are considered defeased and the liability for those bonds has been removed from the statement of net position. The defeasance was undertaken to terminate the Successor Agency's enforceable financial obligations, expedite dissolution of the Successor Agency, and generate tax savings and benefit for local taxing entities and resulted in a savings to the Redevelopment Property Tax Trust Fund of \$719,564. The outstanding balance of the defeased bonds was \$4,100,000 as of June 30, 2022.

CITY OF BELMONT
NOTES TO BASIC FINANCIAL STATEMENTS
For the Year Ended June 30, 2022

NOTE 16 – SUCCESSOR AGENCY TRUST FUND (SUCCESSOR AGENCY) ACTIVITIES (Continued)

D. State Approval of Enforceable Obligations

The Successor Agency previously prepared a Recognized Obligation Payment Schedule (ROPS) annually that contained all proposed expenditures for the subsequent twelve-month period. The ROPS is subject to the review and approval of the Oversight Board as well as the State Department of Finance. Although the State Department of Finance may not question items included on the ROPS in one period, they may question the same items in a future period and disallow associated activities. The State Department of Finance approved the Successor Agency's Last and Final ROPS on December 19, 2017, which detailed the maximum RPTTF distribution of \$8,318,869 over the next 12 years. The Successor Agency was to receive semi-annual RPTTF distributions up to the maximum approved amount on the Last and Final ROPS and could submit no more than two requests to amend the approved Last and Final ROPS. To facilitate the defeasance of the 2014AB Bonds discussed above, the Successor Agency amended the Last and Final ROPS payment schedule, which was approved by the Department of Finance on July 30, 2021 and the Successor Agency will not receive additional distributions.

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REQUIRED SUPPLEMENTARY INFORMATION

City of Belmont
 Cost Sharing Multiple-Employer Defined Benefit Pension Plan
 Last 10 Years*
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	Safety Rate Plan							
Measurement Date - June 30,	2014	2015	2016	2017	2018	2019	2020	2021
Plan's proportion of the Net Pension Liability (Asset)	0.20%	0.20%	0.31%	0.31%	0.31%	0.31%	0.30%	0.34%
Plan's proportion share of the Net Pension Liability (Asset)	\$12,312,595	\$13,427,040	\$16,249,057	\$18,263,828	\$18,172,487	\$19,293,513	\$20,251,178	\$11,813,386
Plan's Covered Payroll	\$3,572,606	\$3,842,764	\$4,758,030	\$4,919,474	\$5,180,593	\$4,397,264	\$4,078,548	\$4,078,548
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	345%	349%	342%	371%	351%	439%	497%	290%
	Miscellaneous Rate Plan							
Measurement Date - June 30,	2014	2015	2016	2017	2018	2019	2020	2021
Plan's proportion of the Net Pension Liability (Asset)	0.48%	0.48%	0.48%	0.48%	0.48%	0.50%	0.50%	0.66%
Plan's proportion share of the Net Pension Liability (Asset)	\$16,585,515	\$13,198,544	\$16,585,515	\$19,048,251	\$18,686,649	\$20,209,752	\$21,245,410	\$12,449,103
Plan's Covered Payroll	\$8,929,517	\$8,858,005	\$9,854,986	\$10,289,053	\$10,592,598	\$10,632,569	\$9,489,183	\$9,890,731
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	186%	149%	168%	185%	176%	190%	224%	126%
	Plan Totals							
Measurement Date - June 30,	2014	2015	2016	2017	2018	2019	2020	2021
Plan's proportion of the Net Pension Liability (Asset)	0.68%	0.68%	0.79%	0.79%	0.79%	0.81%	0.80%	1.00%
Plan's proportion share of the Net Pension Liability (Asset)	\$28,898,110	\$26,625,584	\$32,834,572	\$37,312,079	\$36,859,136	\$39,503,265	\$41,496,588	\$24,262,489
Plan's Covered Payroll	\$12,502,123	\$12,700,769	\$14,613,016	\$15,208,527	\$15,773,191	\$15,029,833	\$13,567,731	\$14,051,612
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of its Covered Payroll	231.15%	209.64%	224.69%	245.34%	233.68%	262.83%	305.85%	172.67%
Plan's Fiduciary Net Position as a Percentage of the Total Pension Liability	79.82%	78.40%	74.06%	73.31%	75.26%	75.26%	75.10%	88.29%

* Fiscal year 2015 was the first year of implementation

City of Belmont
 Cost Sharing Multiple-Employer Defined Benefit Pension Plan
 Last 10 Years*
SCHEDULE OF CONTRIBUTIONS

Fiscal Year Ended June 30,	Safety Rate Plan							
	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$1,125,011	\$2,287,426	\$2,058,664	\$2,263,676	\$2,293,736	\$2,660,652	\$2,700,413	\$2,752,531
Contributions in relation to the actuarially determined contributions	<u>(1,125,011)</u>	<u>(2,287,426)</u>	<u>(2,058,664)</u>	<u>(2,263,676)</u>	<u>(2,293,736)</u>	<u>(2,660,652)</u>	<u>(2,700,413)</u>	<u>(2,752,531)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Covered payroll	\$3,842,764	\$4,758,030	\$4,919,474	\$5,180,593	\$4,397,264	\$4,078,548	\$4,160,881	\$4,035,453
Contributions as a percentage of covered payroll	29.28%	48.08%	41.85%	43.70%	52.16%	65.24%	64.90%	68.21%

Fiscal Year Ended June 30,	Miscellaneous Rate Plan							
	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$1,137,293	\$1,903,476	\$1,523,004	\$1,663,314	\$1,921,271	\$2,633,458	\$2,799,829	\$2,825,996
Contributions in relation to the actuarially determined contributions	<u>(1,137,293)</u>	<u>(1,903,476)</u>	<u>(1,523,004)</u>	<u>(1,663,314)</u>	<u>(1,921,271)</u>	<u>(2,633,458)</u>	<u>(2,799,829)</u>	<u>(2,825,996)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Covered payroll	\$8,858,005	\$9,854,986	\$10,289,053	\$10,592,598	\$10,632,569	\$9,489,183	\$9,890,731	\$9,621,685
Contributions as a percentage of covered payroll	12.84%	19.31%	14.80%	15.70%	18.07%	27.75%	28.31%	29.37%

Fiscal Year Ended June 30,	Plan Totals							
	2015	2016	2017	2018	2019	2020	2021	2022
Actuarially determined contribution	\$2,262,304	\$4,190,902	\$3,581,668	\$3,926,990	\$4,215,007	\$5,294,110	\$5,500,242	\$5,578,527
Contributions in relation to the actuarially determined contributions	<u>(2,262,304)</u>	<u>(4,190,902)</u>	<u>(3,581,668)</u>	<u>(3,926,990)</u>	<u>(4,215,007)</u>	<u>(5,294,110)</u>	<u>(5,500,242)</u>	<u>(5,578,527)</u>
Contribution deficiency (excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Covered payroll	\$12,700,769	\$14,613,016	\$15,208,527	\$15,773,191	\$15,029,833	\$13,567,731	\$14,051,612	\$13,657,138
Contributions as a percentage of covered payroll	17.81%	28.68%	23.55%	24.90%	28.04%	39.02%	39.14%	40.85%

* Fiscal year 2015 was the first year of implementation.

City of Belmont
Schedule of Changes in the City's Net OPEB Liability and Related Ratios
Agent Multiple Employer Defined Benefit OPEB Plan
For the measurement year ending June 30
Last 10 Years*

Measurement Date - June 30,	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$370,743	\$381,865	\$375,298	\$336,270	\$346,358
Interest on the total OPEB Liability	1,013,089	1,022,229	1,101,266	974,383	1,012,016
Actual and expected experience difference	-	-	(2,333,966)	-	(1,009,642)
Changes in assumptions	-	(430,465)	1,023,392	-	(304,718)
Changes in benefit terms	-	-	-	-	-
Benefit Payments	(592,208)	(608,758)	(669,829)	(581,052)	(629,633)
Implicit rate subsidy fulfilled	(218,910)	(234,234)	(234,234)	(152,749)	(162,997)
Net change in total OPEB liability	572,714	130,637	(738,073)	576,852	(748,616)
Total OPEB liability - beginning	14,500,658	15,073,372	15,204,009	14,465,936	15,042,788
Total OPEB liability - ending (a)	<u>\$15,073,372</u>	<u>\$15,204,009</u>	<u>\$14,465,936</u>	<u>\$15,042,788</u>	<u>\$14,294,172</u>
Plan fiduciary net position					
Contributions - employer-City's contribution	\$920,754	\$880,232	\$940,286	\$909,577	\$876,080
Contributions - employer-implicit subsidy	218,910	234,234	234,234	152,749	162,997
Net investment income	465,943	401,898	370,618	258,178	1,964,480
Benefit payments	(592,208)	(608,758)	(669,829)	(581,052)	(629,633)
Implicit rate subsidy fulfilled	(218,910)	(234,234)	(234,234)	(152,749)	(162,997)
Administrative expense	(2,373)	(2,813)	(1,269)	(5,308)	(4,676)
Net change in plan fiduciary net position	792,116	670,559	639,806	581,395	2,206,251
Plan fiduciary net position - beginning	4,417,282	5,209,398	5,879,957	6,519,763	7,101,158
Plan fiduciary net position - ending (b)	<u>\$5,209,398</u>	<u>\$5,879,957</u>	<u>\$6,519,763</u>	<u>\$7,101,158</u>	<u>\$9,307,409</u>
 Net OPEB liability - ending (a)-(b)	 <u>\$9,863,974</u>	 <u>\$9,324,052</u>	 <u>\$7,946,173</u>	 <u>\$7,941,630</u>	 <u>\$4,986,763</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 34.56%	 38.67%	 45.07%	 47.21%	 65.11%
 Covered-Employee Payroll	 \$13,696,266	 \$14,265,327	 \$14,953,325	 \$15,418,025	 \$15,860,488
 Net OPEB liability as percentage of covered-employee payroll	 72.02%	 65.36%	 53.14%	 51.51%	 31.44%

Notes to Schedule:

*The City adopted GASB 75 during the fiscal year ended June 30, 2018.

City of Belmont
For the fiscal year ending June 30
Last 10 Years*
SCHEDULE OF CONTRIBUTIONS
Agent Multiple Employer Defined Benefit OPEB Plan

Fiscal Year Ending June 30,	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Actuarially determined contribution	\$1,153,043	\$1,229,277	\$1,018,423	\$1,039,077	\$1,061,419
Contributions in relation to the actuarially determined contributions	(1,139,664)	(1,174,520)	(1,062,326)	(1,039,077)	(1,059,766)
Contribution deficiency (excess)	<u>\$13,379</u>	<u>\$54,757</u>	<u>(\$43,903)</u>	<u>\$0</u>	<u>\$1,653</u>
Covered-employee payroll	\$14,265,327	\$14,953,325	\$15,418,025	\$15,860,488	\$15,413,540
Contributions as a percentage of covered-employee payroll	8.0%	7.9%	6.9%	6.6%	6.9%
Notes to Schedule					
Valuation date:	7/1/2017	7/1/2017	7/1/2019	7/1/2019	7/1/2019
Methods and assumptions used to determine contribution rates:					
Actuarial Cost Method	Entry age normal, level percent of pay				
Amortization Method	Closed period, level percent of pay				
Amortization Period	15 years				
Inflation	2.5% for 2018 and 2019; 2.75% for 2020, 2021 and 2022				
Assumed Payroll Growth	3.0% for 2018, 2.75% for 2019 and 2022, 3.0% for 2020 and 2021				
Healthcare trend rates	6.50%, trending down to 3.84% for 2018				
	7.0%, trending down to 3.84% for 2019				
	6.3%, trending down to 4.0% for 2020, 2021 and 2022				
Rate of return on assets	7.0% for 2018, 7.28% for 2019 and 6.75% for 2020, 2021 and 2022				
Mortality rate	CalPERS Rates				
Retirement Rates	CalPERS Rates				

* Fiscal year 2018 was the first year of implementation.

City of Belmont
Schedule of Changes in the Belmont Fire Protection District's
Net OPEB Liability and Related Ratios
Agent Multiple Employer Defined Benefit OPEB Plan
For the measurement year ending June 30
Last 10 Years*

Measurement Date - June 30,	2017	2018	2019	2020	2021
Total OPEB Liability					
Service Cost	\$135,523	\$139,589	\$140,544	\$ -	\$ -
Interest on the total OPEB Liability	123,123	132,415	152,041	87,946	87,950
Actual and expected experience difference	-	-	(956,257)	-	781,678
Changes in assumptions	-	(45,680)	98,289	-	167,346
Changes in benefit terms	-	-	-	-	-
Benefit Payments	(60,100)	(39,972)	(43,125)	(63,553)	(68,772)
Implicit rate subsidy fulfilled	(32,332)	(34,595)	(34,595)	(18,011)	(25,449)
Net change in total OPEB liability	<u>166,214</u>	<u>151,757</u>	<u>(643,103)</u>	<u>6,382</u>	<u>942,753</u>
Total OPEB liability - beginning	<u>1,668,817</u>	<u>1,835,031</u>	<u>1,986,788</u>	<u>1,343,685</u>	<u>1,350,067</u>
Total OPEB liability - ending (a)	<u>\$1,835,031</u>	<u>\$1,986,788</u>	<u>\$1,343,685</u>	<u>\$1,350,067</u>	<u>\$2,292,820</u>
Plan fiduciary net position					
Contributions - employer-District's contribution	\$338,844	\$179,326	\$139,141	\$363	\$ -
Contributions - employer-implicit subsidy	32,332	34,595	34,595	18,011	-
Net investment income	90,364	114,253	113,037	75,366	550,861
Investment Gains on Expected Return	27,956	-	-	-	-
Benefit payments	(60,100)	(39,972)	(43,125)	(63,553)	(68,772)
Implicit rate subsidy fulfilled	(32,332)	(34,595)	(34,595)	(18,011)	(25,449)
Administrative expense	(608)	(839)	(385)	(1,311)	(1,066)
Net change in plan fiduciary net position	<u>396,456</u>	<u>252,768</u>	<u>208,668</u>	<u>10,865</u>	<u>455,574</u>
Plan fiduciary net position - beginning	<u>1,124,652</u>	<u>1,521,108</u>	<u>1,773,876</u>	<u>1,982,544</u>	<u>1,993,409</u>
Plan fiduciary net position - ending (b)	<u>\$1,521,108</u>	<u>\$1,773,876</u>	<u>\$1,982,544</u>	<u>\$1,993,409</u>	<u>\$2,448,983</u>
Net OPEB liability - ending (a)-(b)	<u>\$313,923</u>	<u>\$212,912</u>	<u>(\$638,859)</u>	<u>(\$643,342)</u>	<u>(\$156,163)</u>
Plan fiduciary net position as a percentage of the total OPEB liability	82.89%	89.28%	147.55%	147.65%	106.81%
Covered-employee payroll	\$4,177,634	\$4,249,486	\$2,979,220	\$217,500	\$ -
Net OPEB liability as percentage of covered-employee payroll	7.51%	5.01%	-21.44%	-295.79%	n/a

Notes to Schedule:

* Fiscal year 2018 was the first year of implementation.

City of Belmont
 Belmont Fire Protection District
 For the fiscal year ending June 30
 Last 10 Years*
SCHEDULE OF CONTRIBUTIONS
 Agent Multiple Employer Defined Benefit OPEB Plan

Fiscal Year Ending	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Actuarially determined contribution	\$185,827	\$165,429	\$0	\$0	\$0
Contributions in relation to the actuarially determined contributions	<u>(371,176)</u>	<u>(213,921)</u>	<u>(18,374)</u>	-	<u>(89,085)</u>
Contribution deficiency (excess)	<u>(\$185,349)</u>	<u>(\$48,492)</u>	<u>(18,374)</u>	-	<u>(89,085)</u>
Covered payroll	\$4,249,486	\$2,979,220	\$217,500	\$0	\$0
Contributions as a percentage of covered payroll	8.73%	7.18%	8.45%	N/A	N/A
Notes to Schedule					
Valuation date:	7/1/2017	7/1/2017	7/1/2019	7/1/2019	7/1/2019
Methods and assumptions used to determine contribution rates:					
Actuarial cost method	Entry age normal, level percent of pay				
Amortization method	Closed period, level percent of pay				
Amortization period	18 years				
Inflation	2.5% for 2018 and 2019; 2.75% for 2020, 2021 and 2022				
Assumed Payroll Growth	3.0% for 2018, 2.75% for 2019, 3.0% for 2020 and 2021 and 0% for 2022				
Healthcare trend rates	6.50%, trending down to 3.84% for 2018				
	7.0%, trending down to 3.84% for 2019				
	6.3%, trending down to 4.0% for 2020, 2021 and 2022				
Rate of return on assets	7.0% for 2018, 7.28% for 2019 and 6.75% for 2020, 2021 and 2022				
Mortality rate	CalPERS Rates				
Retirement Rates	CalPERS Rates				

* Fiscal year 2018 was the first year of implementation.

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SUPPLEMENTAL INFORMATION

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CITY OF BELMONT
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	General	Measure I	Total General Fund
REVENUES			
Taxes	\$18,719,369	\$2,275,183	\$20,994,552
Licenses and permits	1,068,168		1,068,168
Fines and forfeitures	156,422		156,422
Use of money and property	459,411	7,361	466,772
Intergovernmental	3,269,239		3,269,239
Charges for current services	4,439,421		4,439,421
Miscellaneous	84,196		84,196
Total Revenues	28,196,226	2,282,544	30,478,770
EXPENDITURES			
Current:			
General government	5,750,762		5,750,762
Public safety	13,921,818		13,921,818
Culture and recreation	1,949,999		1,949,999
Capital outlay		1,709,387	1,709,387
Total Expenditures	21,622,579	1,709,387	23,331,966
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	6,573,647	573,157	7,146,804
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(1,958,815)	(1,385,864)	(3,344,679)
Total Other Financing Sources (Uses)	(1,958,815)	(1,385,864)	(3,344,679)
NET CHANGE IN FUND BALANCES	4,614,832	(812,707)	3,802,125
BEGINNING FUND BALANCES	13,398,109	3,751,162	17,149,271
ENDING FUND BALANCES	\$18,012,941	\$2,938,455	\$20,951,396

CITY OF BELMONT
GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2022

	General			Variance with Final Budget Positive (Negative)
	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	
	<u>Original</u>	<u>Final</u>		
REVENUES:				
Taxes	\$16,409,153	\$17,520,153	\$18,719,369	\$1,199,216
Licenses and permits	1,072,512	1,072,512	1,068,168	(4,344)
Fines and forfeitures	164,000	164,000	156,422	(7,578)
Use of money and property	1,105,775	1,083,775	459,411	(624,364)
Intergovernmental	3,230,660	3,230,660	3,269,239	38,579
Charges for current services	4,364,328	4,453,328	4,439,421	(13,907)
Miscellaneous	7,465	47,465	84,196	36,731
	<u>26,353,893</u>	<u>27,571,893</u>	<u>28,196,226</u>	<u>624,333</u>
EXPENDITURES:				
Current:				
General government	6,294,336	6,896,699	5,750,762	1,145,937
Public safety	14,430,563	14,430,563	13,921,818	508,745
Culture and recreation	2,027,378	2,027,378	1,949,999	77,379
Capital outlay				
	<u>22,752,277</u>	<u>23,354,640</u>	<u>21,622,579</u>	<u>1,732,061</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>3,601,616</u>	<u>4,217,253</u>	<u>6,573,647</u>	<u>2,356,394</u>
OTHER FINANCING SOURCES USES				
Transfers in				
Transfers out	(3,015,000)	(2,863,000)	(1,958,815)	904,185
	<u>(3,015,000)</u>	<u>(2,863,000)</u>	<u>(1,958,815)</u>	<u>904,185</u>
NET CHANGE IN FUND BALANCE				
	<u>\$586,616</u>	<u>\$1,354,253</u>	4,614,832	<u>\$3,260,579</u>
BEGINNING FUND BALANCE			<u>13,398,109</u>	
ENDING FUND BALANCE			<u>\$18,012,941</u>	

Measure I				Total General Fund			
Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$2,013,376	\$2,213,376	\$2,275,183	\$61,807	\$18,422,529	\$19,733,529	\$20,994,552	\$1,261,023
				1,072,512	1,072,512	1,068,168	(4,344)
				164,000	164,000	156,422	(7,578)
9,069	9,069	7,361	(1,708)	1,114,844	1,092,844	466,772	(626,072)
				3,230,660	3,230,660	3,269,239	38,579
				4,364,328	4,453,328	4,439,421	(13,907)
				7,465	47,465	84,196	36,731
<u>2,022,445</u>	<u>2,222,445</u>	<u>2,282,544</u>	<u>60,099</u>	<u>28,376,338</u>	<u>29,794,338</u>	<u>30,478,770</u>	<u>684,432</u>
	309,200		309,200	6,294,336	7,205,899	5,750,762	1,455,137
				14,430,563	14,430,563	13,921,818	508,745
				2,027,378	2,027,378	1,949,999	77,379
<u>4,110,000</u>	<u>3,460,000</u>	<u>1,709,387</u>	<u>1,750,613</u>	<u>4,110,000</u>	<u>3,460,000</u>	<u>1,709,387</u>	<u>1,750,613</u>
<u>4,110,000</u>	<u>3,769,200</u>	<u>1,709,387</u>	<u>2,059,813</u>	<u>26,862,277</u>	<u>27,123,840</u>	<u>23,331,966</u>	<u>3,791,874</u>
<u>(2,087,555)</u>	<u>(1,546,755)</u>	<u>573,157</u>	<u>2,119,912</u>	<u>1,514,061</u>	<u>2,670,498</u>	<u>7,146,804</u>	<u>4,476,306</u>
	(1,380,000)	(1,385,864)	(5,864)	(3,015,000)	(4,243,000)	(3,344,679)	898,321
	(1,380,000)	(1,385,864)	(5,864)	(3,015,000)	(4,243,000)	(3,344,679)	898,321
<u>(\$2,087,555)</u>	<u>(\$2,926,755)</u>	<u>(812,707)</u>	<u>\$2,114,048</u>	<u>(\$1,500,939)</u>	<u>(\$1,572,502)</u>	<u>3,802,125</u>	<u>\$5,374,627</u>
		<u>3,751,162</u>				<u>17,149,271</u>	
		<u>\$2,938,455</u>				<u>\$20,951,396</u>	

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NON-MAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Recreation – To account for certain recreation programs where a large portion of the expenditures are financed by user fees.

Library Maintenance and Operations – To account for funds restricted for the maintenance and operations of the library, which is financed by parcel tax and special tax revenue.

City Trees – To account for the removal of trees required for the development of property, which is financed by user fees.

Development Services – To account for the Permit Center and Development Regulation Programs. This fund makes it possible for staff to track and determine if development fees are covering the direct and indirect cost of providing these services. State law allows for full recovery of these costs.

General Plan Maintenance – To account for activities related to the General Plan Update which are financed by user fees.

Supplemental Law Enforcement Services – To account for resources received from the State of California to be spent on front line law enforcement needs.

Public Safety – To account for grants and donations committed to the Police Department's activities.

Street Maintenance – To account for gas tax resources restricted for expenditure on streets.

Street Improvements – To account for the City's portion of the special half cent sales tax (Measure A) receipts restricted for street expenditures and other street related grants.

Measure W – To account for the City's portion of the special half cent sales tax (Measure W) receipts restricted for street expenditures.

Athletic Field Maintenance – To account for athletic field maintenance and operations, which are financed by player registration fees.

Affordable Housing – To account for all housing operations of the City of Belmont in its capacity as the Housing Successor Agency to the former Belmont Redevelopment Agency. Activities include asset property management, rental operations, and long range housing planning.

Housing Mitigation Fees – To account for residential mitigation fees collected from new development activity, including the residential housing in-lieu fee and the commercial linkage fee. These housing mitigation fees are intended to be used to lessen the burdens created by new residential and non-residential development on the need for affordable housing.

Road Maintenance and Rehabilitation Account Fund (RMRA) – To account for gas tax resources restricted for expenditure on basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system. Senate Bill (SB) 1, the Road Repair and Accountability Act of 2017 provides funding for local streets and roads over the next 10 years.

NON-MAJOR GOVERNMENTAL FUNDS (Continued)

Senior Donations – To account for donations from the community to be used for senior services and programming.

Public Art – To account for the private development fee paid in lieu of incorporating art elements in the development to provide funds for art installations on City property.

Traffic Mitigation – To account for transportation impact fees. Traffic Impact Fee revenues will be used to mitigate the impacts of new development by requiring new development to contribute to future transportation system investments in the City based on maintaining the existing proportionate level of investment in the City’s transportation infrastructure.

CAPITAL PROJECTS FUNDS

General Facilities – To account for the construction and maintenance of improvements to general-use City facilities.

Infrastructure – To account for expenditures associated with the City infrastructure, including streets, retaining walls, bridges, culverts, and waterways.

Comcast – To account for the purchase and installation of hardware within City Hall to broadcast events to Pen TV, our Public Education Government Channel.

Planned Park – To account for the acquisition and improvement of parks, playgrounds, and recreation facilities.

Special Assessment District – To account for maintenance and improvement costs within City’s Special Assessment District boundaries. Resources represent funds remaining after the retirement of Special Assessment Debt.

Open Space – To account for the accumulation of resources for the acquisition, preservation, and improvements of open space.

Park Impact Fees – The Park Impact Fee Fund is to account for park impact fees, interest earned thereon and their expenditure, pursuant to the Mitigation Fee Act, needed to ensure that the City can construct park and recreation facilities and improvements needed for the population growth created by new development consistent with the policies of the City of Belmont General Plan.

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CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	SPECIAL REVENUE FUNDS			
	Recreation	Library Maintenance and Operations	City Trees	Development Services
ASSETS				
Cash and investments	\$8,749	\$836,903	\$297,253	\$1,251,097
Receivables:				
Accounts	58,426			1,026
Due from other governmental agencies		4,410		
Notes				
Land held for redevelopment				
Total Assets	\$67,175	\$841,313	\$297,253	\$1,252,123
LIABILITIES				
Accounts payable and other liabilities	\$67,174	\$5,725	\$125	\$167,860
Deposits Due to other funds				
Total Liabilities	67,174	5,725	125	167,860
FUND BALANCES				
Restricted	1	835,588	297,128	
Committed				1,084,263
Assigned				
Total Fund Balances	1	835,588	297,128	1,084,263
Total Liabilities and Fund Balances	\$67,175	\$841,313	\$297,253	\$1,252,123

SPECIAL REVENUE FUNDS

General Plan Maintenance	Supplemental Law Enforcement Services	Public Safety	Street Maintenance	Street Improvements	Measure W
\$1,305,231		\$32,875		\$1,369,724	\$1,391,591
			\$11,611	19,407	65,714
			70,439	63,551	
<u>\$1,305,231</u>		<u>\$32,875</u>	<u>\$82,050</u>	<u>\$1,452,682</u>	<u>\$1,457,305</u>
		\$66	\$29,750	\$548,032	
			52,300		
		66	82,050	548,032	
\$1,305,231		32,809		904,650	\$1,457,305
<u>1,305,231</u>		<u>32,809</u>		<u>904,650</u>	<u>1,457,305</u>
<u>\$1,305,231</u>		<u>\$32,875</u>	<u>\$82,050</u>	<u>\$1,452,682</u>	<u>\$1,457,305</u>

(Continued)

CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	SPECIAL REVENUE FUNDS			
	Athletic Field Maintenance	Affordable Housing	Housing Mitigation Fees	Road Maintenance and Rehabilitation Account (SB1)
ASSETS				
Cash and investments	\$385,821	\$939,369	\$163,110	\$424,896
Receivables:				
Accounts				
Due from other governmental agencies				50,860
Notes		4,271,268	2,289,147	
Land held for redevelopment		1,353,043		
	<u>\$385,821</u>	<u>\$6,563,680</u>	<u>\$2,452,257</u>	<u>\$475,756</u>
Total Assets				
LIABILITIES				
Accounts payable and other liabilities	\$10,323	\$18,911		\$475,756
Deposits		76,883		
Due to other funds				
	<u>10,323</u>	<u>95,794</u>	<u></u>	<u>475,756</u>
Total Liabilities				
FUND BALANCES				
Restricted	375,498	6,467,886	\$2,452,257	
Committed				
Assigned				
	<u>375,498</u>	<u>6,467,886</u>	<u>2,452,257</u>	<u></u>
Total Fund Balances				
Total Liabilities and Fund Balances	<u>\$385,821</u>	<u>\$6,563,680</u>	<u>\$2,452,257</u>	<u>\$475,756</u>

SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUNDS			
Senior Donations	Public Art	Traffic Mitigation	General Facilities	Infrastructure	Comcast	Planned Park
\$90,141	\$395,576	\$200,429	\$724,921	\$3,473,844	\$396,000	\$2,004,690
				37,500		
<u>\$90,141</u>	<u>\$395,576</u>	<u>\$200,429</u>	<u>\$724,921</u>	<u>\$3,511,344</u>	<u>\$396,000</u>	<u>\$2,004,690</u>
\$97				\$701,786		\$15,305
<u>97</u>				<u>701,786</u>		<u>15,305</u>
90,044	395,576	\$200,429			\$396,000	1,989,385
			\$724,921	2,809,558		
<u>90,044</u>	<u>395,576</u>	<u>200,429</u>	<u>724,921</u>	<u>2,809,558</u>	<u>396,000</u>	<u>1,989,385</u>
<u>\$90,141</u>	<u>\$395,576</u>	<u>\$200,429</u>	<u>\$724,921</u>	<u>\$3,511,344</u>	<u>\$396,000</u>	<u>\$2,004,690</u>

(Continued)

CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2022

	CAPITAL PROJECTS FUNDS			
	Special Assessment District	Open Space	Park Impact Fees	Total Nonmajor Governmental Funds
ASSETS				
Cash and investments	\$308,330	\$176,687	\$326,675	\$16,503,912
Receivables:				
Accounts				193,684
Due from other governmental agencies				189,260
Notes				6,560,415
Land held for redevelopment				1,353,043
	<u>\$308,330</u>	<u>\$176,687</u>	<u>\$326,675</u>	<u>\$24,800,314</u>
LIABILITIES				
Accounts payable and other liabilities		\$12,605		\$2,053,515
Deposits				76,883
Due to other funds				52,300
		<u>12,605</u>		<u>2,182,698</u>
FUND BALANCES				
Restricted	\$308,330		\$326,675	16,496,752
Committed				2,422,303
Assigned		164,082		3,698,561
	<u>308,330</u>	<u>164,082</u>	<u>326,675</u>	<u>22,617,616</u>
Total Fund Balances	<u>308,330</u>	<u>164,082</u>	<u>326,675</u>	<u>22,617,616</u>
Total Liabilities and Fund Balances	<u>\$308,330</u>	<u>\$176,687</u>	<u>\$326,675</u>	<u>\$24,800,314</u>

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CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS			
	Recreation	Library Maintenance and Operations	City Trees	Development Services
REVENUES				
Taxes		\$302,838		
Licenses and permits				\$2,344,489
Use of money and property	(\$1,587)	2,018	\$716	1,235
Intergovernmental	109,356			
Charges for current services	1,962,796		9,295	2,741,811
Miscellaneous	6,509			9,880
Total Revenues	2,077,074	304,856	10,011	5,097,415
EXPENDITURES				
Current:				
Public safety				
Highways and streets				
Culture and recreation	2,863,957	431,670	39,292	
Urban redevelopment				4,764,466
Capital outlay				
Debt service:				
Principal				
Interest and fiscal charges				
Total Expenditures	2,863,957	431,670	39,292	4,764,466
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(786,883)	(126,814)	(29,281)	332,949
OTHER FINANCING SOURCES (USES)				
Gain from the sale of capital assets				
Transfers in	766,377			334,492
Transfers (out)				(738,129)
Total Other Financing Sources (Uses)	766,377			(403,637)
NET CHANGE IN FUND BALANCES	(20,506)	(126,814)	(29,281)	(70,688)
BEGINNING FUND BALANCES	20,507	962,402	326,409	1,154,951
ENDING FUND BALANCES	\$1	\$835,588	\$297,128	\$1,084,263

SPECIAL REVENUE FUNDS

General Plan Maintenance	Supplemental Law Enforcement Services	Public Safety	Street Maintenance	Street Improvements	Measure W
			\$566,651	\$850,784	\$376,762
\$2,434	(\$100)	\$79	5	5,152	1,766
549,576	161,285		539,805	974,082	829,190
23,148			500	156,935	
<u>575,158</u>	<u>161,185</u>	<u>79</u>	<u>1,106,961</u>	<u>1,986,953</u>	<u>1,207,718</u>
	240,123	2,370	2,001,625		
8,056				3,243,388	
<u>8,056</u>	<u>240,123</u>	<u>2,370</u>	<u>2,001,625</u>	<u>3,243,388</u>	
567,102	(78,938)	(2,291)	(894,664)	(1,256,435)	1,207,718
738,129	78,938		183,476		
<u>738,129</u>	<u>78,938</u>		<u>183,476</u>		
1,305,231		(2,291)	(711,188)	(1,256,435)	1,207,718
		35,100	711,188	2,161,085	249,587
<u>\$1,305,231</u>		<u>\$32,809</u>		<u>\$904,650</u>	<u>\$1,457,305</u>

(Continued)

CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS			
	Athletic Field Maintenance	Affordable Housing	Housing Mitigation Fees	Road Maintenance and Rehabilitation Account (SB1)
REVENUES				
Taxes				
Licenses and permits				
Use of money and property	\$908	\$83,557	\$67,058	\$215
Intergovernmental				536,938
Charges for current services	90,528			
Miscellaneous	5,298	7,401		
	96,734	90,958	67,058	537,153
EXPENDITURES				
Current:				
Public safety				
Highways and streets				
Culture and recreation	73,743			
Urban redevelopment		447,453		
Capital outlay	24,760			1,104,828
Debt service:				
Principal				
Interest and fiscal charges				
	98,503	447,453		1,104,828
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(1,769)	(356,495)	67,058	(567,675)
OTHER FINANCING SOURCES (USES)				
Gain from the sale of capital assets		4,050,000		
Transfers in				244,238
Transfers (out)		(913,537)		
		3,136,463		244,238
NET CHANGE IN FUND BALANCES				
	(1,769)	2,779,968	67,058	(323,437)
BEGINNING FUND BALANCES				
	377,267	3,687,918	2,385,199	323,437
ENDING FUND BALANCES				
	\$375,498	\$6,467,886	\$2,452,257	

SPECIAL REVENUE FUNDS			CAPITAL PROJECTS FUNDS			
Senior Donations	Public Art	Traffic Mitigation	General Facilities	Infrastructure	Comcast	Planned Park
					\$32,581	
\$209	\$349	\$429	\$1,744	\$7,192		(\$500)
	395,227	200,000		75,000	\$911	
3,565						
3,774	395,576	200,429	1,744	82,192	33,492	(500)
3						
			104,052	960,510		178,672
						560,035
						107,965
3			104,052	960,510		846,672
3,771	395,576	200,429	(102,308)	(878,318)	33,492	(847,172)
				1,385,864		2,500,000
						(20,900)
				1,385,864		2,479,100
3,771	395,576	200,429	(102,308)	507,546	33,492	1,631,928
86,273			827,229	2,302,012	362,508	357,457
\$90,044	\$395,576	\$200,429	\$724,921	\$2,809,558	\$396,000	\$1,989,385

(Continued)

CITY OF BELMONT
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2022

	<u>CAPITAL PROJECTS FUNDS</u>			
	Special Assessment District	Open Space	Park Impact Fees	Total Nonmajor Governmental Funds
REVENUES				
Taxes				\$2,129,616
Licenses and permits				2,344,489
Use of money and property	\$725	\$397	\$4,549	178,550
Intergovernmental				2,686,762
Charges for current services			1,553,490	8,042,528
Miscellaneous				213,236
Total Revenues	<u>725</u>	<u>397</u>	<u>1,558,039</u>	<u>15,595,181</u>
EXPENDITURES				
Current:				
Public safety				242,493
Highways and streets				2,001,625
Culture and recreation				3,408,665
Urban redevelopment				5,219,975
Capital outlay		63,452	128,384	5,808,046
Debt service:				
Principal				560,035
Interest and fiscal charges				107,965
Total Expenditures		<u>63,452</u>	<u>128,384</u>	<u>17,348,804</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>725</u>	<u>(63,055)</u>	<u>1,429,655</u>	<u>(1,753,623)</u>
OTHER FINANCING SOURCES (USES)				
Gain from the sale of capital assets				4,050,000
Transfers in		20,900		6,252,414
Transfers (out)			(2,500,000)	(4,172,566)
Total Other Financing Sources (Uses)		<u>20,900</u>	<u>(2,500,000)</u>	<u>6,129,848</u>
NET CHANGE IN FUND BALANCES	725	(42,155)	(1,070,345)	4,376,225
BEGINNING FUND BALANCES	<u>307,605</u>	<u>206,237</u>	<u>1,397,020</u>	<u>18,241,391</u>
ENDING FUND BALANCES	<u>\$308,330</u>	<u>\$164,082</u>	<u>\$326,675</u>	<u>\$22,617,616</u>

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CITY OF BELMONT
 BUDGETED NON-MAJOR FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS					
	RECREATION			LIBRARY MAINTENANCE AND OPERATIONS		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes				\$303,706	\$302,838	(\$868)
Licenses and permits						
Use of money and property		(\$1,587)	(\$1,587)	3,709	2,018	(1,691)
Intergovernmental	\$84,958	109,356	24,398			
Charges for current services	1,711,736	1,962,796	251,060			
Miscellaneous	24,125	6,509	(17,616)			
Total Revenues	<u>1,820,819</u>	<u>2,077,074</u>	<u>256,255</u>	<u>307,415</u>	<u>304,856</u>	<u>(2,559)</u>
EXPENDITURES						
Current						
Public safety						
Highways and streets						
Culture and recreation	2,833,171	2,863,957	(30,786)	415,430	431,670	(16,240)
Urban redevelopment						
Capital outlay				32,000		32,000
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	<u>2,833,171</u>	<u>2,863,957</u>	<u>(30,786)</u>	<u>447,430</u>	<u>431,670</u>	<u>15,760</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,012,352)</u>	<u>(786,883)</u>	<u>225,469</u>	<u>(140,015)</u>	<u>(126,814)</u>	<u>13,201</u>
OTHER FINANCING SOURCES (USES)						
Gain from the sale of capital assets						
Transfers in	1,085,000	766,377	(318,623)			
Transfers (out)						
Total Other Financing Sources (Uses)	<u>1,085,000</u>	<u>766,377</u>	<u>(318,623)</u>			
NET CHANGE IN FUND BALANCES	<u>\$72,648</u>	<u>(20,506)</u>	<u>(\$93,154)</u>	<u>(\$140,015)</u>	<u>(126,814)</u>	<u>\$13,201</u>
BEGINNING FUND BALANCES		<u>20,507</u>			<u>962,402</u>	
ENDING FUND BALANCES		<u>\$1</u>			<u>\$835,588</u>	

SPECIAL REVENUE FUNDS

CITY TREES			DEVELOPMENT SERVICES			GENERAL PLAN MAINTENANCE		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$1,306	\$716	(\$590)	\$1,844,000	\$2,344,489	\$500,489	\$1,811	\$2,434	\$623
5,000	9,295	4,295	2,011	1,235	(776)	500,000	549,576	49,576
			7,000	9,880	2,880		23,148	23,148
6,306	10,011	3,705	4,269,197	5,097,415	828,218	501,811	575,158	73,347
73,990	39,292	34,698	5,419,685	4,764,466	655,219	115,000	8,056	106,944
73,990	39,292	34,698	5,419,685	4,764,466	655,219	115,000	8,056	106,944
(67,684)	(29,281)	38,403	(1,150,488)	332,949	1,483,437	386,811	567,102	180,291
			1,200,000	334,492	(865,508)		738,129	738,129
				(738,129)	(738,129)	(200,000)		200,000
			1,200,000	(403,637)	(1,603,637)	(200,000)	738,129	938,129
(\$67,684)	(29,281)	\$38,403	\$49,512	(70,688)	(\$120,200)	\$186,811	1,305,231	\$1,118,420
	326,409			1,154,951				
	\$297,128			\$1,084,263			\$1,305,231	

(Continued)

CITY OF BELMONT
 BUDGETED NON-MAJOR FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS					
	SUPPLEMENTAL LAW ENFORCEMENT SERVICES			PUBLIC SAFETY		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes						
Licenses and permits						
Use of money and property		(\$100)	(\$100)	\$132	\$79	(\$53)
Intergovernmental	\$196,882	161,285	(35,597)			
Charges for current services						
Miscellaneous						
Total Revenues	<u>196,882</u>	<u>161,185</u>	<u>(35,697)</u>	<u>132</u>	<u>79</u>	<u>(53)</u>
EXPENDITURES						
Current						
Public safety	210,988	240,123	(29,135)	5,000	2,370	2,630
Highways and streets						
Culture and recreation						
Urban redevelopment						
Capital outlay						
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	<u>210,988</u>	<u>240,123</u>	<u>(29,135)</u>	<u>5,000</u>	<u>2,370</u>	<u>2,630</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(14,106)</u>	<u>(78,938)</u>	<u>(64,832)</u>	<u>(4,868)</u>	<u>(2,291)</u>	<u>2,577</u>
OTHER FINANCING SOURCES (USES)						
Gain from the sale of capital assets						
Transfers in	78,000	78,938	938			
Transfers (out)						
Total Other Financing Sources (Uses)	<u>78,000</u>	<u>78,938</u>	<u>938</u>			
NET CHANGE IN FUND BALANCES	<u>\$63,894</u>		<u>(\$63,894)</u>	<u>(\$4,868)</u>	<u>(2,291)</u>	<u>\$2,577</u>
BEGINNING FUND BALANCES					<u>35,100</u>	
ENDING FUND BALANCES					<u>\$32,809</u>	

SPECIAL REVENUE FUNDS

STREET MAINTENANCE			STREET IMPROVEMENTS			MEASURE W		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$1,266,101	\$566,651	(\$699,450)	\$870,890	\$850,784	(\$20,106)	\$361,601	\$376,762	\$15,161
1,895	5	(1,890)	4,321	5,152	831	4,000	1,766	(2,234)
673,031	539,805	(133,226)	2,787,000	974,082	(1,812,918)		829,190	829,190
	500	500	80,000	156,935	76,935			
<u>1,941,027</u>	<u>1,106,961</u>	<u>(834,066)</u>	<u>3,742,211</u>	<u>1,986,953</u>	<u>(1,755,258)</u>	<u>365,601</u>	<u>1,207,718</u>	<u>842,117</u>
2,357,330	2,001,625	355,705						
			5,222,177	3,243,388	1,978,789	600,000		600,000
<u>2,357,330</u>	<u>2,001,625</u>	<u>355,705</u>	<u>5,222,177</u>	<u>3,243,388</u>	<u>1,978,789</u>	<u>600,000</u>		<u>600,000</u>
<u>(416,303)</u>	<u>(894,664)</u>	<u>(478,361)</u>	<u>(1,479,966)</u>	<u>(1,256,435)</u>	<u>223,531</u>	<u>(234,399)</u>	<u>1,207,718</u>	<u>1,442,117</u>
400,000	183,476	(216,524)	580,000		(580,000)			
<u>400,000</u>	<u>183,476</u>	<u>(216,524)</u>	<u>580,000</u>		<u>(580,000)</u>			
<u>(\$16,303)</u>	<u>(711,188)</u>	<u>(\$694,885)</u>	<u>(\$899,966)</u>	<u>(1,256,435)</u>	<u>(\$356,469)</u>	<u>(\$234,399)</u>	<u>1,207,718</u>	<u>\$1,442,117</u>
	<u>711,188</u>			<u>2,161,085</u>			<u>249,587</u>	
				<u>\$904,650</u>			<u>\$1,457,305</u>	

(Continued)

CITY OF BELMONT
 BUDGETED NON-MAJOR FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS					
	ATHLETIC FIELD MAINTENANCE			AFFORDABLE HOUSING		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes						
Licenses and permits						
Use of money and property	\$1,277	\$908	(\$369)	\$80,726	\$83,557	\$2,831
Intergovernmental				310,000		(310,000)
Charges for current services	75,000	90,528	15,528			
Miscellaneous	5,000	5,298	298		7,401	7,401
Total Revenues	<u>81,277</u>	<u>96,734</u>	<u>15,457</u>	<u>390,726</u>	<u>90,958</u>	<u>(299,768)</u>
EXPENDITURES						
Current						
Public safety						
Highways and streets						
Culture and recreation	80,000	73,743	6,257			
Urban redevelopment				646,843	447,453	199,390
Capital outlay	25,000	24,760	240			
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures	<u>105,000</u>	<u>98,503</u>	<u>6,497</u>	<u>646,843</u>	<u>447,453</u>	<u>199,390</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(23,723)</u>	<u>(1,769)</u>	<u>21,954</u>	<u>(256,117)</u>	<u>(356,495)</u>	<u>(100,378)</u>
OTHER FINANCING SOURCES (USES)						
Gain from the sale of capital assets				3,750,000	4,050,000	300,000
Transfers in						
Transfers (out)					(913,537)	(913,537)
Total Other Financing Sources (Uses)				<u>3,750,000</u>	<u>3,136,463</u>	<u>(613,537)</u>
NET CHANGE IN FUND BALANCES	<u>(\$23,723)</u>	<u>(1,769)</u>	<u>\$21,954</u>	<u>\$3,493,883</u>	<u>2,779,968</u>	<u>(\$713,915)</u>
BEGINNING FUND BALANCES		<u>377,267</u>			<u>3,687,918</u>	
ENDING FUND BALANCES		<u>\$375,498</u>			<u>\$6,467,886</u>	

SPECIAL REVENUE FUNDS								
HOUSING MITIGATION FEES			ROAD MAINTENANCE AND REHABILITATION ACCOUNT (SB1)			SENIOR DONATIONS		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
\$1,906	\$67,058	\$65,152	\$2,669	\$215	(\$2,454)	\$322	\$209	(\$113)
280,035		(280,035)	531,107	536,938	5,831			
						5,000	3,565	(1,435)
<u>281,941</u>	<u>67,058</u>	<u>(214,883)</u>	<u>533,776</u>	<u>537,153</u>	<u>3,377</u>	<u>5,322</u>	<u>3,774</u>	<u>(1,548)</u>
							3	(3)
			1,775,000	1,104,828	670,172			
			<u>1,775,000</u>	<u>1,104,828</u>	<u>670,172</u>		<u>3</u>	<u>(3)</u>
<u>281,941</u>	<u>67,058</u>	<u>(214,883)</u>	<u>(1,241,224)</u>	<u>(567,675)</u>	<u>673,549</u>	<u>5,322</u>	<u>3,771</u>	<u>(1,551)</u>
				244,238	244,238			
				<u>244,238</u>	<u>244,238</u>			
<u>\$281,941</u>	67,058	<u>(\$214,883)</u>	<u>(\$1,241,224)</u>	<u>(323,437)</u>	<u>\$917,787</u>	<u>\$5,322</u>	3,771	<u>(\$1,551)</u>
	<u>2,385,199</u>			<u>323,437</u>			<u>86,273</u>	
	<u>\$2,452,257</u>						<u>\$90,044</u>	

(Continued)

CITY OF BELMONT
 BUDGETED NON-MAJOR FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUND			CAPITAL PROJECT FUND		
	TRAFFIC MITIGATION			GENERAL FACILITIES		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes						
Licenses and permits						
Use of money and property	\$4,000	\$429	(\$3,571)	\$3,647	\$1,744	(\$1,903)
Intergovernmental						
Charges for current services	284,095	200,000	(84,095)			
Miscellaneous						
Total Revenues	<u>288,095</u>	<u>200,429</u>	<u>(87,666)</u>	<u>3,647</u>	<u>1,744</u>	<u>(1,903)</u>
EXPENDITURES						
Current						
Public safety						
Highways and streets						
Culture and recreation						
Urban redevelopment						
Capital outlay				413,076	104,052	309,024
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures				<u>413,076</u>	<u>104,052</u>	<u>309,024</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>288,095</u>	<u>200,429</u>	<u>(87,666)</u>	<u>(409,429)</u>	<u>(102,308)</u>	<u>307,121</u>
OTHER FINANCING SOURCES (USES)						
Gain from the sale of capital assets						
Transfers in						
Transfers (out)						
Total Other Financing Sources (Uses)						
NET CHANGE IN FUND BALANCES	<u>\$288,095</u>	200,429	<u>(\$87,666)</u>	<u>(\$409,429)</u>	(102,308)	<u>\$307,121</u>
BEGINNING FUND BALANCES					<u>827,229</u>	
ENDING FUND BALANCES		<u>\$200,429</u>			<u>\$724,921</u>	

CAPITAL PROJECT FUNDS

INFRASTRUCTURE			COMCAST			PLANNED PARK		
Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
				\$32,581	\$32,581			
\$10,545	\$7,192	(\$3,353)				\$10,433	(\$500)	(\$10,933)
228,334	75,000	(153,334)	\$1,377	911	(466)			
<u>238,879</u>	<u>82,192</u>	<u>(156,687)</u>	<u>1,377</u>	<u>33,492</u>	<u>32,115</u>	<u>10,433</u>	<u>(500)</u>	<u>(10,933)</u>
12,279,334	960,510	11,318,824	120,000		120,000	335,754	178,672	157,082
						560,035	560,035	
						107,965	107,965	
<u>12,279,334</u>	<u>960,510</u>	<u>11,318,824</u>	<u>120,000</u>		<u>120,000</u>	<u>1,003,754</u>	<u>846,672</u>	<u>157,082</u>
<u>(12,040,455)</u>	<u>(878,318)</u>	<u>11,162,137</u>	<u>(118,623)</u>	<u>33,492</u>	<u>152,115</u>	<u>(993,321)</u>	<u>(847,172)</u>	<u>146,149</u>
800,000	1,385,864	585,864				3,000,000	2,500,000	(500,000)
						(20,900)	(20,900)	
<u>800,000</u>	<u>1,385,864</u>	<u>585,864</u>				<u>2,979,100</u>	<u>2,479,100</u>	<u>(500,000)</u>
<u>(\$11,240,455)</u>	507,546	<u>\$11,748,001</u>	<u>(\$118,623)</u>	33,492	<u>\$152,115</u>	<u>\$1,985,779</u>	1,631,928	<u>(\$353,851)</u>
	<u>2,302,012</u>			<u>362,508</u>			<u>357,457</u>	
	<u>\$2,809,558</u>			<u>\$396,000</u>			<u>\$1,989,385</u>	

(Continued)

CITY OF BELMONT
 BUDGETED NON-MAJOR FUNDS
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2022

	CAPITAL PROJECT FUNDS					
	SPECIAL ASSESSMENT DISTRICT			OPEN SPACE		
	Budget	Actual	Variance Positive (Negative)	Budget	Actual	Variance Positive (Negative)
REVENUES						
Taxes						
Licenses and permits						
Use of money and property	\$1,148	\$725	(\$423)	\$847	\$397	(\$450)
Intergovernmental						
Charges for current services						
Miscellaneous						
Total Revenues	<u>1,148</u>	<u>725</u>	<u>(423)</u>	<u>847</u>	<u>397</u>	<u>(450)</u>
EXPENDITURES						
Current						
Public safety						
Highways and streets						
Culture and recreation						
Urban redevelopment						
Capital outlay				91,365	63,452	27,913
Debt service:						
Principal						
Interest and fiscal charges						
Total Expenditures				<u>91,365</u>	<u>63,452</u>	<u>27,913</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,148</u>	<u>725</u>	<u>(423)</u>	<u>(90,518)</u>	<u>(63,055)</u>	<u>27,463</u>
OTHER FINANCING SOURCES (USES)						
Gain from the sale of capital assets						
Transfers in				20,900	20,900	
Transfers (out)						
Total Other Financing Sources (Uses)				<u>20,900</u>	<u>20,900</u>	
NET CHANGE IN FUND BALANCES	<u>\$1,148</u>	<u>725</u>	<u>(\$423)</u>	<u>(\$69,618)</u>	<u>(42,155)</u>	<u>\$27,463</u>
BEGINNING FUND BALANCES		<u>307,605</u>			<u>206,237</u>	
ENDING FUND BALANCES		<u>\$308,330</u>			<u>\$164,082</u>	

CAPITAL PROJECT FUND

PARK IMPACT FEES

<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
\$1,403	\$4,549	\$3,146
194,570		(194,570)
1,774,696	1,553,490	(221,206)
<u>10,000</u>		<u>(10,000)</u>
<u>1,980,669</u>	<u>1,558,039</u>	<u>(422,630)</u>
306,900	128,384	178,516
<u>306,900</u>	<u>128,384</u>	<u>178,516</u>
<u>1,673,769</u>	<u>1,429,655</u>	<u>(244,114)</u>
<u>(3,000,000)</u>	<u>(2,500,000)</u>	<u>500,000</u>
<u>(3,000,000)</u>	<u>(2,500,000)</u>	<u>500,000</u>
<u>(\$1,326,231)</u>	<u>(1,070,345)</u>	<u>\$255,886</u>
	<u>1,397,020</u>	
	<u>\$326,675</u>	

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INTERNAL SERVICE FUNDS

Internal Service Funds are used to finance and account for special activities and services performed by a designated department for other departments in the City on a cost reimbursement basis.

The concept of major funds does not extend to internal service funds because they do not do business with outside parties. For the Statement of Activities, the net revenues or expenses of each internal service fund be eliminated by netting them against the operations of the other City departments, which generated them. The remaining balance sheet items are consolidated with these same funds in the Statement of Net Position.

However, internal service funds are still presented separately in the Fund financial statements, including the funds below.

Workers' Compensation – To account for the City's workers' compensation insurance program.

Liability Insurance – To account for coverage on the City's and District's general and automobile liability.

Self-Funded Vision – To account for the City's vision reimbursement plan for its employees.

Benefit Prefunding – To account for certain accrued employee benefits.

Fleet and Equipment Management – To account for the interdepartmental services provided by the Fleet Management division and Information Technology division.

Facilities Management – To account for the interdepartmental services provided by the Facilities Management Division.

CITY OF BELMONT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2022

	<u>Workers' Compensation</u>	<u>Liability Insurance</u>	<u>Self-Funded Vision</u>	<u>Benefit Prefunding</u>	<u>Fleet and Equipment Management</u>
ASSETS					
Cash and investments	\$1,767,999	\$1,950,896	\$13,182	\$1,194,877	\$6,441,450
Accounts receivable		1,777,937			1,003
Prepays and other assets					23,120
Depreciable capital assets, net					1,230,946
	<u>1,767,999</u>	<u>3,728,833</u>	<u>13,182</u>	<u>1,194,877</u>	<u>7,696,519</u>
LIABILITIES					
Accounts payable	19	3,094	13,182	113,214	122,650
Due to other funds					
Claims payable					
Current portion	7,607	339,248			
Due in more than one year	223,696				
Compensated absences					
Current portion					49,109
Due in more than one year					86,410
	<u>231,322</u>	<u>342,342</u>	<u>13,182</u>	<u>113,214</u>	<u>258,169</u>
NET POSITION					
Net investment in capital assets					1,230,946
Unrestricted	<u>1,536,677</u>	<u>3,386,491</u>		<u>1,081,663</u>	<u>6,207,404</u>
	<u>\$1,536,677</u>	<u>\$3,386,491</u>		<u>\$1,081,663</u>	<u>\$7,438,350</u>

<u>Facilities Management</u>	<u>Total</u>
	\$11,368,404
\$6,745	1,785,685
	23,120
<u>181,091</u>	<u>1,412,037</u>
<u>187,836</u>	<u>14,589,246</u>
44,473	296,632
48,914	48,914
	346,855
	223,696
31,705	80,814
<u>62,743</u>	<u>149,153</u>
<u>187,835</u>	<u>1,146,064</u>
181,091	1,412,037
<u>(181,090)</u>	<u>12,031,145</u>
<u>\$1</u>	<u>\$13,443,182</u>

CITY OF BELMONT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED JUNE 30, 2022

	Workers' Compensation	Liability Insurance	Self-Funded Vision	Benefit Prefunding	Fleet and Equipment Management
OPERATING REVENUES					
Interdepartmental charges for services	\$729,143	\$478,959	\$10,717	\$1,371,536	\$5,074,775
Total Operating Revenues	729,143	478,959	10,717	1,371,536	5,074,775
OPERATING EXPENSES					
Insurance premiums	537,628	400,285			
Professional and legal	16,346	188,722	3,136	94,135	953,605
Operating costs				239,463	1,995,553
Pension and other post employment benefits				1,355,121	
Insurance claims, net of change in claims payable	2,359	3,021	7,609		
Depreciation					552,139
Total Operating Expenses	556,333	592,028	10,745	1,688,719	3,501,297
Operating Income (Loss)	172,810	(113,069)	(28)	(317,183)	1,573,478
NONOPERATING REVENUES (EXPENSES)					
Gain from sale of capital assets					17,408
Use of money and property	3,664	4,455	28	2,726	14,121
Miscellaneous	23,154	120,279			2,549
Total Nonoperating Revenues (Expenses)	26,818	124,734	28	2,726	34,078
Income (Loss) Before Transfers	199,628	11,665		(314,457)	1,607,556
Transfers in					
Change in Net Position	199,628	11,665		(314,457)	1,607,556
BEGINNING NET POSITION	1,337,049	3,374,826		1,396,120	5,830,794
ENDING NET POSITION	\$1,536,677	\$3,386,491		\$1,081,663	\$7,438,350

Facilities Management	<u>Total</u>
<u>\$1,485,411</u>	<u>\$9,150,541</u>
<u>1,485,411</u>	<u>9,150,541</u>
	937,913
343,375	1,599,319
1,763,202	3,998,218
	1,355,121
	12,989
<u>8,143</u>	<u>560,282</u>
<u>2,114,720</u>	<u>8,463,842</u>
<u>(629,309)</u>	<u>686,699</u>
	17,408
236,818	261,812
	<u>145,982</u>
<u>236,818</u>	<u>425,202</u>
(392,491)	1,111,901
<u>351,294</u>	<u>351,294</u>
(41,197)	1,463,195
<u>41,198</u>	<u>11,979,987</u>
<u>\$1</u>	<u>\$13,443,182</u>

CITY OF BELMONT
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2022

	Workers' Compensation	Liability Insurance	Self-Funded Vision	Benefit Prefunding	Fleet and Equipment Management
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from other funds	\$752,297	\$533,837	\$10,717	\$1,371,536	\$5,077,531
Payments to vendors	(556,632)	(589,684)	(3,136)	(333,598)	(1,525,590)
Payment to or on behalf of employees				(1,245,287)	(1,418,770)
Claims paid	(6,916)	(5,833)	(9,459)		
Cash Flows from Operating Activities	188,749	(61,680)	(1,878)	(207,349)	2,133,171
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Interfund receipts					
Cash Flows from Noncapital Financing Activities					
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets					(517,414)
Proceeds from sale of capital assets					17,408
Cash Flows from Capital and Related Financing Activities					(500,006)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and rents	3,664	4,455	28	2,726	14,121
Cash Flows from Investing Activities	3,664	4,455	28	2,726	14,121
Net Cash Flows	192,413	(57,225)	(1,850)	(204,623)	1,647,286
Cash and investments at beginning of period	1,575,586	2,008,121	15,032	1,399,500	4,794,164
Cash and investments at end of period	<u>\$1,767,999</u>	<u>\$1,950,896</u>	<u>\$13,182</u>	<u>\$1,194,877</u>	<u>\$6,441,450</u>
Reconciliation of operating income (loss) to net cash flows from operating activities:					
Operating income (loss)	\$172,810	(\$113,069)	(\$28)	(\$317,183)	\$1,573,478
Adjustments to reconcile operating income (loss) to net cash flows from operating activities:					
Depreciation					552,139
Miscellaneous revenues	23,154	120,279			2,549
Change in assets and liabilities:					
Accounts receivables		(65,401)			207
Prepays and other net assets					(7,831)
Accounts payable	(2,658)	(677)	(1,850)	109,834	8,060
Claims payable	(4,557)	(2,812)			
Compensated absences					4,569
Cash Flows from Operating Activities	<u>\$188,749</u>	<u>(\$61,680)</u>	<u>(\$1,878)</u>	<u>(\$207,349)</u>	<u>\$2,133,171</u>

Facilities Management	Total
\$1,484,879	\$9,230,797
(1,368,348)	(4,376,988)
(747,354)	(3,411,411)
	(22,208)
<u>(630,823)</u>	<u>1,420,190</u>
<u>400,208</u>	<u>400,208</u>
<u>400,208</u>	<u>400,208</u>
(41,744)	(559,158)
	17,408
<u>(41,744)</u>	<u>(541,750)</u>
<u>236,818</u>	<u>261,812</u>
<u>236,818</u>	<u>261,812</u>
(35,541)	1,540,460
<u>35,541</u>	<u>9,827,944</u>
	<u>\$11,368,404</u>
(\$629,309)	\$686,699
8,143	560,282
	145,982
(532)	(65,726)
	(7,831)
(22,806)	89,903
	(7,369)
<u>13,681</u>	<u>18,250</u>
<u>(\$630,823)</u>	<u>\$1,420,190</u>

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Statistical Section



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STATISTICAL SECTION

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

Financial Trends

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

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

Revenue Capacity

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

1. Assessed Value of Taxable Property
2. Direct and Overlapping Property Tax Rates
3. Principal Property Taxpayers
4. Property Tax Levies and Collections

Debt Capacity

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

1. Ratio of Outstanding Debt by Type
2. Computation of Direct and Overlapping Debt
3. Computation of Legal Bonded Debt Margin
4. Bonded Debt Pledged Revenue Coverage:
 - a. 2016 Sewer Revenue and Sewer Refunding Revenue Bonds and 2019 Sewer Revenue Bonds – Last Ten Fiscal Years
 - b. 2009A and 2018 Sewer Treatment Facility Revenue Bonds and 2022 Sewer Treatment Facility Obligations
 - c. Former Redevelopment Agency Bonds
5. Continuing Disclosure Requirements:
 - a. Sewer System Summary Statement of Historical Revenue and Expenditures
 - b. Ten Largest Users of the Sewer System
 - c. Number of Sewer Service Users
 - d. Sewer Service Revenues by Class of User
 - e. Schedule of Budgeted and Projected Sewer Treatment Facility Charges and Associated Debt Service
 - f. Community Facilities District No. 2000-1

STATISTICAL SECTION (Continued)

Demographic and Economic Information

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

1. Demographic and Economic Statistics
2. Principal Employers

Operating Information

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

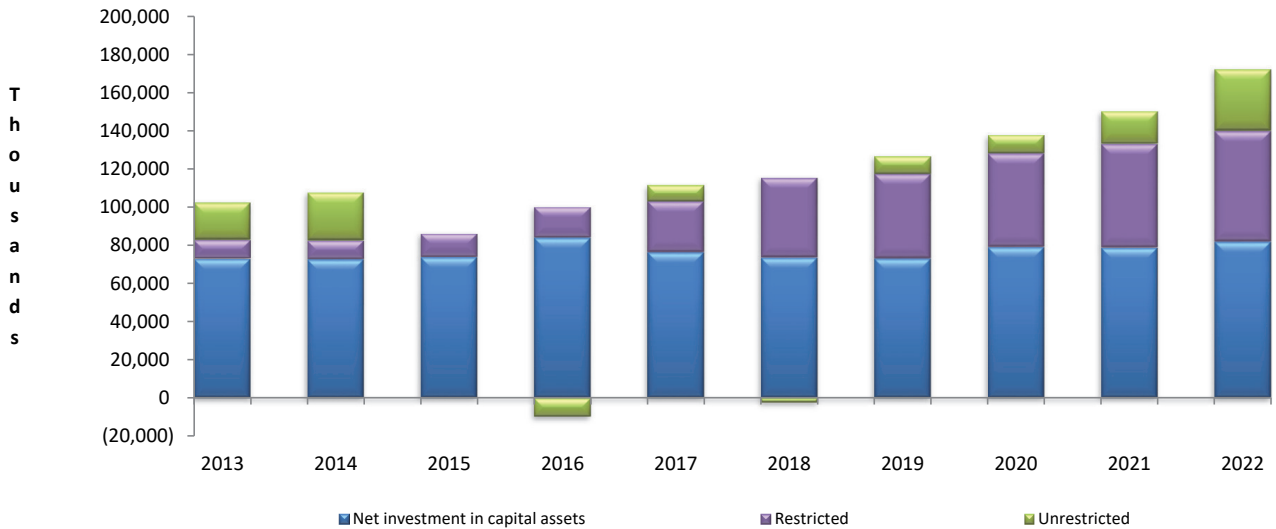
1. Full-Time Equivalent City Government Employees by Function
2. Operating Indicators by Function/Program
3. Capital Asset Statistics by Function/Program

Sources

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

**CITY OF BELMONT
NET POSITION BY COMPONENT**

**Last Ten Fiscal Years
(accrual basis of accounting)**



	As of June 30,				
	2013	2014	2015	2016	2017
Governmental activities					
Net investment in capital assets	\$67,417,898	\$66,107,787	\$65,328,759	\$67,139,553	\$69,831,130
Restricted	6,722,358	6,664,041	6,904,176	6,904,177	11,714,283
Unrestricted	11,312,129	13,628,786	(8,619,488) (a)	(9,680,086) (a)	(188,113)
Total governmental activities	<u>\$85,452,385</u>	<u>\$86,400,614</u>	<u>\$63,613,447</u>	<u>\$64,363,644</u>	<u>\$81,357,300</u>
Business-type activities					
Net investment in capital assets	\$5,418,984	\$6,447,043	\$8,424,614	\$16,739,430	\$6,439,038
Restricted	3,108,105	3,108,838	5,383,408	9,143,559	14,957,819
Unrestricted	8,317,276	11,627,962	8,634,126 (a)	(9,680,086) (a)	8,602,110
Total business-type activities	<u>\$16,844,365</u>	<u>\$21,183,843</u>	<u>\$22,442,148</u>	<u>\$25,882,989</u>	<u>\$29,998,967</u>
Primary government					
Net investment in capital assets	\$72,836,882	\$72,554,830	\$73,753,373	\$83,878,983	\$76,270,168
Restricted	9,830,463	9,772,879	12,287,584	16,047,736	26,672,102
Unrestricted	19,629,405	25,256,748	14,638 (a)	(9,680,086) (a)	8,413,997
Total primary government	<u>\$102,296,750</u>	<u>\$107,584,457</u>	<u>\$86,055,595</u>	<u>\$90,246,633</u>	<u>\$111,356,267</u>
	As of June 30,				
	2018	2019	2020	2021	2022
Governmental activities					
Net investment in capital assets	\$67,969,307	\$69,521,925	\$74,539,932	\$74,700,385	\$80,638,254
Restricted	24,061,436	24,039,737	26,494,396	29,925,106	31,881,783
Unrestricted	(12,213,657) (b)	(4,098,068)	(6,415,098)	(4,130,669)	3,477,732
Total governmental activities	<u>\$79,817,086</u>	<u>\$89,463,594</u>	<u>\$94,619,230</u>	<u>\$100,494,822</u>	<u>\$115,997,769</u>
Business-type activities					
Net investment in capital assets	\$5,536,183	\$3,453,035	\$4,445,755	\$3,971,403	\$1,163,216
Restricted	17,728,929	20,219,035	22,464,351	24,300,968	25,991,829
Unrestricted	9,913,265 (b)	13,315,730	16,112,774	21,229,648	28,806,567
Total business-type activities	<u>\$33,178,377</u>	<u>\$36,987,800</u>	<u>\$43,022,880</u>	<u>\$49,502,019</u>	<u>\$55,961,612</u>
Primary government					
Net investment in capital assets	\$73,505,490	\$72,974,960	\$78,985,687	\$78,671,788	\$81,801,470
Restricted	41,790,365	44,258,772	48,958,747	54,226,074	57,873,612
Unrestricted	(2,300,392) (b)	9,217,662	9,697,676	17,098,979	32,284,299
Total primary government	<u>\$112,995,463</u>	<u>\$126,451,394</u>	<u>\$137,642,110</u>	<u>\$149,996,841</u>	<u>\$171,959,381</u>

(a) Fiscal year 2015 was the first year of implementation for GASB 68.
(b) Fiscal year 2018 was the first year of implementation for GASB 75.

**CITY OF BELMONT
CHANGES IN NET POSITION**

**Last Ten Fiscal Years
(Accrual Basis of Accounting)**

	Fiscal Year Ended June 30,			
	2013	2014	2015	2016
Expenses				
Governmental Activities:				
General government	\$5,353,940	\$5,592,651	\$5,244,211	\$5,439,850
Public safety	18,000,012	19,429,456	19,218,589	19,906,577
Highways and streets	3,242,496	3,412,713	3,340,232	2,998,364
Culture and recreation	4,275,013	4,530,410	5,018,290	4,729,514
Urban redevelopment	1,885,099	2,295,295	2,268,840	3,436,088
Interest on long term debt	68,175	37,019	24,850	16,708
Total Governmental Activities Expenses	<u>32,824,735</u>	<u>35,297,544</u>	<u>35,115,012</u>	<u>36,527,101</u>
Business-Type Activities:				
Sewer Collection	6,715,514	6,657,220	7,654,335	8,251,781
Sewer Treatment				403,386
Storm drainage	1,338,902	1,236,911	1,446,650	1,603,968
Solid waste	469,298	459,967	223,392	283,045
Total Business-Type Activities Expenses	<u>8,523,714</u>	<u>8,354,098</u>	<u>9,324,377</u>	<u>10,542,180</u>
Total Primary Government Expenses	<u>\$41,348,449</u>	<u>\$43,651,642</u>	<u>\$44,439,389</u>	<u>\$47,069,281</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$4,463,544	\$4,601,332	\$4,937,130	\$5,780,785
Public Safety	1,152,475	1,177,218	1,143,332	998,958
Highways and streets	382,904	459,815	473,341	464,902
Culture and recreation	2,087,336	2,130,365	2,729,732	2,629,840
Urban redevelopment	2,560,400	3,069,625	3,627,765	3,860,509
Operating Grants and Contributions	1,636,424	1,817,345	2,042,316	1,861,488
Capital Grants and Contributions	874,168	519,254	411,980	2,746,475
Total Government Activities				
Program Revenues	<u>13,157,251</u>	<u>13,774,954</u>	<u>15,365,596</u>	<u>18,342,957</u>
Business-Type Activities:				
Charges for Services:				
Sewer Collection	10,086,878	11,290,621	11,905,392	9,623,230
Sewer Treatment				3,124,223
Storm drainage	549,863	520,119	943,554	903,147
Solid Waste	781,612	867,710	458,337	443,408
Operating Grants and Contributions				
Capital Grants and Contributions				
Total Business-Type Activities				
Program Revenue	<u>11,418,353</u>	<u>12,678,450</u>	<u>13,307,283</u>	<u>14,094,008</u>
Total Primary Government				
Program Revenues	<u>\$24,575,604</u>	<u>\$26,453,404</u>	<u>\$28,672,879</u>	<u>\$32,436,965</u>
Net (Expense)/Revenue				
Governmental Activities	(\$19,371,771)	(\$21,522,590)	(\$19,749,416)	(\$18,184,144)
Business-Type Activities	64,404	4,324,352	3,982,906	2,018,171
Total Primary Government Net Expense	<u>(\$19,307,367)</u>	<u>(\$17,198,238)</u>	<u>(\$15,766,510)</u>	<u>(\$16,165,973)</u>

Fiscal Year Ended June 30,					
2017	2018	2019	2020	2021	2022
\$5,671,719	\$6,598,992	\$5,621,928	\$8,461,468	\$8,168,398	\$7,642,172
21,282,999	23,461,443	21,608,132	24,687,962	25,705,962	24,908,569
2,785,012	3,182,025	2,845,390	2,768,906	2,563,851	2,936,535
4,759,282	5,344,942	5,754,393	6,727,967	5,707,179	6,218,434
3,223,265	3,447,979	3,274,118	4,504,187	5,678,182	5,520,422
5,592	3,169	644	41,615	119,690	107,965
<u>37,727,869</u>	<u>42,038,550</u>	<u>39,104,605</u>	<u>47,192,105</u>	<u>47,943,262</u>	<u>47,334,097</u>
8,251,781	9,087,660	11,292,920	10,066,509	10,760,135	10,634,189
403,386	517,015	1,121,846	1,376,670	1,370,917	1,437,779
1,603,968	1,566,875	1,893,199	2,119,817	2,056,207	2,190,249
283,045	338,756	284,968	343,075	452,750	502,470
<u>10,542,180</u>	<u>11,510,306</u>	<u>14,592,933</u>	<u>13,906,071</u>	<u>14,640,009</u>	<u>14,764,687</u>
<u>\$48,270,049</u>	<u>\$53,548,856</u>	<u>\$53,697,538</u>	<u>\$61,098,176</u>	<u>\$62,583,271</u>	<u>\$62,098,784</u>
\$8,184,093	\$6,868,959	\$6,142,052	\$6,577,974	\$8,880,620	\$6,161,208
1,113,555	1,425,037	1,250,205	404,688	413,536	370,671
498,637	490,979	504,891	808,673	1,220,787	868,986
5,997,226	3,250,607	3,589,282	2,948,206	2,966,339	4,942,718
4,701,066	3,692,543	4,104,255	4,212,747	4,227,537	5,023,122
1,767,235	2,175,529	2,196,042	3,511,589	3,456,820	5,895,499
596,190	1,262,562	107,597	944,285	1,227,833	1,868,526
<u>22,858,002</u>	<u>19,166,216</u>	<u>17,894,324</u>	<u>19,408,162</u>	<u>22,393,472</u>	<u>25,130,730</u>
10,974,015	10,451,746	11,131,538	12,711,450	16,273,536	16,360,163
3,087,872	3,225,639	3,178,480	3,196,757	3,181,962	3,142,679
875,926	886,380	922,892	969,136	968,969	1,024,532
429,212	428,446	457,015	482,843	489,560	623,030
37,862	23,408	15,650	98,099		58,914
		1,708,952			
<u>15,404,887</u>	<u>15,015,619</u>	<u>17,414,527</u>	<u>17,458,285</u>	<u>20,914,027</u>	<u>21,209,318</u>
<u>\$38,262,889</u>	<u>\$34,181,835</u>	<u>\$35,308,851</u>	<u>\$36,866,447</u>	<u>\$43,307,499</u>	<u>\$46,340,048</u>
(\$14,869,867)	(\$22,872,334)	(\$21,210,281)	(\$27,783,943)	(\$25,549,790)	(\$22,203,367)
4,862,707	3,505,313	2,821,594	3,552,214	6,274,018	6,444,631
<u>(\$10,007,160)</u>	<u>(\$19,367,021)</u>	<u>(\$18,388,687)</u>	<u>(\$24,231,729)</u>	<u>(\$19,275,772)</u>	<u>(\$15,758,736)</u>

(Continued)

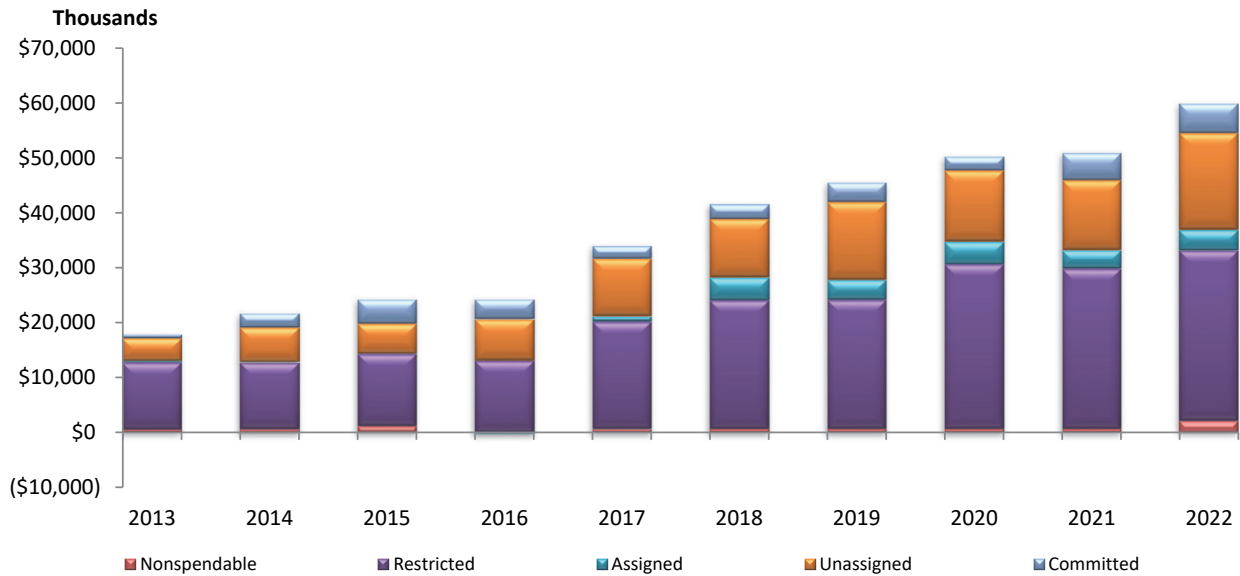
CITY OF BELMONT
CHANGES IN NET POSITION
(continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year Ended June 30,			
	2013	2014	2015	2016
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property taxes	\$10,918,478	\$11,864,792	\$13,134,287	\$14,132,122
Incremental property tax				
Sales taxes	2,792,298	2,831,248	3,085,607	3,613,991
Other taxes	3,017,599	3,260,000	3,487,040	3,957,259
Motor vehicle in lieu	1,941,735	2,168,184	2,474,536	2,436,212
Investment earnings and rentals	531,126	603,489	590,418	540,269
Miscellaneous/Gain on sale	1,847	1,743,106	3,803	6,263
Gain on sale of capital assets				
Loss on disposal of capital assets			(39,381)	
Equity in gains/(losses) of joint ventures				
Transfers				(437,270)
Extraordinary items				
Total Government Activities	<u>19,203,083</u>	<u>22,470,819</u>	<u>22,736,310</u>	<u>24,248,846</u>
Business-Type Activities:				
Investment earnings	9,971	15,126	17,275	77,370
Miscellaneous				57,142
Transfers	1,216		45,769	437,270
Total Business-Type Activities	<u>11,187</u>	<u>15,126</u>	<u>63,044</u>	<u>571,782</u>
Total Primary Government	<u>\$19,214,270</u>	<u>\$22,485,945</u>	<u>\$22,799,354</u>	<u>\$24,820,628</u>
Change in Net Position				
Governmental Activities	(\$168,688)	\$948,229	\$2,986,894	\$6,064,702
Business-Type Activities	75,591	4,339,478	4,045,950	2,589,953
Total Primary Government	<u>(\$93,097)</u>	<u>\$5,287,707</u>	<u>\$7,032,844</u>	<u>\$8,654,655</u>

Fiscal Year Ended June 30,					
2017	2018	2019	2020	2021	2022
\$15,527,210	\$16,894,686	\$18,038,474	\$19,236,918	\$20,132,097	\$20,468,903
3,882,588	5,134,206	5,543,213	5,128,787	5,969,774	6,602,318
3,927,717	4,039,400	4,916,495	5,177,005	2,693,563	3,905,904
2,619,042	2,786,304	2,987,318	3,076,967	1,943,403	2,833,129
588,798	981,525	1,713,215	1,680,176	280,325	(166,620)
3,663	89,454	238,833	7,550	727	12,680
		(2,580,759)		405,493	4,050,000
			(1,367,824)		
<u>26,549,018</u>	<u>29,925,575</u>	<u>30,856,789</u>	<u>32,939,579</u>	<u>31,425,382</u>	<u>37,706,314</u>
104,041	489,367	975,602	1,115,042	126,076	(53,021)
118	36,854	12,227		79,045	67,983
			1,367,824		
<u>104,159</u>	<u>526,221</u>	<u>987,829</u>	<u>2,482,866</u>	<u>205,121</u>	<u>14,962</u>
<u>\$26,653,177</u>	<u>\$30,451,796</u>	<u>\$31,844,618</u>	<u>\$35,422,445</u>	<u>\$31,630,503</u>	<u>\$37,721,276</u>
\$11,679,151	\$7,053,241	\$9,646,508	\$5,155,636	\$5,875,592	\$15,502,947
4,966,866	4,031,534	3,809,423	6,035,080	6,479,139	6,459,593
<u>\$16,646,017</u>	<u>\$11,084,775</u>	<u>\$13,455,931</u>	<u>\$11,190,716</u>	<u>\$12,354,731</u>	<u>\$21,962,540</u>

**CITY OF BELMONT
FUND BALANCES OF GOVERNMENTAL FUNDS**

**Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**



	Fiscal Year Ended June 30,				
	2013	2014	2015	2016	2017
General Fund					
Nonspendable	\$504,390	\$568,336	\$1,130,963		\$627,500
Restricted					251,184
Assigned		1,377,103	2,327,624	\$1,507,974	
Unassigned	5,696,079	6,258,460	5,590,065	7,540,974	10,500,188
Total General Fund	\$6,200,469	\$8,203,899	\$9,048,652	\$9,048,948	\$11,378,872
All Other Governmental Funds					
Restricted	\$12,218,243	\$12,090,398	\$13,099,710	\$13,099,725	\$19,239,022
Committed	258,684	104,039	5,644	(140,892)	936,200
Assigned	706,293	1,213,342	2,111,573	2,111,572	2,289,075
Unassigned	(1,550,397)		(146,538)		
Total all other governmental funds	\$11,632,823	\$13,407,779	\$15,070,389	\$15,070,405	\$22,464,297
	Fiscal Year Ended June 30,				
	2018	2019	2020	2021	2022
General Fund					
Nonspendable	\$641,355	\$641,115	\$641,273	\$639,099	\$376,537
Committed	1,879,332	2,903,606	2,101,292	3,751,162	2,938,455
Assigned					
Unassigned	10,683,682	14,204,643	12,995,874	12,759,010	17,636,404
Total General Fund	\$13,204,369	\$17,749,364	\$15,738,439	\$17,149,271	\$20,951,396 (a)
All Other Governmental Funds					
Nonspendable					\$1,736,353
Restricted	\$23,400,819	\$23,504,778	\$30,017,035	\$29,119,357	30,977,682
Committed	784,403	658,745	443,069	1,190,051	2,422,303
Assigned	4,116,485	3,602,036	4,070,714	3,335,478	3,698,561
Unassigned					
Total all other governmental funds	\$28,301,707	\$27,765,559	\$34,530,818	\$33,644,886	\$38,834,899 (a)

(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.

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CITY OF BELMONT
CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS

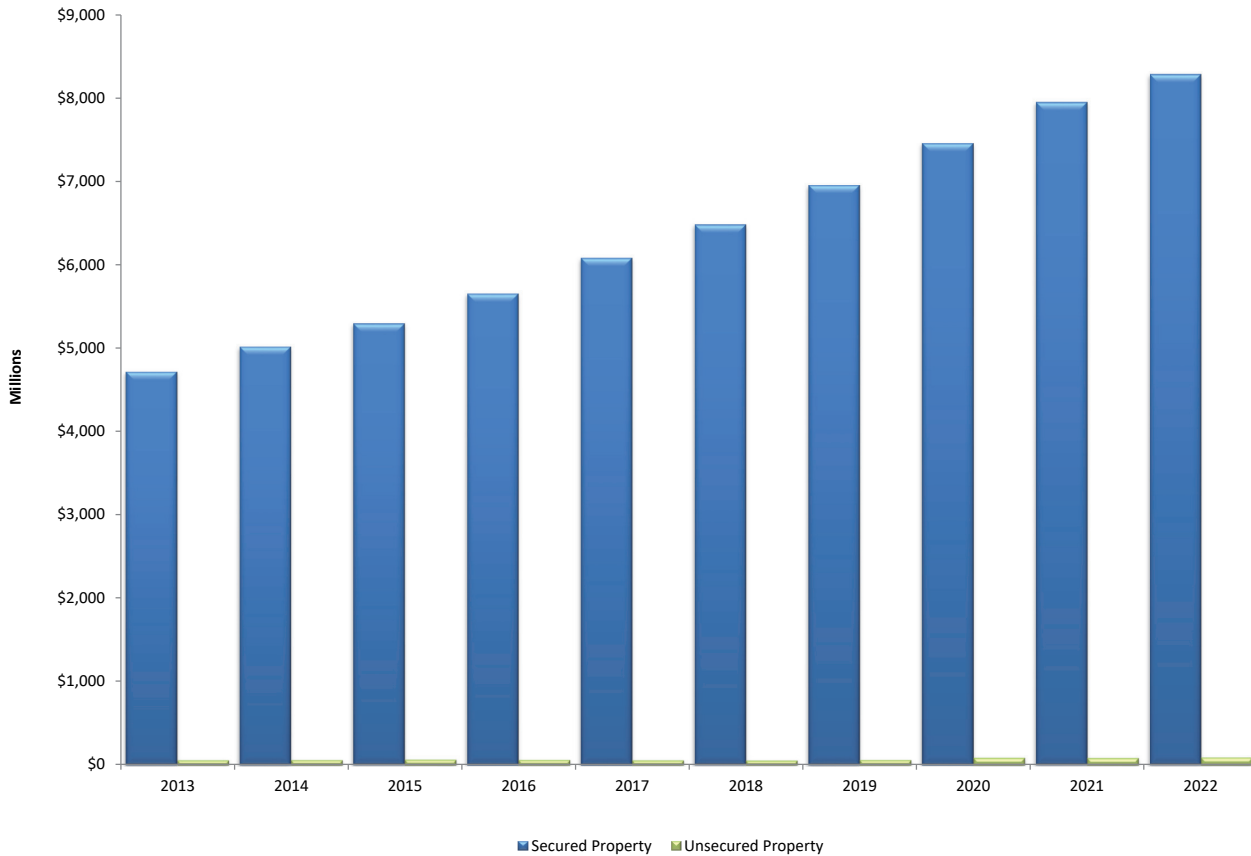
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year Ended June 30,			
	2013	2014	2015	2016
Revenues				
Taxes	\$17,464,202	\$18,781,620	\$20,592,362	\$22,462,269
Licenses and permits	1,443,249	1,665,790	1,846,367	2,085,424
Fines and forfeitures	513,511	298,584	210,470	234,582
Use of money and property	394,871	420,581	585,120	599,818
Intergovernmental	4,569,617	4,594,173	5,098,802	5,496,855
Charges for current services	6,780,019	7,466,219	8,517,414	8,574,373
Miscellaneous	788,182	835,735	868,303	1,387,317
Total Revenues	31,953,651	34,062,702	37,718,838	40,840,638
Expenditures				
Current:				
General government	4,001,340	3,967,090	4,219,915	4,300,780
Public safety	17,261,172	18,527,071	19,146,371	19,872,825
Highways and streets	2,053,990	1,843,701	2,195,722	1,814,166
Culture and recreation	3,949,834	4,162,256	4,817,387	4,525,998
Urban redevelopment	1,817,983	1,949,465	2,522,957	3,442,355
Capital outlay	1,245,112	1,425,306	1,736,968	3,390,421
Debt service:				
Principal	213,581	97,907	451,490	55,316
Interest and fiscal charges	68,175	37,019	24,850	16,708
Total Expenditures	30,611,187	32,009,815	35,115,660	37,418,569
Excess (deficiency) of revenues over (under) expenditures	1,342,464	2,052,887	2,603,178	3,422,069
Other Financing Sources (Uses)				
Transfers in	1,512,645	1,458,800	2,859,034	1,984,813
Transfers (out)	(1,774,541)	(1,783,301)	(2,954,849)	(4,869,841)
Gain from sale of capital assets				
Proceeds from sale of capital assets		2,050,000		686,750
Proceeds of debt issuance				
Total other financing sources (uses)	(261,896)	1,725,499	(95,815)	(2,198,278)
Net Change in fund balances	\$1,080,568	\$3,778,386	\$2,507,363	\$1,223,791
Debt service as a percentage of noncapital expenditures	1.0%	0.4%	1.4%	1.4%

Fiscal Year Ended June 30,					
2017	2018	2019	2020	2021	2022
\$24,901,868	\$27,919,446	\$30,101,322	\$32,173,339	\$33,671,449	\$35,877,026
2,800,954	2,317,393	2,026,047	2,156,235	3,421,169	3,412,657
168,763	216,183	164,265	160,211	170,105	156,422
759,981	1,228,596	1,947,782	2,070,593	1,021,749	292,841
4,819,712	4,975,667	5,611,404	6,106,124	1,677,393	6,006,905
14,587,389	9,890,785	10,296,325	10,012,330	12,337,351	12,481,949
937,673	2,069,817	609,958	236,306	1,411,931	297,432
<u>48,976,340</u>	<u>48,617,887</u>	<u>50,757,103</u>	<u>52,915,138</u>	<u>53,711,147</u>	<u>58,525,232</u>
4,955,053	5,151,403	5,563,535	6,251,896	6,894,135	5,750,762
21,056,427	22,788,288	25,312,692	24,684,871	25,665,084	25,760,691
1,909,799	1,935,535	2,115,327	2,312,159	2,361,710	2,001,625
5,038,819	5,274,846	5,766,923	5,897,618	5,414,402	5,358,664
3,495,988	3,358,362	3,362,011	4,400,315	5,491,628	5,219,975
3,828,413	1,382,112	5,316,611	8,912,121	6,569,459	7,558,546
57,641	60,064	30,972	292,385	548,310	560,035
5,592	3,169	644	41,615	119,690	107,965
<u>40,347,732</u>	<u>39,953,779</u>	<u>47,468,715</u>	<u>52,792,980</u>	<u>53,064,418</u>	<u>52,318,263</u>
<u>8,628,608</u>	<u>8,664,108</u>	<u>3,288,388</u>	<u>122,158</u>	<u>646,729</u>	<u>6,206,969</u>
1,697,887	5,931,220	2,671,111	4,740,278	2,355,020	6,252,414
(1,834,158)	(6,932,421)	(1,963,685)	(6,108,102)	(2,476,849)	(7,517,245)
8,000		13,033			4,050,000
			6,000,000		
<u>(128,271)</u>	<u>(1,001,201)</u>	<u>720,459</u>	<u>4,632,176</u>	<u>(121,829)</u>	<u>2,785,169</u>
<u>\$8,500,337</u>	<u>\$7,662,907</u>	<u>\$4,008,847</u>	<u>\$4,754,334</u>	<u>\$524,900</u>	<u>\$8,992,138</u>
0.2%	0.2%	0.1%	0.1%	1.4%	1.5%

**CITY OF BELMONT
ASSESSED VALUE OF TAXABLE PROPERTY**

Last Ten Fiscal Years



Fiscal Year Ended June 30	Secured Property (a)		Unsecured Property		Total		Assessed to Estimated Actual Value	Increased From Prior Year	Total Direct Tax Rate (c)
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Assessed Value (b)	Estimated Actual Value (b)			
2013	\$4,712,109,574	\$4,712,109,574	\$59,006,643	\$59,006,643	\$4,771,116,217	\$4,771,116,217	100%	5.19%	1%
2014	5,013,618,086	5,013,618,086	61,287,931	61,287,931	5,074,906,017	5,074,906,017	100%	6.37%	1%
2015	5,290,249,361	5,209,249,361	65,747,681	65,747,681	5,355,997,042	5,274,997,042	100%	3.94%	1%
2016	5,648,901,772	5,648,901,772	63,091,530	63,091,530	5,711,993,302	5,711,993,302	100%	8.28%	1%
2017	6,077,587,115	6,077,587,115	57,759,601	57,759,601	6,135,346,716	6,135,346,716	100%	7.41%	1%
2018	6,477,809,867	6,477,809,867	56,079,812	56,079,812	6,533,889,679	6,533,889,679	100%	6.50%	1%
2019	6,951,922,956	6,951,922,956	62,126,944	62,126,944	7,014,049,900	7,014,049,900	100%	7.35%	1%
2020	7,453,883,672	7,453,883,672	87,805,614	87,805,614	7,541,689,286	7,541,689,286	100%	15.42%	1%
2021	7,946,879,729	7,946,879,729	85,078,190	85,078,190	8,031,957,919	8,031,957,919	100%	14.51%	1%
2022	8,281,898,247	8,281,898,247	93,084,659	93,084,659	8,374,982,906	8,374,982,906	100%	19.40%	1%

SOURCES: SAN MATEO COUNTY CONTROLLER

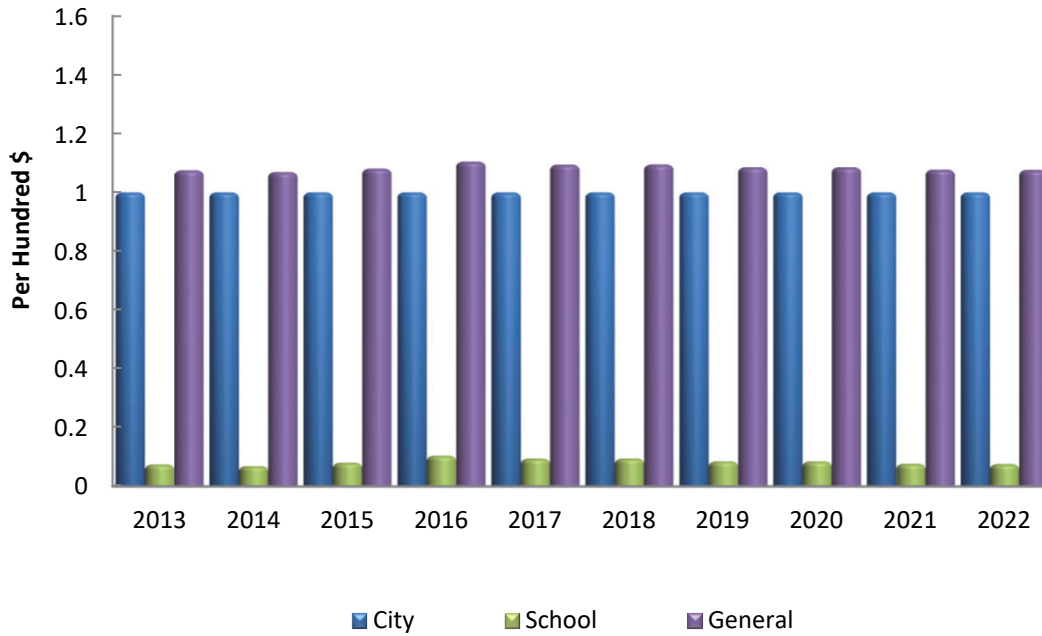
(a) Secured Property includes State Board Roll

(b) 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.

(c) 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 Belmont encompasses more than 15 tax rate areas.

**CITY OF BELMONT
DIRECT AND OVERLAPPING PROPERTY TAX RATES**

Last Ten Fiscal Years



<u>Fiscal Year</u>	<u>City of Belmont</u>	<u>School Districts</u>	<u>Total</u>
2013	\$1.0000	\$0.0747	\$1.0747
2014	1.0000	0.0690	1.0690
2015	1.0000	0.0805	1.0805
2016	1.0000	0.1046	1.1046
2017	1.0000	0.0944	1.0944
2018	1.0000	0.0948	1.0948
2019	1.0000	0.0854	1.0854
2020	1.0000	0.0852	1.0852
2021	1.0000	0.0771	1.0771
2022	1.0000	0.0759	1.0759

Source: San Mateo County Controller - Rates are per \$100 of assessed value.

**CITY OF BELMONT
PRINCIPAL PROPERTY TAXPAYERS**

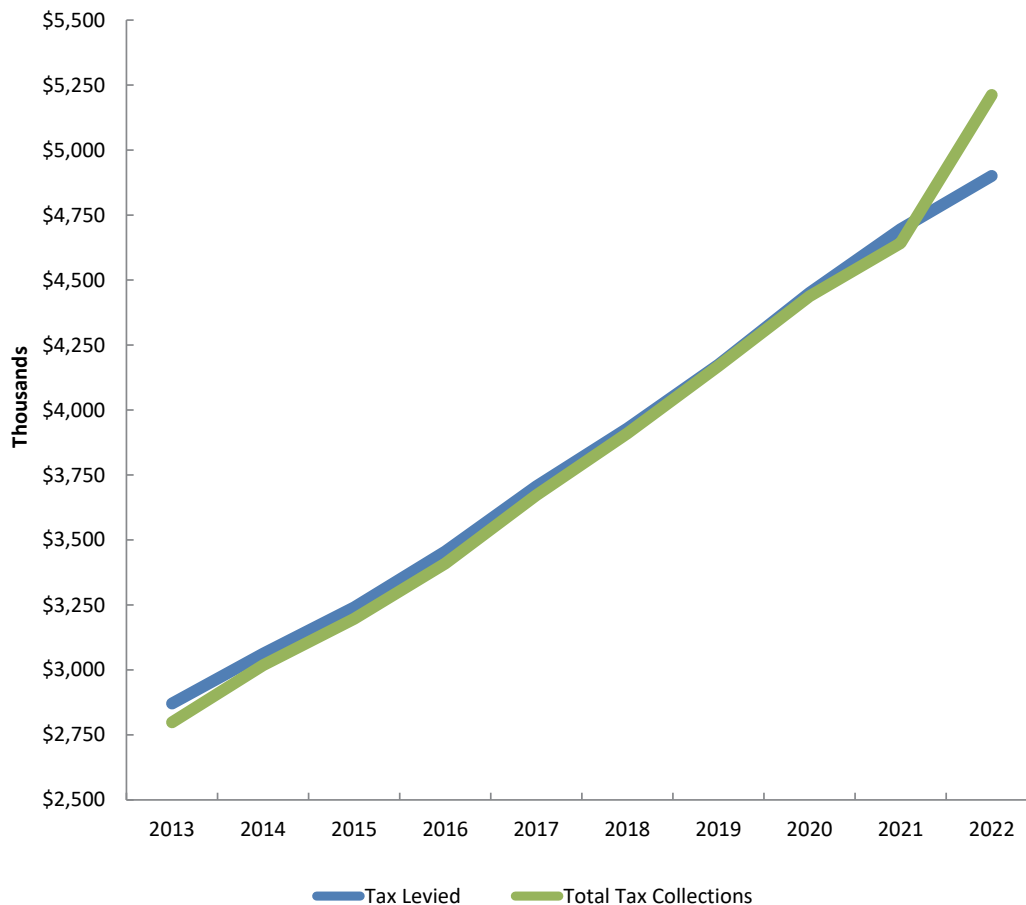
Current Year and Ten Years Ago

Taxpayer	2021-22			2012-13		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
PMI Belmont II LLC	\$122,781,654	1	1.48%			
B9 Island Parkway LLC	98,263,341	2	1.19%			
600 Clipper Operating LLC	96,073,366	3	1.16%			
1 Shoreway Owner LLC	90,250,000	4	1.09%			
Catania Limited Partnership	55,135,343	5	0.67%			
Belmont Hotels LLC	52,627,514	6	0.64%			
Nikon Precision Inc.	40,233,957	7	0.49%	\$44,889,123	3	0.95%
Safeway Inc.	37,859,430	8	0.46%	18,508,685	9	0.39%
SRE California3 LLC	37,673,985	9	0.45%			
Prime Old County LP	35,006,958	10	0.42%	30,114,438	4	0.64%
Hines VAF II 600 Clipper LP				53,333,240	1	1.13%
Oracle Corporation				47,634,413	2	1.01%
Essex Carlmont Woods Apartment LP				27,058,951	5	0.57%
SSL Landlord LLC				26,928,000	6	0.57%
ECI Two Belmont LLC				24,969,554	7	0.53%
SRE				20,950,977	8	0.44%
Nazareth Vista (formerly Paradigm Healthcare L.P.)				16,926,739	10	0.36%
Subtotal	\$665,905,548		8.04%	\$311,314,120		6.61%
Total Net Assessed Valuation:						
Fiscal Year 2021-22	\$8,281,898,247					
Fiscal Year 2012-13	\$4,712,109,574					

Source: County of San Mateo Assessor's Office Fiscal Year Combined Secured Tax Rolls.

**CITY OF BELMONT
PROPERTY TAX LEVIES AND COLLECTIONS**

Last Ten Fiscal Years



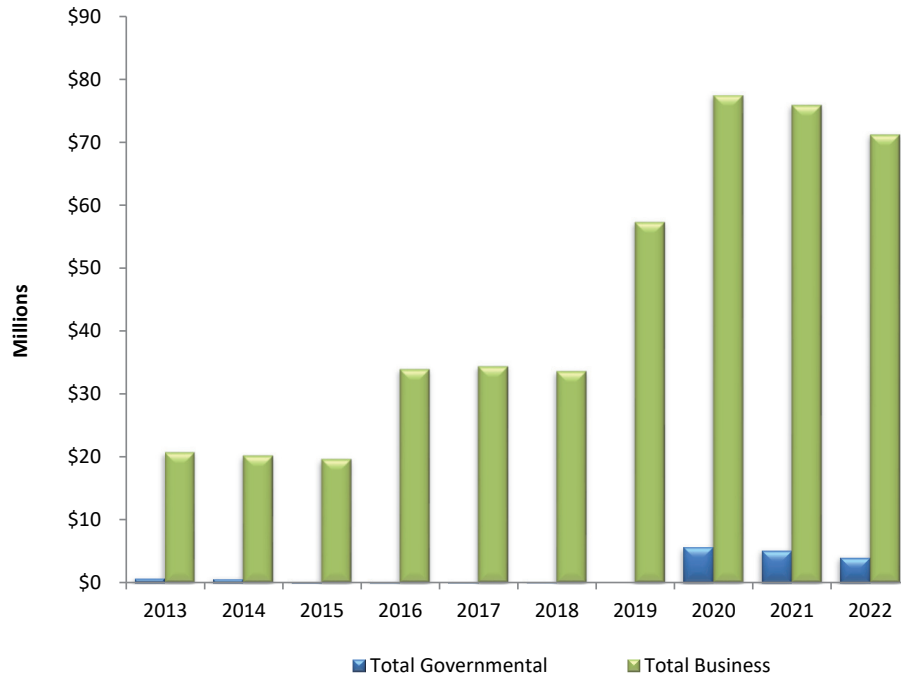
Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected (a)	Total Tax Collections	Percent of Total Tax Collections to Tax Levy
2013	\$2,870,820	\$2,798,324	97.47%	\$2,798,324	97.47%
2014	3,062,643	3,018,311	98.55%	3,018,311	98.55%
2015	3,240,621	3,196,712	98.65%	3,196,712	98.65%
2016	3,455,413	3,409,309	98.67%	3,409,309	98.67%
2017	3,706,404	3,672,355	99.08%	3,672,355	99.08%
2018	3,928,687	3,909,998	99.52%	3,909,998	99.52%
2019	4,174,608	4,169,363	99.87%	4,169,363	99.87%
2020	4,450,637	4,437,632	99.71%	4,437,632	99.71%
2021	4,695,353	4,641,802	98.86%	4,641,802	98.86%
2022	4,900,439	5,211,925 (b)	106.36% (b)	5,211,925	106.36%

Source: (1) San Mateo County Controller.
(2) City of Belmont General Ledger

Note: Current tax collections beginning in 1993 have been reduced by a mandatory tax reallocation imposed by the State of California.
(a) During fiscal year 1995, the County began providing the City 100% of its tax levy under an agreement which allows the County to keep all interest and delinquency charges collected.
(b) Includes \$345,855 received for Belmont RDA dissolution that was not in tax levy.

**CITY OF BELMONT
RATIO OF OUTSTANDING DEBT BY TYPE**

Last Ten Fiscal Years



Governmental Activities		
Fiscal Year	Leases and Notes	Total
2013	\$753,390	\$753,390
2014	655,483	655,483
2015	203,992	203,992
2016	147,677	147,677
2017	91,036	91,036
2018	30,972	30,972
2019	0	0
2020	5,707,615	5,707,615
2021	5,159,305	5,159,305
2022	4,027,260	4,027,260

Business-Type Activities					
Fiscal Year	Sewer Revenue and Obligation Bonds	Total	Total Primary Government	Percentage of Assessed Valuation (a)	Per Capita (a)
2013	\$20,740,000	\$20,740,000	\$21,493,390	0.45%	\$816.74
2014	20,210,000	20,210,000	20,865,483	0.41%	785.63
2015	19,660,000	19,660,000	19,863,992	0.37%	742.63
2016	33,920,000	33,920,000	34,067,677	0.60%	1,233.98
2017	34,376,186	34,376,186	34,467,222	0.56%	1,260.55
2018	33,615,381	33,615,381	33,646,353	0.51%	1,228.51
2019	57,279,454	57,279,454	57,279,454	0.82%	2,107.88
2020	77,449,650	77,449,650	83,157,265	1.10%	3,118.12
2021	75,851,407	75,851,407	81,010,712	1.01%	2,936.55
2022	71,166,164	71,166,164	75,193,424	0.90%	2,764.16

Note : Debt amounts include premiums, discounts, or other amortization amounts.

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

(a) (Demographic Statistics) for assessed value and population data.

**CITY OF BELMONT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT**

June 30, 2022

2021-22 Assessed Valuation

\$8,410,535,906

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	Total Debt June 30, 2022	% Applicable (1)	City's Share of Debt June 30, 2022
City of Belmont	\$4,027,260	100.000%	\$4,027,260
Total Direct Debt	\$4,027,260		\$4,027,260
San Mateo Community College District	\$733,897,184	3.158%	\$23,176,473
Sequoia Union High School District	475,140,000	7.257%	34,480,910
Belmont-Redwood Shores School District	63,777,230	49.990%	31,882,237
Belmont-Redwood Shores School District Belmont School Facilities Improvement District	40,110,864	84.048%	33,712,379
Belmont-Redwood Shores School District Redwood Shores School Facilities Improvement District	18,565,000	7.660%	1,422,079
Midpeninsula Regional Open Space District	84,575,000	0.001%	846
City of Belmont Community Facilities District No. 2000-1	<u>4,425,000</u>	100.000%	<u>4,425,000</u>
Total Overlapping Debt	1,420,490,278		129,099,924
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT	\$1,424,517,538		\$133,127,184
OVERLAPPING GENERAL FUND DEBT:			
San Mateo County General Fund Obligations	\$612,605,687	3.158%	\$19,346,088
San Mateo County Board of Education Certificates of Participation	6,490,000	3.158%	204,954
Midpeninsula Regional Open Space District General Fund Obligations	99,705,600	0.001%	997
San Mateo County Mosquito and Vector Control District General Fund Obligations	<u>3,825,000</u>	3.158%	<u>120,794</u>
TOTAL OVERLAPPING GENERAL FUND DEBT	\$722,626,287		\$19,672,832
OVERLAPPING TAX INCREMENT DEBT (Successor Agency)	\$4,160,000	100.000%	\$4,160,000
COMBINED TOTAL DEBT			\$156,960,016 (2)

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

(2) Excludes tax and revenue anticipation notes, enterprise revenue, and mortgage revenue bonds.

RATIOS TO 2021-22 ASSESSED VALUATION:	
Direct Debt	0.05%
Combined Direct Debt	1.87%
Total Net Direct and Overlapping Tax and Assessment Debt	1.58%
RATIOS TO REDEVELOPMENT SUCCESSOR AGENCY INCREMENTAL VALUATION (\$1,776,907,469):	
Total Overlapping Tax Incremental Debt	0.24%

**CITY OF BELMONT
COMPUTATION OF LEGAL BONDED DEBT MARGIN**

June 30, 2022

ASSESSED VALUATION:

Secured property assessed value, net of exempt real property	\$8,410,535,906
-----------------------------------------------------------------	-----------------

BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)	\$315,395,096
-------------------------------------------------	---------------

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt	\$0
Less Tax Allocation Bonds and Sales Tax Revenue Bonds, Certificate of Participation not subject to limit	\$0

Amount of debt subject to limit	\$0
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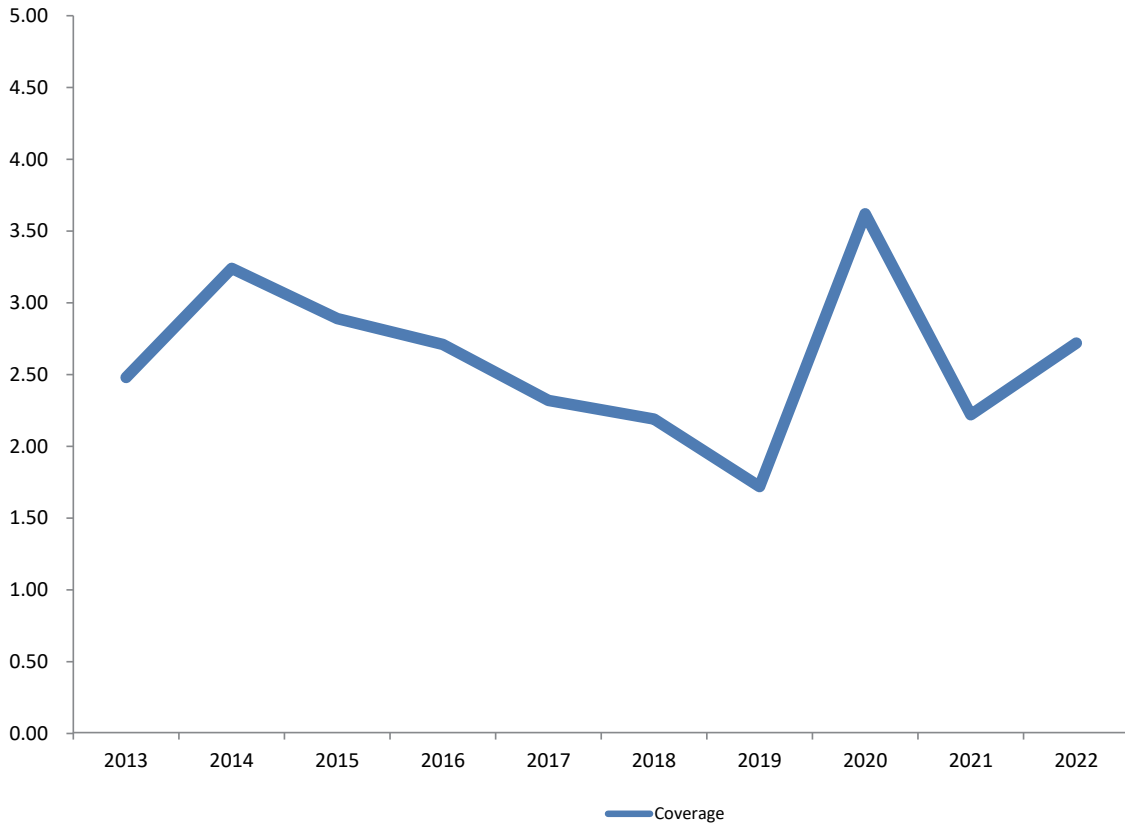
LEGAL BONDED DEBT MARGIN	\$315,395,096
--------------------------	---------------

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total net debt applicable to the limit as a percentage of debt limit
2013	\$178,916,858		\$178,916,858	
2014	190,308,976		190,308,976	
2015	200,849,889		200,849,889	
2016	214,199,749		214,199,749	
2017	230,075,502		230,075,502	
2018	246,378,145		246,378,145	
2019	264,366,934		264,366,934	
2020	284,140,706		284,140,706	
2021	302,531,239		302,531,239	
2022	315,395,096		315,395,096	

NOTE:

(a) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value. Limits presented from prior years have been adjusted for this methodology.

CITY OF BELMONT
HISTORIC OPERATING RESULTS – DEBT SERVICE AND COVERAGE RATIOS
2016 SEWER REVENUE AND SEWER REFUNDING REVENUE BONDS (2001 AND 2006 SEWER REVENUE BONDS),
AND 2019 SEWER REVENUE BONDS
Last Ten Fiscal Years



Fiscal Year (1)	System Revenues (2)	Operating & Maintenance Expenditures (3)	Net System Revenues	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2013	\$6,898,806	\$4,610,335	\$2,288,471	\$355,000	\$569,185	\$924,185	2.48
2014	7,867,359	4,876,816	2,990,543	370,000	553,972	923,972	3.24
2015	7,886,591	5,219,101	2,667,490	385,000	537,995	922,995	2.89
2016	9,101,597	6,013,171	3,088,426	405,000	736,145	1,141,145	2.71
2017	9,470,233	6,577,227	2,893,006	485,000	762,279	1,247,279	2.32
2018	10,311,885	7,287,562	3,024,323	505,000	876,271	1,381,271	2.19
2019	10,850,538	8,473,802	2,376,736	520,000	860,896	1,380,896	1.72
2020	12,468,348	6,486,172	5,982,176	540,000	1,113,827	1,653,827	3.62
2021	12,572,930	7,257,702	5,315,228	735,000	1,662,471	2,397,471	2.22
2022	13,995,360	7,115,757	6,879,603	865,000	1,662,471	2,527,471	2.72

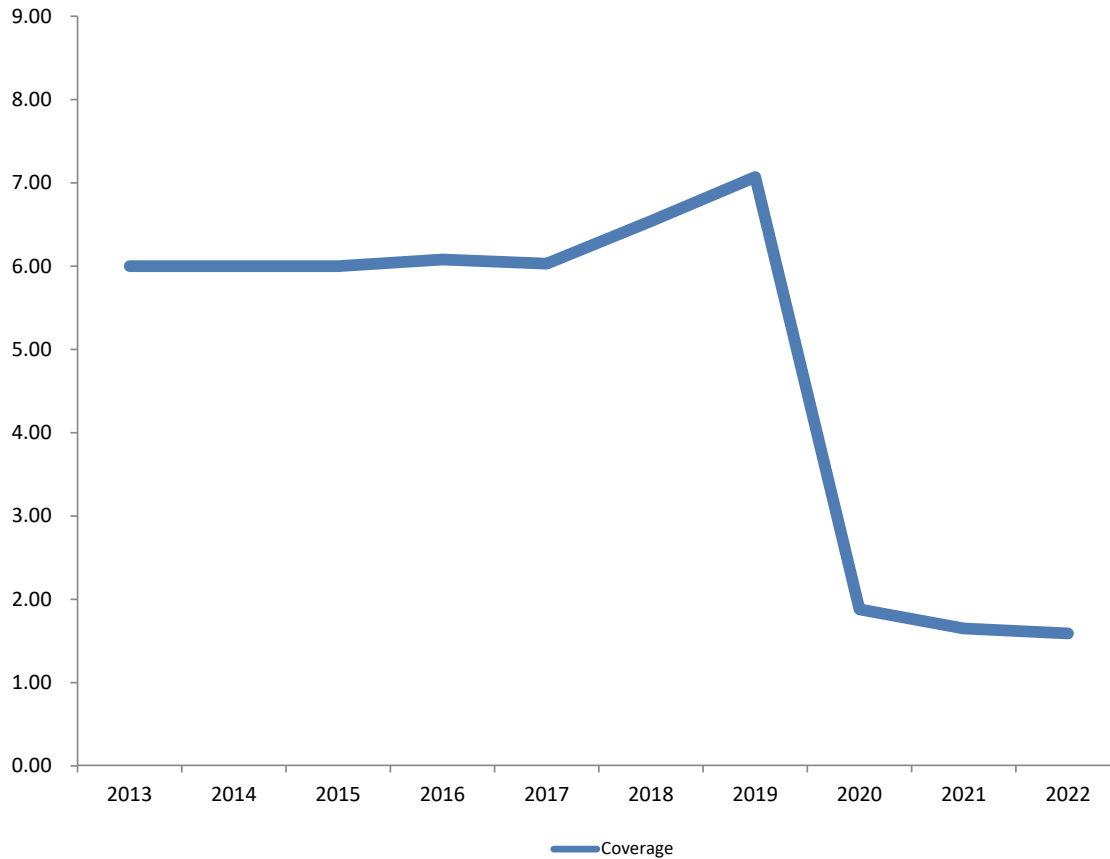
Notes:

- (1) Beginning in 2016, only sewer collection fund activities included.
- (2) Beginning in 2016, includes sewer service charges and all other income, excluding interest earned, income on joint ventures, connection fees and other income pursuant to Installment Purchase Agreement dated March 1, 2016.
- (3) Beginning in 2016, includes reasonable and necessary costs for maintaining and operating sewer system, excluding parity debt, capital improvements, depreciation and other costs pursuant to Installment Purchase Agreement dated March 1, 2016

Source: City of Belmont Annual Financial Statements

**CITY OF BELMONT
REVENUE BOND COVERAGE
2009A AND 2018 SEWER TREATMENT FACILITY REVENUE BONDS
AND 2022 SEWER TREATMENT FACILITY OBLIGATIONS**

Last Ten Fiscal Years



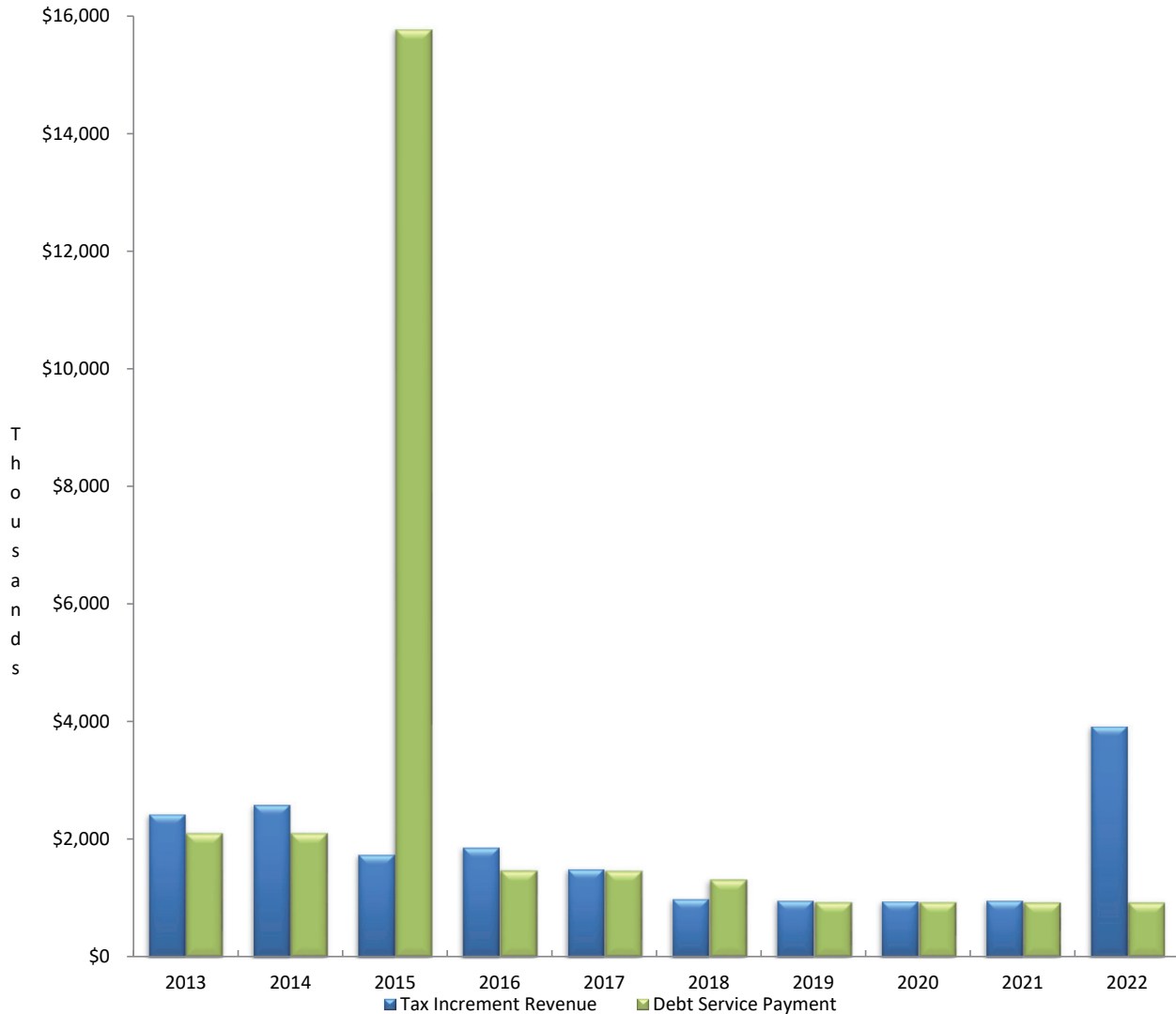
Fiscal Year	Sewer Treatment Facility		Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
	Gross Revenue	Expenses		Principal	Interest	Total	
2013	\$3,108,898	\$78,964	\$3,029,934	\$155,000	\$349,807	\$504,807	6.00
2014	3,111,925	79,127	3,032,798	160,000	345,082	505,082	6.00
2015	3,113,080	84,082	3,028,998	165,000	340,207	505,207	6.00
2016	3,124,790	83,594	3,041,196	165,000	335,257	500,257	6.08
2017	3,093,423	75,282	3,018,141	170,000	330,232	500,232	6.03
2018	3,288,125	18,489	3,269,636	175,000	325,057	500,057	6.54
2019	3,611,952	77,591	3,534,361	180,000	319,732	499,732	7.07
2020	3,621,986	90,354	3,531,632	385,000	1,497,313	1,882,313	1.88
2021	3,207,534	126,823	3,080,711	535,000	1,329,209	1,864,209	1.65
2022	3,128,640	125,473	3,003,167	555,000	1,329,209	1,884,209	1.59

Notes: Debt service on the 2018 bonds did not begin until August 2019.
The 2022 Obligations refunded the 2009A Bonds and debt service on the 2022 Obligations does not begin until August 2022.

Source: City of Belmont Annual Financial Statements

**CITY OF BELMONT
BONDED DEBT PLEDGED REVENUE COVERAGE
SUCCESSOR AGENCY (INCLUDING FORMER REDEVELOPMENT AGENCY BONDS)**

Last Ten Fiscal Years



Fiscal Year	Tax Revenue (a)	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2013	\$2,430,695	\$1,110,000	\$994,608	\$2,104,608	1.15
2014	2,589,571	1,175,000	929,957	2,104,957	1.23
2015	1,744,119	15,605,000	165,050	15,770,050	0.11 (b)
2016	1,865,275	1,125,000	347,079	1,472,079	1.27
2017	1,498,633	1,160,000	307,056	1,467,056	1.02
2018	992,433	1,050,000	268,552	1,318,552	0.75
2019	966,582	695,000	238,235	933,235	1.04
2020	956,855	720,000	213,518	933,518	1.02
2021	966,457	740,000	188,015	928,015	1.04
2022	3,922,881	740,000 (c)	188,015 (c)	928,015	4.23

Notes:

- (a) Tax Increment Revenues are no longer allocated to Redevelopment Agencies, effective January 31, 2012. Effective February 1, 2012, the Successor Agency had assumed all obligations of the Redevelopment Agency. Pursuant to law, the Successor Agency receives Real Property Tax Trust Funds Allocations to finance its activities including debt service on obligations of the former Redevelopment Agency.
- (b) Coverage is low due to refunding of debt in fiscal year 2015
- (c) The Bonds were defeased during fiscal year 2022.

Source: City of Belmont Annual Financial Statements

**CITY OF BELMONT
SEWER SYSTEM
SUMMARY STATEMENT OF HISTORICAL
REVENUE AND EXPENDITURES
Last Ten Fiscal Years**

	Notes	Fiscal Year Ended June 30,				
		2013	2014	2015	2016	2017
REVENUES						
Charges for services		\$6,851,049	\$8,054,697	\$8,413,152	\$9,092,502	\$9,413,671
Connection charges	(1)				428,116	1,503,782
Miscellaneous revenues (charges)		871	500	0	9,095	118
Interest revenue	(1)	8,605	11,726	12,711	75,252	90,353
Joint venture interest	(1)	(88,572)	(326,150)	(922,413)	(2,265,589)	(240,494)
Total Revenues		<u>6,771,953</u>	<u>7,740,773</u>	<u>7,503,450</u>	<u>7,339,376</u>	<u>10,767,430</u>
EXPENSES						
Personnel services		1,105,207	1,137,123	1,181,169	1,232,220	1,589,589
Supplies, materials and services		3,347,179	3,535,644	4,037,932	4,780,951	4,987,638
Sewer treatment services		158,820	204,549	0		
Interest expense	(1)	562,980	547,501	530,041	1,059,926	719,883
Total Expenses		<u>5,174,186</u>	<u>5,424,817</u>	<u>5,749,142</u>	<u>7,073,097</u>	<u>7,297,110</u>
Net Operating Transfers In (Out)	(1),(2)	(704,024)	(547,775)	(628,769)	(1,285,187)	(824,580)
NET REVENUES		<u>\$893,743</u>	<u>\$1,768,181</u>	<u>\$1,125,539</u>	<u>(\$1,018,908)</u>	<u>\$2,645,740</u>
Less adjustments		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$4,107,334</u>	<u>\$190,822</u>
AMOUNTS AVAILABLE FOR DEBT SERVICE		<u>\$893,743</u>	<u>\$1,768,181</u>	<u>\$1,125,539</u>	<u>\$3,088,426</u>	<u>\$2,836,562</u>

	Notes	Fiscal Year Ended June 30,				
		2018	2019	2020	2021	2022
REVENUES						
Charges for services		\$10,311,885	\$10,850,538	\$12,468,348	\$12,572,930	\$13,995,360
Connection charges	(1)	60,125	49,272	60,124	3,603,551	2,255,284
Miscellaneous revenues (charges)			1,708,958	0	125	0
Interest revenue	(1)	388,306	481,193	632,309	86,058	(45,649)
Joint venture interest	(1)	(228,686)	(585,866)	(652,586)	(677,611)	(723,609)
Total Revenues		<u>10,531,630</u>	<u>12,504,095</u>	<u>12,508,195</u>	<u>15,585,053</u>	<u>15,481,386</u>
EXPENSES						
Personnel services		2,047,229	1,785,140	1,233,263	1,478,448	1,709,147
Supplies, materials and services		5,240,333	6,688,662	5,252,909	5,779,254	5,406,610
Sewer treatment services						
Interest expense	(1)	771,944	780,887	1,385,791	1,424,429	1,387,174
Total Expenses		<u>8,059,506</u>	<u>9,254,689</u>	<u>7,871,963</u>	<u>8,682,131</u>	<u>8,502,931</u>
Net Operating Transfers In (Out)	(1),(2)	(1,312,423)	0	(325,000)	(8,334)	(98,948)
NET REVENUES		<u>\$1,159,701</u>	<u>\$3,249,406</u>	<u>\$4,311,232</u>	<u>\$6,894,588</u>	<u>\$6,879,507</u>
Less adjustments (1), (2)		<u>\$1,864,622</u>	<u>\$836,288</u>	<u>\$1,670,944</u>	<u>(\$1,579,235)</u>	<u>\$96</u>
AMOUNTS AVAILABLE FOR DEBT SERVICE		<u>\$3,024,323</u>	<u>\$4,085,694</u>	<u>\$5,982,176</u>	<u>\$5,315,353</u>	<u>\$6,879,603</u>

Notes:

(1) Not included in System Revenues under the Installment Purchase Agreement, beginning March 1, 2016.

(2) Includes transfers for storm drain improvements that mitigate infiltration and intrusion into the sewage system.

Source: City of Belmont

**CITY OF BELMONT
TEN LARGEST USERS OF THE SEWER SYSTEM**

<u>User</u>		<u>Type</u>	<u>Fiscal Year 2021-22 Revenues*</u>
McLellan Estate Co	Various	Multifamily Residential	\$332,754
Prime Old County LP	040-271-380	Multifamily Residential	284,371
PMI Belmont II LLC	Various	Multifamily Residential	190,907
Crestview South Apartments LLC	Various	Multifamily Residential	122,838
Timberlane Apartments Partnership LP	045-373-150	Multifamily Residential	121,028
Catania Limited Partnership	Various	Multifamily Residential	101,596
Spieker Richard Tod TR & Spieker Catherine Reilly TR	Various	Multifamily Residential	85,174
Carlmont Heights LLC	045-030-240	Multifamily Residential	83,858
Continental Belmont Partnership	Various	Shopping Center	73,358
City of Belmont	Various	Public	73,208

* Includes Base and Flow Charges

Source: City of Belmont

Required per 2016 Sewer Revenue Bonds Continuing Disclosure.

NUMBER OF SEWER SERVICE USERS

<u>User Type</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
All Users	8,243	8,242	8,240	8,239	8,240
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
All Users	8,240	8,248	8,253	8,358	8,360

(1) Decline due to a change from a flat rate to a metered rate system.

**SEWER SERVICE REVENUES BY CLASS OF USER
June 30, 2022**

<u>User Class</u>	<u>Revenue</u>	<u>Percent</u>
Single Family & Multiple Family Residential	\$12,367,267	88.49%
Commercial/Institutional	1,609,356	11.51%
Total Revenue	<u>\$13,976,623</u>	<u>100.00%</u>

Source: nbsgov.com

**CITY OF BELMONT
SCHEDULE OF BUDGETED & PROJECTED
SEWER TREATMENT FACILITY CHARGES
AND ASSOCIATED DEBT SERVICE**

Fiscal Year	2017-18	2018-19	2019-20	2020-21	2021-22
Sewer Treatment Facility Charges Revenue ^(A)	\$3,225,639	\$3,178,480	\$3,196,757	\$3,181,962	\$3,142,679
Debt Service Series 2009A Bonds ^(B)	(500,056)	(499,732)	(506,481)	(505,436)	(508,836)
Debt Service Series 2018 Bonds			(1,383,056)	(1,390,750)	(1,388,375)
Surplus, after debt service	2,725,583	2,678,748	1,307,220	1,285,776	1,245,468
Debt Service Coverage Ratio	645.056%	636.037%	169.182%	167.809%	165.647%

Fiscal Year	2022-23	2023-24	2024-25	2025-26	2026-27
Sewer Treatment Facility Charges Revenue ^(A)	\$3,142,057	\$3,204,898	\$3,268,996	\$3,334,376	\$3,401,064
Debt Service Series 2018 Bonds	(1,390,125)	(1,390,875)	(1,390,625)	(1,389,375)	(1,387,125)
Debt Service 2022 Sewer Treatment Facility Obligations	(1,409,904)	(1,440,922)	(797,659)	(796,911)	(797,818)
Surplus, after debt service	342,028	373,101	1,080,712	1,148,090	1,216,121
Debt Service Coverage Ratio	112.215%	113.175%	149.386%	152.513%	155.659%

^(A) Not including amounts on deposit in the Rate Stabilization Fund.

If such amounts were added to revenues, debt service coverage would be higher than shown.

^(B) Series 2009A Bonds were refunded in May 2022.

Collection of charge began in 2011-12.

Required per 2009 and 2018 Sewer Treatment Facility Revenue Bonds Continuing Disclosure.

Source: nbsgov.com

**COMMUNITY FACILITIES DISTRICT NO. 2000-1 OF THE CITY OF BELMONT
CONTINUING DISCLOSURES**

June 30, 2022

Bond Principal Outstanding - August 30, 2022 \$4,035,000

Balance Outstanding by Fund - August 1, 2022

Reserve Fund (surety bond w/
\$1 Ambac no value)

Maximum Debt Service Coverage

Year Ending August 1,	Net Taxes	Bond Debt Service	Debt Service Coverage
2004	\$855,013.15	\$328,750.00	2.60
2005	840,459.85	650,000.00	1.29
2006	848,544.45	645,000.00	1.32
2007	856,703.50	642,200.00	1.33
2008	864,937.60	640,300.00	1.35
2009	873,247.39	640,400.00	1.36
2010	881,633.49	640,425.00	1.38
2011	890,096.52	639,925.00	1.39
2012	898,637.11	643,900.00	1.40
2013	907,255.90	642,088.00	1.41
2014	915,953.53	644,163.00	1.42
2015	924,730.64	644,788.00	1.43
2016	864,667.73	639,550.00	1.35
2017	870,121.20	643,738.00	1.35
2018	878,822.41	641,775.00	1.37
2019	866,272.46	638,950.00	1.36
2020	860,531.00	640,262.50	1.34
2021	869,462.47	640,425.00	1.36
2022	873,830.66	644,437.50	1.36
2023	882,568.97	642,012.50	1.37
2024	891,394.66	643,437.50	1.39
2025	900,308.61	643,425.00	1.40
2026	909,311.70	641,975.00	1.42
2027	918,404.82	644,087.50	1.43
2028	927,588.87	644,475.00	1.44
2029	936,864.76	643,137.50	1.46
2030	946,233.41	645,075.00	1.47
Total	\$23,953,596.86	\$17,038,702.00	1.41

Special Tax Levy Delinquency Rate - June 30, 2022 0.26% (a)

Status of Foreclosure Actions on Special Tax Levy in Excess of \$10,000 None

Special Tax Delinquency in Excess of 5% of Total Levy

Owner	Land Use	Special Tax	Total Special Tax
None	N/A	N/A	N/A

Changes to Tax Rate and Method of Apportionment None

Supplemental California Debt and Investment Advisory

Commission Reporting

None

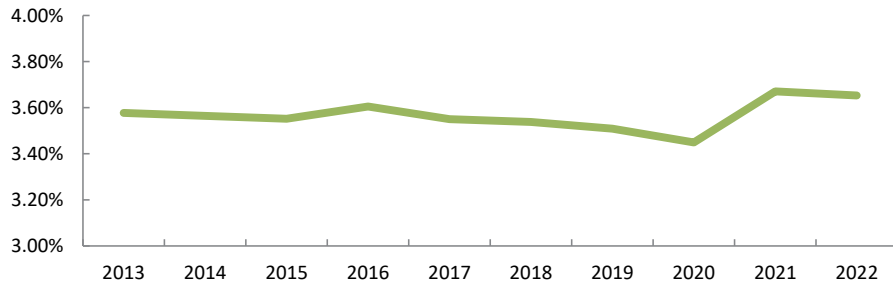
CDIAC

To be filed by October 30

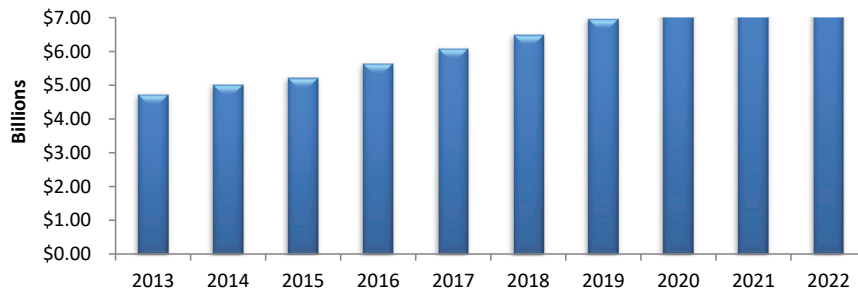
(a) Provided by NBS - Delinquency Summary Report

**CITY OF BELMONT
DEMOGRAPHIC AND ECONOMIC STATISTICS**

Last Ten Fiscal Years



— City Population as a % of County Population



■ Assessed Valuation

Fiscal Year	City Population	Assessed Valuation	San Mateo County Population	City Population % of County
2013	26,316	\$4,712,109,574	735,678	3.58%
2014	26,559	5,013,618,086	745,193	3.56%
2015	26,748	5,209,249,361	753,123	3.55%
2016	27,608	5,648,901,772	765,895	3.60%
2017	27,343	6,077,587,115	770,256	3.55%
2018	27,388	6,477,809,867	774,155	3.54%
2019	27,174	6,951,922,956	774,485	3.51%
2020	26,669	7,453,883,672	773,244	3.45%
2021	27,587	7,946,879,729	751,596	3.67%
2022	27,203	8,281,898,247	744,662	3.65%

	2016-2020 (a)	2010-2014	2008-2012	2006-2010
Per Capita Income:	\$79,061	\$56,033	\$52,862	\$52,376
Unemployment Rate:				
Male:	4.20%	8.59%	7.57%	6.16%
Female:	2.10%	5.61%	5.49%	5.57%
Total Personal Income:	\$160,046	\$106,287	\$103,083	\$99,913

(a) The most recent information available is from 2020.

Source: California State Department of Finance
County of San Mateo Controller's Office
www.usa.com

**CITY OF BELMONT
PRINCIPAL EMPLOYERS**

Current Year and Ten Years Ago

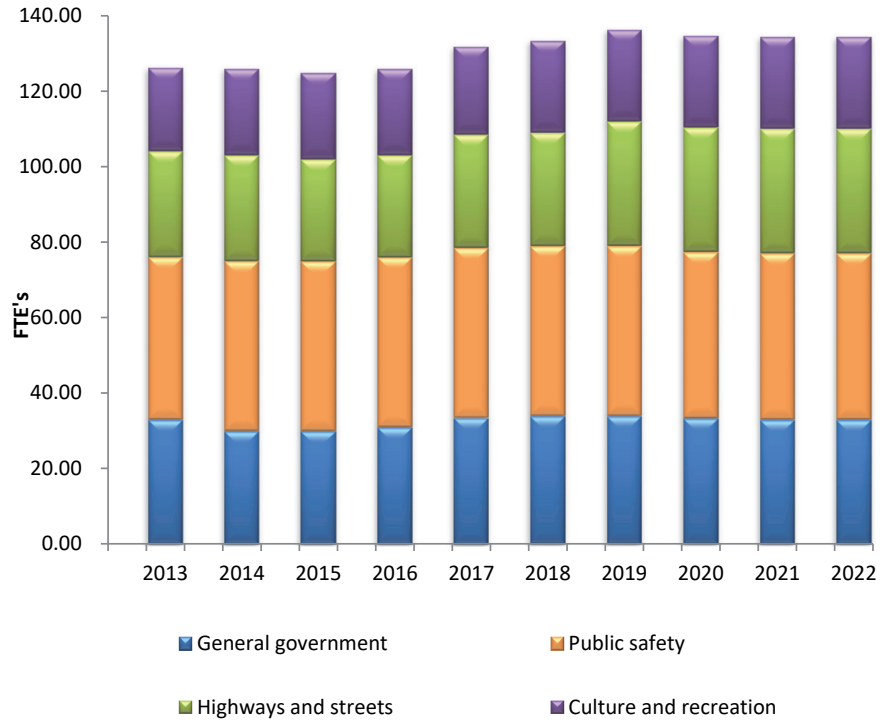
Fiscal 2021-2022		Fiscal 2012-2013	
Employer	Number of Employees	Employer	Number of Employees
RING CENTRAL, INC.	676	ORACLE AMERICA, INC.	871
AUTOBAHN MOTORS	132	CENGAGE LEARNING, INC.	338
SAFEWAY STORE #1138	113	SAFEWAY STORE	184
LUNARDI'S MARKET	90	SUNEDISON	150
SILVERADO - BELMONT HILLS	84	NIKON PRECISION, INC.	146
NIKON PRECISION, INC.	80	AUTOBANH MOTORS	120
WOODMONT REAL ESTATE SERVICES	57	CARLMONT GARDENS NURSING CENTER	110
SUNRISE OF BELMONT	56	SILVERADO SR LIVING BELMONT HILLS	103
MERRY MOPPET PRESCHOOL, INC.	54	JAMES ELECTRONICS/LTD	84
NIKON RESEARCH CORPORATION OF AMERICA	53	VINDICIA, INC.	75

Note: Excludes exempt entities, such as financial institutions, governments and non-profits.
Data not available for ranking or total employment.

Source: City of Belmont Finance, Business License (Hdl Companies)

**CITY OF BELMONT
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION**

Last Ten Fiscal Years



Function	Fiscal Year Ended June 30,									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government	33.00	30.00	30.00	31.00	33.50	34.00	34.00	33.42	33.00	33.00
Public safety	43.00	45.00	45.00	45.00	45.00	45.00	45.00	44.00	44.00	44.00
Highways and streets	28.00	28.00	27.00	27.00	30.00	30.00	33.00	33.00	33.00	33.00
Culture and recreation	22.10	22.85	22.85	22.85	23.30	24.30	24.30	24.30	24.30	24.30
Total	126.10	125.85	124.85	125.85	131.80	133.30	136.30	134.72	134.30	134.30

Source: City of Belmont Budget

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**CITY OF BELMONT
OPERATING INDICATORS BY FUNCTION/PROGRAM**

Last Ten Fiscal Years

Function/Program	Fiscal Year Ended June 30			
	2013	2014	2015	2016
Public safety:				
Belmont Fire Department (established October 1, 2011) (1)				
Fire calls for service	2,948	2,585	2,678	2,225
Annual Fire Inspections	302	838	125	850
New Business License Inspections	50	55	45	52
Plan Checks	27	122	133	92
Police:				
Police calls for service	28,887	30,087	30,426	29,981
Law violations: (2)				
Part I crimes	555	495	340	493
Physical arrests (adult and juvenile)	448	575	546	470
Traffic violations (3)	4,190	1,360	1,535	2,177
Parking violations	2,332	2,732	3,351	3,078
Public works				
Street resurfacing (miles)	0	0	0	0
Culture and recreation:				
Community Services:				
Recreation class participants	35,145	39,605	39,715	40,150
Sewer				
Sewer Connections	7,648	7,653	7,663	7,671
Average daily treatment (millions of gallons) - City only	1.64	1.64	1.80	1.80
Average daily treatment (millions of gallons) - Total SVCW	15.75	15.75	15.75	15.75
Treatment capacity - SVCW (millions of gallons)	29.00	29.00	29.00	29.00
Storm drain inlets	1,500	1,500	1,500	1,500
Sewer main blockages	6	3	6	2

Source: City of Belmont

Notes:

- (1) Fire services provided through Belmont-San Carlos Fire Department through September 30, 2011.
 - (2) Belmont PD switched to the FBI and California DOJ required NIBRS crime reporting as of June 2021.
 - (3) The Red Light Camera Enforcement began operations in May 2010 and ceased June 2013.
- N/A denotes information not available.

Fiscal Year Ended June 30

2017	2018	2019	2020	2021	2022
2,459	2,294	2,354	2,249	2,455	2,510
451	647	466	249	403	340
83	53	49	38	7	29
131	183	157	36	209	171
29,039	26,715	24,947	25,347	25,559	20,858
474	498	513	558	556	506
383	336	373	358	459	504
2,449	2,373	1,644	1,580	989	1,150
2,461	2,428	2,350	2,037	1,935	1,574
0	0	7	2	3	2
43,580	44,910	44,947	34,230	18,075	52,714
7,673	7,678	7,682	7,687	7,689	7,690
1.80	1.80	1.80	1.80	1.80	1.80
15.75	15.75	15.75	15.75	15.75	15.75
29.00	29.00	29.00	29.00	29.00	29.00
1,500	1,500	1,500	1,500	1,500	1,500
4	2	2	2	2	2

**CITY OF BELMONT
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**

Last Ten Fiscal Years

	Fiscal Year Ended June 30			
	2013	2014	2015	2016
Function/Program				
General Government:				
Administration Buildings	2	2	2	2
Public safety:				
Fire stations (1)	2	2	2	2
Police stations	1	1	1	1
Public works				
Miles of streets	70	70	70	70
Street lights	1,465	1,465	1,465	1,465
Traffic Signals	17	17	17	17
Culture and recreation:				
Community services:				
City parks:				
Number of developed parks	14	14	14	14
Acres of developed parks	60.40	60.40	60.40	60.40
Number of undeveloped parks	3	3	3	3
Acres of undeveloped parks	29.16	29.16	29.16	29.16
Acres of open space	295.58	287.58	287.58	287.58
Community Buildings	19	19	19	19
Library:				
City Library (2)	1	1	1	1
Water (Provided by Mid-Peninsula Water District)				
Sewer				
Miles of sanitary sewers	85.00	85.00	85.00	85.00
Storm Drains (miles)	27.00	27.00	27.00	27.00
Number of treatment plants (3)	1	1	1	1

Notes:

(1) Provided through the Belmont-San Carlos Fire Department through September 30, 2011.
 Belmont Fire Department established October 1, 2011 provided services through January 12, 2019.
 San Mateo Consolidated Fire Department established January 13, 2019.

(2) The Library is property of the City of Belmont and operated by San Mateo County.

(3) Provided through the Silicon Valley Clean Water Authority

N/A denotes information not available.

Source: City of Belmont

Fiscal Year Ended June 30

2017	2018	2019	2020	2021	2022
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1
70	70	70	70	70	70
1,465	1,465	1,465	1,465	1,465	1,465
17	17	18	18	18	18
14	15	15	15	15	15
60.40	61.40	61.40	61.40	61.40	61.40
3	3	2	2	2	2
29.16	29.16	28.16	28.16	28.16	28.16
287.58	287.58	287.58	287.58	287.58	287.58
19	19	19	19	19	19
1	1	1	1	1	1
85.00	85.00	85.00	85.00	85.00	85.00
27.00	27.00	27.00	27.00	27.00	27.00
1	1	1	1	1	1

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**SUPPLEMENTAL FINANCIAL INFORMATION
REGARDING SUCCESSOR AGENCY ASSESSED VALUATIONS
(UNAUDITED)**

Assessed Valuations

The base year valuation for the Project Area was established in the fiscal year ending June 30, 1982. The following table shows historical incremental assessed valuation (including all categories of assessed value) within the Project Area as of the March 1 lien date for the fiscal years 1982-83 through 2021-2022. It should be noted that due to adjustments after the lien date, assessed value may increase or decrease during the year. Factors causing these adjustments include, but are not limited to, supplemental assessments and appeals to assessed value. These adjustments to assessed values, in turn, cause tax increment revenues to increase or decrease.

**CITY OF BELMONT SUCCESSOR AGENCY
(FORMERLY BELMONT REDEVELOPMENT AGENCY)
LOS COSTANOS COMMUNITY DEVELOPMENT PROJECT AREA
HISTORICAL INCREMENTAL ASSESSED VALUATION**

Fiscal Year Ending June 30	Total Assessed Valuation	Incremental Assessed Valuation (1)	Change in Incremental Assessed Valuation From Previous Year
1983	\$157,135,342	\$21,536,072	not available
1984	171,237,981	35,638,711	65.48%
1985	184,060,881	62,564,250	75.55%
1986	201,153,514	65,554,244	4.78%
1987	234,842,064	99,242,794	51.39%
1988	246,823,012	111,223,742	12.07%
1989	254,810,733	119,211,463	7.18%
1990	275,154,532	139,555,262	17.07%
1991	313,264,539	177,665,269	27.31%
1992	349,801,313	214,202,043	20.56%
1993	376,194,509	240,595,239	12.32%
1994	389,900,944	254,301,674	5.70%
1995	397,847,297	262,248,027	3.12%
1996	420,827,405	285,228,135	8.76%
1997	441,467,705	305,868,435	7.24%
1998	483,248,340	347,649,070	13.66%
1999	508,606,319	373,007,049	7.29%
2000	551,190,752	415,591,482	11.42%
2001	628,703,301	493,104,031	18.65%
2002	703,196,659	567,597,389	15.11%
2003	736,172,756	600,573,486	5.81%
2004	763,224,908	627,625,638	4.50%
2005	793,262,313	657,663,043	4.79%
2006	828,369,282	692,770,012	5.34%
2007	882,997,061	747,397,791	7.89%
2008	925,665,178	790,065,908	5.71%
2009	1,001,611,395	866,012,125	9.61%
2010	1,021,824,923	886,225,653	2.33%
2011	979,692,227	844,092,957	-4.75%
2012	1,006,362,049	870,762,779	3.16%
2013	1,064,558,175	928,958,905	6.68%
2014	1,096,475,744	960,876,474	3.44%
2015	1,137,357,996	1,001,758,726	4.25%
2016	1,205,793,308	1,070,194,038	6.83%
2017	1,287,183,196	1,151,583,926	7.61%
2018	1,384,289,254	1,248,689,984	8.43%
2019	1,531,108,751	1,395,509,481	11.76%
2020	1,680,464,323	1,544,865,053	10.70%
2021	1,838,302,558	1,702,703,288	10.22%
2022	1,907,657,139	1,772,057,869	4.07%

Source: County of San Mateo

(1) Total assessed valuation in excess of the Agency's 1981-82 base year assessed valuation of \$135,599,270.

Historical Housing Set-Aside Amounts

The following table shows the historical allocation of tax increment revenues by the County of San Mateo derived from the project area.

CITY OF BELMONT SUCCESSOR AGENCY (FORMERLY BELMONT REDEVELOPMENT AGENCY) LOS COSTANOS COMMUNITY DEVELOPMENT PROJECT AREA HISTORICAL RECEIPT OF TAX INCREMENT AND TRUST FUND REVENUES

Fiscal Year Ending June 30	Secured Tax Increment (2)	Unsecured Tax Increment (2)	Unitary Revenue (3)	Supplemental Allocations (2)	Total Tax Increment (4)	Real Property Tax Trust Fund Allocations (6)	Total Tax	Housing Set Aside Amounts (5)	Change From Prior Year
1984					\$285,494		\$285,494	\$57,099	
1985					363,836		363,836	72,989	27.44%
1986	\$429,246	\$84,594		\$16,681	530,521		530,521	103,097	45.81%
1987	725,932	82,321		58,699	866,952		866,952	168,560	63.42%
1988	787,579	69,137		103,030	959,746		959,746	191,949	10.70%
1989	924,058	73,737		87,124	1,084,919		1,084,919	216,983	13.04%
1990	1,035,629	85,045	\$25,534	57,535	1,203,743		1,203,743	240,749	10.95%
1991	1,260,743	1,225,929	54,683	120,184	2,661,539		2,661,539	311,708	121.11%
1992	1,629,619	81,020	57,216	145,226	1,913,081		1,913,081	382,616	(28.12%)
1993	1,758,187	93,810	58,779	59,494	1,970,270		1,970,270	394,055	2.99%
1994	1,890,260	72,133	51,221	49,533	2,063,147		2,063,147	412,629	4.71%
1995	1,933,676	17,827	54,213	18,928	2,024,644		2,024,644	404,929	(1.87%)
1996	2,019,812	222,873	54,170	29,872	2,326,727		2,326,727	465,346	14.92%
1997	2,227,773	131,833	39,541	105,133	2,504,280		2,504,280	500,856	7.63%
1998	2,520,936	195,020	50,432	106,587	2,872,975		2,872,975	569,942	14.72%
1999	2,832,402	123,236	64,836	49,610	3,070,084		3,070,084	614,016	6.86%
2000	3,076,826	118,983	57,337	183,315	3,436,461		3,436,461	687,292	11.93%
2001	3,640,433	172,658	61,111	103,483	3,977,685		3,977,685	795,537	15.75%
2002	4,212,040	253,052	67,477	455,911	4,988,481		4,988,481	997,696	25.41%
2003	4,415,999	220,998	72,375	300,175	5,009,547		5,009,547	1,001,909	0.42%
2004	4,511,245	177,074	77,251	165,496	4,931,066		4,931,066	986,213	(1.57%)
2005	4,773,499	178,051	64,387	179,086	5,195,023		5,195,023	1,039,005	5.35%
2006	4,985,628	176,562	60,337	247,801	5,470,328		5,470,328	1,094,066	5.30%
2007	5,297,243	163,847	151,994	334,221	5,947,305		5,947,305	1,189,461	8.72%
2008	5,812,332	189,141	69,495	281,093	6,352,061		6,352,061	1,270,412	6.81%
2009	6,343,282	289,016	69,868	273,397	6,975,563		6,975,563	1,395,113	9.82%
2010	6,631,570	205,106	78,094	72,979	6,987,749		6,987,749	1,397,550	0.17%
2011	6,274,474	184,886	68,347	61,692	6,589,398		6,589,398	1,317,880	(5.70%)
2012	3,205,128	372,746	39,886		3,617,760	\$1,821,662	5,439,422	723,552	(17.45%)
2013						2,430,695	2,430,695		(55.31%)
2014						2,589,571	2,589,571		6.54%
2015						1,744,119	1,744,119		(32.65%)
2016						1,865,275	1,865,275		6.95%
2017						1,498,633	1,498,633		(19.66%)
2018						992,433	992,433		(33.78%)
2019						966,582	966,582		(2.60%)
2020						956,855	956,855		(1.01%)
2021						966,457	966,457		1.00%
2022						3,922,881	3,922,881		305.90%

(1) Amounts shown are net of amounts waived by the Agency under County Fiscal Agreement.

(2) Breakdown of tax increment amount secured, unsecured and supplemental categories not available for fiscal years ended June 30, 1984 through 1985.

(3) Unitary revenue reported separately starting in the fiscal year ended June 30, 1990.

(4) Total tax increment includes housing set-aside amounts. Under the RDA Dissolution Legislation, the Housing Set Aside was not required in FY 2012 and forward.

(5) This amount calculated as defined in the Fiscal Agreement.

(6) Tax Increment Revenues are no longer allocated to Redevelopment Agencies, effective January 31, 2012. Effective February 1, 2012, the Successor Agency has assumed all obligations of the Redevelopment Agency. Pursuant to law, the Successor Agency receives Real Property Tax Trust Funds Allocations to finance its activities including debt service on obligations of the former Redevelopment Agency.

Source: Belmont Successor Agency and County of San Mateo Controller's Office.

Debt Service Coverage

Housing Set-Aside Amounts in fiscal year 2021-2022 were \$0 pursuant to AB x1-26. See the table above entitled "Historical Receipt of Tax Incremental Revenues." Prior to July 1, 2011, tax increment revenues were used to fund debt service on the 1996 Housing Set-Aside Bonds. As a result of the dissolution of the Redevelopment Agency pursuant to state law, a Successor Agency assumed the debt and receives tax revenues used to pay debt service and fund other activities of the former Redevelopment Agency. Debt service repayments on these bonds are made by the Successor Agency from tax revenue.

Major Property Taxpayers

The ten largest assesses in the Project Area for fiscal 2021-2022 and the assessed valuation of their respective properties in the Project Area as reported by the County are provided in the following schedule. The total taxable value of these properties equals \$432,702,061 which represents approximately 23.33% percent of the Project Area's secured taxable valuation (including Unitary Assessed valuation).

**CITY OF BELMONT SUCCESSOR AGENCY
(FORMERLY BELMONT REDEVELOPMENT AGENCY)
LOS COSTANOS COMMUNITY DEVELOPMENT PROJECT AREA
TEN LARGEST SECURED PROPERTY TAX ASSESSES**

Assessee	Use	FY21 - 22 Taxable Value (2)	Percentage of Total Secured Taxable Value of Project Area (1)
1 600 Clipper Operating LLC	Office	\$94,189,576	5.08%
2 Westlake Gresham Center LLC	Office	57,763,739	3.11%
3 Belmont Hotels LLC	Hotel	51,852,777	2.80%
4 Nikon Precision Inc.	Office	44,786,779	2.41%
5 Prime Old County LP	Residential Multi-Family	34,324,906	1.85%
6 Oracle Corporation	Office	34,280,064	1.85%
7 SRE California - 3 LLC	Retail	32,927,132	1.78%
8 Grand Prix Belmont LLC	Hotel	31,473,548	1.70%
9 875 Woodside LLC	Residential Multi-Family	25,864,728	1.39%
10 SSL Landlord LLC	Residential Senior Living	25,238,758	1.36%
Total		<u>\$432,702,007</u>	<u>23.33%</u>
Secured taxable value		<u>\$1,854,734,643</u>	

(1) The secured taxable value of the Project Area for fiscal year 2021-2022 is \$1,854,734,643.

Source: City of Belmont and County of San Mateo Assessor's Office.

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

To the Honorable Members of the City of Council
City of Belmont, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the City of Belmont, California, as of and for the year ended June 30, 2022, and have issued our report thereon dated November 3, 2022. Our report includes a reference to other auditors who audited the financial statements of the San Mateo Consolidated Fire Department (SMC Fire) as of and for the year ended June 30, 2021, related to the calculation of the Investment in Joint Venture, as described in our report on the City's financial statements. Our report also includes an emphasis of a matter paragraph disclosing the implementation of new accounting principles.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

We have also issued a separate Memorandum on Internal Control dated November 3, 2022, which is an integral part of our audit and should be read in conjunction with this report.

Purpose of this Report

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



Pleasant Hill, California
November 3, 2022