

STATE OF CALIFORNIA
CITY OF SIMI VALLEY
ANNUAL COMPREHENSIVE
FINANCIAL REPORT 2020-21

FISCAL YEAR ENDED JUNE 30, 2021



CITY OF SIMI VALLEY

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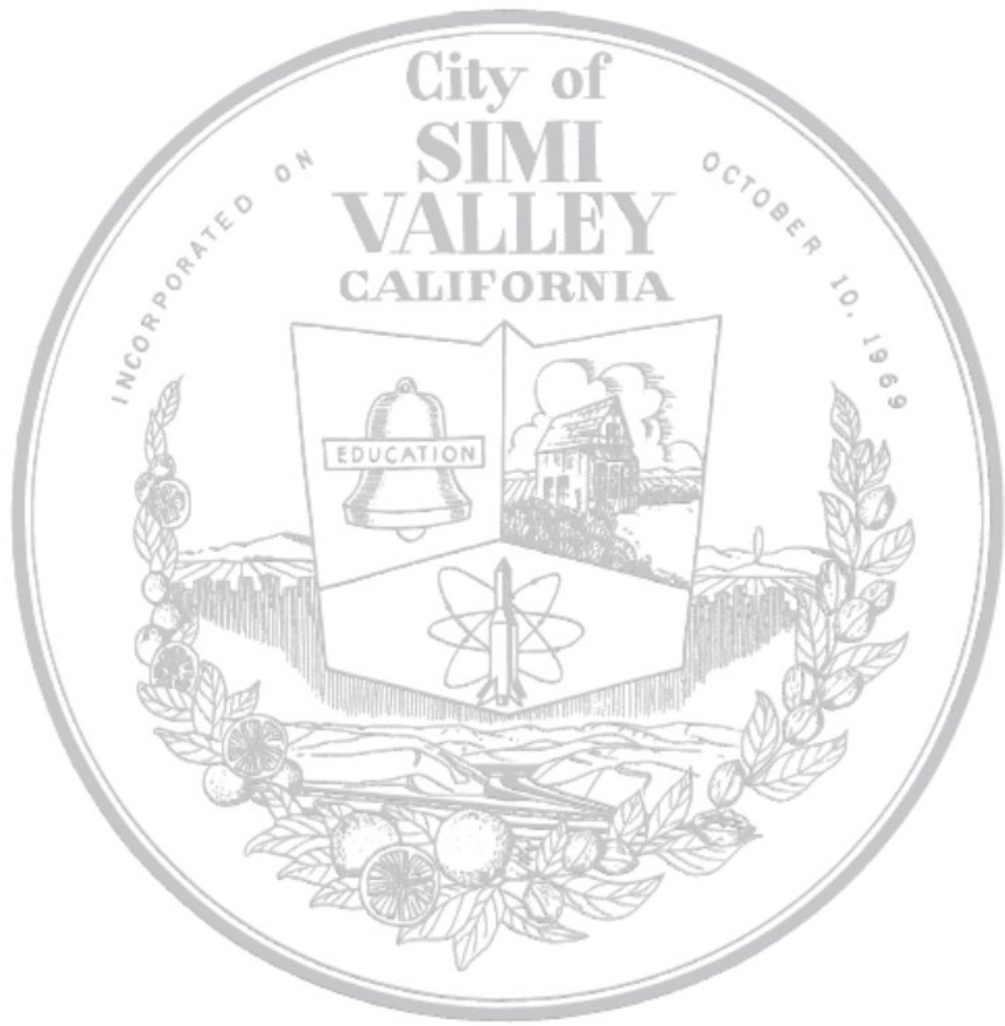
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INTRODUCTORY SECTION



March 31, 2022

To the Honorable Mayor, Members of the City Council, and City Manager of the City of Simi Valley, California

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Simi Valley for the fiscal year ended June 30, 2021.

This report consists of management's representations concerning the finances of the City. Accordingly, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. The cost of internal controls should not outweigh their benefits; therefore, the City's comprehensive framework of internal controls is designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

Vasquez & Company LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the year ended June 30, 2021, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2021, are fairly presented in conformity with GAAP. The independent Auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City’s separately issued Single Audit Report.

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

Profile of the City of Simi Valley

The City, incorporated in 1969, has a population of 129,985 and is the third largest of Ventura County’s ten cities. It is located on the County’s southeastern border, nestled between the Santa Susana Mountains and the Simi Hills. The City, which covers a land area of 42.4 square miles, has a mean elevation of 765 feet.

The City operates under the Council-Manager form of government. The City’s four Council Members are elected by District to staggered four-year terms. This election system divides the City into four geographic sections. Voters in each District select one Council representative who also lives in that District. The by District election process began with the November 2020 election for District 1 and 3; Districts 2 and 4 will follow in 2022. Prior to the November 2020 election, Council Members were elected at large to staggered four-year terms. The City’s Mayor is elected at-large every two years. The Mayor presides over Council meetings and has one vote. Council Members also serve as Board Members of the Ventura County Waterworks District No. 8, Directors of the Simi Valley Public Facilities Financing Authority, and as Board Trustees for the Simi Valley Public Library.

The City Council appoints both the City Manager and the City Attorney. The City Manager heads the executive branch of the government, implements City Council directives and policies, and manages the administration and operational functions through the various department heads. The City Manager is responsible for the appointment of department heads and the City Clerk, and serves as the City Treasurer.

Four operating departments report to the City Manager: Police, Public Works, Administrative Services, and Environmental Services. The Simi Valley Public Library, Cultural Arts Center and Senior Center all operate under the umbrella of City Administration. The City has its own sanitation division that collects and treats wastewater. Certain potable and reclaimed water services are provided through the legally separate Ventura County Waterworks District No. 8, which functions, in essence,

as an agency of the City and therefore has been included as an integral part of the City's financial statements. The City also provides transportation services via the Simi Valley Transit system. The County of Ventura provides fire, paramedic, and animal regulation services. The Rancho Simi Recreation and Park District, an independent special district, provides leisure service facilities and activities.

The annual budget serves as the foundation for the City's financial planning and control. The budget also contains detailed goals and objectives, a working financial plan, and financial projections for the departments and agencies that comprise the City's governmental structure.

The City reports on a fiscal year basis from July 1 to June 30. Departments and agencies submit current draft proposed budgets, requests for budget increases (Policy Items), requests for replacement of equipment items (Capital Asset Requests), and possible budget reductions (Reduction Proposal) to the Budget Officer in February. The City Manager's Office conducts a series of budget review meetings with departments and agencies in late March. The City Manager then provides a Proposed Budget and Draft Five-Year Capital Improvement Program to the City Council for review in mid-May. A citizen participation meeting is held for public review and comment on the Proposed Budget.

The City Council conducts one or more budget hearings during the month of June, modifies the Proposed Budget and Draft Five-Year Capital Improvement Program as appropriate, and adopts the Annual Budget and Five-Year Capital Improvement Program no later than June 30. The City Council is committed to a budget process that is open and clear to the public and which provides for public input.

Expenditures are budgeted at the line-item level according to fund and operational area. Overall budgetary control, however, is exercised at the fund level (legal level of budgetary control, that is, the level at which management cannot overspend the budget without the approval of the governing body), except for the City's General Fund, where control is exercised at the department level. The City Council has the legal authority to amend the budget at any time during the fiscal year. The City Manager is also authorized to make administrative amendments to the budget within a fund and between departments within that fund.

Interim financial reports can be generated on demand by operating departments. In addition, financial reviews are to be prepared and submitted to the City Council at the end of the second quarter (mid-year) of each fiscal year and are available for public review in advance of their presentation at regularly scheduled City Council meetings. Interim financial reports can be made available to the general public upon request. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund and major special revenue funds, this comparison is presented in the *Basic Financial Statements* section of this report. For other governmental funds with appropriated annual budgets, this comparison is presented in the *Supplementary Information* section.

Factors Affecting Financial Condition

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

Local Economy. Fiscal Year 2020-21 locally generated revenues from property, sales, franchise, business, and other taxes increased by \$2.6 million or 3.9%, over the prior fiscal year, primarily driven by an increase in sales tax.

As with the rest of the world, the City was greatly impacted by the pandemic. Fortunately, the City does not depend on elastic revenue sources and is mostly funded through property and sales taxes. These revenue sources, coupled with the conservative budget practices of the City Council has allowed the City to remain in a strong and stable condition.

The local unemployment rate as of June 30, 2021 was 6.1%, which is a 6.4% decrease from the 12.5% unemployment rate reported in the previous fiscal year. The year over year decrease directly relates to the COVID-19 pandemic recovery, which caused the unusual spike in unemployment for the previous fiscal year. The City's commercial and industrial base continues to be diverse. Major industries with headquarters or divisions located within the City's boundaries, or in close proximity, include retail sales, real estate lending, health care, computer hardware, and light manufacturing.

Residential development activity in the City continues, reflective of the Governor and State Legislature's state-wide housing production mandates. The number of units produced are expected to decline from fiscal year 2020-21. Some contributing factors toward slowing of housing production would include prolonged COVID-19 pandemic, and unprecedented intensity and range of material cost increases, supply-chain disruptions, and worker shortages. Nevertheless, the City continues to have modest additions to its property tax roll through the ongoing appreciation to the residential market values and increases in sales tax as brick-and-mortar retailers rebound.

The production of housing units continues with single-family homes in various subdivisions including the Enclave, Pinehurst, Fountain Wood, the Westerly, and the Woodlands. Additionally, production of multi-family apartments and condominiums throughout various under-utilized infill sites (along Patricia Avenue, Heywood Street, Sycamore Drive, and Los Angeles Avenue). Furthermore, growing demand of building permits for Accessory Dwelling Units peppered throughout the City contributes to the variety the City's housing stock. As the City is approaching General Plan buildout, undeveloped accessible land on the valley floor is rare. Concurrently, the community's wish to preserve and protect Simi Valley's hillsides though the Hillside Performance Standards is guiding the continued development of underutilized and nonconforming properties found on the valley floor. As a result, new and future development proposals will likely be inward, upward, and with intensified density.

Long-term Financial Planning. The City's population has remained virtually unchanged, reflecting a nominal increase over the prior reporting year. Turnover in the real estate market is continuing, thus further additions to the City's property tax roll are anticipated over time. In the current year, however, the increasing property tax base was offset by property tax payers who were financially affected by the pandemic. The net impact of these two factors resulted in a decrease of property tax revenue of around \$1.0 million, or 2.6%.

The State's recent response to the housing crisis mandates the City, and all local municipalities, to zone and stimulate housing production at a level that could reach the City's General Plan build-out. As a result, development revenues could continue to increase through housing production in the coming years. This is beyond the projects that are currently under construction (The Westerly with 211 condominium units; Pinehurst with 24 single-family ownership units; Fountain Wood with 13 single-family ownership units; Vintage Sycamore Senior Apartments with 99 rental units; Sycamore Landing Apartments with 212 rental units; Stow Villas Condominiums with 16 single-family ownership units; Vantage Apartments with 54 rental units), large mixed-use projects that are approved (Santa Susana Project with 280 apartment units and 4,750 square feet of commercial retail space; Tapo-Alamo Street Project with 278 apartment units and 8,000 square feet of commercial retail space; The Enclave Community with 164 townhomes and 6,000 square feet of commercial space), large projects pending entitlement actions (184-unit Lost Canyons Master Planned residential development; 138-unit senior condominiums and 25 custom single-family units at the Woodlands; 210-unit North Canyon Ranch residential development), and various in-fill developments that were approved and currently in plan check or under construction.

The City updates the Five-Year General Fund Financial Projection formally each year and informally throughout the year in an effort to identify and address these structural issues while continuing to maintain sufficient cash reserves and providing quality service to residents into the future without the need for significant additional local revenues. Beginning with the FY 2020-21 Budget and again with the FY 2021-22 Budget, the projection shows that the City is structurally balanced. Furthermore, the Budget Policies were updated during FY 2019-20 and now require the development of a structurally balanced budget.

The City also fared much better through the first year of the pandemic than anticipated. As part of the FY 2020-21 Budget, the City adjusted revenues to be more conservative in expectation of significant impacts to the economy. The City Council established the COVID-19 Recovery Fund of \$6 million to assist with operations should the economy cause revenues to fall below budget, which was ultimately not needed. The City made significant reductions to Sales Tax revenue projections due to retail and restaurant closers and reduced vehicle travel resulting in reduced fuel sales. However, consumers quickly shifted their shopping patterns and embraced on-line sales opportunities. Restaurants adjusted to on-line orders through third-party companies and ramped up take-out food options. And although it was anticipated that vehicle sales would see large reductions, new vehicle sales were down only 10% and the sales of recreational vehicles

grew by 40% during calendar year 2020. Collectively, these adjustments resulted in higher than projected sales tax revenue. The City is cautious however with the significant shift to on-line sales. In brick-and-mortar purchases, the City receives its full share of sales taxes paid on each transaction. On-line sales result in the City receiving only a share of sales taxes paid. This could result in lower sales tax revenue and City staff continue to monitor this phenomenon.

Furthermore, activity in the housing and the commercial real estate market has increased to levels not seen since before the Great Recession. Because there is a year lag in real estate transactions converting to increases in property tax revenue, the FY 2021-22 Adopted Budget includes property tax growth assumption of 4%, but that could easily be eclipsed based on the rapid growth in home values, which does not appear to be abating anytime soon. Further, the City experienced an unusually large number of homeowners investing in their property during the year, which will also generate increased assessed value and resulting property tax revenue increases. While these revenue increases are welcomed, they are not assumed to be a long-term trend and a softening can occur.

The American Rescue Plan Act (ARPA) is estimated to provide the City with nearly \$15.3 million, to be distributed over two fiscal years and must be spent by December 31, 2026. These funds are to be used for COVID-19 response and to strengthen public services and will be spent in accordance with the regulations established by the U.S. Department of Treasury for their use.

In the near term, there are inflationary pressures in COVID-19 sensitive sectors as well as supply chain issues. Computer chips are in short supply, which has the potential to disrupt a lot of industries, including the automotive industry. Lumber, steel, and concrete shortages have already begun affecting the construction industry and could impact the finances of housing projects. Labor shortage issues are currently impacting many business sectors and employers are experiencing challenges rebuilding their workforce. Furthermore, the Federal Reserve continues to print more money to stabilize the economy. It is unclear if these issues will ultimately have a negative impact on Simi Valley, but we will continue to monitor closely.

Also of significance, the City of Simi Valley weathered the COVID-19 storm fully supportive of City employees. Unlike many other communities across the United States, including some in Ventura County, City employees did not experience furloughs and no City employees were laid off, with the exception of the City's Crossing Guard team who were brought back to work as soon as schools reopened.

The City's forecast includes projections for most revenue types with a 1% - 3.3% per year inflationary growth. Projections on the expenditure side include 3% growth in personnel costs, a 2% growth in materials and supplies based on a combination of past experience and an inflationary growth, and inflationary growth for most other expenditure types. These estimates result in small surpluses and structurally balanced budgets going forward.

The Five-Year General Fund Financial Projection will continue to be utilized to provide a road map of the long-term actions necessary to address structural budget issues, even when the level of General Fund revenues is restored to previous levels.

Despite a challenging financial environment, the City continues to be fiscally conservative, maintaining a prudent set-aside amount in committed fund balance, which equals 17% of the General Fund expenditure budget. Overall, the City has a total ending General Fund Balance of \$70.3 million. A very healthy and stable position.

The total debt of the City is currently \$68.6 million, decreasing from \$70.4 million in the prior year. The decrease is attributed to \$1.8 million of debt service payments made throughout this fiscal year.

The total debt of the Successor Agency to the CDA, reported in the fiduciary funds, is \$16.2 million, with debt service requirements of approximately \$2.1 million per year (principal and interest), which are now paid through the County Redevelopment Property Tax Trust Fund (RPTTF).

Financial Policies. Actuals for the fiscal year resulted in a General Fund operating surplus of \$17,921,056. The City intends to develop structurally balanced budgets that will put the organization a strong financial foundation. Programs and services will need to be analyzed and prioritized in order to maintain balance. The most significant fiscal issues include but are not limited to infrastructure, unfunded pension liability, deferred maintenance, and replacement of aging radio system. The City's landscape assessment districts continue to be subsidized by the General Fund.

Major Initiatives

- Create a new website for the City that improves communication to residents and businesses.
- Evaluate the City's fleet and develop a fleet utilization plan that addresses type and mode of power needed for the City's future.
- Continuing with implementation of the next phase of the integrated Enterprise Resource System expecting the permitting module and the human resources, payroll module to be live in FY 2021-22.
- Increasing the investment in City infrastructure through ongoing and one-time revenue sources. This will be a long term plan to incrementally increase funding levels.
- Energy efficiency improvement projects at the Water Quality Control Plant.
- Implement power efficiency and backup systems at all City facilities.
- Implement transit regional mobile fare payment and smart card for riders to easily transfer from other neighboring cities for Ventura County Transportation Commission.

Recent and Planned Changes

- Upgraded the audiovisual equipment in the Council Chamber for improved and increased public participation.
- Completed a sanitation rates study and adopted new rates.
- Prepared a comprehensive analysis of signalized intersections vulnerable to Public Safety Power Shutdowns and other outages, reviewed alternatives for mitigation, and presented to and received approval from City Council for installation of battery backup systems.
- Retrofitted Metrolink parking lot lights with energy saving LED lights.
- Conducted public meetings via online video platforms for more public engagement and transparency.
- Secured over \$290,000 in State funding to provide homeless prevention and rapid rehousing support to Simi Valley residents through a local social service provider.
- Implemented the use of digital signatures for City contracts during the COVID-19 pandemic, which resulted in significantly quicker signature turnaround times.

Gann Appropriations Limitation. Article XIII B of the State of California Constitution sets limits on the amount of tax revenues that the City can appropriate within a given fiscal year. Only tax proceeds are subject to the limit. Charges for services, regulatory fees, grants, loans, donations, and other non-tax proceeds are not subject to the limit. Exemptions are also made for voter-approved debt and debt that existed prior to January 1, 1979, and for the cost of compliance with Court or Federal government mandates. Fiscal Year 1978-79 appropriations serve as the basis for this limit, with adjustments being made annually to reflect increases in population, the cost of living, and service responsibility transfers. The City's appropriations limit for the fiscal year ended June 30, 2020, was \$82,669,626. Actual tax revenues subject to this limit and received and appropriated during the fiscal year were well under this amount.

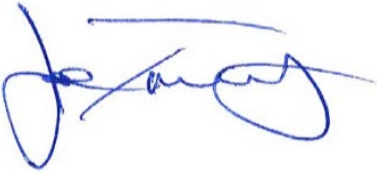
Awards and Acknowledgements. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2020. This was the 41st consecutive year (fiscal years ended 1980-2020) that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government agency must publish an easily readable and efficiently organized ACFR. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes that its current ACFR continues to meet the Certificate of Achievement Program's requirements and is submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Fiscal Services and Administration Division. I would also like to express my appreciation to all members within various City departments who assisted with the preparation of this report, and to Vasquez and Company LLP, the City's independent auditors, who also contributed to its preparation.

Additionally, I would like to thank the Mayor, City Council Members, and City Manager for their continued direction and support in planning and conducting the financial operations of the City in a progressive and responsible manner.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Joseph D. Toney". The signature is fluid and cursive, with a prominent initial "J" and a long horizontal stroke extending to the right.

Joseph D. Toney
Administrative Services Director

OFFICIALS OF THE CITY OF SIMI VALLEY
(as of June 30, 2021)

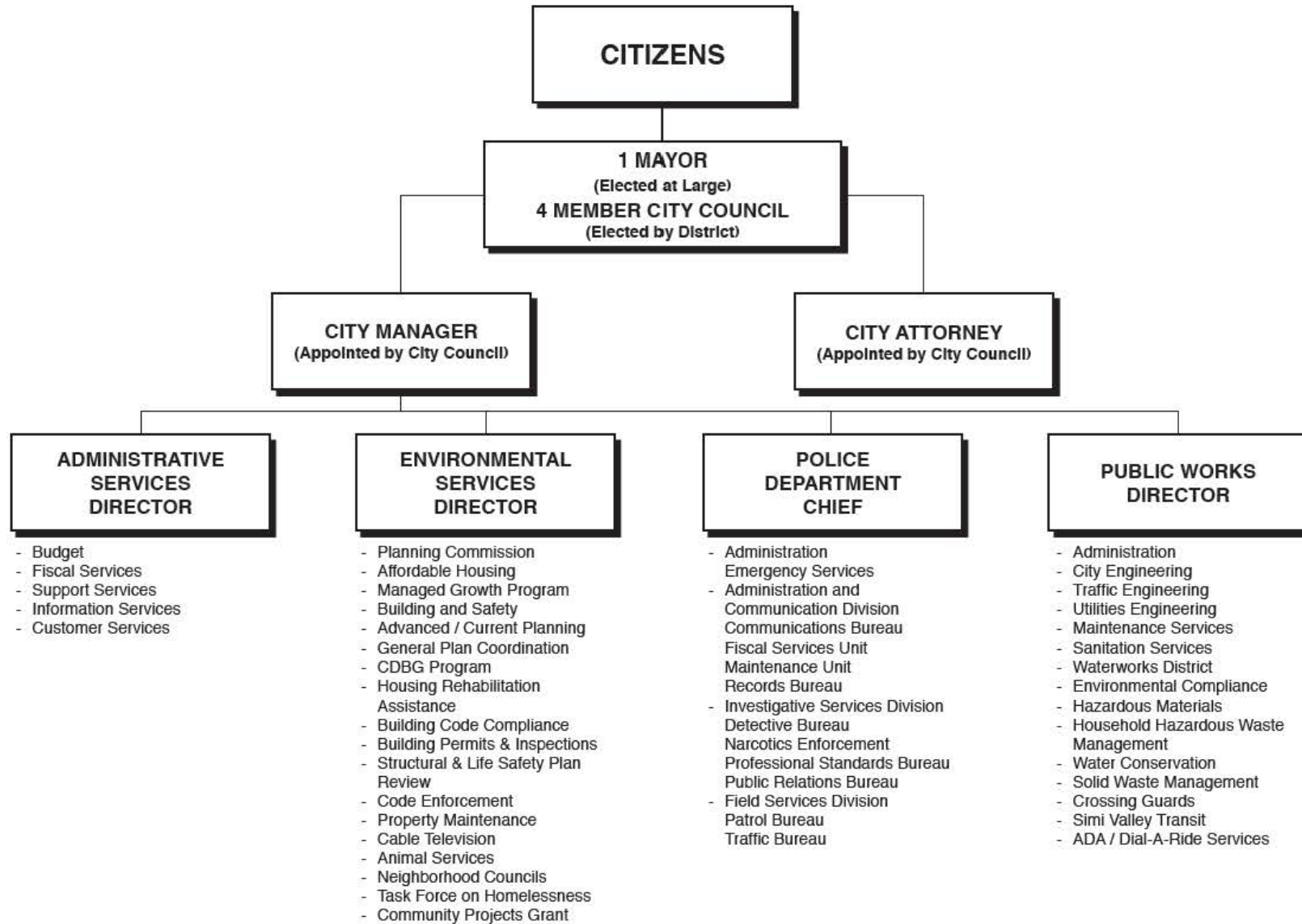
Members of the City Council

KEITH MASHBURN, Mayor
DEE DEE CAVANAUGH, Mayor Pro Tem
MIKE JUDGE, Council Member
RUTH LUEVANOS, Council Member
ELAINE LITSTER, Council Member

Administrative Staff

Brian P. GablerCity Manager
David L. Caceres Interim City Attorney
Joseph D. Toney Administrative Services Director
Stratis Perros Environmental Services Director
Ron Fuchiwaki Public Works Director
David Livingstone..... Chief of Police

ORGANIZATION of the City of SIMI VALLEY





Government Finance Officers Association

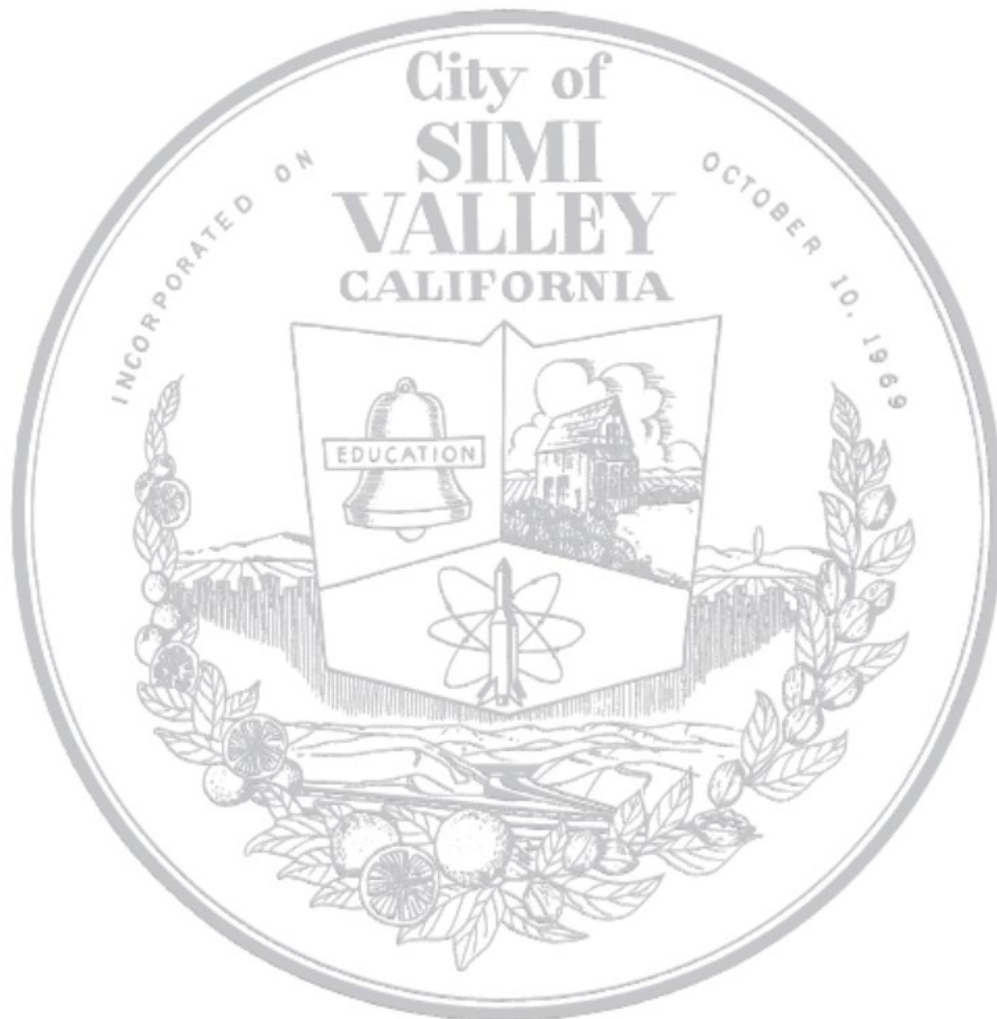
Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Simi Valley
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020



FINANCIAL SECTION



***Independent
Auditors' Report***



Independent Auditor's Report

**The Honorable Mayor and Members of the City Council
City of Simi Valley, California**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Simi Valley, California (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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



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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Simi Valley, California, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and SHA to Community Development Agency Housing Administration Special Revenue Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 20 and the required supplementary information on pages 98 through 103 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in



an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

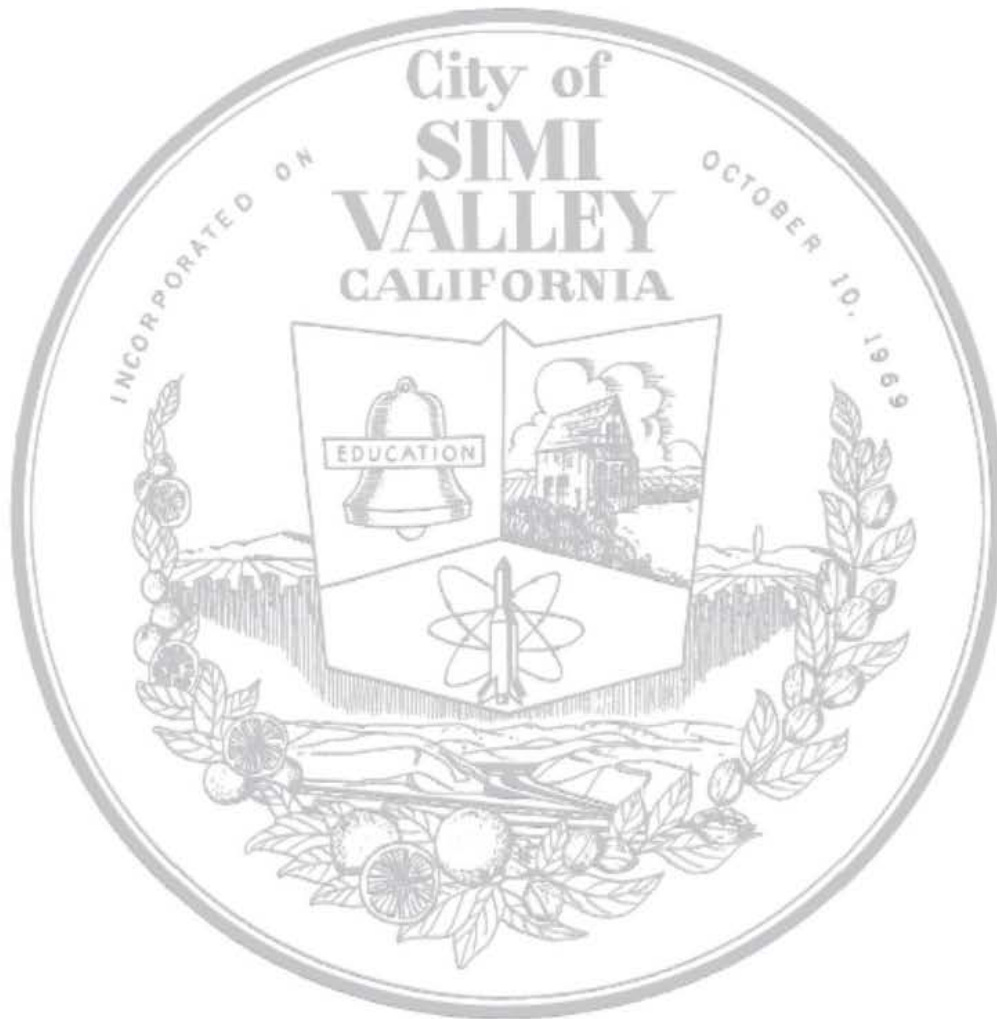


Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2022, on our consideration of the City of Simi Valley's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

**Glendale, California
March 31, 2022**

Management's Discussion and Analysis (UNAUDITED)



City of Simi Valley Management's Discussion and Analysis (UNAUDITED)

The management of the City of Simi Valley provides this narrative overview and analysis of the financial activities of the City of Simi Valley for the fiscal year ended June 30, 2021. Please consider this information in conjunction with additional information that has been furnished in the letter of transmittal, which is located in the *Introductory Section* of this report.

Financial Highlights

- At the close of the fiscal year, the assets and deferred outflows of the City exceeded its liabilities and deferred inflows by \$385,505,365.
- The City's total net position increased by \$25,504,845. This amount was comprised of a \$11,570,945 decrease in net investment in capital assets, a \$19,035,337 increase in the restricted net position category, and a \$18,040,453 decrease in unrestricted net deficit. As a result of the COVID pandemic and the related fiscal stimulus response from the U.S. Government, grant revenues increased this year by approximately \$8.3 million. Meanwhile, City tax revenue sources, including property, sales, franchise, business, and other taxes held strong, resulting in a combined increase this year of approximately \$2.6 million. Charges for services also increased this year by approximately \$12.7 million, primarily driven by water rate and usage increases. This had a large positive impact to the City, as revenue forecasts were conservatively made for this fiscal year, due to concerns about the pandemic's potential negative impact to City revenues.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$122,283,140, an increase of \$26,296,564 in comparison with the prior year. Of the ending fund balance, approximately 4.9% or \$5,971,366 is Non-spendable in form; 34.0% or \$41,607,872 is Restricted for housing programs, public improvements, streets & transportation, landscape zones, debt service obligations, special programs, and law enforcement; 30.2% or \$36,915,595 is Committed to street projects, retiree benefits, special programs, equipment replacement, economic recovery, and the prudent reserve; 31.3% or \$38,297,703 is Assigned to capital projects; and (0.4%) or (\$509,396) is Unassigned.
- At the end of the current fiscal year, the *Prudent Reserve* established by the City Council totaled \$14,019,727. This portion of Committed fund balance for the General fund is equal to 17% of budgeted General fund expenditures, including transfers out.
- The City of Simi Valley's total liabilities increased by approximately \$5.4 million during the current fiscal year. This increase is mostly attributable to increases in the net pension liability (\$5.5 million). See Notes section IV D for additional information regarding the City's pension plans.

**CITY OF SIMI VALLEY • MANAGEMENT’S DISCUSSION AND ANALYSIS
(UNAUDITED)**

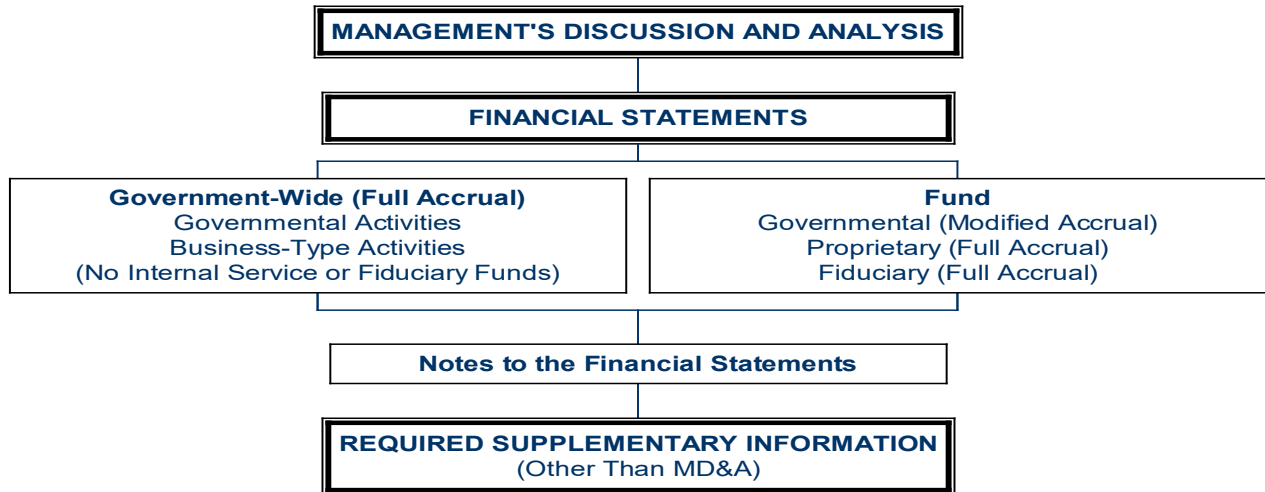
Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City’s basic financial statements. The basic financial statements include three components:

- 1) Government-wide financial statements,
- 2) Fund financial statements, and
- 3) Notes to the financial statements.

In addition, this report contains *Required Supplementary Information*, *Supplementary Information*, and *Statistical Information*.

The following diagram displays the interrelationships of this report.



Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private-sector business. The City has presented information from prior years in this letter for comparative purposes.

The *statement of net position* presents information on all of the City’s assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial standing of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. 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., uncollected taxes and earned but unused vacation leave).

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
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The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, community services, planning, public ways and facilities, and public safety. The business-type activities of the City include a Sanitation fund, a Waterworks District, and a Transit fund.

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

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

The City maintains over 70 individual governmental funds and sub-funds in its financial system and presents them grouped by related activities as 3 major and 23 non-major separate governmental funds for this report. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the three major funds: the General fund, the Successor Housing Agency to Community Development Agency Housing Administration fund, and the Streets and Roads fund. Data from the other 23 governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the *Supplementary Information* section of this report.

**CITY OF SIMI VALLEY • MANAGEMENT’S DISCUSSION AND ANALYSIS
(UNAUDITED)**

The City adopts annual appropriated budgets for the General fund, proprietary funds and all special revenue funds. Project-length budgets are adopted for the capital project funds. A budgetary comparison statement has been provided for the General fund and the major special revenue funds to demonstrate compliance with the budget. Budgetary comparison schedules are also provided for the budgeted non-major special revenue funds in the *Supplementary Information* section.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in government-wide financial statements. The City uses enterprise funds to account for its sanitation, waterworks, and transit operations. *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 liability insurance and workers’ compensation insurance operations, as well as the geographical information and permitting operations systems, and the financial information systems operations. Because the internal service operations predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements except for any residual balances outstanding between the governmental activities and business-type activities which are reported in the government-wide financial statements as “internal balances.”

Proprietary funds provide the same type of information as the government-wide financial statements, but in greater detail. The proprietary fund financial statements provide separate information for the sanitation, waterworks, and transit operations, all of which are considered major funds of the City. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the *Supplementary Information* section of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City holds these funds in a custodial capacity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City’s programs. A combining statement of changes in net position of fiduciary funds is provided in the *Supplementary Information* section of this report.

The City accounts for and reports upon four fiduciary fund-types, Pension Trust fund, OPEB Trust fund, Private-Purpose Trust fund and the Custodial funds. Custodial funds account for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, or other governments. The Private Purpose Trust fund accounts for the assets, deferred outflow of resources, and liabilities of the former Community Development Agency and its allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated. The Pension Trust fund accounts for the assets related to the City’s Public Agency Retirement Services (PARS) Retirement plan. The OPEB Trust fund accounts for the assets, contributions, administration expenses, and benefit payments related to the City’s other postemployment retiree benefits plan.

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
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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.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City's progress in funding its obligation to provide pension and postemployment benefits to its employees.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Simi Valley, assets and deferred outflows exceeded liabilities and deferred inflows by \$385,505,365 at the close of the most recent fiscal year.

A significant portion of the City's net position (87.5%) reflects its net investment in capital assets (land, buildings, infrastructure, machinery and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investments in capital assets are reported net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (22.9%) represents resources that are subject to external restrictions on how they may be used. The remainder of the City's net position represents unrestricted net position. Unrestricted net position is in a negative position (deficit) due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68 in Fiscal Year 2014-15 and GASB Statement No. 75 in Fiscal Year 2017-18. As a result of GASB 68 and GASB 75, all local governments must now recognize on their statements of net position the full impact of the local government's unfunded pension and other postemployment liabilities. These liabilities are long-term in nature and repayment is factored into future year funding contributions to be made to the trusts as determined by plan actuaries.

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**City of Simi Valley's Net Position
June 30, 2021 and 2020**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$ 174,784,131	\$ 147,632,452	\$ 112,668,213	\$ 110,169,280	\$ 287,452,344	\$ 257,801,732
Capital assets	238,372,884	246,108,147	148,000,879	139,278,603	386,373,763	385,386,750
Total assets	<u>413,157,015</u>	<u>393,740,599</u>	<u>260,669,092</u>	<u>249,447,883</u>	<u>673,826,107</u>	<u>643,188,482</u>
Deferred outflows	<u>32,484,992</u>	<u>36,365,497</u>	<u>5,191,915</u>	<u>5,037,406</u>	<u>37,676,907</u>	<u>41,402,903</u>
Long-term liabilities outstanding	221,480,111	218,434,835	68,255,364	67,355,955	289,735,475	285,790,790
Other liabilities	12,785,281	12,822,736	10,462,572	8,941,497	23,247,853	21,764,233
Total liabilities	<u>234,265,392</u>	<u>231,257,571</u>	<u>78,717,936</u>	<u>76,297,452</u>	<u>312,983,328</u>	<u>307,555,023</u>
Deferred inflows	<u>12,452,861</u>	<u>16,474,000</u>	<u>561,460</u>	<u>561,843</u>	<u>13,014,321</u>	<u>17,035,843</u>
Net position:						
Net investment in capital assets	203,826,589	209,763,040	133,644,109	139,278,603	337,470,698	349,041,643
Restricted	78,265,866	61,199,387	9,843,643	7,874,785	88,109,509	69,074,172
Unrestricted	(83,168,701)	(88,587,902)	43,093,859	30,472,607	(40,074,842)	(58,115,295)
Total net position	<u>\$198,923,754</u>	<u>\$182,374,525</u>	<u>\$186,581,611</u>	<u>\$177,625,995</u>	<u>\$385,505,365</u>	<u>\$360,000,520</u>

At the end of the current fiscal year, the City is able to report positive balances in two of the three categories of net position for the government as a whole, and for all categories of net position in its separate business-type activities. For the prior fiscal year, the City also reported positive balances in two of the three categories for the government as a whole. As noted above, the negative unrestricted balances associated with the current year are a result of accounting requirements for all local governments to now recognize their liability for unfunded pension and other postemployment benefits. Prior to this change in accounting standards, local governments were not permitted to report the full impacts of this liability on their statements of net position.

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

**City of Simi Valley's Changes in Net Position
Years Ended June 30, 2021 and 2020**

	Governmental Activities		Business-Type Activities		Total	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Revenues:						
Program Revenues:						
Charges for services	\$ 11,767,698	\$ 8,653,884	\$ 74,860,453	\$ 65,292,331	\$ 86,628,151	73,946,215
Operating grants and contributions	22,170,916	12,622,399	6,923,917	5,663,893	29,094,833	18,286,292
Capital grants and contributions	505,218	5,383,614	3,745,985	1,302,250	4,251,203	6,685,864
General Revenues:						
Property taxes	37,990,791	39,014,593	-	-	37,990,791	39,014,593
Other taxes	31,217,155	27,593,307	-	-	31,217,155	27,593,307
Interest on investments	699,791	2,973,992	(156,009)	2,418,455	543,782	5,392,447
Other	-	-	155,039	86,638	155,039	86,638
Total revenues	<u>104,351,569</u>	<u>96,241,789</u>	<u>85,529,385</u>	<u>74,763,567</u>	<u>189,880,954</u>	<u>171,005,356</u>
Expenses:						
General government	25,475,510	27,673,710	-	-	25,475,510	27,673,710
Community services	6,249,470	6,281,439	-	-	6,249,470	6,281,439
Planning	6,613,359	3,745,723	-	-	6,613,359	3,745,723
Public ways and facilities	19,861,510	23,538,052	-	-	19,861,510	23,538,052
Public safety	37,445,831	36,691,093	-	-	37,445,831	36,691,093
Interest on long-term debt	1,356,832	1,466,885	-	-	1,356,832	1,466,885
Indirect expense allocation	(8,033,300)	(7,698,716)	8,033,300	7,698,716	-	-
Sanitation	-	-	15,702,385	14,189,784	15,702,385	14,189,784
Waterworks District No. 8	-	-	45,207,672	40,102,922	45,207,672	40,102,922
Transit	-	-	6,515,024	7,068,484	6,515,024	7,068,484
Total expenses	<u>88,969,212</u>	<u>91,698,185</u>	<u>75,458,381</u>	<u>69,059,905</u>	<u>164,427,593</u>	<u>160,758,090</u>
Change in net position before transfers and contributions	15,382,357	4,543,604	10,071,004	5,703,662	25,453,361	10,247,266
Transfers	1,115,388	(1,353,309)	(1,115,388)	1,353,309	-	-
Contributions from other governments	51,484	52,160	-	-	51,484	52,160
Change in Net Position	<u>16,549,229</u>	<u>3,242,455</u>	<u>8,955,616</u>	<u>7,056,971</u>	<u>25,504,845</u>	<u>10,299,426</u>
Net position - beginning of the year	182,374,525	179,132,070	177,625,995	170,569,024	360,000,520	349,701,094
Net Position - ending	<u>\$ 198,923,754</u>	<u>\$ 182,374,525</u>	<u>\$ 186,581,611</u>	<u>\$ 177,625,995</u>	<u>\$ 385,505,365</u>	<u>\$ 360,000,520</u>

During the current fiscal year, City-wide revenues increased by \$18.9 million, and expenses increased by \$3.7 million as compared to the prior year. The combination of these amounts provided a net increase of \$15.2 million toward net position. Revenue categories with increases from the prior year consisted of charges for services (\$12.7 million), operating grants and contributions (\$10.8 million), taxes (\$2.6 million), and other revenues (\$68 thousand) offset by decreases in the categories of capital grants and contributions (<\$2.4 million), and investment earnings (<\$4.8 million). Property tax revenue decreased by \$1.0 million, and revenue for sales, franchise, business and other tax showed a combined increase of \$3.6 million.

Governmental Activities. Governmental activities increased the City's net position by \$16,549,229 as compared to an increase of \$3,242,455 in the prior year. This is an increase of \$13,306,774 million from the prior year.

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
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For governmental activities, total revenues increased by 8.4% from the prior fiscal year. Service charges increased by 36.0% (\$3.1 million) due to increases in building permits and plan check services (\$903 thousand), a large program participation fee receipt from the Runkle Canyon LLC senior housing agreement (\$775 thousand), and an increase in traffic impact fees collected from developers (\$613 thousand). Operating grants and contributions posted a significant increase of 75.7% (\$9.5 million) due to federal financial assistance passed through from the State of California from CARES Act funds (\$2.4 million), and additional federal financial assistance received directly from the U.S. Department of Treasury from the American Rescue Plan Act (ARPA) (\$7.7 million). Capital grants and contributions decreased by 90.6% (\$4.9 million) entirely due to a decrease in reimbursements for surface transportation grants, stemming from less reimbursable street related capital projects expenditures during the year. Property tax revenue decreased by 2.6% (\$1.0 million) due to the impact of the pandemic. Other taxes increased by 13.1% (\$3.6 million) mainly driven by an increase of sales tax revenue (\$3.1 million). Investment earnings decreased by 76.5% (\$2.3 million) due to rapidly decreasing investment yields and the decrease in fair market value of the securities in which the City invests (\$1.7 million).

General government expenses decreased by 7.9% (\$2.2 million). There were no primary drivers for this decrease, rather, it is an overall reduction of expenses resulting from conservative budgeting following the pandemic.

Community services expenses decreased by 0.5% (\$32 thousand). This reflects a relatively stable year of operational expenses as compared to the prior year. The minor decrease can be attributed to closure of the Cultural Arts Center during the fiscal year due to the pandemic.

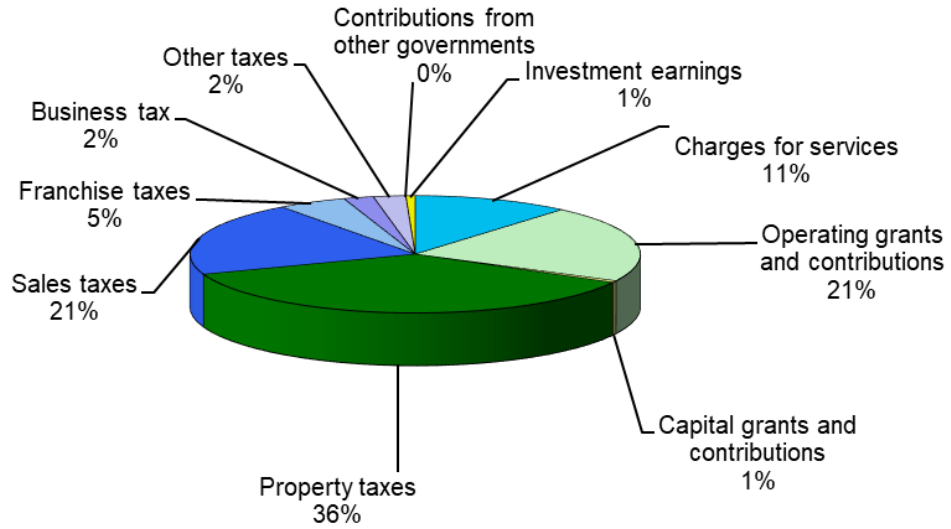
Planning expenses increased by 76.6% (\$2.9 million). A new development agreement loan for \$3.5 million was established in the prior fiscal year, reducing last year's planning expenses by this amount per the GASB 34 adjustment. There were no material similar items in this fiscal year, resulting in the inverse impact of the prior year adjustment for this loan. Upon further review, it was determined this prior year adjustment should have been made on the public ways and facilities line, which is where the related expense was recorded in the fund financials. This was offset by increases in pension and other post-employment expenses (\$639 thousand).

Public ways and facilities expenses decreased by 15.6% (\$3.7 million). As described above, a \$3.5 million developer loan was established in the prior year, causing an unusual increase of expenditures that year. No similar loans were established in this fiscal year, resulting in expenses decreasing by \$3.5 million. The remaining decrease amount can be attributed to reduced expenditures in the transportation special revenue fund (\$147 thousand).

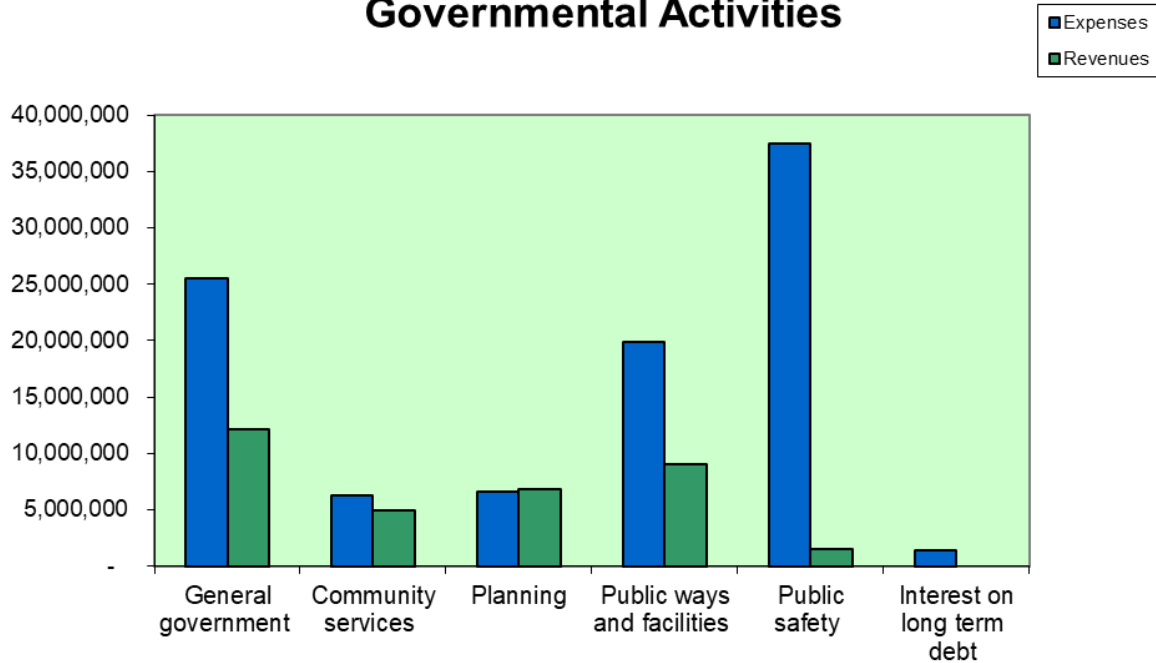
Public safety expenses increased by 2.0% (\$736 thousand) due to an increase in salary costs (\$680 thousand).

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
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Revenues by Source - Governmental Activities



**Expenses and Program Revenues
Governmental Activities**



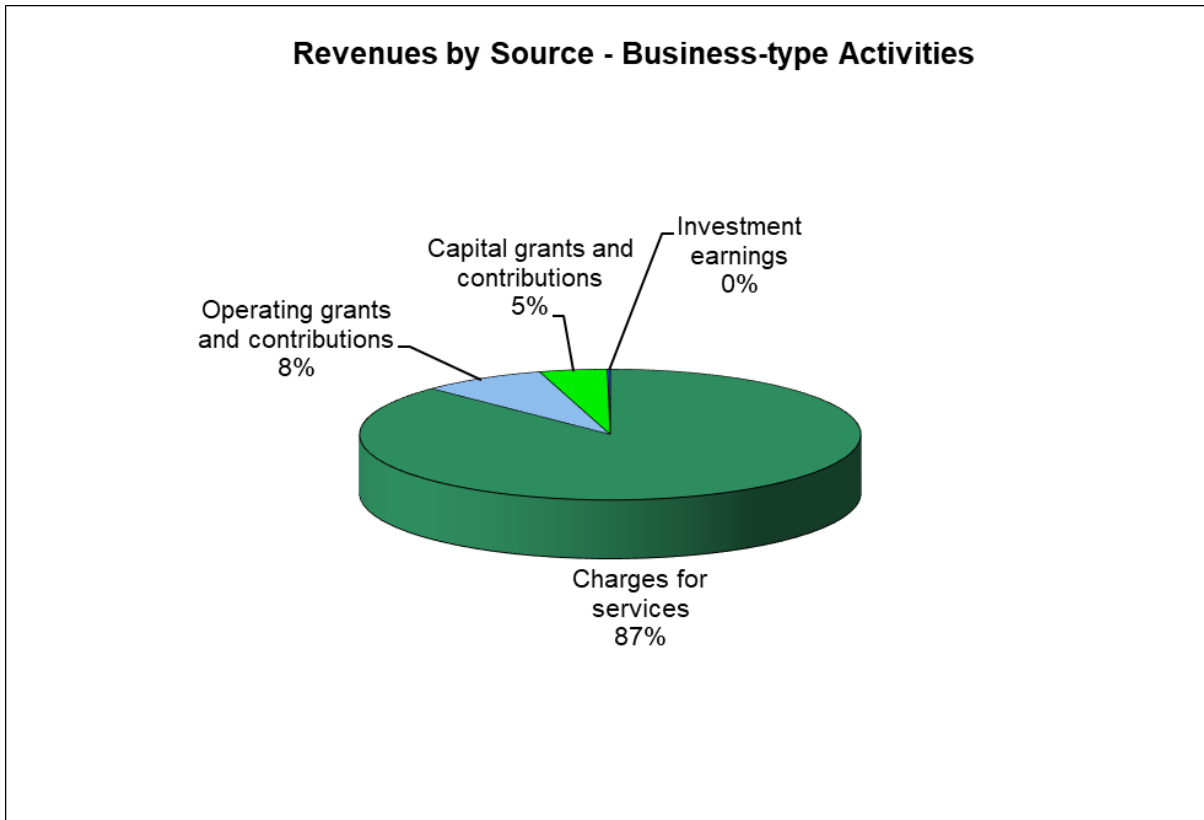
**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
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Business-type Activities. Business-type activities increased the City's net position by \$8,955,616 as compared to a \$7,056,971 increase in the prior year. Key elements for the changes in net position during the fiscal year are as follows:

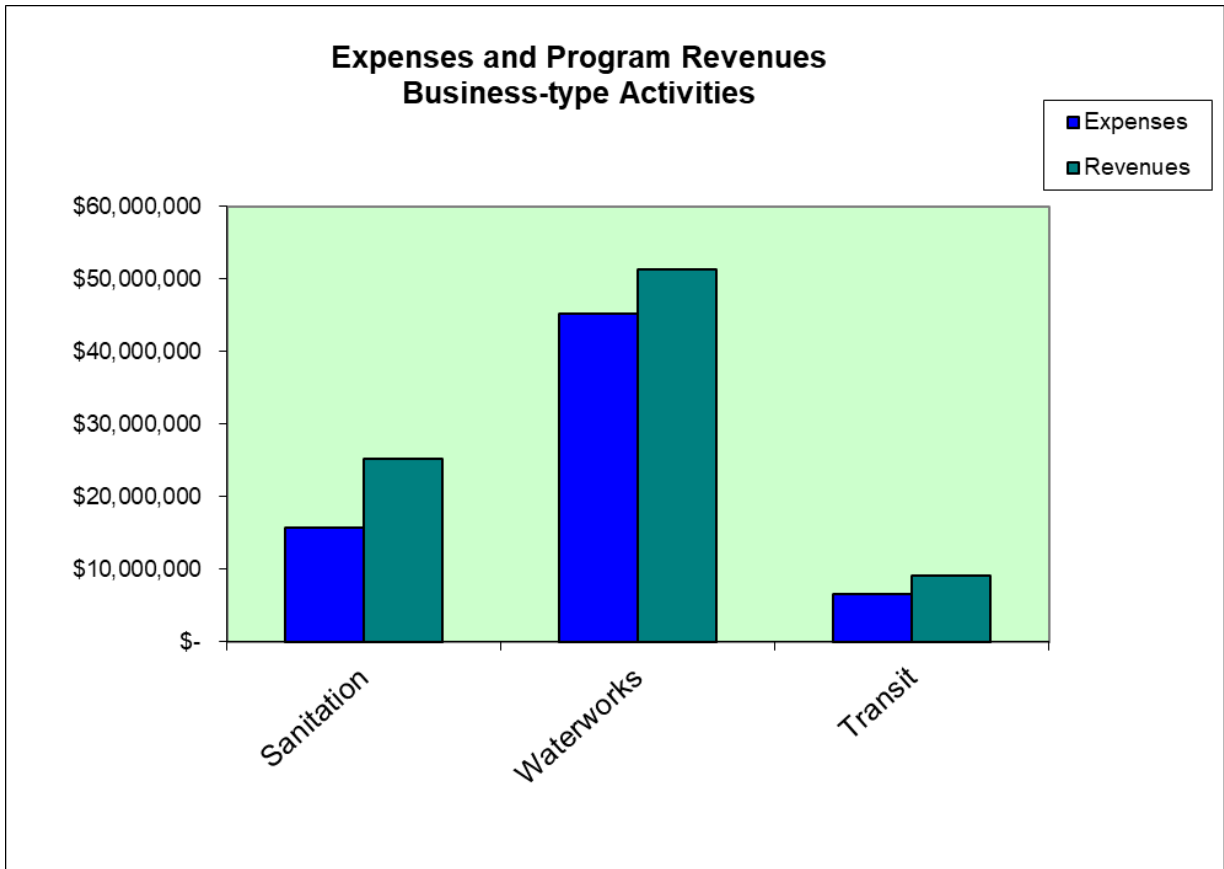
In comparison to the prior fiscal year, overall revenue, before transfers, increased by 14.4% (\$10.8 million). Charges for services increased by 14.7% (\$9.6 million) resulting from an increase in water rates and usage. There was an increase of 187.7% (\$2.4 million) in capital grants and contributions and a 106.5% (\$2.6 million) decrease in investment earnings. There was also an increase in operating grants and contributions of 22.3% (\$1.3 million).

Expenses increased by 9.3% (\$6.4 million) as compared to the prior fiscal year. A large portion of this increase comes from increased rates for water purchases in the Waterworks fund (\$5.1 million) and a decrease in transit operating expenses of 7.8% (<\$553 thousand). The enterprise funds also experienced a combined \$335 thousand increase in their equitable share of internal service fund operating income for the fiscal year.

The Transit operation is primarily funded by Federal and State grants. During this fiscal year, additional funding was provided through the Federal Transit Administration's CARES grant (\$4.2 million) and ARPA grant (\$2.2 million). This substantially reduced State funding used in this fiscal year, which is received and recorded in the Transportation special revenue fund until it is needed and transferred to Transit.



CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
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Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City's *governmental* funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is necessary in assessing the City's financing requirements. The following fund balance categories may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

- *Non-spendable* fund balance represents funds that are not immediately available to support government operations. Examples are inventory and long-term receivables that will not be converted to cash in the near future.
- *Restricted* fund balance has constraints imposed by external parties such as creditors, grantors, or contributors; legislation or regulations of other governments; or imposed by constitutional provisions.

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
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- *Committed* fund balance represents funds that can only be designated for specific purposes by formal City Council action. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal action taken to establish the commitment.
- *Assigned* fund balance is similar to Committed fund balance except that the City Council can authorize the City Manager to designate the funds for specific purposes. An example is budgeted line-item expenditures to which the City Manager has the authority to make administrative amendments, provided they do not have a significant policy impact or affect budgeted year-end fund balances.
- *Unassigned* fund balance is that portion of General fund balance that does not fall into any of the other fund balance categories. These funds are available for any legitimate government purpose and are customarily reported in the General fund. However, in governmental funds other than the General fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

At the end of the current fiscal year, the City's governmental funds reflect combined ending fund balances of \$122,283,140, an increase of \$26.3 million when compared to the prior year. Of this total amount, 4.9% (\$6.0 million) is *Non-spendable* in form, comprised of long-term receivables. Of the ending governmental fund balances, 34.0% (\$41.6 million) is *Restricted* for specific activities including housing programs, public improvements, streets and transportation, landscape, debt service, special programs, and law enforcement programs. Of the governmental fund balances, 30.2% is classified as *Committed*. \$22.9 million is *Committed* to street projects, retiree benefits, equipment replacement programs, and economic recovery. \$14.0 million is Committed to the General fund as a prudent reserve. The prudent reserve represents 17% (two months) of budgeted expenditures and transfers out. It is set aside for responses to catastrophic events such as earthquakes, fires, floods, civil disturbances, etc. 31.3% (\$38.3 million) of the fund balance is *Assigned* for Capital programs and improvements. (0.4%) or (\$509,396) of the fund balance is *Unassigned*.

The fund balance of the City's General fund increased by \$17.9 million during the current fiscal year, for a total ending balance of \$70.3 million. In comparison to last fiscal year, overall revenues in the General fund increased by \$11.7 million, expenditures and net transfers out increased by \$146 thousand. This reflects ongoing movement in a positive direction toward improvement in the overall fiscal health of the City.

The net change in the fund balance of the Successor Housing Agency (SHA) to Community Development Agency Housing Administration fund was an increase of \$344 thousand. As compared to last fiscal year, overall revenues and expenditures reflects nominal movement reflecting only slight activity in the affordable housing market.

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The fund balance of the Streets and Roads fund increased by \$398 thousand due mostly to a contribution from the Successor Agency that was approved as an enforceable obligation for street projects in the prior fiscal year. In general, budgeted projects in this fund are pre-funded with transfers from various funds. In addition, a significant portion of street expenditures is reimbursed by Federal grants. During this fiscal year, expenditures for street projects totaled \$590 thousand for both major and minor street projects that were completed, but associated grant funding was only \$292 thousand.

Proprietary Funds. The information provided below about the City's proprietary funds is similar to the information about Business-type Activities found in the government-wide financial statements, but by individual funds rather than in aggregate.

During fiscal year 2020-21, the Sanitation, Waterworks and Transit funds showed increases in net position of \$4,651,410, \$2,952,266, and \$915,152, respectively. Unrestricted net position of the Sanitation, Waterworks and Transit funds was \$31,965,192, \$16,417,802, and <\$4,949,762>, respectively. Other factors concerning the finances of these funds have been addressed in the discussion of Business-type activities above.

General Fund Budgetary Highlights

The General fund final amended expenditure budget of \$82.7 million was \$6.5 million greater than the original expenditure budget of \$76.2 million, the primary contributors of which can be briefly summarized as follows:

- \$600,000 was appropriated for new projects approved by City Council throughout the year, such as the purchase and training of two new K-9's, portable radios for the Police Department, and Police Department Grants.
- \$2.3 million was appropriated from CARES Act Grant dollars.
- \$700,000 was appropriated to cover the Leave Accrual.
- \$1.7 million in increases to overtime costs, supplies & services was appropriated from prior year commitments that were carried forward across all departments. The overtime costs are offset with available grant dollars.

Actual expenditures of \$71.6 million were \$11.1 million less than the General Fund final amended expenditure budget of \$82.7 million, mostly due to savings in Salaries & Benefits category of \$3.0 million and in Services and Supplies of \$3.5 million.

Actual revenues were \$11.1 million more than the final budgeted amount of \$78.5 million. Actual revenue from taxes and franchise fees, license and permits, grants and transfers in exceed the budgeted amount by \$15.2 million, while revenue from fines and forfeitures, service charges, from other governments, use of money and property and other miscellaneous sources was less than the final budgeted amount by \$4.1 million.

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Capital Asset and Debt Administration

Capital assets. The City of Simi Valley's investment in capital assets for its governmental and business type activities as of June 30, 2021, amounts to \$386,373,763 (net of accumulated depreciation). This is an increase of \$987,015 as compared to the prior year.

The investment in capital assets includes land, plant and buildings, furnishings and equipment, computers and software, vehicles, and infrastructure consisting of roads and highways, and water and sewer distribution systems.

Major capital asset events during the current fiscal year included the following:

- \$5.7 million in street projects were completed
- \$4.7 million in general government building improvement projects were completed (\$795 thousand for security upgrades, \$2.2 million for HVAC upgrades, \$1.8 million for LED lighting upgrades)
- \$1.4 million phone system upgrade was completed
- Three transit buses for fixed route services were replaced totaling \$1.5 million
- \$1.6 million Strathern Place sewer line project completed

Additional information on the City's capital assets can be found in note III D of the notes to the financial statements.

**City of Simi Valley's Capital Assets
(net of depreciation)
June 30, 2021 and 2020**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2021	2020	2021	2020	2021	2020
Land	\$ 10,621,811	\$ 10,621,811	\$ 1,216,994	\$ 1,216,994	\$ 11,838,805	\$ 11,838,805
Buildings and improvements	33,033,641	29,678,649	6,221,938	6,235,128	39,255,579	35,913,777
Furnishings and equipment	3,712,718	2,716,666	3,229,696	3,505,853	6,942,415	6,222,519
Computers	276,565	382,509	74,118	95,536	350,683	478,045
Vehicles	1,890,553	1,780,652	3,882,176	3,175,832	5,772,729	4,956,484
Infrastructure	172,494,649	174,307,642	114,103,481	114,839,364	286,598,130	289,147,006
Intangibles	3,122,501	3,453,996	3,371	7,049	3,125,872	3,461,045
Construction-in-progress	13,220,445	23,166,223	19,269,105	10,202,848	32,489,550	33,369,070
Total	\$ 238,372,884	\$ 246,108,147	\$ 148,000,879	\$ 139,278,603	\$ 386,373,763	\$ 385,386,750

**CITY OF SIMI VALLEY • MANAGEMENT’S DISCUSSION AND ANALYSIS
(UNAUDITED)**

Long-term debt. At the end of the current fiscal year, the City had total bonded debt outstanding of \$69,856,581. This entire amount represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

City of Simi Valley’s Outstanding Bonded Debt at June 30, 2021 and 2020.

	Governmental and Business-Type Activities	
	2021	2020
2014A lease revenue refunding bond	\$ 15,645,000	\$ 16,410,000
2016 New Clean Renewable Energy Bonds (NCREBs)	7,883,943	8,243,627
2016 NCREBs tax exempt	621,707	653,032
2017 lease agreement	5,260,532	5,667,403
2018 lease agreement	5,331,146	5,613,286
2019 lease agreement	33,816,566	33,816,566
Bond premium (discount)	1,297,687	1,396,325
Total	\$ 69,856,581	\$ 71,800,239

Additional information on the City’s long-term debt can be found in note III G.

Economic Factors and Next Year’s Budgets and Rates

- In June 2021, the City Council adopted the FY 2021-22 annual budget. The adopted budget is structurally balanced for the second year in a row and projecting to maintain that balance through the City’s Five-Year Forecast. The City is on solid financial ground. Due to the many years of well-managed budgetary decisions, the City is now experiencing revenue growth at a slightly faster rate than expenditures. This will allow the City Council to make strategic decisions for the foreseeable future.
- The General Fund Balance is projected to remain relatively flat at the end of FY 2021-22. Currently, the City is projecting a \$58 thousand surplus that will grow into the out years.
- General Fund revenues are projected to increase. In FY 2021-22 property tax revenues are projected to increase by \$1.4 million, over the previous year’s budget, due to ongoing improvements in assessed values and the local economy.
- The unemployment rate in Simi Valley has consistently remained below that of Ventura County, an indicator of the strength of the local economy. The rate was 5.53% in Q2, 2021 compared to 6.13% for Ventura County and 7.25% for California.

**CITY OF SIMI VALLEY • MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)**

- The City's gross assessed property values have increased by an estimated 3.9% in 2021-22 from 2020-21 and has averaged increases of over 4.2% year-over-year for the last four years, demonstrating strong property values and positive growth for the local economy.

While the coronavirus pandemic was unprecedented, the City weathered the storm well and did not experience significant financial impacts as initially anticipated. Property Tax remained stable, Sales Tax revenues increased, and expenditures were contained. Furthermore, Federal assistance through CARES and ARPA will prove to foster greater financial strength for the City.

The City is overall in a good financial position, with a General Fund spendable fund balance of \$64.4 million. The growth in fund balance will allow the City Council to make strategic decisions for one-time uses.

Requests for Information

This financial report is designed to provide a general overview of the City of Simi Valley's finances for all those with an interest in the City's financial condition. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Simi Valley, Department of Administrative Services, 2929 Tapo Canyon Road, Simi Valley CA 93063.

Basic Financial Statements



***Government-Wide
Financial Statements***

**CITY OF SIMI VALLEY
STATEMENT OF NET POSITION
JUNE 30, 2021**

	Governmental Activities	Business-Type Activities	Total
<u>ASSETS</u>			
Current assets:			
Cash and investments (note III A)	\$ 129,796,845	\$ 89,822,749	\$ 219,619,594
Accounts receivable (net of allowance for uncollectibles) (note III C)	1,780,623	7,883,900	9,664,523
Taxes receivable	6,586,715	365,109	6,951,824
Grants receivable	864,929	11,765,366	12,630,295
Interest receivable	324,518	187,464	511,982
Internal balances (note I E 2)	9,926,838	(9,926,838)	-
Inventories	-	1,529,925	1,529,925
Restricted cash and investments (note III A):			
Customer deposits	-	1,074,255	1,074,255
Connection fees	-	9,966,283	9,966,283
Total current assets	<u>149,280,468</u>	<u>112,668,213</u>	<u>261,948,681</u>
Noncurrent assets:			
Loans receivable (note III B)	25,452,560	-	25,452,560
Loan receivable - Successor Agency (note III B)	51,103	-	51,103
Capital assets (note III D):			
Capital assets not being depreciated	23,842,256	20,486,099	44,328,355
Capital assets being depreciated, net	<u>214,530,628</u>	<u>127,514,780</u>	<u>342,045,408</u>
Total noncurrent assets	<u>263,876,547</u>	<u>148,000,879</u>	<u>411,877,426</u>
Total assets	<u>413,157,015</u>	<u>260,669,092</u>	<u>673,826,107</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Related to loss on debt refunding	169,591	-	169,591
Related to pensions (note IV D)	16,118,317	3,149,172	19,267,489
Related to other post employment benefits (note IV E)	<u>16,197,084</u>	<u>2,042,743</u>	<u>18,239,827</u>
Total deferred outflows of resources	<u>32,484,992</u>	<u>5,191,915</u>	<u>37,676,907</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	2,772,075	6,662,531	9,434,606
Salaries and benefits payable	2,389,819	304,566	2,694,385
Accrued interest payable	409,715	1,211,968	1,621,683
Deposits	1,169,700	-	1,169,700
Liabilities payable from restricted assets	-	1,196,895	1,196,895
Unearned revenues	-	378,382	378,382
Current portion of long-term obligations (note III G)	<u>6,043,972</u>	<u>708,230</u>	<u>6,752,202</u>
Total current liabilities	<u>12,785,281</u>	<u>10,462,572</u>	<u>23,247,853</u>
Noncurrent liabilities (note III G):			
Noncurrent portion of long-term obligations	<u>221,480,111</u>	<u>68,255,364</u>	<u>289,735,475</u>
Total liabilities	<u>234,265,392</u>	<u>78,717,936</u>	<u>312,983,328</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Related to pensions (note IV D)	1,727,884	280,711	2,008,595
Related to other post employment benefits (note IV E)	<u>10,724,977</u>	<u>280,749</u>	<u>11,005,726</u>
Total deferred inflows of resources	<u>12,452,861</u>	<u>561,460</u>	<u>13,014,321</u>
<u>NET POSITION</u>			
Net investment in capital assets	203,826,589	133,644,109	337,470,698
Restricted for:			
Capital projects	24,047,665	-	24,047,665
Community development	37,113,075	-	37,113,075
Other purposes	17,105,126	-	17,105,126
Sewer connection fees and water capital improvement charges	-	9,843,643	9,843,643
Unrestricted	<u>(83,168,701)</u>	<u>43,093,859</u>	<u>(40,074,842)</u>
Total net position	<u>\$ 198,923,754</u>	<u>\$ 186,581,611</u>	<u>\$ 385,505,365</u>

See accompanying notes to the basic financial statements.

**CITY OF SIMI VALLEY
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

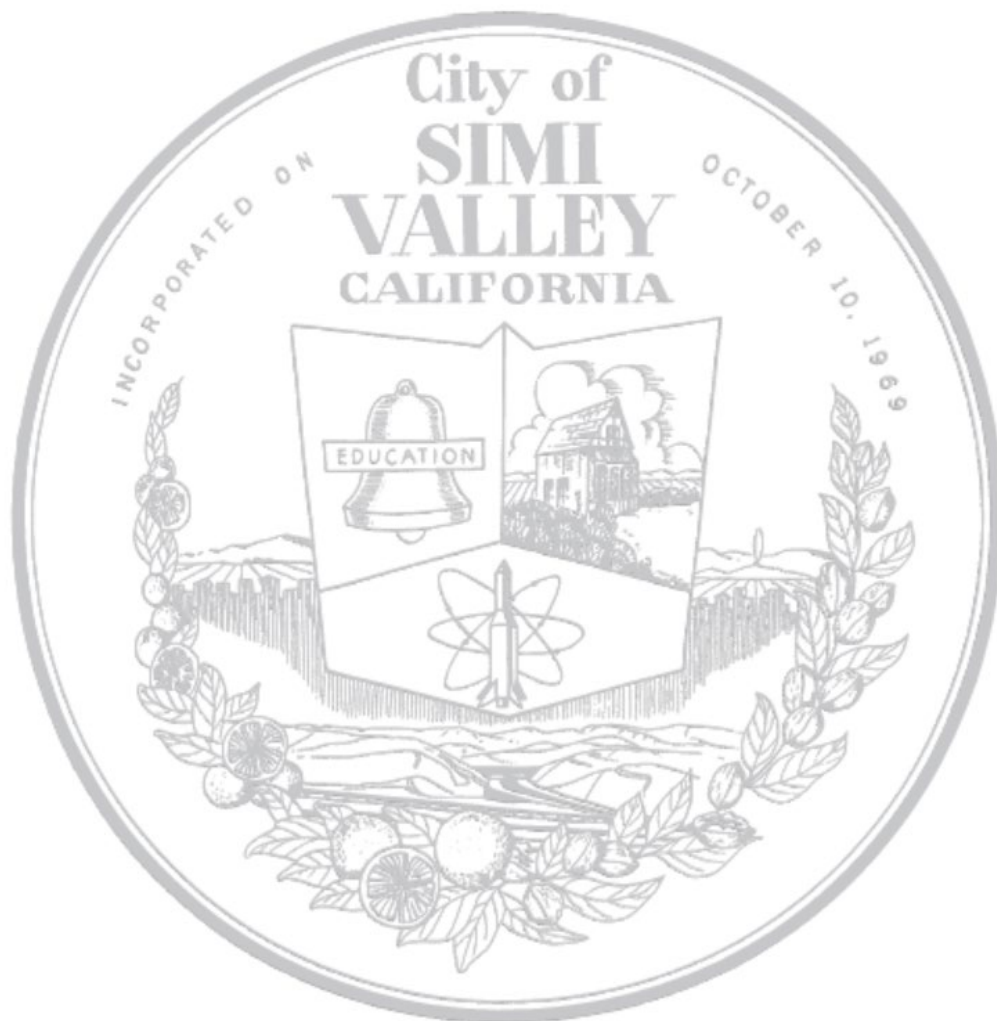
				<u>Program Revenues</u>	
	<u>Expenses</u>	<u>Indirect Expenses Allocation</u>	<u>Full Cost by Function</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:					
Governmental activities:					
General government	\$ 25,475,510	\$ (8,539,244)	\$ 16,936,266	\$ 1,569,907	\$ 10,454,208
Community services	6,249,470	319,500	6,568,970	293,799	4,598,743
Planning	6,613,359	126,278	6,739,637	5,443,247	1,338,233
Public ways and facilities	19,861,510	60,166	19,921,676	3,687,751	5,085,059
Public safety	37,445,831	-	37,445,831	772,994	694,673
Interest on long term debt	1,356,832	-	1,356,832	-	-
	<hr/>				
Total governmental activities	97,002,512	(8,033,300)	88,969,212	11,767,698	22,170,916
	<hr/>				
Business-type activities:					
Sanitation	15,702,385	3,283,100	18,985,485	23,846,199	-
Waterworks District No. 8	45,207,672	3,042,600	48,250,272	51,005,332	14,469
Transit	6,515,024	1,707,600	8,222,624	8,922	6,909,448
	<hr/>				
Total business-type activities	67,425,081	8,033,300	75,458,381	74,860,453	6,923,917
	<hr/>				
Total primary government	\$ 164,427,593	\$ -	\$ 164,427,593	\$ 86,628,151	\$ 29,094,833
	<hr/>				

See accompanying notes to the basic financial statements.

**CITY OF SIMI VALLEY
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Program Revenues	Net (Expense) Revenue and Changes in Net Position			Total	
	Primary Government				
Capital Grants and Contributions	Governmental Activities	Business-type Activities			
\$ 155,941	\$ (4,756,210)	\$ -	\$ (4,756,210)		Primary government:
-	(1,676,428)	-	(1,676,428)		Governmental activities:
-	41,843	-	41,843		General government
271,777	(10,877,089)	-	(10,877,089)		Community services
77,500	(35,900,664)	-	(35,900,664)		Planning
-	(1,356,832)	-	(1,356,832)		Public ways and facilities
					Public safety
					Interest on long term debt
<u>505,218</u>	<u>(54,525,380)</u>	<u>-</u>	<u>(54,525,380)</u>		Total governmental activities
					Business-type activities:
1,404,575	-	6,265,289	6,265,289		Sanitation
233,139	-	3,002,668	3,002,668		Waterworks District No. 8
<u>2,108,271</u>	<u>-</u>	<u>804,017</u>	<u>804,017</u>		Transit
					Total business-type activities
<u>3,745,985</u>	<u>-</u>	<u>10,071,974</u>	<u>10,071,974</u>		Total primary government
<u>\$ 4,251,203</u>	<u>(54,525,380)</u>	<u>10,071,974</u>	<u>(44,453,406)</u>		
					General revenues:
	37,990,791	-	37,990,791		Property taxes
	21,372,380	-	21,372,380		Sales taxes
	5,185,293	-	5,185,293		Franchise taxes
	2,241,423	-	2,241,423		Business tax
	2,418,059	-	2,418,059		Other taxes
	699,791	(156,009)	543,782		Investment earnings
	-	155,039	155,039		Miscellaneous
	1,115,388	(1,115,388)	-		Transfers
	51,484	-	51,484		Contributions from Successor Agency
	<u>71,074,609</u>	<u>(1,116,358)</u>	<u>69,958,251</u>		Total general revenues, contributions and transfers
	16,549,229	8,955,616	25,504,845		Change in net position
	<u>182,374,525</u>	<u>177,625,995</u>	<u>360,000,520</u>		Net position-beginning
	<u>\$ 198,923,754</u>	<u>\$ 186,581,611</u>	<u>\$ 385,505,365</u>		Net position-ending

See accompanying notes to the basic financial statements.





***Fund Financial
Statements***

**CITY OF SIMI VALLEY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General	Special Revenue SHA to Community Development Agency Housing Administration
<u>ASSETS</u>		
Cash and investments:		
Held by City	\$ 51,196,263	\$ 5,442,478
Held by bond trustee	-	-
Accounts receivable (net of allowance for uncollectibles) (note III C)	1,182,668	56,524
Taxes receivable	6,517,464	-
Grants receivable	-	-
Interest receivable	210,319	12,802
Due from other funds (note III F)	10,518,968	301
Loans receivable (note III B)	227,882	15,839,397
Loans receivable-Successor Agency (note III B)	51,103	-
Advances to other funds (note III F)	5,692,381	-
TOTAL ASSETS	\$ 75,597,048	\$ 21,351,502
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
<u>LIABILITIES</u>		
Accounts payable	\$ 1,540,265	\$ 110,324
Salaries and benefits payable	2,362,840	12,137
Due to other funds (note III F)	1,179	-
Advances from other funds (note III F)	-	-
Deposits	1,169,700	-
TOTAL LIABILITIES	5,073,984	122,461
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Unavailable revenue-housing programs	-	15,839,397
Unavailable revenue-public safety	-	-
Unavailable revenue-community services	186,118	-
TOTAL DEFERRED INFLOWS OF RESOURCES	186,118	15,839,397
<u>FUND BALANCES (note III H)</u>		
Nonspendable		
Long-term receivables	5,971,366	-
Restricted		
Housing programs	-	5,389,644
Public improvements	-	-
Streets and transportation	-	-
Landscape	-	-
Debt service	-	-
Special programs	-	-
Law enforcement	-	-
Committed		
Streets	-	-
Retiree benefits	372,760	-
Special programs	590,552	-
Equipment	-	-
Economic recovery	11,084,838	-
Prudent reserve	14,019,727	-
Assigned		
Capital	38,297,703	-
Unassigned	-	-
TOTAL FUND BALANCES	70,336,946	5,389,644
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 75,597,048	\$ 21,351,502

See accompanying notes to the basic financial statements.

**CITY OF SIMI VALLEY
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

Capital Projects

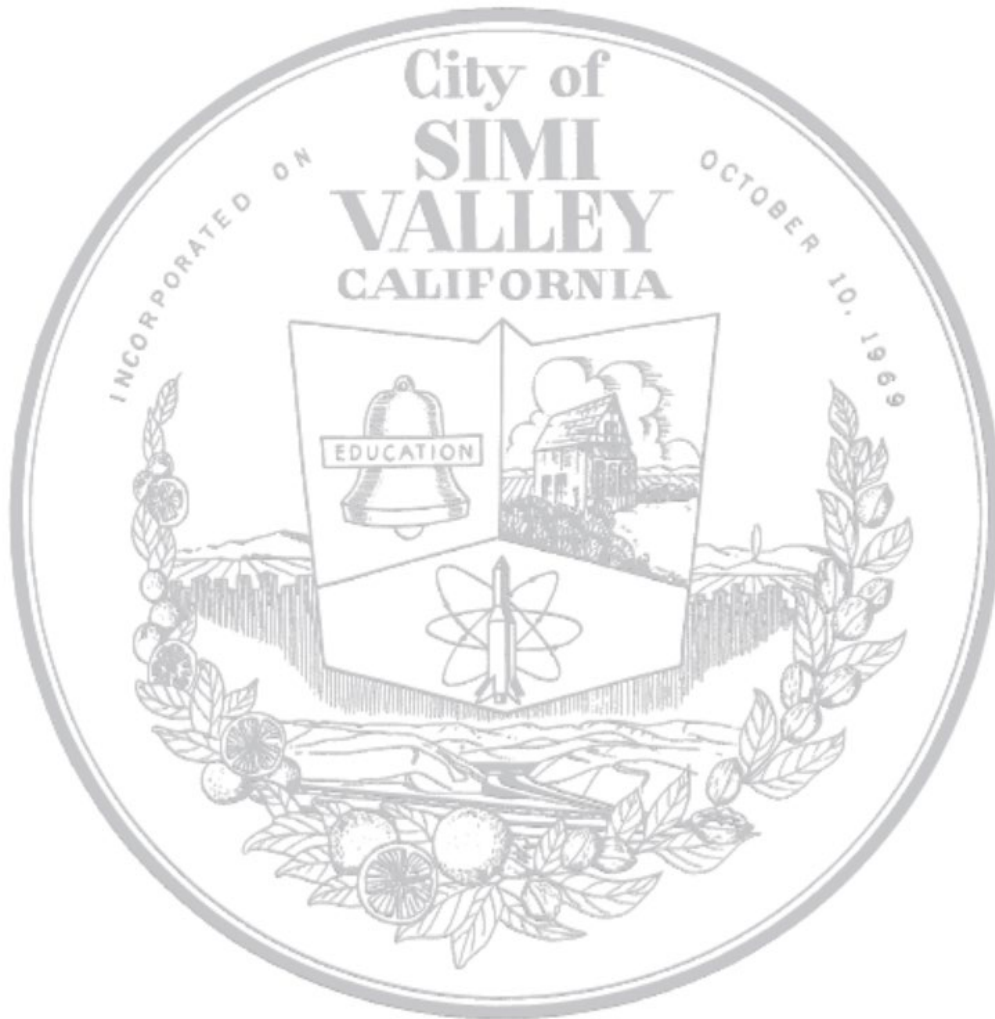
Streets & Roads	Nonmajor Governmental	Total Governmental Funds	
ASSETS			
Cash and investments:			
\$ 3,460,793	\$ 45,725,167	\$ 105,824,701	Held by City
-	1,324,129	1,324,129	Held by bond trustee
2,500	538,124	1,779,816	Accounts receivable (net of allowance for uncollectibles) (note III C)
-	69,251	6,586,715	Taxes receivable
-	864,929	864,929	Grants receivable
-	49,757	272,878	Interest receivable
-	8,616	10,527,885	Due from other funds (note III F)
-	9,385,281	25,452,560	Loans receivable (note III B)
-	-	51,103	Loans receivable-Successor Agency (note III B)
-	-	5,692,381	Advances to other funds (note III F)
\$ 3,463,293	\$ 57,965,254	\$ 158,377,097	TOTAL ASSETS
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
\$ 325,522	\$ 771,969	\$ 2,748,080	Accounts payable
-	8,660	2,383,637	Salaries and benefits payable
-	939,241	940,420	Due to other funds (note III F)
-	3,348,381	3,348,381	Advances from other funds (note III F)
-	-	1,169,700	Deposits
325,522	5,068,251	10,590,218	TOTAL LIABILITIES
DEFERRED INFLOWS OF RESOURCES			
-	9,385,279	25,224,676	Unavailable revenue-housing programs
-	92,945	92,945	Unavailable revenue-public safety
-	-	186,118	Unavailable revenue-community services
-	9,478,224	25,503,739	TOTAL DEFERRED INFLOWS OF RESOURCES
FUND BALANCES (note III H)			
Nonspendable			
-	-	5,971,366	Long-term receivables
Restricted			
-	6,272,320	11,661,964	Housing programs
-	8,077,145	8,077,145	Public improvements
-	14,599,926	14,599,926	Streets and transportation
-	-	-	Landscape
-	1,324,129	1,324,129	Debt service
-	4,509,530	4,509,530	Special programs
-	1,435,178	1,435,178	Law enforcement
Committed			
3,137,771	-	3,137,771	Streets
-	-	372,760	Retiree benefits
-	-	590,552	Special programs
-	7,709,947	7,709,947	Equipment
-	-	11,084,838	Economic recovery
-	-	14,019,727	Prudent reserve
Assigned			
-	-	38,297,703	Capital
-	(509,396)	(509,396)	Unassigned
3,137,771	43,418,779	122,283,140	TOTAL FUND BALANCES
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
\$ 3,463,293	\$ 57,965,254	\$ 158,377,097	

See accompanying notes to the basic financial statements.

CITY OF SIMI VALLEY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF POSITION – GOVERNMENTAL ACTIVITIES
JUNE 30, 2021

Fund balances - total governmental funds		\$ 122,283,140
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		238,372,884
Internal service funds are used by management to charge the costs of workers' compensation, general liability, GIS/Permits operations, and FIS operations. The assets and liabilities are included in governmental activities in the statement of net position.		6,542,378
Some liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Accrued interest payable		(409,715)
Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		25,503,739
Deferred outflows of resources related to pensions and other post employment benefits are not current financial resources and therefore, are not reported in the governmental funds.		
Related to pensions	\$ 16,040,456	
Related to other post employment benefits	<u>16,166,476</u>	32,206,932
Deferred inflows of resources related to pensions and other post employment benefits are not current obligations and therefore, are not reported in the governmental funds.		
Related to pensions	(1,712,807)	
Related to other post employment benefits	<u>(10,720,451)</u>	(12,433,258)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds:		
Compensated absences payable	(6,255,838)	
Net OPEB obligation	(42,136,437)	
Net pension liability	(128,879,647)	
2014A Lease Revenue Refunding	(15,645,000)	
2016 New Clean Renewable Energy Bonds	(7,883,943)	
2016 NCREBs Tax Exempt	(621,707)	
2017 Lease agreement	(5,260,532)	
2018 Lease agreement	(5,331,146)	
Unamortized bond premium	(1,297,687)	
Unamortized bond payable deferred on refunding	<u>169,591</u>	<u>(213,142,346)</u>
Net position of governmental activities		<u>\$ 198,923,754</u>

See accompanying notes to the basic financial statements.



**CITY OF SIMI VALLEY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	General	Special Revenue SHA to Community Development Agency Housing Administration
<u>REVENUES</u>		
Taxes	\$ 66,634,290	\$ -
Licenses and permits	3,829,208	-
Fines and forfeitures	236,362	-
Use of money and property	129,068	694,998
From other governments	354,276	-
Grants	10,467,043	-
Service charges	1,989,154	10,182
Other revenues	2,072,252	-
Total revenues	85,711,653	705,180
<u>EXPENDITURES</u>		
Current:		
General government	9,400,414	-
Community services	3,343,804	-
Planning	4,933,715	791,100
Public ways and facilities	14,387,422	-
Public safety	35,085,851	-
Total current expenditures	67,151,206	791,100
Capital outlay:		
Streets and roads	-	-
Other capital projects	-	-
Total capital outlay	-	-
Debt service:		
Principal	-	-
Interest	-	-
Other	-	-
Total debt service	-	-
Total expenditures	67,151,206	791,100
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	18,560,447	(85,920)
<u>OTHER FINANCING SOURCES (USES)</u>		
Transfers in (note III F)	3,803,745	429,924
Transfers out (note III F)	(4,494,620)	-
Contributions from Successor Agency	51,484	-
Total other financing sources (uses)	(639,391)	429,924
NET CHANGE IN FUND BALANCES	17,921,056	344,004
FUND BALANCES - BEGINNING	52,415,890	5,045,640
FUND BALANCES - ENDING	\$ 70,336,946	\$ 5,389,644

See accompanying notes to the basic financial statements.

**CITY OF SIMI VALLEY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Capital Projects

Streets & Roads	Nonmajor Governmental	Total Governmental Funds	
			REVENUES
\$ -	\$ 2,573,656	\$ 69,207,946	Taxes
-	-	3,829,208	Licenses and permits
-	-	236,362	Fines and forfeitures
2,500	1,057,827	1,884,393	Use of money and property
-	9,338,232	9,692,508	From other governments
291,757	1,454,657	12,213,457	Grants
-	2,448,066	4,447,402	Service charges
110,000	1,183,090	3,365,342	Other revenues
<u>404,257</u>	<u>18,055,528</u>	<u>104,876,618</u>	Total revenues
			EXPENDITURES
			Current:
-	738,599	10,139,013	General government
-	2,291,587	5,635,391	Community services
-	278,228	6,003,043	Planning
-	1,865,446	16,252,868	Public ways and facilities
-	427,675	35,513,526	Public safety
-	<u>5,601,535</u>	<u>73,543,841</u>	Total current expenditures
			Capital outlay:
589,790	-	589,790	Streets and roads
-	2,302,820	2,302,820	Other capital projects
<u>589,790</u>	<u>2,302,820</u>	<u>2,892,610</u>	Total capital outlay
			Debt service:
-	1,845,020	1,845,020	Principal
-	1,465,341	1,465,341	Interest
-	6,314	6,314	Other
-	<u>3,316,675</u>	<u>3,316,675</u>	Total debt service
<u>589,790</u>	<u>11,221,030</u>	<u>79,753,126</u>	Total expenditures
<u>(185,533)</u>	<u>6,834,498</u>	<u>25,123,492</u>	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES
			OTHER FINANCING SOURCES (USES)
583,608	6,094,744	10,912,021	Transfers in (note III F)
-	(5,295,813)	(9,790,433)	Transfers out (note III F)
-	-	51,484	Contributions from Successor Agency
<u>583,608</u>	<u>798,931</u>	<u>1,173,072</u>	Total other financing sources (uses)
398,075	7,633,429	26,296,564	NET CHANGE IN FUND BALANCES
<u>2,739,696</u>	<u>35,785,350</u>	<u>95,986,576</u>	FUND BALANCES - BEGINNING
<u>\$ 3,137,771</u>	<u>\$ 43,418,779</u>	<u>\$ 122,283,140</u>	FUND BALANCES - ENDING

See accompanying notes to the basic financial statements.

**CITY OF SIMI VALLEY
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Net change in fund balances - total governmental funds \$ 26,296,564

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay net of dispositions	\$ 3,094,296	
Depreciation expense	<u>(10,829,560)</u>	(7,735,264)

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

Principal payment on 2014A lease revenue refunding bond	765,000	
Principal payment on 2016 New Clean Renewable Energy Bonds	359,684	
Principal payment on 2016 New Clean Renewable Energy Bonds (Tax Exempt)	31,325	
Principal payment on 2017 lease agreement	406,871	
Principal payment on 2018 lease agreement	282,140	
Principal payment on So Calif Edison on-bill financing loan	<u>866</u>	1,845,886

Expenditures that do not use current financial resources are not reported in governmental funds but are recorded as expenses in the statement of activities.

Debt service interest accrual (net)	22,723	
Amortized premium on bonds	98,638	
Amortized deferral on refunding	(12,852)	
Pension liability (net)	(4,692,785)	
Deferred pension related items	1,457,580	
Deferred OPEB related items	(1,317,302)	
Compensated absences (net)	(267,966)	
Unfunded OPEB liability	4,999	(4,706,965)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (581,889)

Internal service funds are used by the City to account for liability, workers' compensation insurance, GIS/Permits operations, and FIS operations. A portion of the net expense of these funds is reported with governmental activities.

1,430,897

Change in net position of governmental activities \$ 16,549,229

**CITY OF SIMI VALLEY
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
<u>REVENUES</u>				
Taxes:				
Sales	\$ 16,579,870	\$ 16,579,870	\$ 21,372,380	\$ 4,792,510
Property	34,635,867	34,635,867	35,417,137	781,270
Franchise	4,600,000	4,600,000	5,185,292	585,292
Business and other	4,742,500	4,742,500	4,659,481	(83,019)
Licenses and permits	2,830,000	2,830,000	3,829,208	999,208
From other governments	375,000	375,000	354,276	(20,724)
Grants	212,900	2,634,319	10,467,043	7,832,724
Service charges	2,868,300	2,868,300	1,989,154	(879,146)
Fines and forfeitures	555,000	555,000	236,362	(318,638)
Use of money and property	773,500	773,500	129,068	(644,432)
Other revenues	4,297,256	4,350,550	2,072,252	(2,278,298)
Total revenues	<u>72,470,193</u>	<u>74,944,906</u>	<u>85,711,653</u>	<u>10,766,747</u>
<u>EXPENDITURES</u>				
Current:				
City administration	4,631,572	4,631,572	3,923,534	708,038
Attorney	1,384,289	1,384,541	1,430,240	(45,699)
Administrative services and city-wide support*	1,232,196	5,132,851	4,046,640	1,086,211
Community services	4,668,141	4,697,666	3,343,804	1,353,862
Planning	5,839,066	5,884,024	4,933,715	950,309
Public ways and facilities	16,170,481	17,213,717	14,387,422	2,826,295
Public safety	37,820,226	38,168,674	35,085,851	3,082,823
Total expenditures	<u>71,745,971</u>	<u>77,113,045</u>	<u>67,151,206</u>	<u>9,961,839</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>724,222</u>	<u>(2,168,139)</u>	<u>18,560,447</u>	<u>20,728,586</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	3,350,837	3,464,637	3,803,745	339,108
Transfers out	(4,480,938)	(5,555,938)	(4,494,620)	1,061,318
Contributions from Successor Agency	51,484	51,484	51,484	-
Total other financing sources (uses)	<u>(1,078,617)</u>	<u>(2,039,817)</u>	<u>(639,391)</u>	<u>1,400,426</u>
NET CHANGE IN FUND BALANCE	(354,395)	(4,207,956)	17,921,056	22,129,012
FUND BALANCES - BEGINNING	<u>52,415,890</u>	<u>52,415,890</u>	<u>52,415,890</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 52,061,495</u>	<u>\$ 48,207,934</u>	<u>\$ 70,336,946</u>	<u>\$ 22,129,012</u>

*net of reimbursements

See accompanying notes to the basic financial statements.

CITY OF SIMI VALLEY
SUCCESSOR HOUSING AGENCY TO COMMUNITY DEVELOPMENT AGENCY HOUSING ADMINISTRATION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Use of money and property	\$ 235,000	\$ 235,000	\$ 694,998	\$ 459,998
Service charges	16,200	16,200	10,182	(6,018)
Total revenues	251,200	251,200	705,180	453,980
<u>EXPENDITURES</u>				
Planning (ES):				
Materials, supplies and services	1,080,781	1,453,825	791,100	662,725
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(829,581)	(1,202,625)	(85,920)	1,116,705
<u>OTHER FINANCING SOURCES</u>				
Transfers in	412,010	412,010	429,924	17,914
Total other financing sources	412,010	412,010	429,924	17,914
NET CHANGE IN FUND BALANCES	(417,571)	(790,615)	344,004	1,134,619
FUND BALANCES - BEGINNING	5,045,640	5,045,640	5,045,640	-
FUND BALANCES - ENDING	\$ 4,628,069	\$ 4,255,025	\$ 5,389,644	\$ 1,134,619

See accompanying notes to the basic financial statements.

**CITY OF SIMI VALLEY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021**

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Simi Valley Sanitation	Ventura County Waterworks District No. 8	Simi Valley Transit System	Total	
ASSETS					
Current assets:					
Cash and investments	\$ 66,991,252	\$ 22,457,865	\$ 373,632	\$ 89,822,749	\$ 22,648,015
Customer receivable	116,006	5,996,039	-	6,112,045	807
Other receivable	986,681	755,475	29,699	1,771,855	-
Taxes receivable	365,109	-	-	365,109	-
Grants receivable	-	-	11,765,366	11,765,366	-
Inventories	656,537	697,622	175,766	1,529,925	-
Interest receivable	126,638	60,826	-	187,464	51,640
Restricted cash and investments:					
Customer deposits	-	1,074,255	-	1,074,255	-
Connection fees	9,843,643	122,640	-	9,966,283	-
Total current assets	<u>79,085,866</u>	<u>31,164,722</u>	<u>12,344,463</u>	<u>122,595,051</u>	<u>22,700,462</u>
Noncurrent assets:					
Capital assets (net of accumulated depreciation) (note III D):					
Land	765,660	451,334	-	1,216,994	-
Buildings and improvements	3,706,265	689,342	1,826,330	6,221,937	-
Furnishings and equipment	1,341,596	1,508,453	457,140	3,307,189	-
Vehicles	471,897	608,890	2,801,389	3,882,176	-
Distribution system	64,059,124	50,044,354	-	114,103,478	-
Construction-in-progress	12,720,018	4,976,039	1,573,048	19,269,105	-
Total noncurrent assets	<u>83,064,560</u>	<u>58,278,412</u>	<u>6,657,907</u>	<u>148,000,879</u>	<u>-</u>
TOTAL ASSETS	<u>162,150,426</u>	<u>89,443,134</u>	<u>19,002,370</u>	<u>270,595,930</u>	<u>22,700,462</u>
DEFERRED OUTFLOWS OF RESOURCES					
Related to pensions	1,330,120	1,127,526	691,526	3,149,172	77,861
Related to other postemployment benefits	1,060,727	474,839	507,177	2,042,743	30,608
Total deferred outflow of resources	<u>2,390,847</u>	<u>1,602,365</u>	<u>1,198,703</u>	<u>5,191,915</u>	<u>108,469</u>
LIABILITIES					
Current liabilities:					
Accounts payable	2,663,905	3,866,946	131,680	6,662,531	23,993
Salaries and benefits payable	135,286	88,134	81,146	304,566	6,182
Interest payable	1,211,968	-	-	1,211,968	-
Bonds payable	580,283	-	-	580,283	-
Compensated absences	66,159	30,929	30,859	127,947	3,130
Due to other funds (note III F)	-	-	9,587,465	9,587,465	-
Unearned revenue	-	-	378,382	378,382	-
Claims and legal services payable (note IV B)	-	-	-	-	3,395,822
Current liabilities payable from restricted assets:					
Water service prepayments	-	1,074,255	-	1,074,255	-
Accounts payable restricted	-	122,640	-	122,640	-
Total current liabilities	<u>4,657,601</u>	<u>5,182,904</u>	<u>10,209,532</u>	<u>20,050,037</u>	<u>3,429,127</u>
Noncurrent liabilities:					
Advances from other funds (note III F)	-	-	-	-	2,344,000
Bonds payable	33,236,283	-	-	33,236,283	-
Compensated absences	595,434	278,359	277,728	1,151,521	28,174
Claims and legal services payable (note IV B)	-	-	-	-	10,109,125
Net pension liability	12,103,615	8,880,027	6,304,630	27,288,272	588,320
Net other postemployment benefits obligation	3,193,225	1,727,902	1,658,161	6,579,288	87,577
Total noncurrent liabilities	<u>49,128,557</u>	<u>10,886,288</u>	<u>8,240,519</u>	<u>68,255,364</u>	<u>13,157,196</u>
TOTAL LIABILITIES	<u>53,786,158</u>	<u>16,069,192</u>	<u>18,450,051</u>	<u>88,305,401</u>	<u>16,586,323</u>
DEFERRED INFLOWS OF RESOURCES					
Related to pensions	92,065	212,883	(24,237)	280,711	15,077
Related to other postemployment benefits	146,425	67,210	67,114	280,749	4,526
Total deferred inflow of resources	<u>238,490</u>	<u>280,093</u>	<u>42,877</u>	<u>561,460</u>	<u>19,603</u>
NET POSITION					
Net investment in capital assets	68,707,790	58,278,412	6,657,907	133,644,109	-
Restricted for:					
Sewer connection fees and water capital improvement charges	9,843,643	-	-	9,843,643	-
Unrestricted	31,965,192	16,417,802	(4,949,762)	43,433,232	6,203,005
TOTAL NET POSITION	<u>\$ 110,516,625</u>	<u>\$ 74,696,214</u>	<u>\$ 1,708,145</u>	<u>\$ 186,920,984</u>	<u>\$ 6,203,005</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					
Beginning adjustment to unrestricted net position				(740,161)	
Current adjustment to unrestricted net position				400,788	
Net position of business-type activities				<u>\$ 186,581,611</u>	

See accompanying notes to the basic financial statements.

CITY OF SIMI VALLEY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Business-type Activities - Enterprise Funds				Internal Service Funds
	Ventura County		Simi Valley		
	Simi Valley Sanitation	Waterworks District No. 8	Transit System	Total	
<u>OPERATING REVENUES</u>					
Charges for sales and services	\$ 23,846,199	\$ 51,005,332	\$ 8,922	\$ 74,860,453	\$ 6,158,242
<u>OPERATING EXPENSES</u>					
Salaries and benefits	7,573,140	4,856,866	4,341,846	16,771,852	372,636
Materials and supplies:					
Water purchases	-	34,049,224	-	34,049,224	-
Utilities	685,775	901,928	29,631	1,617,334	-
Chemicals	401,510	-	-	401,510	-
Other	314,250	476,446	406,152	1,196,848	132,085
Services:					
Maintenance projects	2,705,532	1,698,546	214,711	4,618,789	-
Other	1,370,660	1,468,882	264,799	3,104,341	-
Insurance	395,370	215,000	332,100	942,470	-
Claims and legal expenses	-	-	-	-	3,605,976
General administration	3,283,100	3,042,600	1,707,600	8,033,300	266,500
Depreciation	2,415,617	1,642,194	1,065,690	5,123,501	-
Total operating expenses	<u>19,144,954</u>	<u>48,351,686</u>	<u>8,362,529</u>	<u>75,859,169</u>	<u>4,377,197</u>
OPERATING INCOME (LOSS)	<u>4,701,245</u>	<u>2,653,646</u>	<u>(8,353,607)</u>	<u>(998,716)</u>	<u>1,781,045</u>
<u>NONOPERATING REVENUES AND EXPENSES</u>					
Grants	-	14,469	6,909,448	6,923,917	-
Interest	(721,676)	565,667	-	(156,009)	56,840
Other	32,640	39,783	82,616	155,039	-
Total nonoperating revenues (expenses)	<u>(689,036)</u>	<u>619,919</u>	<u>6,992,064</u>	<u>6,922,947</u>	<u>56,840</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	4,012,209	3,273,565	(1,361,543)	5,924,231	1,837,885
<u>CONTRIBUTIONS AND TRANSFERS</u>					
Capital contributions	1,404,575	233,139	2,108,271	3,745,985	-
Transfers in (note III F)	-	-	204,424	204,424	-
Transfers out (note III F)	(765,374)	(554,438)	-	(1,319,812)	(6,200)
Total contributions and transfers	<u>639,201</u>	<u>(321,299)</u>	<u>2,312,695</u>	<u>2,630,597</u>	<u>(6,200)</u>
CHANGE IN NET POSITION	4,651,410	2,952,266	951,152	8,554,828	1,831,685
NET POSITION-BEGINNING	<u>105,865,215</u>	<u>71,743,948</u>	<u>756,993</u>		<u>4,371,320</u>
NET POSITION - ENDING	<u>\$ 110,516,625</u>	<u>\$ 74,696,214</u>	<u>\$ 1,708,145</u>		<u>\$ 6,203,005</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					
Current adjustment				<u>400,788</u>	
Change in net position of business-type activities				<u>\$ 8,955,616</u>	

See accompanying notes to the basic financial statements.

**CITY OF SIMI VALLEY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Business-type Activities - Enterprise Funds</u>				
	Ventura County		Simi Valley		Internal Service Funds
	Simi Valley Sanitation	Waterworks District No. 8	Transit System	Totals	
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>					
Cash received from service charges and other revenues	\$ 23,650,953	\$ 49,243,085	\$ 61,848	\$ 72,955,886	\$ 6,158,242
Cash paid for salaries and benefits	(7,180,718)	(4,699,139)	(4,131,760)	(16,011,617)	(369,431)
Cash paid for supplies and materials	(1,870,691)	(34,758,989)	(789,785)	(37,419,465)	-
Cash paid for general administration	(3,283,099)	(3,042,600)	(1,707,600)	(8,033,299)	(266,500)
Cash paid for services	(1,948,011)	(3,477,071)	(678,277)	(6,103,359)	(1,016,347)
Cash paid for insurance premiums and claims	-	-	-	-	(2,369,016)
Net cash provided (used) by operating activities	<u>9,368,434</u>	<u>3,265,286</u>	<u>(7,245,574)</u>	<u>5,388,146</u>	<u>2,136,948</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>					
Cash transfers from (to) other funds	(765,374)	(554,438)	204,424	(1,115,388)	(6,200)
Cash received from grants and other governments	-	14,469	7,029,278	7,043,747	-
Cash received from interfund borrowing	-	-	471,585	471,585	-
Net cash provided (used) by noncapital financing activities	<u>(765,374)</u>	<u>(539,969)</u>	<u>7,705,287</u>	<u>6,399,944</u>	<u>(6,200)</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</u>					
Sewer connection fees and water capital improvement charges	1,317,702	188,488	-	1,506,190	-
Cash received from issuance of bonds payable	-	-	-	-	-
Cash paid for issuance of bonds payable	-	-	-	-	-
Acquisition of capital assets	(9,750,658)	(1,915,086)	(2,022,254)	(13,687,998)	-
Net cash used by capital and related financing activities	<u>(8,432,956)</u>	<u>(1,726,598)</u>	<u>(2,022,254)</u>	<u>(12,181,808)</u>	<u>-</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>					
Interest on investments	132,178	607,862	16,030	756,070	86,651
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	302,282	1,606,581	(1,546,511)	362,352	2,217,399
CASH AND INVESTMENTS, BEGINNING OF YEAR	76,532,613	22,048,179	1,920,143	100,500,935	20,430,616
CASH AND INVESTMENTS, END OF YEAR	<u>\$ 76,834,895</u>	<u>\$ 23,654,760</u>	<u>\$ 373,632</u>	<u>\$ 100,863,287</u>	<u>\$ 22,648,015</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u>					
Operating income (loss)	\$ 4,701,245	\$ 2,653,646	\$ (8,353,607)	\$ (998,716)	\$ 1,781,045
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation	2,415,617	1,642,194	1,065,690	5,123,501	-
(Increase) decrease in prepaid expenses	3,984	2	(46,403)	(42,417)	(13,207)
(Increase) decrease in accounts receivable	(195,246)	(1,837,139)	(16,640)	(2,049,025)	-
(Increase) decrease in inventory	38,650	50,511	(3,729)	85,432	-
Increase (decrease) in accounts payable	2,015,747	513,294	(240,154)	2,288,887	(41,643)
Increase (decrease) in accrued payroll	(4,065)	2,964	8,221	7,120	(668)
Increase (decrease) in compensated absences	3,410	39,889	42,662	85,961	(2,973)
Increase (decrease) in water service prepayments	-	44,541	-	44,541	-
Increase (decrease) in claims and legal services payable	-	-	-	-	394,341
Increase (decrease) in net pension liability	386,898	25,162	204,637	616,697	19,982
Increase (decrease) in net other postemployment benefits liability	2,194	89,712	971	92,877	70
Adjustment for revenues and expenses classified as nonoperating	-	40,510	92,778	133,288	-
Total adjustments	<u>4,667,189</u>	<u>611,640</u>	<u>1,108,033</u>	<u>6,386,862</u>	<u>355,903</u>
Net cash provided (used) by operating activities	<u>\$ 9,368,434</u>	<u>\$ 3,265,286</u>	<u>\$ (7,245,574)</u>	<u>\$ 5,388,146</u>	<u>\$ 2,136,948</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital additions	\$ (86,873)	\$ (14,469)	\$ -	\$ (101,342)	\$ -
Capital contributions	86,873	14,469	-	101,342	-
Services to be provided from settlement agreement	67,535	-	-	-	-

See accompanying notes to the basic financial statements.

**CITY OF SIMI VALLEY
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021**

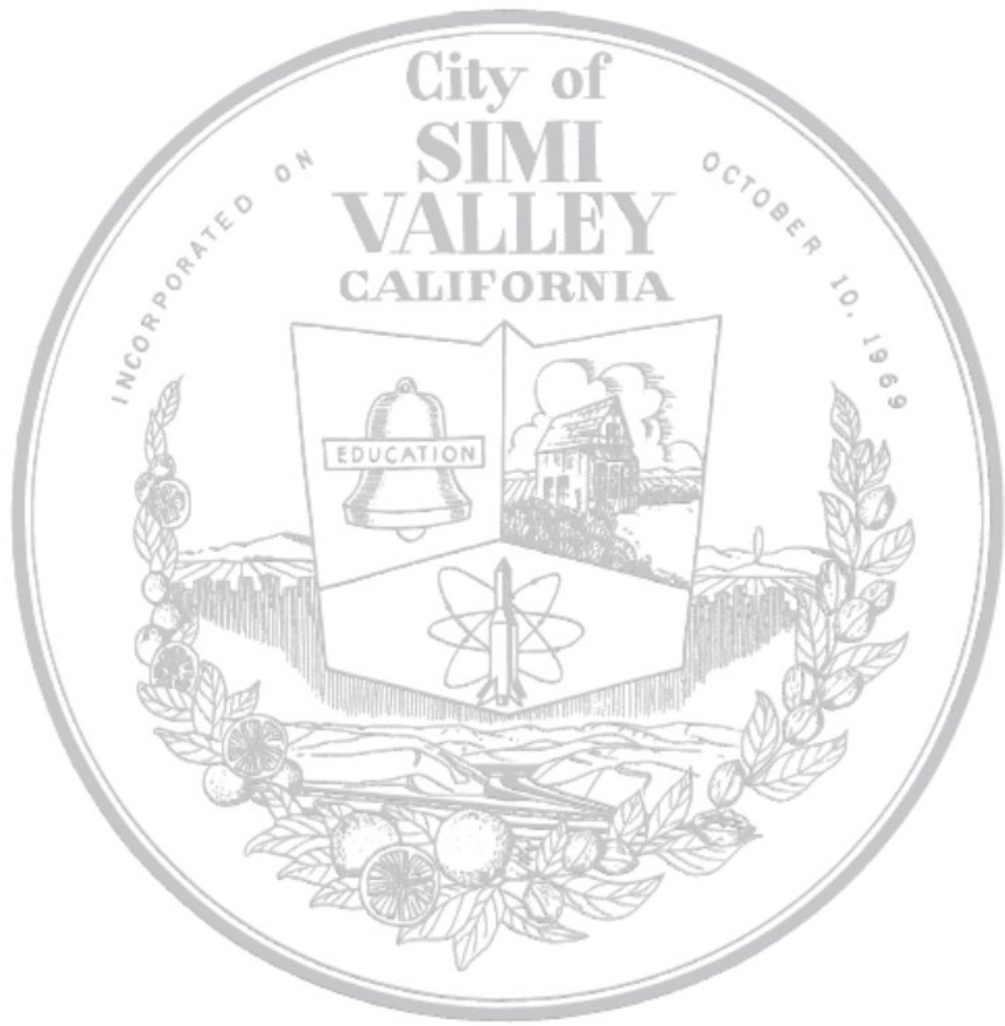
	Private- Purpose Trust	Pension Trust	OPEB Trust	Custodial Funds
<u>ASSETS</u>				
Cash and investments:				
Held by City (note III A)	\$ 2,398,988	\$ -	\$ -	\$ 7,129,934
Held by bond trustee (note III A)	2,101,887	-	-	1,028,673
Restricted cash and investments held with Pension Trust (note III A)	-	1,481,169	-	-
Restricted cash and investments held with OPEB Trust (note III A)	-	-	3,040,480	-
Accounts receivable	-	-	-	3,008
Interest receivable	2,646	-	-	-
Capital assets not being depreciated (note V C)	1,124,174	-	-	-
TOTAL ASSETS	5,627,695	1,481,169	3,040,480	8,161,615
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred loss on refunding (note V D)	75,223	-	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	75,223	-	-	-
<u>LIABILITIES</u>				
Accounts payable and accrued liabilities	-	-	-	\$ 64,851
Accrued interest payable	268,498	-	-	-
Deposits	-	-	-	5,682,504
Loans payable - City (note III B)	51,103	-	-	-
Due to bondholders	-	-	-	2,054,364
Long-term debt (note V E):				
Due within one year	1,285,000	-	-	-
Due in more than one year	15,072,212	-	-	-
TOTAL LIABILITIES	16,676,813	-	-	7,801,719
<u>NET POSITION (DEFICIT)</u>				
Held in trust for other purposes	\$ (10,973,895)	\$ 1,481,169	\$ 3,040,480	\$ 359,896

See accompanying notes to the basic financial statements.

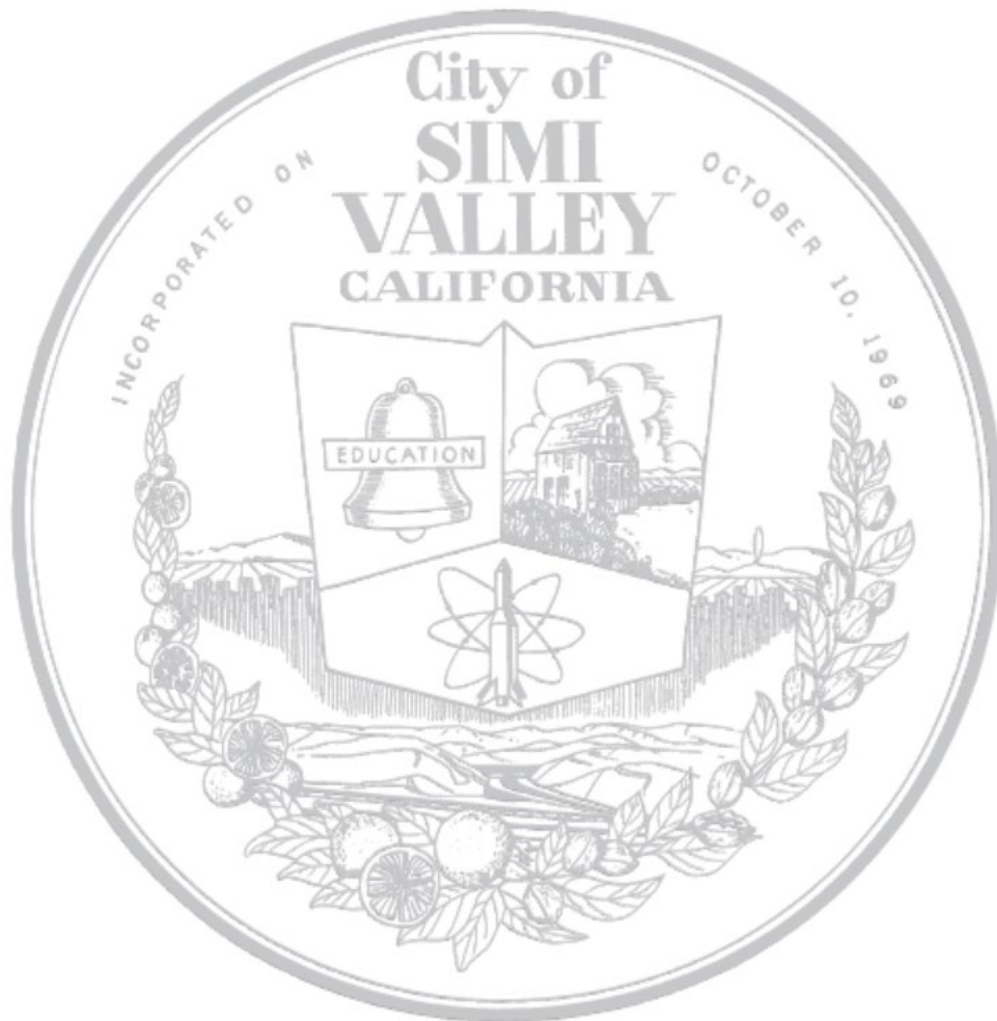
**CITY OF SIMI VALLEY
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Private- Purpose Trust	Pension Trust	OPEB Trust	Custodial Funds
<u>ADDITIONS</u>				
Property taxes	\$ 2,796,299	\$ -	\$ -	\$ -
Other taxes				440,032
Contributions	-	1,478,127	3,017,260	-
Investment earnings	11,619	12,394	207,546	12,589
TOTAL ADDITIONS	2,807,918	1,490,521	3,224,806	452,621
<u>DEDUCTIONS</u>				
Administrative expenses	7,250	60	871,137	15,997
Benefit payments	-	9,292	2,156,006	-
Interest and fiscal agency expenses of former Simi Valley Community Development Agency	839,729	-	-	384,575
Contributions to other governments	51,484	-	-	-
TOTAL DEDUCTIONS	898,463	9,352	3,027,143	400,572
CHANGE IN NET POSITION	1,909,455	1,481,169	197,663	52,049
NET POSITION (DEFICIT) - BEGINNING	(12,883,350)	-	2,842,817	307,847
NET POSITION (DEFICIT) - ENDING	\$ (10,973,895)	\$ 1,481,169	\$ 3,040,480	\$ 359,896

See accompanying notes to the basic financial statements.



Notes to the Basic Financial Statements



CITY OF SIMI VALLEY ● LISTING OF NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

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CITY OF SIMI VALLEY • LISTING OF NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

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I. Summary of significant accounting policies

A. Reporting entity

The City of Simi Valley is a municipal corporation governed by an elected mayor and four-member council. The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. The following blended component units are included in the City's financial statements:

- Ventura County Waterworks District No. 8 provides water services to the residents of the City of Simi Valley. The activity of the District is reported as an enterprise fund.
- Simi Valley Industrial Development Authority assists businesses in financing their capital projects. Through the Authority, businesses can access tax-exempt municipal bonds to finance capital projects such as land acquisition, construction, purchase of equipment, or rehabilitation of manufacturing facilities.
- Simi Valley Public Financing Authority provides a financing mechanism for various public projects. The activity of the Authority is reported in the debt service funds. Debt associated with this entity was fully retired during fiscal year 2014-15.
- Simi Valley Public Facilities Financing Authority, formation of which was approved by the City Council on June 23, 2014, provides a financing mechanism for various public projects. The activity of the Authority is reported in the debt service funds.

The four entities listed above are treated as "blended" component units based on the following criteria:

- The members of the City Council also act as the governing body of each entity.
- Each entity is managed by employees of the City in essentially the same manner as it manages its own activities.

Accordingly, separate financial statements are not prepared for the Ventura County Waterworks District No. 8, the Simi Valley Industrial Development Authority, the Simi Valley Public Financing Authority, or the Simi Valley Public Facilities Financing Authority.

B. Financial statements

The basic financial statements of the City are comprised of:

- Government-wide financial statements,
- Fund financial statements,
- Budget-to-actual comparisons for the General fund and major special revenue funds,

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

- Notes to the basic financial statements, and
- Required supplementary information.

In addition, supplementary information is provided for:

- Non-major governmental funds,
- Budget-to-actual comparisons for non-major special revenue funds,
- Internal service funds, and
- Fiduciary funds, which includes private-purpose trust funds.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of net position, statement of activities, and a management's discussion and analysis section provides an analysis of the City's overall financial position and changes in financial position.

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Net investment in capital assets - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- Restricted - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position - This component of net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets".

When both restricted and unrestricted resources are combined in a fund, expenses are considered to be paid first from restricted resources, and then from unrestricted resources.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Fund financial statements for the City's governmental, enterprise, and internal service funds are presented after the government-wide financial statements. These statements display information about major funds individually and non-major funds in the aggregate.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sanitation, water and transit funds, and of the City's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

C. Measurement focus, basis of accounting, and financial statement presentation

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements, with the exception of agency funds, which use the accrual basis of accounting but cannot be said to have a measurement focus. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the government are reported. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items

are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the current financial resources measurement focus, only current assets and current liabilities are generally included on their balance sheets. Their reported fund balances (net current assets) are considered a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of available spendable resources during a period. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, except reimbursement grant revenues and interest, which are considered available, if they are collected within 180 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, service charges, rents, intergovernmental revenue, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The underlying accounting system of the City is based on funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The City reports the following major governmental and enterprise funds:

General fund:

The *General* fund is the City’s primary operating fund. It accounts for all financial resources of the government except those required to be accounted for in another fund.

Special revenue funds:

Successor Housing Agency to Community Development Agency Housing Administration fund accounts for housing set-aside funds used to reimburse the costs associated with the administration and coordination of affordable housing programs, processing of affordable housing agreements, amendment or update of the Housing element of the general plan, as well as any general plan amendments for affordable housing projects.

Capital projects fund:

Streets and Roads fund accounts for all street-related improvements. Grants, transfers of funds from special revenue funds, accumulated via service charges, or transfers from the General fund primarily fund these improvements.

Enterprise funds:

Simi Valley Sanitation fund accounts for providing wastewater collection and treatment services in all the incorporated areas within the City of Simi Valley, as well as adjacent unincorporated areas.

Ventura County Waterworks District No. 8 fund accounts for the activities of the District, a blended component unit of the government. The District provides water services to 60% of Simi Valley residents and businesses.

Simi Valley Transit System fund accounts for the activities of the City's transit system.

Additionally, the City reports the following fund types:

Internal service funds:

The City utilizes four internal service funds to account for management services provided to other departments of the City, on a cost reimbursement basis.

Liability Insurance fund provides for losses arising from general liability, property, automobile, physical damage, employee fiduciary, and unemployment claims. It is financed through contributions paid by each operating program based on factors similar to those used by insurance companies (i.e. payroll, property values, and number of employees).

Workers' Compensation Insurance fund accounts for the workers' compensation program. It is financed through contributions paid by each operating program based on factors similar to those used by the State Compensation Insurance Fund in calculating premium amounts; i.e., percentage rates by class of employee applied against related payroll costs.

GIS/Permits Operations fund accounts for operational costs associated with the City's geographical information and permitting computer systems. It is financed through contributions paid by each operating program based on allocated use of the systems.

FIS Operations fund accounts for operational costs associated with the City's financial information computer systems. It is financed through contributions paid by each operating program based on allocated use of the systems.

Fiduciary funds:

The City accounts for assets held by the City in a trustee capacity or as an agent for individuals or private organizations in agency funds.

City Custodial fund accounts for assets held by the City in a trustee capacity, or as an agent for individuals, private organizations, or other governments. Such trust funds are used to report resources held and administered by the City. They are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Private Purpose Trust fund accounts for the assets and liabilities of the former Community Development Agency and its allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

Pensions Trust fund accounts for the assets related to the City's Public Agency Retirement Services (PARS) Retirement plan.

OPEB Trust fund accounts for the assets, contributions, administration expenses, and benefit payments related to the City's other postemployment retiree benefits plan.

D. Implementation of new accounting pronouncements

The requirements of the following accounting standards are effective for the purpose of implementation, if applicable to the City, for the year ended June 30, 2021. The financial statements included herein apply the requirements and provisions of these statements, including necessary retroactive adjustments to financial statement classifications and presentations.

GASB Statement No. 84

In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. This Statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

GASB Statement No. 90

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61*. This Statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units.

GASB Statement No. 98

In October 2021, GASB issued Statement No. 98, *The Annual Comprehensive Financial Report*. This Statement establishes the term annual comprehensive financial report and its acronym ACFR. That new term and acronym replace instances of comprehensive

annual financial report and its acronym in generally accepted accounting principles for state and local governments.

E. Assets, liabilities, deferred outflows/inflows of resources and net position/fund balance

1. Deposits and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes and the City Investment Policy, authorize the government to invest in obligations of the U.S. Treasury, the State and local agencies, Federal Government-Sponsored Agency Securities, the State Treasurer's Investment Pool, and other public agency investment pools meeting specific criteria.

Investments are reported at fair value. The State Treasurer's Investment Pool and the California Asset Management Pool (CAMP) operate in accordance with applicable state laws and regulations. The reported value of the pool funds is the same as the fair value of the pool shares.

2. Receivables and payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, are offset by a fund balance non-spendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources. Receivables are shown net of allowance for uncollectibles.

3. Property taxes

Property taxes in California are levied in accordance with Article 13A of the State Constitution and statutory provisions by the County Assessor for the secured and unsecured tax rolls, and State Board of Equalization for the utility property tax rolls. The tax levy to support general operations is limited to one percent of full value at time of purchase with subsequent annual increases up to two percent. Increase to full value is allowed for property improvements or upon change in ownership. Amounts required to finance voter-approved debt are excluded from this limitation and are calculated and levied each fiscal year. Property taxes are levied on both real and personal property.

Secured property taxes are levied July 1, payable in two equal installments: the first is due November 1 and delinquent with penalties after December 10; the second is due on February 1 and delinquent with penalties after April 10. Unsecured property taxes become delinquent with penalties after August 31. Secured property taxes become a lien on the property on January 1.

The County of Ventura bills and collects the property taxes and remits them to the City throughout the year. Property tax revenue is recognized in the fiscal year for which taxes have been levied, provided the revenue is collected in the current period, or within 60 days thereafter.

4. Inventories and prepaid items

In governmental funds, the purchase method is used to account for inventories. Under this method, inventories are recorded as expenditures when purchased rather than capitalized as an asset. If inventory amounts are significant at year-end they are reported as an asset. Inventory amounts in the governmental funds were not significant in fiscal year 2020-21.

In proprietary funds, inventories are valued at cost. They are accounted for using the consumption method, on a first-in / first-out basis.

5. Restricted assets

Customer deposits and connection fees are classified as restricted assets on the statement of net position, business-type activities. Customer deposits offset the liability for water service prepayments, and the cash received for water and sewer connection fees is restricted for infrastructure or plant improvements.

6. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more (the infrastructure threshold is \$25,000, the intangible threshold is \$100,000) and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated infrastructure assets are recorded at estimated historical cost provided by the developer. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' useful lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, equipment, and infrastructure are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	25
Vehicles	4-7
Furnishings, machinery and equipment	3-15
Water/Sewer lines	30-100
Intangibles	5-15
Infrastructure	25-50

7. Compensated absences

Vacation and sick leave benefits are consolidated into a leave benefit program. It is the City's policy to permit employees to accumulate earned but unused leave. Accumulations are capped at different levels, depending upon the employee group. All such leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

8. Long-term obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan and Public Agency Retirement Services (PARS) Retirement Enhancement plan (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined

on the same basis as they are reported by CalPERS and PARS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Postemployment benefits other than pensions

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense information about the fiduciary net position of the City of Simi Valley Retiree Benefits Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

11. Deferred inflows/outflows of resources

In addition to assets, the statements of net position and governmental funds balance sheets 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 will not be recognized as an outflow of resources (expense/ expenditure) until then.

In addition to liabilities, the statements of net position and governmental funds balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: property taxes, housing loans and forfeited assets. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Changes in the net pension and OPEB liability not included in pension and OPEB expense are reported as deferred outflows of resources or deferred inflows of resources related to pensions and OPEB on the statements of net position.

12. Fund equity

Fund balance amounts are reported within one of the fund balance categories listed below.

- *Non-spendable* fund balance represents funds that are not immediately available to support government operations. The City's non-spendable fund balance represents long-term receivables that will not be converted to cash in the near future.
- *Restricted* fund balance has constraints imposed by external parties such as creditors, grantors, or contributors; legislation or regulations of other governments; or imposed by constitutional provisions.
- *Committed* fund balance represents funds that can only be designated for specific purposes by formal City Council action. These amounts cannot be used for any other purpose unless the City Council removes or changes the specified use through the same type of formal ordinance action taken to establish the commitment.
- *Assigned* fund balance is similar to committed fund balance except that the City Council can authorize the City Manager, through resolution, to designate the funds for specific purposes. An example is budgeted line-item expenditures to which the City Manager has the authority to make administrative amendments, provided they do not have a significant policy impact or affect budgeted year-end fund balances.
- *Unassigned* fund balance is the portion of fund balance that does not fall into any of the other fund balance categories. These funds are available for any legitimate government purpose. The General fund is the only fund that reports a positive unassigned fund balance amount. However, in governmental funds other than the General fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, they are considered to be spent in the order as follows: committed, assigned and then unassigned.

13. Net position flow assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

14. Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Actual results could differ from the estimates.

II. Stewardship, compliance, and accountability

A. Budgetary information

The City is a general law city in the State of California and does not legally require a budget. However, the City Council annually adopts budgets on a basis consistent with generally accepted accounting principles for the General fund, enterprise funds, special revenue funds, and internal service funds. Annual budgeting for operations facilitates management evaluation and control. Project-length budgets are adopted for the capital project funds. Debt service funds are not budgeted. Appropriations lapse at year end for all funds, with the exception of Capital Projects Funds, which have project length budgets.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations that do not have a significant policy impact or affect budgeted year-end fund balances. The City Council may amend the budget at any time during the year. Unexpended or unencumbered appropriations lapse at the end of the fiscal year but may be eligible for reappropriation upon City Manager approval. Encumbered appropriations are reappropriated in the ensuing year’s budget after review and approval by the City Manager.

The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level for all funds except the General fund for which, by policy, the level of budgetary control is the department level. Departments within the General fund include divisions as listed in the following table. A detailed City organizational chart is included in the introductory section of this document.

General Fund Program Areas by Department					
City administration	Attorney	Administrative services	Planning (ES)	Public ways and facilities (PW)	Public safety (PD)
City Manager	City Attorney	Budget	Advanced/Current Planning	Crossing Guards	Communications
City Clerk		Customer Services	Animal Regulation	Engineering	Crime Analysis
Cultural Arts Center		Fiscal Services	Building and Safety	Environmental Compliance	Detectives
Human Resources		Information Services	CDBG Program	Maintenance Services	Dispatch
Senior Services		Support Services	Code Enforcement	Parkway & Tree Maintenance	Emergency Services
Youth Services			Community Information	Street Maintenance	Fiscal Services
			Housing Programs	Traffic Engineering	Maintenance
			Managed Growth Program	Vehicle & Equip. Maintenance	Patrol
			Neighborhood Councils		Records
			Planning Commission		Special Operations
			Task Force on Homelessness		Traffic

B. Excess of expenditures over appropriations

For the fiscal year ended June 30, 2021, expenditures exceeded appropriations in the Public, Education and Government (PEG) Fees and Transportation (non-major) special revenue funds by \$22,103 and \$84,986, respectively. The necessary budget amounts were underestimated when completing the budget for these funds in the fiscal year 2021.

C. Deficit fund equity

The Private Purpose Trust fund, a component of the City’s Fiduciary funds, has a negative net position of \$10,973,895 as of June 30, 2021. During the current fiscal year, additions exceeded deductions by \$1,909,455 thereby reducing the negative net position from the previous fiscal year. See Note V F.

III. Detailed notes on all funds

A. Cash and investments

The cash balances of all funds held by the City are pooled and invested for the purpose of increasing interest earnings through investment activities. The interest earned on these investments is allocated to participating funds based on their average daily cash balances.

Cash and investments at June 30, 2021 are classified as follows:

Statement of net position:

Cash and investments	207,672,968
Cash and investments held by bond trustee	22,987,164
Fiduciary funds:	
Cash and investments	9,528,922
Cash and investments held by bond trustee	3,130,560
Restricted cash and investments held with Pension Trust	1,481,169
Restricted cash and investments held with OPEB Trust	3,040,480
Total cash and investments	\$247,841,263

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

Cash on hand	\$ 6,399
Deposits with financial institutions	31,315,011
Outstanding checks	1,538,536
Investments	214,981,317
Total cash and investments	\$247,841,263

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The following table identifies the investment types that are authorized by the California Government Code (or the City’s investment policy or debt agreements, whichever is more restrictive) subject to the prohibitions and limitations set forth in Sections 8.1 of the City’s Statement of Investment Policy. The table also identifies certain provisions of the California Government Code (or the City’s investment policy or debt agreements, whichever is more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. Debt proceeds held by bond trustees are invested in accordance with the provisions of debt agreements of the City.

<u>Investment Type</u>	<u>State Code Limits</u>		<u>City Portfolio Limits</u>	
	<u>Max</u>	<u>Authorized</u>	<u>Max</u>	<u>Authorized</u>
Local Agency Bonds	5 Years	100%	5 Years	100%
U.S. Treasury Bills, Notes, and Bonds	5 Years	100%	5 Years	100%
CA State Registered Warrants	5 Years	100%	5 Years	100%
Notes and Bonds of other States	5 Years	100%	5 Years	100%
Federal Instrumentality Securities	5 Years	100%	5 Years	100%
Supranational Securities	5 Years	30%	5 Years	30%
Bankers' Acceptances	180 Days	40%	180 Days	40%
Commercial Paper	270 Days	25%	270 Days	25%
Non Negotiable CD's	5 Years	None	5 Years	30%
Negotiable CD's	5 Years	30%	5 Years	30%
Private Deposit Placements	5 Years	30%	5 Years	30%
Repurchase Agreements	1 Year	100%	1 Year	100%
Reverse Repurchase Agreements	92 Days	20%	*	*
Medium Term Notes	5 Years	30%	5 Years	30%
Money Market Mutual Funds	N/A	20%	N/A	20%
Collateralized Bank Deposits	5 Years	100%	5 Years	25%
Mortgage Pass-through Securities	5 Years	20%	*	*
LAIF	N/A	\$50 Million	N/A	\$50 Million
County Pooled Investment Funds	N/A	100%	N/A	\$50 Million

*Prohibited by City Investment Policy (with limited authorization for repurchase or reverse repurchase agreements)

Interest Rate Risk

To minimize the impact on portfolio fair value caused by changes in market interest rates, the City holds investments to maturity, matches investment maturities with specific cash flow requirements, invests in a combination of short, medium, and long term investments (laddered maturities), and invests in securities maturing in 5 years or less from the settlement date.

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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:

<u>Investment Type</u>	<u>Amount</u>	<u>Remaining Maturity in Years</u>		
		<u>1 Year Or Less</u>	<u>1-2 Years</u>	<u>2-5 Years</u>
U.S. Agencies	\$ 39,557,409	\$ 5,060,940	\$ 10,242,670	\$ 24,253,799
U.S. Treasuries	2,052,820	-	2,052,820	-
U.S. Corporates	28,133,240	505,660	6,113,532	5,220,284
Money market mutual funds	5,137,896	5,137,896	-	-
LAIF	132,447,743	132,447,743	-	-
<u>Restricted investments held by Pension and OPEB Trusts:</u>				
Money market mutual funds	1,544,457	1,544,457	-	-
Mutual funds	2,977,192	2,977,192	-	-
<u>Held by bond trustees:</u>				
Money market mutual funds	3,130,560	3,130,560	-	-
Total	\$214,981,317	\$150,804,448	\$ 18,409,022	\$ 29,474,083

Credit Risk

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

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal</u>	<u>Moody's Ratings as of Year End</u>							<u>Not Rated</u>	
			<u>Aaa/Aaa-mf</u>	<u>Aa1</u>	<u>Aa2</u>	<u>Aa3</u>	<u>A1</u>	<u>A2</u>	<u>A3</u>		
U.S. Agencies	\$ 39,557,409	N/A	\$ 39,557,409	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Treasuries	2,052,820	N/A	2,052,820	-	-	-	-	-	-	-	-
U.S. Corporates	28,133,240	A3	-	1,020,840	4,643,494	2,151,920	5,141,114	13,134,405	2,041,468	-	-
Money market mutual funds	5,137,896	N/A	-	-	-	-	-	-	-	-	5,137,896
LAIF	132,447,743	N/A	-	-	-	-	-	-	-	-	132,447,743
<u>Restricted investments held by Pension and OPEB Trusts:</u>											
Money market mutual funds	1,544,457	N/A	-	-	-	-	-	-	-	-	1,544,457
Mutual funds	2,977,192	N/A	-	-	-	-	-	-	-	-	2,977,192
<u>Held by bond trustees:</u>											
Money market mutual funds	3,130,560	N/A	3,130,560	-	-	-	-	-	-	-	-
Total	\$ 214,981,317		\$ 44,740,789	\$ 1,020,840	\$ 4,643,494	\$ 2,151,920	\$ 5,141,114	\$ 13,134,405	\$ 2,041,468		\$ 142,107,288

Concentration of Credit Risk

In addition to the limitations stipulated in the *Authorized Investments* table, the City's investment policy lists the following limitations:

- Authorized supranational securities must have a maximum maturity not exceeding five years from the date of trade settlement and shall be rated at least "AA" or its equivalent by a nationally recognized statistical rating organization (NRSRO) at the time of purchase. Investments in supranational securities shall not exceed 30% of the portfolio

- Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States with a final maturity not exceeding five years from the date of trade settlement and rated at least “A” or the equivalent by a NRSRO at the time of purchase. No more than 5% of the portfolio shall be invested in any one issuer, and the aggregate investment in medium-term notes shall not exceed 30% of the portfolio.
- State Obligations and Local Agency Issues must be rated at least “A+” or the equivalent by a NRSRO at the time of purchase with maturities not exceeding five years from the date of trade settlement. No more than 5% of the City’s total portfolio shall be invested in any one municipal issuer and the aggregate investment in municipal bonds may not exceed 30% of the portfolio.
- No more than 5% of the portfolio shall be invested in the commercial paper of any one issuer and the aggregate investment in commercial paper shall not exceed 25% of the portfolio.
- Purchases of negotiable certificates of deposit may not exceed 30% of the portfolio with no more than 5% held in any one issuer.
- Investments in LAIF, pursuant to California Government Code Section 16429.1, which has a maximum of \$50 million per agency/account.
- Bond proceeds held by Trustees and Fiscal Agents may be invested in LAIF, other investment pools, and other investment instruments in compliance with California Government Code and the bond indenture documents for each bond issue. For bond proceeds invested in LAIF, the City follows California’s provisions stating bond proceeds are one-time deposits, have no maximum deposit amount, and are maintained on thirty day increments.
- To the extent bond documents require an alternate investment program than this investment policy, Trustees and Fiscal Agents shall follow the alternate investment instructions.

Custodial Credit Risk

All demand deposits and certificates of deposit held by the City are entirely insured or collateralized. The California Government Code Section 53652 requires California banks and savings and loan associations to secure a local government agency’s deposits by pledging government securities with a market value equal to 110% of the deposits or pledging first trust deed mortgage notes with a market value equal to 150% of the total deposits.

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Pursuant to California Government Code Section 53653, the City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. To protect investments against custodial credit risk caused by the collapse of individual securities dealers, all securities owned by the City are held by the City’s custodial bank, a third party bank trust department, acting as agent for the City under the terms of a custody agreement.

Investments in any one issuer (other than U.S. Treasury Obligations, money market mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>
Federal National Mortgage Association	U.S. Agencies	\$ 10,165,439
Federal Farm Credit Bank	U.S. Agencies	12,121,840
Federal Home Loan Bank	U.S. Agencies	10,673,910
Federal Home Loan Mortgage Corporation	U.S. Agencies	6,596,220

As of June 30, 2021, the City had no investments which were not held in the City’s name.

Investment in State Investment Pool

The City is a voluntary participant in the California Local Agency Investment Fund (LAIF) that is regulated by California Code Section 16429.1-16429.4 under the oversight of the Treasurer of the State of California. In addition to the primary City account, LAIF accounts are also maintained for the following blended component units of the City: Waterworks District No. 8, Successor Agency to the Community Development Agency, and Industrial Development Authority. The City’s investment in LAIF is highly liquid, as deposits can be converted to cash within twenty-four hours. The fair value of the City’s investment in this pool is reported in the accompanying financial statements at amounts based upon the City’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by Governmental Accounting Standards Board Statement 72. This statement recognizes a three-tiered fair value hierarchy, as follows:

- Level 1: Investments reflect prices quoted for identical assets or liabilities in an active market;

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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Level 2: Investments reflect prices based on inputs other than quoted prices included within Level 1, that are observable for an asset or liability either directly or indirectly; and,

Level 3: Investments reflect prices based on unobservable inputs for an asset or liability.

The City has the following fair value measurements as of June 30, 2021:

<u>Investment Type</u>	<u>Amount</u>	<u>Fair Value Hierarch Category</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Agencies	\$ 39,557,409	\$ -	\$ 39,557,409	\$ -
U.S. Treasuries	2,052,820	-	2,052,820	-
U.S. Corporates	28,133,240	-	28,133,240	-
<u>Restricted investments held by Pension and OPEB Trusts:</u>				
Money market mutual funds	1,544,457	-	1,544,457	-
Mutual funds	2,977,192	-	2,977,192	-
<u>Held by bond trustees:</u>				
Money market mutual funds	3,130,560	-	3,130,560	-
Total investments measured at fair value:		<u>\$ -</u>	<u>\$ 77,395,678</u>	<u>\$ -</u>
Investments measured at amortized cost:				
Money market mutual funds	5,137,896			
LAIF	132,447,743			
Total investments	<u>\$ 214,981,317</u>			

The City and the third-party trustees that hold the City's assets utilize the market approach in valuing the investment portfolio through the use of the pricing service that utilize matrix pricing. The market approach utilizes prices and other relevant data from market transactions for similar assets.

B. Loans receivable

The City utilizes multiple sources for funding projects designed to improve, produce and preserve low- and moderate-income housing units. These include the City Local Housing fund, the CalHome fund, the HOME fund and the Successor Housing Agency to Community Development Agency (Agency) Housing Administration fund. One of the primary means of providing affordable housing is through negotiation with developers to incorporate affordable units within new residential developments. In addition, the City maintains an active home rehabilitation program, offering 2% interest, deferred payment loans to lower-income homeowners to preserve the City's housing stock.

Affordable Housing Program

- Casa de Paz Housing, Inc., an affiliate of Many Mansions (Casa de Paz Apartments)

In July 2001, the Agency entered into an affordable housing agreement with Casa de Paz Housing, Inc. to provide financial assistance for the acquisition and rehabilitation of a 14-unit apartment complex, restricting occupancy to very low-income persons with disabilities. The City and Agency approved an amended affordable agreement on November 20, 2001, to incorporate additional provisions required by HUD. The loan is due 50 years from the certificate of occupancy dated October 25, 2002.

- ARC of Ventura County, Inc. (Vista Del Monte Rental Condominiums)

In April 2002, the Agency entered into an affordable housing agreement with ARC of Ventura County, Inc., to provide financial assistance for the acquisition of four condominium units for occupancy by very low-income, developmentally disabled persons. The loan is due and payable 55 years from the affordable housing agreement dated August 16, 2002, or within 60 days after HUD provides notice to the developer that it will no longer provide project-based rental assistance.

- Paseo Simi Senior Apartments, LP., an affiliate of USA Properties Fund Inc. (Vintage Paseo Apartments)

In December 2002, the Agency entered into an affordable housing agreement with Paseo Simi Senior Apartments, L.P. to provide financial assistance for the construction and operation of a 176-unit multifamily senior apartment complex located at the southeast corner of Tapo Canyon Road and Avenida Simi. The agreement restricts the rental of 86 units to very low- and low-income senior households. Interest accrues up to the end of the 7th year following the commencement of bond amortization. Repayment of the note is to be made from residual receipts and begins in the 8th year following commencement of bond amortization; the note becomes due and payable 55 years from the last certificate of occupancy dated December 16, 2004.

- Alamo & Fairbanks Associates, an affiliate of Cabrillo Economic Development Corporation (Plaza del Sol Apartments)

In September 2003, the Agency entered into an amended affordable housing agreement with Alamo & Fairbanks Associates, to assist with the financing for constructing and operating a 70-unit multi-family apartment project, Plaza del Sol Apartments. The agreement restricts the rental of 34 units to very low- and low-income households. The note is to be repaid from residual receipts and is due and payable 55 years from the last certificate of occupancy dated August 11, 2005.

- La Rahada, LLC., an affiliate of Many Mansions (La Rahada Apartments)
In June 2008, the Agency entered into an affordable housing agreement with Many Mansions to provide financial assistance for the acquisition and rehabilitation of an 8-unit apartment complex, La Rahada Apartments, for occupancy by extremely low-income, mentally disabled, and homeless individuals. The note is due and payable 55 years from issuance of the promissory note dated June 17, 2008.
- Peppertree SV, LLC., an affiliate of Many Mansions (Peppertree Apartments)
In June 2011, the Agency entered into an affordable housing agreement with Many Mansions to provide financial assistance in the form of both a bridge and permanent loan for the acquisition and rehabilitation of a 12-unit apartment complex, Peppertree Apartments, for occupancy by extremely low-income, mentally disabled, and homeless individuals. The bridge loan, with terms of due and payable 18 months from issuance, was paid off in January 2015. The permanent loan is due and payable 55 years from issuance of the promissory note dated October 14, 2013.
- Camino Esperanza, LP., an affiliate of Cabrillo Economic Development Corporation (Camino Esperanza Senior Apartments)
In December 2015, the City entered into an affordable housing agreement with Cabrillo Economic Development Corporation to provide a \$500,000 permanent loan to develop a 31-unit senior housing complex. The permanent loan shall bear 3% simple interest per annum beginning on the 18th anniversary of the promissory note dated December 1, 2015. Subsequently, the City provided an additional \$186,279 interest-free loan for the project in May 2018 and amended the affordable housing agreement terms to add an additional 10 years of affordability. The first note is due and payable 55 years from issuance of the promissory note dated December 1, 2015. The second note is due and payable 65 years from issuance of the final Certificate of Occupancy dated June 28, 2016.
- Vintage at Sycamore Senior Apartments
In February 2020, the City entered into an affordable housing agreement with Simi Vintage Sycamore 650 LP (developer) to provide a loan in the amount of \$3,500,000 as financial assistance towards the development of a 99-unit multifamily senior apartment project on an approximately 2.98 acre parcel of land. The rental of 10 apartment units will be restricted to very low-income senior households, and 38 apartment units will be restricted to low-income senior households. The loan is due and payable 55 years from issuance of the promissory note, dated February 25, 2020, and bears three percent (3%) annual interest for the term of the note.

Home Rehabilitation Program

This Program was established in 1981. The Program offers low interest deferred loans to lower-income homeowners. Qualified owners of detached single-family residences are eligible for a deferred 2% loan that accrues interest for a maximum of 15 years. Full repayment is required when the property is sold, refinanced, leased, changes title, or 30 years from issuance of the promissory note, whichever occurs first. The maximum loan amount is \$50,000.

In response to the dissolution of state redevelopment program funding (a result of California Assembly Bill 1X 26) the City Council authorized suspension of two affordable housing programs - the First Time Home Buyer Program and the Mobile Home Rehab Program. Over its many years of operation, the FTHB program generated several different loan types, the most recent of which would provide \$50,000 per bedroom up to \$200,000. On June 6, 2016, the City Council approved reinstatement of the FTHB assistance program utilizing remaining grant funds from the 2011 CalHome award. The City maintains 262 loans generated by this program, many of which are due and payable at the end of a 55-year term of affordability.

Other loans receivable of the City are comprised of:

- Simi Valley Cultural Arts Center Foundation

During Fiscal Years 1995 – 1996 the City entered into a loan agreement with the Simi Valley Cultural Arts Center Foundation to fund start-up costs of the Center. One dollar of this loan is retired for every three dollars deposited in the Simi Valley Cultural Arts Center Foundation endowment fund or provided for operations in excess of the annual support campaign.

- El Rancho Simi Cemetery District (formerly Simi Valley Public Cemetery District)

During Fiscal Years 1991 – 1993 the City funded capital improvements at the Cemetery for \$256,797. This amount was a loan from the City to the Cemetery at an interest rate of 6.08 percent to be repaid in 10 years. The Cemetery fell into financial hardship and was unable to repay this loan. In fiscal year 1996, the repayment terms of the loan were revised, and the Cemetery's property tax pass-thru funds were to be applied to retire the loan until there was a change in the Cemetery's ability to repay the loan. Effective, July 1, 2011, the County's pass-thru program was eliminated as part of redevelopment dissolution. The Cemetery's property tax share is now paid directly to the district, thereby removing the City's ongoing ability to directly collect upon the debt. The receivable balance reflects only outstanding principal. Because of the District's ongoing poor financial health, accrued interest has been considered uncollectible and therefore is not included in the receivable balance. Additionally, the receivable balance is stated as net of an uncollectible allowance of \$74,397. In November 2015, Cemetery staff submitted an informal request for consideration of complete loan forgiveness by the City as of June 30, 2021, no action has been taken.

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Loans receivable (net of allowance for uncollectibles) balances at June 30, 2021 were as follows:

	<u>Interest Rate</u>	<u>Term (Yrs)</u>	<u>Year Due</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
Affordable Housing Program:						
Casa de Paz Apartments	0.0%	50	2052	\$ 122,551	\$ -	\$ 122,551
ARC of Ventura County	0.0%	55	2057	175,000	-	175,000
Vintage Paseo Apartments	3.0%	55	2059	1,155,862	-	1,155,862
Plaza del Sol Apartments	3.0%	55	2060	1,900,000	517,356	2,417,356
La Rahada Apartments	3.0%	55	2063	250,000	97,792	347,792
Peppertree Apartments	3.0%	55	2068	575,000	132,801	707,801
Camino Esperanza Senior Apartments	3.0%	55	2071	500,000	-	500,000
Camino Esperanza Amendment #1	0.0%	65	2083	186,279	-	186,279
Vintage at Sycamore Senior Apartments	3.0%	55	2075	3,500,000	125,425	3,625,425
Affordable Housing Program				8,364,692	873,374	9,238,066
First Time Homebuyer Program:						
				<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
FTHB - Successor Housing Agency				9,854,512	-	9,854,512
FTHB - LHF				1,836,200	-	1,836,200
FTHB - CalHome				60,000	-	60,000
FTHB - HOME				707,700	-	707,700
FTHB - CDBG				20,800	-	20,800
First Time Homebuyer Program	Equity Share			12,479,212	-	12,479,212
Home Rehabilitation Program:						
				<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
Home Rehab - Successor Housing Agency				303,973	68,271	372,244
Home Rehab - LHF				133,055	12,576	145,631
Home Rehab - CalHome				959,146	124,103	1,083,248
Home Rehab - HOME				1,245,539	99,875	1,345,414
Home Rehab - CDBG				203,428	47,962	251,390
Home Rehab Earthquake. - HOME				183,306	42,993	226,299
Home Rehab Earthquake - CDBG				63,980	19,194	83,174
Home Rehabilitation Program	0.0 - 3.0%			3,092,426	414,974	3,507,400
Housing loans receivable				23,936,330	1,288,348	25,224,678
Other City loans receivable:						
Cultural Arts Center Foundation	0.0%			153,485	-	153,485
Cemetery District	0.0%			74,397	-	74,397
City loans receivable				227,882	-	227,882
Total loans receivable				\$ 24,164,212	\$ 1,288,348	\$ 25,452,560

Loan receivable – Successor Agency:

As of June 30, 2021, advances made to the former CDA from the City totaled \$51,103. On September 23, 2013, the Simi Valley Oversight Board adopted Resolution OB 2013 – 12 confirming the November 10, 2010 loan between the City and the CDA was for legitimate redevelopment purposes. In a correspondence dated November 5, 2013, the California Department of Finance approved the Simi Valley Oversight Board’s adoption of Resolution OB 2013 – 12. Therefore, the Simi Valley Successor Agency may now include the repayment of the loan on future Recognized Obligations Payment Schedules (ROPS). The repayment is subject to the formula outlined in California Health and Safety Code Section 34191.4(b)(2).

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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The composition of loans between the City and the Successor Agency for the year ended June 30, 2021 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Balance June 30, 2020</u>	<u>Debt Incurred</u>	<u>Debt Retired</u>	<u>Balance June 30, 2021</u>
General Fund	Successor Agency - Merged Tapo Canyon and West End tax increment	\$ 2,200,721	\$ -	\$ (2,149,618)	\$ 51,103

C. Accounts receivable

Accounts receivable reported under governmental activities as of year-end are reported net of allowance for uncollectibles as follows:

	<u>Accounts receivable</u>	<u>Allowance for uncollectibles</u>	<u>Total accounts receivable, net</u>
General Fund	\$ 1,430,077	(247,409)	\$ 1,182,668
Special Revenue - SHA to CDA Housing Administration	56,524	-	56,524
Streets and Roads	2,500	-	2,500
Nonmajor Governmental Funds	538,124	-	538,124
subtotal	<u>2,027,225</u>	<u>(247,409)</u>	<u>1,779,816</u>
Internal Service Funds	807	-	807
Total	<u>\$ 2,028,032</u>	<u>\$ (247,409)</u>	<u>\$ 1,780,623</u>

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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D. Capital assets

Capital asset activity for the year ended June 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 10,621,811	\$ -	\$ -	\$ 10,621,811
Construction-in-progress	23,166,223	2,307,311	(12,253,089)	13,220,445
Total capital assets, not being depreciated	<u>33,788,034</u>	<u>2,307,311</u>	<u>(12,253,089)</u>	<u>23,842,256</u>
Capital assets, being depreciated:				
Buildings and improvements	56,328,663	6,524,634	(1,786,745)	61,066,552
Furnishings and equipment	9,663,198	1,885,504	(8,569)	11,540,133
Computers	4,270,784	-	-	4,270,784
Vehicles	7,063,484	792,778	(566,251)	7,290,011
Infrastructure	345,520,713	6,036,316	-	351,557,029
Intangibles	10,880,635	162,407	-	11,043,042
Total capital assets being depreciated	<u>433,727,477</u>	<u>15,401,639</u>	<u>(2,361,565)</u>	<u>446,767,551</u>
Less accumulated depreciation for:				
Buildings and improvements	(26,650,015)	(1,382,896)		(28,032,911)
Furnishings and equipment	(6,946,530)	(888,005)	7,120	(7,827,415)
Computers	(3,888,276)	(105,943)		(3,994,219)
Vehicles	(5,282,835)	(673,847)	557,224	(5,399,458)
Infrastructure	(171,213,070)	(7,849,310)	-	(179,062,380)
Intangibles	(7,426,638)	(493,903)		(7,920,541)
Total accumulated depreciation	<u>(221,407,364)</u>	<u>(11,393,904)</u>	<u>564,344</u>	<u>(232,236,923)</u>
Total capital assets, being depreciated, net	<u>212,320,113</u>	<u>4,007,735</u>	<u>(1,797,221)</u>	<u>214,530,628</u>
Governmental activities capital assets, net	<u>\$246,108,147</u>	<u>\$ 6,315,046</u>	<u>\$ (14,050,310)</u>	<u>\$ 238,372,884</u>
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 1,216,994	\$ -	\$ -	\$ 1,216,994
Construction-in-progress	10,202,848	12,936,874	(3,870,617)	19,269,105
Total capital assets, not being depreciated	<u>11,419,842</u>	<u>12,936,874</u>	<u>(3,870,617)</u>	<u>20,486,099</u>
Capital assets, being depreciated:				
Buildings and improvements	14,634,865	349,176	(34,015)	14,950,026
Furnishings and equipment	9,447,490	58,254	(790,744)	8,715,000
Vehicles	12,967,636	1,829,697	(1,075,804)	13,721,529
Distribution system	216,366,508	2,584,305	-	218,950,813
Total capital assets being depreciated	<u>253,416,499</u>	<u>4,821,431</u>	<u>(1,900,563)</u>	<u>256,337,367</u>
Less accumulated depreciation for:				
Buildings and improvements	(8,399,737)	(362,366)	34,015	(8,728,088)
Furnishings and equipment	(5,839,053)	(359,505)	790,744	(5,407,814)
Vehicles	(9,791,804)	(1,081,444)	1,033,895	(9,839,353)
Distribution system	(101,527,144)	(3,320,188)	-	(104,847,332)
Total accumulated depreciation	<u>(125,557,738)</u>	<u>(5,123,503)</u>	<u>1,858,654</u>	<u>(128,822,587)</u>
Total capital assets, being depreciated, net	<u>127,858,761</u>	<u>9,944,934</u>	<u>(41,909)</u>	<u>127,514,780</u>
Business-type activities capital assets, net	<u>\$ 139,278,603</u>	<u>\$ 22,881,808</u>	<u>\$ (3,912,526)</u>	<u>\$ 148,000,879</u>

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:	
General Government	\$ 7,870,390
Community Services	339,650
Planning (ES)	23,712
Public Ways & Facilities (PW)	2,406,276
Public Safety	753,876
Total depreciation expense-governmental activities	<u>\$11,393,904</u>
 Business-type activities:	
Sanitation	\$ 2,415,618
Waterworks	1,642,195
Transit	1,065,690
Total depreciation expense-business-type activities	<u>\$ 5,123,503</u>

E. Construction commitments

The City has active construction projects as of June 30, 2021. The commitments for governmental fund projects are included in the restricted fund balances. The project commitments for enterprise funds at year end are as follows:

Project Name	Contract Amount*	Expenditures to date as of June 30, 2021	Remaining Commitments*
Royal Avenue (Pride to Erringer) Sewer Line Rehabilitation Projects	\$ 1,594,996	\$ 84,075	\$ 1,510,921
Water Quality Plant Energy Related Projects	33,711,566	13,625,922	20,085,644
Small tank Replacements at Well Nos. 31 & 32A	603,027	-	\$ 603,027
Drilling, Construction, Development and Testing for Replacement Well 32A	1,365,687	385,192	\$ 980,495
Transit CNG Fueling System Upgrade	1,262,612	-	\$ 1,262,612
Total commitments	<u>\$ 38,537,888</u>	<u>\$ 14,095,190</u>	<u>\$ 24,442,699</u>

* Amount includes possible contingency.

F. Interfund receivables, payables, and transfers

The interfund amounts between the General fund, the Simi Valley Transit enterprise fund and non-major governmental funds are for short-term loans to cover operations. The interfund amounts between the Successor Housing Agency to Community Development Agency Housing Administration and non-major governmental funds and the General Fund are also for short-term loans to cover operations.

Due to / from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Simi Valley Transit System	\$ 9,587,465
	Nonmajor governmental funds	931,503
SHA to CDA Housing Administration	Nonmajor governmental funds	301
Nonmajor governmental funds	General	1,179
Nonmajor governmental funds	Nonmajor governmental funds	7,437
Total		<u>\$ 10,527,885</u>

Advances to / from other funds:

<u>Receivable Fund</u>	<u>Payable Fund</u>	
General	Public Facility Improvements	\$ 3,348,381
	Internal Service funds	2,344,000
Total		<u>\$ 5,692,381</u>

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

The composition of interfund transfers for the year ended June 30, 2021 is as follows:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Purpose</u>
General fund	SHA to Community Development Agency Housing Administration	\$ 429,924	Fund housing programs
	Street & Roads	18,000	Fund street and road programs
	Nonmajor governmental funds	<u>4,046,696</u>	Fund Landscape zones, scheduled debt service, and contributions to replacement funds
		<u>4,494,620</u>	
Nonmajor governmental funds	General fund	3,437,633	Fund gas tax, development agreements, and State Supplemental Law Enforcement Services
	Streets and roads	565,608	Fund street projects
	Proprietary fund	204,424	Fund transit operations
	Nonmajor governmental funds	<u>1,088,148</u>	Contributions to replacement funds and capital project funds
		<u>5,295,813</u>	
Total governmental funds		<u>9,790,433</u>	
<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Purpose</u>
Proprietary funds	General fund	366,112	Contributions for pension costs
	Nonmajor governmental funds	<u>959,900</u>	Contributions to replacement funds and fund capital project funds
		<u>1,326,012</u>	
Total proprietary funds		<u>1,326,012</u>	
Total transfers		<u>\$ 11,116,445</u>	

G. Long-term debt

The Simi Valley Public Facilities Financing Authority (SVPFFA) was created in June, 2014. It is a blended component unit of the City which has authority to issue bonded debt on behalf of the City for certain types of financing structures, such as lease revenue bonds and certificates of participation. At year-end, outstanding long-term bonded debt was comprised of the following:

- City of Simi Valley 2014A Lease Revenue Refunding Bonds (LRRB):

Original issue amount \$18,795,000; interest rates at 2.00% to 3.75%, maturing October 1, 2014-2034. The LRRB are payable in annual installments ranging from \$270,000 to \$1,445,000. They were issued at a premium, which has been added to the new debt and is being amortized over the life of the bonds. These LRRB were issued to provide financing for full redemption of the 2004 Simi Valley Public Financing Authority Certificates of Participation (COP). Through the refunding of the COP, the City realized net present value savings of \$3.2 million or 14.9% of the refunded bonds. The annual lease/debt service payments will be supported by contributions from various City funds based on the benefit received. The identified funds have the long-term financial capacity to support the required payments. In the event of a default, as defined in the lease agreement, notwithstanding anything in the lease agreement or in the indenture to the contrary, there is no right under any circumstances to accelerate the base rental payments or otherwise declare any base rental payments not then in default to be immediately due and payable, nor do the Authority or the Trustee have any right to re-enter or re-let the property except as described in the lease agreement. As of June 30, 2021, total interest and principal remaining on the bonds is \$20,601,406.

- City of Simi Valley Lease Revenue Bonds, Series 2016 NCREBs (New Clean Renewable Energy Bonds) and City of Simi Valley Tax-Exempt Lease, Series 2016:

The City entered into a lease-leaseback arrangement and a lease arrangement with the SVPFFA to provide financing for the NCREBs Solar Equipment and the Tax-Exempt Project for the financing of the acquisition, construction and installation of certain solar energy and other energy efficiency capital improvements to existing City buildings and property. An allocation of new Clean Renewable Energy Bonds was received by the City for \$9,226,619, interest rates at 1.5% - 2.5%, maturing September 1, 2036. The Tax-Exempt solar component consisted of \$740,459 of bond proceeds also maturing September 1, 2036. As NCREBs financing is restricted only for solar power systems, the Tax-Exempt bonds will be used to finance the re-roofing of City Hall, the resurfacing of the parking lot at the Senior Center, and the installation of electric vehicle chargers at the Civic Center. In the event of a default, as defined in the lease agreement, there is no right under any circumstance to accelerate the lease payments or otherwise declare any lease payments not then in default to be immediately due and payable.

As of June 30, 2021, total interest and principal remaining on the 2016 NCREBs and Tax Exempt bonds is \$10,374,162 and \$753,621 respectively.

- 2017 Tax Exempt Equipment Lease Agreement:

The City entered into an agreement with the SVPFFA as lessor and the City of Simi Valley as lessee to provide financing for a replacement (VoIP) telephone system, and energy efficiency upgrades including LED lighting at City facilities, and HVAC system replacement and improvements. The lease agreement obligates the City to make base lease payments to SVPFFA, and SVPFFA assigned such payments to Bank of America. The Simi Valley Senior Center is the asset which was used as collateral for this tax exempt financing. The issue price of the tax exempt bond associated with this transaction is \$6,408,600, based on an interest rate of 3.00% per year. In the event of a default, as defined in the lease agreement, there is no right under any circumstance to accelerate the lease payments or otherwise declare any lease payments not then in default to be immediately due and payable. As of June 30, 2021, the total interest and principal remaining on the issuance is \$6,215,786.

- 2018 Taxable Equipment Lease/Purchase Agreement:

The City entered into a lease arrangement with Banc of America Leasing & Capital, LLC to provide financing for a purchase and sale agreement and pole license agreement with Southern California Edison (SCE) for the acquisition of streetlights located in Simi Valley. Annual savings of \$510,000 in the City's electrical costs are estimated to be achieved through the owning of the streetlights and their conversion to LED. The newly acquired streetlights act as the pledged asset for this taxable financing. The stated acquisition amount for this transaction is \$5,655,845. The type of debt instrument for this private placement financing is certificates of participation/leases, with a stated interest rate of 5.15% and a settlement date of May 15, 2018. In the event of a default, as defined in the lease agreement, there is no right to accelerate any rental payment or otherwise declare any rental payment or other amount payable not then in default to be immediately due and payable. As of June 30, 2021, total interest and principal remaining on the lease agreement is \$7,379,289.

- 2019 Taxable Equipment Lease/Purchase Agreement:

On December 10, 2019, the City entered into a lease arrangement with Banc of America Leasing & Capital, LLC to provide financing for the acquisition and installation of certain equipment at the Water Quality Control Plant. The project provides enhanced electrical functions for energy savings as well as replacement and rehabilitation of outdated and worn out equipment. The stated acquisition amount for this transaction is \$33,816,566. The type of debt instrument for this private placement financing is certificates of participation/leases with a stated interest rate of 2.309% and maturity date of September 1, 2039. In the event of a

default, as defined in the lease agreement, there is no right to accelerate any rental payment or otherwise declare any rental payment or other amount payable not then in default to be immediately due and payable. As of June 30, 2021, total interest and principal remaining on the lease agreement is \$42,908,891.

Other long-term debt of the City is comprised of:

- Claims and legal services payable of \$13,504,945, consisting of general liability and workers' compensation liability. These liabilities are estimates based on the requirements of Governmental Accounting Standards Board Statement No. 10 and include actuarially estimated claims incurred but not yet reported as of June 30, 2021.
- Compensated absences liability of \$7,566,610 at fiscal year-end. This liability consists of accumulated earned, but unused leave of employees charged to the General fund, Enterprise funds and the Workers' Compensation – Internal Service fund. The liability is liquidated from the funds to which an employee is charged. The largest portion of the liability (82.0%) is attributable to the General fund.
- Other Post Employment Benefits (OPEB) liability of \$48,803,302. This liability consists of the actuarially determined liability attributable to governmental activities and business-type activities of the Enterprise funds. OPEB funds health insurance benefits for retired employees. The liability is liquidated from the funds to which an employee is charged. See Note IV E for additional detail regarding this debt.
- Net pension liability of \$156,756,239. This liability consists of the actuarially determined liability attributable to governmental activities and business-type activities of the Enterprise funds. The liability is liquidated from the funds to which an employee is charged. See IV D for additional detail regarding this debt.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

Annual debt service requirements to maturity

The annual requirements to amortize the bonds and advances as of June 30, 2021, including interest, are as follows:

Governmental Activities

2014A Lease Revenue Refunding Bonds

Year Ending <u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 800,000	\$ 666,775	\$ 1,466,775
2023	845,000	625,650	1,470,650
2024	890,000	582,275	1,472,275
2025	935,000	536,650	1,471,650
2026	980,000	488,775	1,468,775
2027-2031	5,715,000	1,644,406	7,359,406
2032-2035	5,480,000	411,875	5,891,875
	<u>\$ 15,645,000</u>	<u>\$ 4,956,406</u>	<u>\$ 20,601,406</u>

2016 New Clean Renewable Energy Bonds

Year Ending <u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 372,669	\$ 277,884	\$ 650,552
2023	386,122	264,187	650,310
2024	400,061	249,997	650,058
2025	414,503	235,294	649,797
2026	429,468	220,060	649,528
2027-2031	2,391,392	851,839	3,243,231
2032-2036	2,855,349	379,508	3,234,857
2037-2037	634,378	11,451	645,829
	<u>\$ 7,883,943</u>	<u>\$ 2,490,219</u>	<u>\$ 10,374,162</u>

2016 New Clean Renewable Energy Bonds (Tax Exempt)

Year Ending <u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 32,105	\$ 15,081	\$ 47,185
2023	32,904	14,271	47,175
2024	33,723	13,442	47,165
2025	34,563	12,592	47,155
2026	35,424	11,720	47,144
2027-2031	190,796	44,754	235,550
2032-2036	215,763	19,476	235,239
2037-2037	46,429	578	47,007
	<u>\$ 621,707</u>	<u>\$ 131,914</u>	<u>\$ 753,621</u>

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

2017 Equipment Lease (Tax Exempt)

Year Ending <u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 419,169	\$ 154,672	\$ 573,842
2023	431,839	142,002	573,842
2024	444,893	128,949	573,842
2025	458,340	115,501	573,842
2026	472,194	101,647	573,841
2027-2031	2,358,765	287,005	2,645,770
2032-2033	675,332	25,476	700,808
	<u>\$ 5,260,532</u>	<u>\$ 955,253</u>	<u>\$ 6,215,786</u>

2018 Equipment Lease/Purchase Agreement

Year Ending <u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 296,857	\$ 270,781	\$ 567,638
2023	312,342	255,296	567,638
2024	328,635	239,003	567,638
2025	345,777	221,860	567,637
2026	363,814	203,824	567,638
2027-2031	2,124,325	713,863	2,838,188
2032-2034	1,559,396	143,517	1,702,913
	<u>\$ 5,331,146</u>	<u>\$ 2,048,143</u>	<u>\$ 7,379,289</u>

Business-type Activities

2019 Equipment Lease/Purchase Agreement

Year Ending <u>June 30:</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 580,283	\$ 1,739,116	\$ 2,319,399
2023	1,561,098	758,302	2,319,400
2024	1,597,343	722,056	2,319,399
2025	1,634,431	684,969	2,319,400
2026	1,672,380	647,020	2,319,400
2027-2031	8,962,691	2,634,306	11,596,997
2032-2036	10,052,632	1,544,365	11,596,997
2037-2040	7,755,708	362,190	8,117,898
	<u>\$ 33,816,566</u>	<u>\$ 9,092,325</u>	<u>\$ 42,908,891</u>

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

Changes in long-term liabilities

Long-term liability activity for the year ended June 30, 2021, was as follows:

	<u>Balances</u> <u>June 30, 2020</u>	<u>Debt</u> <u>Incurred</u>	<u>Debt</u> <u>Retired</u>	<u>Balances</u> <u>June 30, 2021</u>	<u>Due Within</u> <u>One Year</u>
Governmental activities:					
2014A lease revenue refunding bond	\$ 16,410,000	\$ -	\$ (765,000)	\$ 15,645,000	\$ 800,000
2016 New Clean Renewable Energy Bonds (NCREBs)	8,243,627	-	(359,684)	7,883,943	372,669
2016 NCREBs tax exempt	653,032	-	(31,325)	621,707	32,105
2017 lease agreement	5,667,403	-	(406,871)	5,260,532	419,169
2018 lease agreement	5,613,286	-	(282,140)	5,331,146	296,857
Add (less) deferred amounts:					
Bond premium	1,396,325	-	(98,638)	1,297,687	98,636
Total bonds payable	37,983,673	-	(1,943,658)	36,040,015	2,019,436
Claims and legal services	13,110,604	2,529,376	(2,135,035)	13,504,945	3,395,822
Compensated absences	6,022,145	275,201	(10,204)	6,287,142	628,714
SoCal Edison on-bill financing	866	-	(866)	-	-
Net OPEB obligation	42,228,943	2,732,760	(2,737,689)	42,224,014	-
Net pension liability	124,755,200	16,902,443	(12,189,676)	129,467,967	-
Governmental activity					
long-term liabilities	<u>\$ 224,101,431</u>	<u>\$ 22,439,780</u>	<u>\$ (19,017,128)</u>	<u>\$ 227,524,083</u>	<u>\$ 6,043,972</u>
Business-type activities:					
2019 lease agreement	\$ 33,816,566	\$ -	\$ -	\$ 33,816,566	\$ 580,283
Compensated absences	1,193,507	85,961	-	1,279,468	127,947
Net OPEB obligation	6,575,127	283,733	(279,572)	6,579,288	-
Net pension liability	26,470,389	3,436,741	(2,618,858)	27,288,272	-
Business-type activity					
long-term liabilities	<u>\$ 68,055,589</u>	<u>\$ 3,806,435</u>	<u>\$ (2,898,430)</u>	<u>\$ 68,963,594</u>	<u>\$ 708,230</u>

For governmental activities, the pension, other postemployment benefits, and compensated absences obligations are generally liquidated by the General fund.

Lines of Credit

The City has no available, unused lines of credit.

H. Fund balance designations

Fund balance is categorized as Nonspendable, Restricted, Committed, Assigned or Unassigned. The City Council adopts and amends committed fund balance amounts through an ordinance. The City Manager authorizes assigned amounts for specific purposes pursuant to the policy-making powers granted to him through a resolution. Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

I. Assessment district bonds

The City has formed several special assessment districts and subsequently issued bonds for the construction of public improvements within these districts. The City acts as an agent for the property owners in collecting assessments for the payment of principal and interest amounts due by the property owners to the assessment district bondholders, and initiating foreclosure proceedings, if appropriate. However, the City is not obligated in any manner for repayment of these special assessment bonds, and the bonds are not reported in the accompanying financial statements.

The outstanding assessment district bonds at June 30, 2021, consisted of the following:

Community Facilities District (District No. 04-1)	\$ 5,710,000
Madera Royal (District No. 98-1)	870,000

J. Conduit debt obligations

The City has been associated with the issuance of several housing, mortgage and commercial development debt issues. These debt obligations were issued under provisions of State and Federal laws that explicitly state that they do not constitute any indebtedness of the City. The total amount of conduit debt outstanding at June 30, 2021 was \$17,305,000. The City is not involved with these bonds in any manner; as such, the conduit debt obligations are not reflected in the accompanying financial statements. Listed below is a brief description of the bonds outstanding at year-end:

- Multifamily Housing Revenue Bonds, Series 2002A were issued in the amount of \$12,000,000 to finance the Vintage Paseo Senior Apartments; the outstanding principal at June 30, 2021, is \$8,235,000.
- Subordinate Multifamily Housing Revenue Bonds, Subordinate Series 2002B were issued in the amount of \$3,000,000 to finance the Vintage Paseo Senior Apartments; the outstanding principal at June 30, 2021, is \$2,070,000.
- Multifamily Construction Note was issued December 24, 2015, the amount of \$7,000,000 to finance the Camino Esperanza Senior Apartments; the outstanding principal at June 30, 2021, is \$7,000,000.

IV. Additional notes to the basic financial statements

A. Arbitrage rebate liability

The City is required to rebate to the federal government the excess investment earnings on bond proceeds if the yield on those earnings exceeds the effective yield on the related bonds issued. Rebates are payable every five years or upon the maturity of the bonds, whichever is earlier. At June 30, 2021, no such amounts were due.

B. Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Two of the City’s four Internal Service Funds, General Liability and Workers’ Compensation, account for and finance the agency’s uninsured risks of loss.

Under this program, the City is self-insured for up to \$1 million for each general liability claim and up to \$750,000 for each workers’ compensation claim. The City purchases commercial insurance for property loss, as well as for claims in excess of the preceding coverage amounts.

All operating funds of the City participate in the program and make payments to the General Liability and Workers’ Compensation funds based on actuarial estimates of the amounts needed to pay prior and current-year claims and legal expenses.

Liabilities are estimated when a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities also include an amount for claims that have been incurred, but not reported as of the end of the year. Changes in the combined balances of General Liability and Workers’ Compensation funds’ claims and legal liability during the past two years are as follows:

	Year ended June 30, 2021	Year ended June 30, 2020
Unpaid claims beginning of fiscal year	\$ 13,110,604	\$ 11,478,591
Incurred claims (including IBNRs and adjusted claims expense)	2,529,376	5,400,849
Claims payments	<u>(2,135,035)</u>	<u>(3,768,836)</u>
Unpaid claims, end of fiscal year	<u>\$ 13,504,945</u>	<u>\$ 13,110,604</u>

C. Deferred compensation plans

The City offers its employees deferred compensation plans in accordance with Internal Revenue Code Sections 401(k) and 457 (as amended on August 20, 1996 per additional subsection (g)). The plans permit participants to defer a portion of their current salary until future years. The deferred compensation is not available to the employees until termination, retirement, death, or the occurrence of an unforeseeable emergency. Since the City neither owns the funds nor has any administrative involvement and does not perform the investing function for these plans, the assets and related liabilities are not recorded in the City’s financial statements.

D. Pension plans

The City participates in the statewide California Public Employees’ Retirement System (CalPERS) that covers all employees, and the Public Agency Retirement System (PARS) for executive management employees.

California Public Employees' Retirement System

Plan Description - All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and Local Government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website - <http://www.calpers.ca.gov>.

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 the 1957 Survivor Benefit. 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, 2021, are summarized as follows:

Miscellaneous		
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50-55	50-55
Month benefits, as a % of eligible compensation	2.0% to 2.7%	1.05 to 2.5%
Required employee contribution rates	7%	7%
Required employer contribution rates	35.490%	35.490%

Safety		
	Prior to January 1, 2013	On or after January 1, 2013
Hire date		
Benefit formula	3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service
Benefit payments	monthly for life	monthly for life
Retirement age	50	50-57
Month benefits, as a % of eligible compensation	3%	2.0% to 2.7%
Required employee contribution rates	9%	12.75%
Required employer contribution rates	55.240%	55.240%

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

At June 30, 2021 reporting date, the following employees were covered by the benefit terms for each Plan*.

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	652	167
Inactive employees entitled to but not yet receiving benefits	218	19
Active employees	382	114
	1,252	300

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 both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with 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.

Funding Policy - Participants are required to contribute 7% (9% or 12% for safety employees) of their annual covered salary. Except for members of the General Unit, the City makes a portion of the contributions required of City employees hired before January 1, 2013 on their behalf and for their account. General Unit employees hired are required to contribute the full 7% of their covered salary. Non-sworn management employees hired prior to July 1, 2010 are required to contribute 4% of their covered salary, and the City contributes 3%. Non-sworn management hired after July 1, 2010 are required to contribute the full 7% of their covered salary. Sworn employees hired prior to July 1, 2010 are required to contribute 9% of their covered salary. Sworn employees hired after July 1, 2013, and are considered new members to the CalPERS system, are required to contribute 12% of their covered salary.

The City is also required to contribute an employer’s cost share at an actuarially determined rate; the rate is 35.490% for miscellaneous (non-safety) employees. Non-sworn management employees hired prior to July 1, 2010 are required to contribute 3.0% of this cost. For police (safety) employees, the employer rate is 55.24% of annual covered payroll for the year ended June 30, 2021. Sworn employees hired prior to July 1, 2010 are required to contribute 3.0% this cost. The contribution requirements of plan members and the City are established and may be amended by CalPERS.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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Net Pension Liability - The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below:

	Miscellaneous	Safety
Valuation Date	June 30, 2019	June 30, 2019
Measurement Date	June 30, 2020	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumption:		
Discount Rate	7.15%	7.15%
Inflation	2.625%	2.625%
Projected Salary Increase	Varies by Entry Age and Service	
Investment Rate of Return	7.25% (1)	7.25% (1)
Mortality	Derived using CalPERS' Membership Data for all Funds	
Payroll Growth	2.875%	2.875%

(1) Net of pension plan investment and administrative expenses; includes inflation

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. The tests revealed the assets would not run out. Therefore, the current 7.15 percent discount rate is appropriate and the use of the municipal bond rate calculation is not deemed necessary. The long term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund (PERF). The cash flows used in the testing were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

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 SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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The table below reflects projected earnings on pension plan investments:

<u>Miscellaneous Plan</u>	Amount for Period (a)	Portion of Period (b)	Projected Rate of Return (c)	Projected R Earnings (a) x (b) x (c)
Beginning Plan Fiduciary Net Position excluding Receivables (1)	\$ 218,451,235	100%	7.15%	\$ 15,619,263
Net Plan to Plan Resource Movement	-	50%	7.15%	-
Employer Contributions	8,648,934	50%	7.15%	309,199
Employee Contributions	1,952,798	50%	7.15%	69,813
Benefit Payments, including Refunds of Employee Contributions	(15,934,383)	50%	7.15%	(569,654)
Administrative Expense	(308,434)	50%	7.15%	(11,027)
Other Miscellaneous Income/(Expense) (2)	-	50%	7.15%	-
Total Projected Earnings				<u>\$ 15,417,594.00</u>

(1) Includes any beginning of year adjustment. Contribution receivables for employee service buybacks, totaling \$334,574 as of June 30, 2019, were excluded for purposes of calculating projected earnings on pension plan investments.

(2) The increase/(decrease) in contribution receivables for employee service buybacks, totaling (\$41,780) during fiscal year 2019-20, were excluded for purposes of calculating projected earnings on pension plan investments.

<u>Safety Plan</u>	Amount for Period (a)	Portion of Period (b)	Projected Rate of Return (c)	Projected R Earnings (a) x (b) x (c)
Beginning Plan Fiduciary Net Position excluding Receivables (1)	\$ 132,320,715	100%	7.15%	\$ 9,460,931
Net Plan to Plan Resource Movement	-	50%	7.15%	-
Employer Contributions	6,159,600	50%	7.15%	220,206
Employee Contributions	1,552,725	50%	7.15%	55,510
Benefit Payments, including Refunds of Employee Contributions	(9,415,716)	50%	7.15%	(336,612)
Administrative Expense	(186,710)	50%	7.15%	(6,675)
Other Miscellaneous Income/(Expense) (2)	-	50%	7.15%	-
Total Projected Earnings				<u>\$ 9,393,360</u>

(1) Includes any beginning of year adjustment. Contribution receivables for employee service buybacks, totaling \$120,896 as of June 30, 2019, were excluded for purposes of calculating projected earnings on pension plan investments.

(2) The increase/(decrease) in contribution receivables for employee service buybacks, totaling \$20,366 during fiscal year 2019-20, were excluded for purposes of calculating projected earnings on pension plan investments.

CalPERS adheres to an Asset Allocation Strategy which establishes asset class allocation policy targets and ranges, and manages those asset class allocations within their policy ranges. CalPERS Investment Belief No. 6 recognizes that strategic asset allocation is the dominant determinant of portfolio risk and return. On December 19, 2017, the CalPERS Board of Administration adopted changes to the current asset allocation as shown in the Policy Target Allocation below expressed as a percentage of total assets.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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The asset allocation shown below reflect the allocation of the Public Employees' Retirement Fund (PERF) in its entirety as of June 30, 2020. The assets for the City's Miscellaneous and Safety Plans are part of the PERF and are invested accordingly.

Asset Class	Actual Allocation	Policy Target Allocation
Public Equity	53.0%	50.0%
Private Equity	6.3%	8.0%
Global Fixed Income	28.3%	28.0%
Liquidity	11.3%	13.0%
Real Assets	0.9%	1.0%
Inflation Sensitive Assets	0.0%	0.0%
Other	0.2%	0.0%
Total	100.0%	100.0%

The long-term expected rate of return on pension 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 pension plan investment expense and inflation) are developed for each major asset class.

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

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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The table below reflects long-term expected real rate of return by asset class.

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

- (a) In CalPERS' Comprehensive Annual Financial Report, Fixed Income is included in Global Deb Securities; Liquidity is included in Short-term Investments; inflation assets are included in both Global Equity Securities and Global Debt Securities.
 (b) An expected inflation of 2.0% used for this period.
 (c) An expected inflation of 2.92% used for this period.

Changes in the Net Pension Liability – The changes in the Net Pension Liability for each Plan follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
<u>Miscellaneous Plan:</u>			
Balance at June 30, 2020 (measured as of June 30, 2019)	\$ 309,514,985	\$ 218,785,809	\$ 90,729,176
Changes for the year:			
Service Cost	\$ 4,550,099	\$ -	\$ 4,550,099
Interest on Total Pension Liability	21,563,745	-	21,563,745
Changes of Benefit Terms	-	-	-
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	(2,231,998)	-	(2,231,998)
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	8,648,934	(8,648,934)
Contributions - Employees	-	1,911,018	(1,911,018)
Net Investment Income	-	10,929,221	(10,929,221)
Benefit Payments, Including Refunds of Employee Contributions	(15,934,383)	(15,934,383)	-
Administrative Expenses	-	(308,434)	308,434
Other Miscellaneous Income/(Expense)	-	-	-
Net changes	7,947,463	5,246,356	2,701,107
Balance at June 30, 2021 (measured as of June 30, 2020)	<u>\$ 317,462,448</u>	<u>\$ 224,032,165</u>	<u>\$ 93,430,283</u>

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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<u>Safety Plan:</u>	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2020 (measured as of June 30, 2019)	\$ 192,938,024	\$ 132,441,611	\$ 60,496,413
Changes for the year:			
Service Cost	\$ 3,652,512	-	\$ 3,652,512
Interest on Total Pension Liability	13,570,955	-	13,570,955
Changes of Benefit Terms	-	-	-
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	(252,858)	-	(252,858)
Net Plan to Plan Resource Movement	-	-	-
Contributions - Employer	-	6,159,600	(6,159,600)
Contributions - Employees	-	1,573,091	(1,573,091)
Net Investment Income	-	6,595,085	(6,595,085)
Benefit Payments, Including Refunds of Employee Contributions	(9,415,716)	(9,415,716)	-
Administrative Expenses	-	(186,710)	186,710
Other Miscellaneous Income/(Expense)	-	-	-
Net changes	7,554,893	4,725,350	2,829,543
Balance at June 30, 2021 (measured as of June 30, 2020)	\$ 200,492,917	\$ 137,166,961	\$ 63,325,956

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

	Miscellaneous	Safety
1% Decrease	6.15%	6.15%
Net Pension Liability	\$ 131,152,610	\$ 89,949,770
Current Discount Rate	7.15%	7.15%
Net Pension Liability	\$ 93,430,283	\$ 63,325,956
1% Increase	8.15%	8.15%
Net Pension Liability	\$ 61,753,421	\$ 41,331,445

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

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions – For the measurement period ended June 30, 2020, the City recognized total pension expense of \$18,577,430. The Miscellaneous Plan portion of pension expense was \$9,282,963, and Safety Plan portion of pension expense was \$9,294,467. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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	<u>Miscellaneous</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 8,800,908	\$ -
Changes of Assumptions	-	-
Differences between Expected and Actual Experience	-	(1,352,394)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,510,625	-
Total	<u>\$ 10,311,533</u>	<u>\$ (1,352,394)</u>

	<u>Safety</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 6,089,576	\$ -
Changes of Assumptions	1,308,277	(20,823)
Differences between Expected and Actual Experience	461,670	(635,378)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,096,433	-
Total	<u>\$ 8,955,956</u>	<u>\$ (656,201)</u>

\$14,890,484 reported as total deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ending June 30:	<u>Deferred Outflows/(Inflows) of Resources</u>	
	<u>Miscellaneous</u>	<u>Safety</u>
2021	\$ (1,960,011)	\$ 572,389
2022	145,230	449,917
2023	1,075,338	628,222
2024	897,674	559,651
2025	-	-
Thereafter	-	-

At June 30, 2021, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2021. Pension liability and expense is allocated to the City's proprietary funds based on the portion of Citywide pensionable earnings paid to employees from those funds.

Public Agency Retirement System, Retirement Enhancement Plan (PARS-REP)

Plan Description - The City established a Public Agency Retirement System, Retirement Enhancement Plan (PARS-REP) for executive management staff: City Council members, City Managers, Assistant City Managers, City Attorneys, and Department heads employed by the City on or after July 1, 2001 and prior to August 30, 2010. This is a single employer post-employment benefit plan. The plan is closed to any new employees hired after August 30, 2010. PARS is a defined benefit 401(a) tax-qualified multiple agency trust. It meets the requirements of a pension trust under California Government code. The plan provides supplemental retirement benefits in addition to CalPERS. US Bank is the PARS Trustee. Upon meeting the eligibility requirements, plan members receive a monthly lifetime benefit of one-twelfth the sum of: 0.4% of the employee’s final average compensation for service prior to July 1, 2001 plus 0.5% of the employee’s final average compensation for service from July 1, 2001 through August 30, 2010. Employees are eligible to retire the first of the month following or coincident with attainment of age 60, with four or more years of service at termination. Employees must be retired under CalPERS to be eligible to retire under PARS. An annual cost-of-living adjustment is provided annually following commencement of benefits equal to 2% per annum. The City has full discretionary authority to control, amend, modify or terminate this plan at any time.

Funding Policy – The City’s annual pension contribution for PARS was \$141,661. Plan assets held in trust at June 30, 2021 totaled \$1,481,169. PARS funding is based on the bi-annual actuarially required contribution calculated by an independent consultant. Because the PARS benefit has been frozen, the PARS funding is no longer based on a percentage of gross payroll for Executive Management. The funding amount is based on the demographics of actual remaining plan participants, both active and retired and future plan costs derived from the bi-annual actuarial study. The most recent study was completed for June 30, 2020.

Employees covered – At June 30, 2021 the following employees were covered under PARS:

Inactive employees or beneficiaries currently receiving benefits	11
Inactive employees entitled to but not yet receiving benefits	6
Active employees	3
	20

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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Net Pension Liability - PARS

The total pension liability was determined by an actuarial valuation as of the valuation date of June 30, 2019, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date of June 30, 2021. Any significant changes during this period have been reflected as prescribed by GASB 67 and 68.

Actuarial Assumptions.

Inflation	2.50%
Long-term expected rate of return	6.50%, net of investment expense

Mortality rates were based on the following:

Pre-Retirement:	Consistent with Non-Industrial rates used to value CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017.
Post-Retirement:	Consistent with Non-Industrial rates used to value CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017.

The long-term expected rate of return on pension investment was determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the actuary's investment consulting practice as of June 30, 2021. The target allocation and best estimates of the real rates of return for each major asset class are summarized in the following table:

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BAML 3-Mon Tbill	6.67%	-0.32%	-0.32%
US Core Fixed Income	Barclays Aggregate	63.67%	1.37%	1.26%
US Equity Market	Russell 3000	21.93%	5.33%	3.70%
Foreign Developed Equity	MSCI EAFE NR	4.13%	6.27%	4.52%
Emerging Markets Equity	MSCI EM NR	2.62%	8.64%	4.95%
US REITs	FTSE NAREIT Equity REIT	0.98%	5.75%	3.57%
		100.00%		
Assumed Inflation - Mean			2.30%	2.30%
Assumed Inflation - Standard Deviation			1.16%	1.16%
Portfolio Real Mean Return			2.56%	2.36%
Portfolio Nominal Mean Return			4.86%	4.71%
Portfolio Standard Deviation				5.54%
Long-Term Expected Rate of Return				6.50%

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Discount Rate. As of June 30, 2021, the plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Changes in the Net Pension Liability – PARS Plan

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of 6/30/2020	\$ 1,679,775	\$ 1,328,836	\$ 350,939
Changes for the year:			
Interest on total pension liability	105,068	-	105,068
Effect of economic/demographic gains or losses	32,417	-	32,417
Benefit payments	(128,716)	(128,716)	-
Contributions - employer		141,661	(141,661)
Net investment income		140,390	(140,390)
Administrative expenses		(1,002)	1,002
Balances as of 6/30/2021	<u>\$ 1,688,544</u>	<u>\$ 1,481,169</u>	<u>\$ 207,375</u>

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rate of 6.50%, as well as what the Plan’s net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.50%) or 1-percentage point higher (7.50%) than the current rate:

	Current Discount Rate		
	1% Decrease (5.50%)	(6.50%)	1% Increase (7.50%)
Total pension liability	\$ 1,862,445	\$ 1,688,544	\$ 1,540,122
Fiduciary net position	1,481,169	1,481,169	1,481,169
Net pension liability	<u>\$ 381,276</u>	<u>\$ 207,375</u>	<u>\$ 58,953</u>

The General Fund is liable for PARS plan expenditures. Because the net PARS liability is not material in relation to the government-wide financial statements as a whole, the City has not reported this liability in the government-wide statement of net position.

E. Other post employment benefits

The City provides post-retirement health benefits to the various employee groups, which vary depending upon a retiree's years of service and bargaining unit. Defined-benefit post-retirement health care coverage is available only to employees hired up to June 20, 2010. Depending on the employee group, those hired after June 20, 2010, receive a defined contribution amount of either \$200 or \$300 per month, which is deposited into a health retirement account (HRA). There is a five-year employment vesting period before the HRA account can be held by the employee. As newer employees are hired by the agency, a greater percentage will be covered by the defined contribution plan, which allows the City to better control the overall cost of health benefits.

Plan Description - The Simi Valley Other Post Employment Benefit Plan (SVOPEB) is a single-employer defined benefit plan administrated by PFM Asset Management, LLC, partnering with US National Bank Association as Trustee. SVOPEB provides medical and dental benefits to eligible employees and their spouses.

Management, Sworn Management, and Sworn (police) employees' retiree health benefits are provided per resolution numbers 2018-03; 2018-05 & 2018-05; and 2017-35, respectively. The benefits vary depending upon a retiree's years of service and employee unit. The City currently contributes up to \$1,500/month for Management employees for employee only, or employee plus one dependent. The City currently pays 100 percent of premiums for health care coverage for employee, or employee plus one dependent, for a specified period, for the Sworn Management and Sworn Units. Additionally, the City provides funding for retiree health benefits to General Unit employees under a defined contribution plan, per resolution number 2017-40. The defined contribution is currently set by contract at 1.00% of salary for General Unit members.

Sworn Management employees with retirement dates effective July 1, 2005 to November 30, 2017, receive a defined contribution toward retiree dental and vision premiums equal to up to 0.5% of total compensation. Sworn Management employees that retire on or after December 1, 2017 receive a contribution up to \$175 per month toward the cost of retiree dental and vision premiums for retirees and eligible dependents. The City also contributes \$110,000 per year to the trust established and managed by the Simi Valley Police Officers' Association for the purposes of funding dental and/or vision benefits for retired Sworn employees who retire on or after July 1, 2005.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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A summary of plan benefits by employee groups is as follows:

A summary of plan benefits by employee groups is as follows:

	Less Than 10 Years Service	10 or More Years Service		
Management employees:*				
Employee only	PEMHCA	10 years	1 additional year for each year over 20 (\$1,500 monthly cap)	
Employee plus one dependent	Minimum**	5 years	Additional 6 months for each year over 20 (\$1,500 monthly cap)	
	Less Than 10 Years Service	10 to 19 Years Service	20-24 Years Service	25 or More Years Service
Police Managers' Association (PMA):***				
Employee only	PEMHCA	10 years	20 years	lifetime coverage
Employee plus one dependent	Minimum**	5 years	20 years	lifetime coverage
Police Officers' Association (POA):***				
Employee only	2 years	10 years	20 years	lifetime coverage
Employee plus one dependent	1 year	5 years	20 years	lifetime coverage
	Less Than 10 Years Service	10 Years Service	More Than 10 Years Service	
General Unit employees:****				
Employee only	PEMHCA	2 years	4 months for each additional year over 10 up to maximum of 8 years	
Employee plus one dependent	Minimum**	1 year	2 months for each additional year over 10 up to maximum of 4 years	

Only employees who retire from the City are eligible to receive these benefits. Retirees who do not qualify for listed benefits (or who have exhausted listed benefits) will continue to receive the PEMHCA Minimum, as described below.

- * This benefit is only for employees hired on or prior to June 20, 2010. Employees hired on or after June 21, 2010 receive a contribution of \$200/month to a retiree health savings account.
- ** PEMHCA Minimum: Public Employees' Medical and Hospital Care Act monthly minimum contribution, which was \$34.00 in 2019 and \$41.70 in 2020.
- *** Employees hired on or after January 1, 2010 (POA) or on or after June 20, 2010 (PMA) are not eligible for retiree medical benefits but will receive a \$300/month contribution to a retiree health savings account.
- **** For employees who were hired on or before June 30, 2010, subject to monthly cap for 2019: \$698.49 (Employee Only)/\$1,396.97 (Employee plus dependent); and for 2020: \$698.49 (Employee Only)/\$1,396.97 (Employee plus dependent). Employees hired on or after July 1, 2010 are not eligible to receive retiree medical benefits.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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In addition, any forfeitures of health savings account amounts received by the City are remitted to the POA as supplementary contributions to their members' dental and vision coverage.

At June 30, 2019 (the census date), the following employees were covered by the benefit terms:

Category	Management	PMA	POA	General Unit
Active employees	130	7	97	222
Inactive employees or beneficiaries currently receiving benefit payments	174	43	85	80
Inactive employees entitled to but not yet receiving benefit payment*	-	-	-	-
Total	304	50	182	302

Funding Policy and Contributions – The contribution requirement of Management employees is established and may be amended by the City Council. Contribution requirements of Sworn and General Unit employees can be amended via the negotiation process. Currently, contributions are not required from Management and Sworn Plan members. Each employee group's funds are currently maintained in a separate trust for the benefit of that particular group.

Net OPEB Liability

The City's total OPEB liability was valued as of June 30, 2019 and was used to roll forward and calculate the net OPEB liability measured as of June 30, 2020.

Actuarial Assumptions – Projection of benefits are based on the substantive plan (the plan as understood by the employer and the plan members) based on written plan documents and historical information regarding practices with respect to employer and employee contributions and other factors. In the June 30, 2019 actuarial valuation, the Entry Age Normal method, using level percentage of payroll to allocate OPEB costs over years of service was used. This method determines an attribution period as the difference between the date of hire and the expected date of retirement. Actuarial assumptions used for each of the City's covered employee groups are presented in the table below. The UAAL is amortized using a closed amortization period of thirty years. Since the June 30, 2019 actuarial valuation is being used, the City has not made an election with respect to an asset smoothing formula, or method.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
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The total OPEB liability for the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Assumptions and Methods

Actuarial Cost Method	Entry-age normal, level percent of pay
Amortization Method	Closed Period, level percent of pay
Amortization Period	20 years
Inflation	0.75%
Assumed Payroll Growth	2.750%
Healthcare Trend Rates	7.00%, trending down to 3.84%
Rate of Return on Assets	6.00%
Mortality Rate	CalPERS Rates
Retirement Rates	CalPERS Rates

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) was used and 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 the arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Allocation</u>	<u>Expected Rate of Return</u>
First AM Government Obligations Fd CI Z	2%	2.25%
Ishares Core SP Small Cap ETF	2%	7.56%
Ishares Core SP Mid Cap ETF	3%	7.31%
Ishares Edge MSCI USA Quality ETF	3%	7.06%
Vanguard Total International Stock \Index	19%	7.69%
Vanguard Total Stock Market Index	29%	7.06%
Vanguard Total Bond Market Index	43%	3.56%
Total/Average	<u>100%</u>	<u>5.62%</u>

Discount rate – The discount rate used to measure the total OPEB liability is 6.0%. This is the expected long-term rate of return on City assets using its current asset allocation provided through its US Bank financial statements. The projection of cash flows used to determine the discount rate assumed that the City contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

Change in the Net OPEB Liability:

<u>General Unit Employees (GU)</u>	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance as of Report Date June 30, 2020	\$ 13,992,901	\$ 1,071,281	\$ 12,921,620
Changes for the year:			
Service Cost	510,597	-	510,597
Interest	805,730	-	805,730
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience	(260,119)	-	(260,119)
Changes of Assumptions	(523,139)	-	(523,139)
Net Investment Income	-	80,128	(80,128)
Contributions			
Employer - City's Expected Contribution	-	220,373	(220,373)
Employer - Implicit Subsidy	-	113,004	(113,004)
Expected Benefit Payments	(220,373)	(220,373)	-
Implicit Rate Subsidy Fulfilled	(113,004)	(113,004)	-
Administrative Expenses	-	(5,443)	5,443
Other Changes	-	-	-
Net changes	199,692	74,685	125,007
Balance as of Report Date June 30, 2021	<u>\$ 14,192,593</u>	<u>\$ 1,145,966</u>	<u>\$ 13,046,627</u>

OPEB Plan Fiduciary Net Position – Detailed information about OPEB plan’s fiduciary net position is available in the separately issued financial reports of PFM which may be obtained by writing to PFM Asset Management LLC, 50 California Street, Suite 2300, San Francisco, CA 94111.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
<u>Non-Sworn Management (NSM)</u>			
Balance as of Report Date June 30, 2020	\$ 16,649,683	\$ 1,030,532	\$ 15,619,151
Changes for the year:			
Service Cost	459,640	-	459,640
Interest	928,684	-	928,684
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience	295,893	-	295,893
Changes of Assumptions	(545,631)	-	(545,631)
Net Investment Income	-	72,535	(72,535)
Contributions			
Employer - City's Expected Contribution	-	779,664	(779,664)
Employer - Implicit Subsidy	-	389,699	(389,699)
Expected Benefit Payments	(779,664)	(779,664)	-
Implicit Rate Subsidy Fulfilled	(389,699)	(389,699)	-
Administrative Expenses	-	(676)	676
Other Miscellaneous Income/(Expense)	-	-	-
Net changes	(30,777)	71,859	(102,636)
Balance as of Report Date June 30, 2021	<u>\$ 16,618,906</u>	<u>\$ 1,102,391</u>	<u>\$ 15,516,515</u>

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
<u>Police Officers' Association (POA)</u>			
Balance as of Report Date June 30, 2020	\$ 16,277,626	\$ 660,940	\$ 15,616,686
Changes for the year:			
Service Cost	469,754	-	469,754
Interest	911,990	-	911,990
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience	604,901	-	604,901
Changes of Assumptions	(778,121)	-	(778,121)
Net Investment Income	-	49,289	(49,289)
Contributions			
Employer - City's Expected Contribution	-	805,536	(805,536)
Employer - Implicit Subsidy	-	234,045	(234,045)
Expected Benefit Payments	(805,536)	(805,536)	-
Implicit Rate Subsidy Fulfilled	(234,045)	(234,045)	-
Administrative Expenses	-	(3,358)	3,358
Other Miscellaneous Income/(Expense)	-	-	-
Net changes	168,943	45,931	123,012
Balance as of Report Date June 30, 2021	<u>\$ 16,446,569</u>	<u>\$ 706,871</u>	<u>\$ 15,739,698</u>

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
<u>Police Managers' Association (PMA)</u>			
Balance as of Report Date June 30, 2020	\$ 4,726,676	\$ 80,064	\$ 4,646,612
Changes for the year:			
Service Cost	42,516	-	42,516
Interest	254,682	-	254,682
Changes of Benefit Terms	-	-	-
Differences between Expected and Actual Experience	197,762	-	197,762
Changes of Assumptions	(160,983)	-	(160,983)
Net Investment Income	-	5,594	(5,594)
Contributions			
Employer - City's Expected Contribution	-	350,433	(350,433)
Employer - Implicit Subsidy	-	124,506	(124,506)
Expected Benefit Payments	(350,433)	(350,433)	-
Implicit Rate Subsidy Fulfilled	(124,506)	(124,506)	-
Administrative Expenses	-	(406)	406
Other Miscellaneous Income/(Expense)	-	-	-
Net changes	(140,962)	5,188	(146,150)
Balance as of Report Date June 30, 2021	<u>\$ 4,585,714</u>	<u>\$ 85,252</u>	<u>\$ 4,500,462</u>

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

Sensitivity of the net OPEB liability to changes in the discount rate – the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using a discount rate that is one percentage lower (5.00%) or one percentage point higher (7.00%) follows:

	<u>GU</u>		<u>NSM</u>		<u>POA</u>		<u>PMA</u>
1% Decrease	5.00%		5.00%		5.00%		5.00%
Net OPEB Liability (Asset)	\$ 14,506,136	\$	17,022,017	\$	17,910,803	\$	4,946,497
Discount Rate	6.00%		6.00%		6.00%		6.00%
Net OPEB Liability (Asset)	\$ 13,046,627	\$	15,516,515	\$	15,739,698	\$	4,500,462
1% Increase	7.00%		7.00%		7.00%		7.00%
Net OPEB Liability (Asset)	\$ 11,824,381	\$	14,215,441	\$	13,926,182	\$	4,119,787

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates – the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.50%) or one percentage point higher (7.50%) than current healthcare cost trend rates follows:

	<u>GU</u>		<u>NSM</u>		<u>POA</u>		<u>PMA</u>
1% Decrease	5.50%		5.50%		5.50%		5.50%
Net OPEB Liability (Asset)	\$ 11,771,256	\$	14,191,158	\$	13,641,992	\$	4,106,622
Trend Rate	6.50%		6.50%		6.50%		6.50%
Net OPEB Liability (Asset)	\$ 13,046,627	\$	15,516,515	\$	15,739,698	\$	4,500,462
1% Increase	7.50%		7.50%		7.50%		7.50%
Net OPEB Liability (Asset)	\$ 14,594,700	\$	17,014,836	\$	18,415,325	\$	4,961,874

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$4,987,111. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources			
	<u>GU</u>	<u>NSM</u>	<u>POA</u>	<u>PMA</u>
Differences Between Actual and Expected Experience	\$ 978,300	\$ 227,080	\$ 524,247	\$ -
Changes of Assumptions	4,654,580	3,172,844	5,578,310	-
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	-	723	3,512
City Contributions subsequent to the Measurement Date*	<u>375,962</u>	<u>1,251,070</u>	<u>1,022,473</u>	<u>450,726</u>
Total	<u>\$ 6,008,842</u>	<u>\$ 4,650,994</u>	<u>\$ 7,125,753</u>	<u>\$ 454,238</u>

*Based on expected benefit payments per the City's actuary.

	Deferred Inflows of Resources			
	<u>GU</u>	<u>NSM</u>	<u>POA</u>	<u>PMA</u>
Differences Between Actual and Expected Experience	\$ (224,967)	\$ (259,138)	\$ (8,405,011)	\$ -
Changes of Assumptions	(498,818)	(516,171)	(995,644)	(86,956)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	(13,524)	(5,497)	-	-
City Contributions subsequent to the Measurement Date	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ (737,309)</u>	<u>\$ (780,806)</u>	<u>\$ (9,400,655)</u>	<u>\$ (86,956)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Report Year Ending June 30:	Amount			
	<u>GU</u>	<u>NSM</u>	<u>POA</u>	<u>PMA</u>
2022	\$ 918,832	\$ 1,176,848	\$ (637,088)	\$ (26,040)
2023	918,836	1,176,851	(637,088)	(26,036)
2024	920,512	292,120	(635,358)	(25,688)
2025	931,042	(26,701)	(559,184)	(5,680)
2026	937,280	-	(537,042)	-
Thereafter	269,069	-	(291,615)	-

F. Contingencies and subsequent events

Pending Litigation

As a result of the normal course of operations, the City is involved in a number of legal matters. The accompanying financial statements reflect management's reasonable estimate of the potential liability associated with these matters, although the actual liability may be more or less than the estimate.

Subsequent Events

The City has evaluated events subsequent to June 30, 2021 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through March 31, 2022 the date the financial statements were available to be issued. Based upon this evaluation, it was determined that, no subsequent events occurred that require recognition or additional disclosure in the financial statements.

G. Governmental Accounting Standards Board (GASB) Statements issued but not yet effective

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to June 30, 2021, that have effective dates that may impact future financial presentations. Management has not yet determined any impact the implementation of the following statements may have on the financial statements of the City.

GASB No. 87

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87 "Leases". The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 89

In June 2018, the Governmental Accounting Standards Board issued Statement No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period". The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

GASB No. 91

In May 2019, the Governmental Accounting Standards Board issued Statement No. 91, "Conduit Debt Obligations." The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB No. 92

In January 2020, the Governmental Accounting Standards Board issued Statement No. 92, "Omnibus 2020." The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 93

In March 2020, the Governmental Accounting Standards Board issued Statement No. 93, "Replacement of Interbank Offered Rates." The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 94

In May 2020, the Governmental Accounting Standards Board issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements." The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 96

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, "Subscription-Based Information Technology Arrangements." The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 97

In June 2020, the Governmental Accounting Standards Board issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan – an amendment of GASB Statements No. 14, 84, and a suppression of GASB Statement No. 32." The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

V. Successor Housing Agency to the Simi Valley Community Development Agency Private-Purpose Trust Fund

A. Reporting entity

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 ("the Bill") that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of Simi Valley that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the City or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 30, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of City resolution number 2012-06.

After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

The Successor Agency is allocated revenue only in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

B. Cash and investments

Cash and investments reported in the accompanying financial statements for the Successor Agency to the Simi Valley CDA Private-Purpose Trust Fund consisted of the following:

	2021
Cash and investments pooled with the City	\$ 2,398,988
Cash and investments with fiscal agent	2,101,887
Total cash and investments	\$ 4,500,875

C. Capital assets

Capital asset activity for the year ended June 30, 2021, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Land	\$ 1,124,174			\$ 1,124,174
Capital assets, net	\$ 1,124,174	\$ -	\$ -	\$ 1,124,174

D. Deferred outflows of resources

In accordance with GASB Statement 63, in addition to assets, the statement of financial position reports 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 will not be recognized as an outflow of resources (expense / expenditure) until then.

The following is a summary of deferred outflows of resources for the fiscal year ended June 30, 2021:

	Beginning Balance	Amortization	Ending Balance
Fiduciary activities:			
2003 tax allocation bonds			
Deferred loss on refunding	\$ 103,705	\$ 28,482	\$ 75,223

E. Long-term debt

The Community Development Agency (CDA), formerly a blended component unit of the City, issued tax allocation bonds on behalf of the City. Effective February 1, 2012, this debt was transferred from the CDA to the Successor Agency (private purpose / fiduciary fund) as a result of dissolution. A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2021, follows:

- Successor Agency to Community Development Agency 2003 Tax Allocation Bonds:

Original issue amount \$31,795,000; interest rates at 2.0% to 5.0%, maturing September 1, 2003-2030. The bonds are payable in annual installments ranging from \$360,000 to \$2,000,000. These bonds were issued to fully refund the 1993 Revenue Bond issue with a carrying amount of \$30,245,000. They were issued at a premium, which has been added to the new debt and is being amortized over the life of the bonds. The excess reacquisition price has been netted against the new debt and is being amortized over the remaining life of the refunded debt. The City pledged, as security for bonds issued, either directly or through the Financing Authority, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it receives. The bonds issued were to provide financing for various capital projects, Low and Moderate Income Housing projects and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the Redevelopment Agency, property taxes allocated to redevelopment agencies no longer are deemed tax increment but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total interest and principal remaining on the bonds is \$20,583,669, payable through September 2030. For the current fiscal year, principal and interest paid was \$2,068,613, and the Redevelopment Property Tax Trust Fund revenue received was \$2,796,299.

Annual debt service requirements to maturity, including interest, for the outstanding debt are as follows:

Year Ending	Principal	Interest	Total
June 30			
2022	\$ 1,285,000	\$ 782,856	\$ 2,067,856
2023	1,350,000	713,688	2,063,688
2024	1,420,000	642,750	2,062,750
2025	1,490,000	570,000	2,060,000
2026	1,565,000	493,625	2,058,625
2027 and Thereafter	9,090,000	1,180,750	10,270,750
	<u>\$ 16,200,000</u>	<u>\$ 4,383,669</u>	<u>\$ 20,583,669</u>

CITY OF SIMI VALLEY ● NOTES TO THE BASIC FINANCIAL STATEMENTS
FISCAL YEAR ENDED JUNE 30, 2021

Fiduciary fund long-term liability activity for the year ended June 30, 2021, was as follows:

	Balances June 30, 2020	Debt Incurred	Debt Retired	Balances June 30, 2021	Due Within One Year
Fiduciary activities:					
2003 tax allocation bonds	\$ 17,420,000	\$ -	\$ (1,220,000)	\$ 16,200,000	\$ 1,285,000
Add (less) deferred amounts:					
Bond premium	\$ 173,517	-	\$ (16,305)	\$ 157,212	\$ -
Fiduciary long-term liabilities	<u>\$ 17,593,517</u>	<u>\$ -</u>	<u>\$ (1,236,305)</u>	<u>\$ 16,357,212</u>	<u>\$ 1,285,000</u>

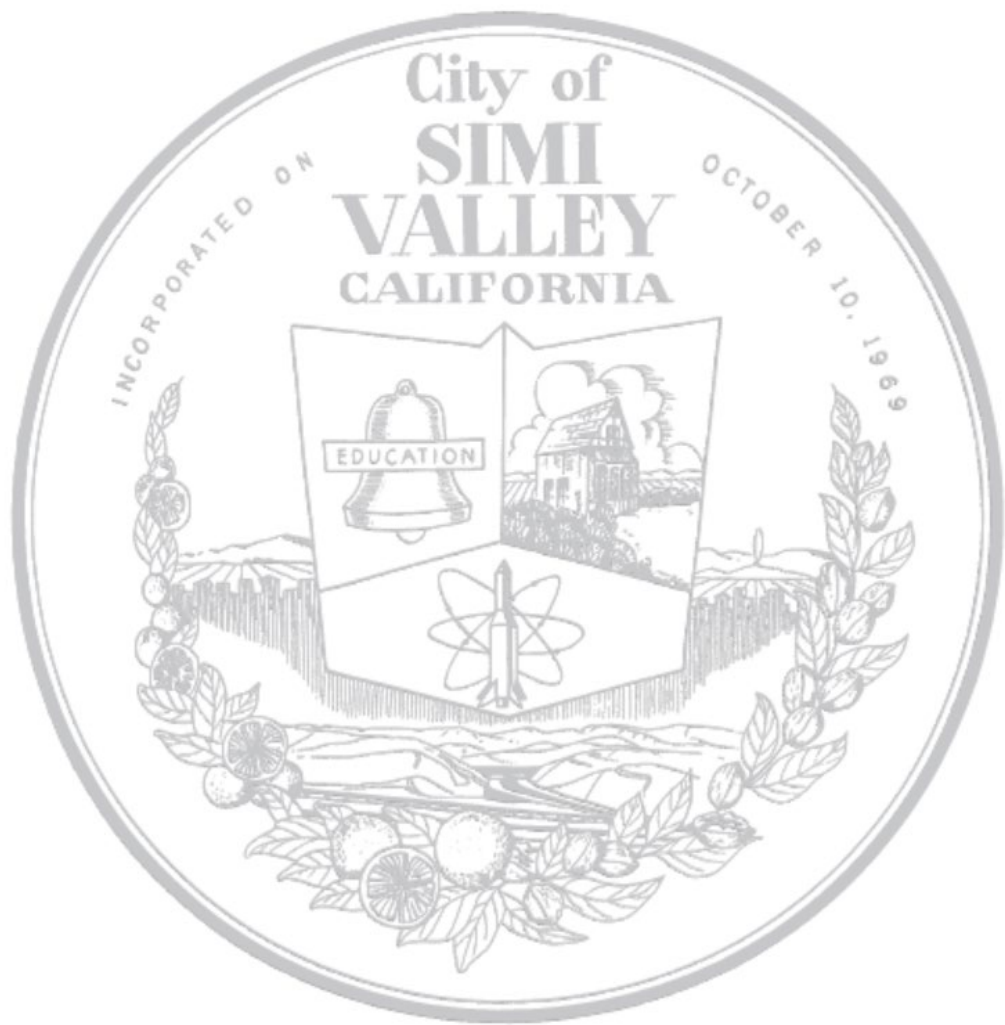
F. Deficit fund equity

As of June 30, 2021, the Private Purpose Trust, a component of the City's Fiduciary funds, has a negative net position of \$10,973,895. Below is a summary of the net position.

Net Position - Beginning Balance	\$ (12,883,350)
Total additions for the year	2,807,918
Total deductions for the year ended	<u>(898,463)</u>
Change in net position	<u>1,909,455</u>
Net Position - Ending Balance	<u>\$ (10,973,895)</u>

G. Insurance

The Successor Agency is covered under the City of Simi Valley's insurance policies. Therefore, the limitation and self-insured retentions applicable to the City also apply to the Successor Agency. Additional information as to coverage and self-insured retentions can be found in Note IV B.



Required Supplementary Information (UNAUDITED)

**CITY OF SIMI VALLEY ● REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2021**

**California Public Employees' Retirement System (CalPERS)
Miscellaneous Plan
Last Ten Years***

Schedule of Changes in Net Pension Liability and Related Ratios for the Measurement Periods Ended June 30

Measurement Period	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY:							
Service Cost	\$ 4,550,099	\$ 4,813,212	\$ 4,910,925	\$ 4,696,120	\$ 4,496,300	\$ 4,219,980	\$ 4,456,595
Interest on Total Pension Liability	21,563,745	20,976,007	20,191,587	19,479,794	18,974,672	17,854,875	17,085,147
Changes of Assumptions	-	-	(1,963,446)	15,251,995	-	(4,159,555)	-
Difference Between Expected and Actual Experience	(2,231,998)	(302,371)	163,365	(2,848,866)	3,101,741	(1,925,185)	-
Benefit Payments, including Refunds of Employee Contributions	(15,934,383)	(14,476,731)	(13,083,973)	(11,972,233)	(11,156,289)	(10,197,516)	(9,289,664)
Net Change in Total Pension Liability	\$ 7,947,463	\$ 11,010,117	\$ 10,218,458	\$ 24,606,810	\$ 15,416,424	\$ 5,792,599	\$ 12,252,078
Total Pension Liability - Beginning	309,514,985	298,504,868	288,286,410	263,679,600	248,263,176	242,470,577	230,218,499
Total Pension Liability - Ending (a)	\$ 317,462,448	\$ 309,514,985	\$ 298,504,868	\$ 288,286,410	\$ 263,679,600	\$ 248,263,176	\$ 242,470,577
PLAN FIDUCIARY NET POSITION							
Contributions - Employer	\$ 8,648,934	\$ 7,638,807	\$ 6,722,128	\$ 6,090,808	\$ 5,483,791	\$ 4,865,538	\$ 4,450,276
Contributions - Employee	1,911,018	1,985,804	2,010,460	1,991,500	2,058,371	2,022,358	2,146,980
Net Investment Income ²	10,929,221	13,913,484	16,753,819	20,322,245	1,027,330	4,079,193	27,589,396
Benefit Payments, including Refunds of Employee Contributions	(15,934,383)	(14,476,731)	(13,083,973)	(11,972,233)	(11,156,289)	(10,197,516)	(9,289,664)
Net Plan to Plan Resource Movement	-	-	(488)	-	-	(50)	-
Administrative Expense	(308,434)	(149,770)	(309,112)	(269,013)	(112,689)	(208,581)	-
Other Miscellaneous Income/(Expense) ¹	-	488	(587,009)	-	-	-	-
Net Change in Fiduciary Net Position	\$ 5,246,356	\$ 8,912,082	\$ 11,505,825	\$ 16,163,307	\$ (2,699,486)	\$ 560,942	\$ 24,896,988
Plan Fiduciary Net Positions - Beginning ²	218,785,809	209,873,727	198,367,902	182,204,595	184,904,081	184,343,139	159,446,151
Plan Fiduciary Net Positions - Ending (b)	\$ 224,032,165	\$ 218,785,809	\$ 209,873,727	\$ 198,367,902	\$ 182,204,595	\$ 184,904,081	\$ 184,343,139
Plan Net Pension Liability/(Asset) - (a) - (b)	\$ 93,430,283	\$ 90,729,176	\$ 88,631,141	\$ 89,918,508	\$ 81,475,005	\$ 63,359,095	\$ 58,127,438
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.57%	70.69%	70.31%	68.81%	69.10%	74.48%	76.03%
Covered Payroll ³	\$27,983,387	\$ 28,537,793	\$ 30,206,209	\$ 28,645,361	\$ 30,370,147	\$ 28,365,800	\$ 28,976,557
Plan Net Pension Liability (Asset) as a Percentage of Covered Payroll	333.88%	317.93%	293.42%	313.90%	268.27%	223.36%	200.60%

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

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

* Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.

CITY OF SIMI VALLEY ● REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2021

California Public Employees' Retirement System (CalPERS)
Miscellaneous Plan
Last Ten Years*

Miscellaneous Plan - Schedule of Plan Contributions for the Fiscal Years Ended June 30¹

Employer Fiscal Year	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution ²	\$8,648,934	\$ 7,602,813	\$ 6,682,072	\$ 6,228,044	\$ 5,483,791	\$ 4,865,538
Contributions in Relation to the Actuarially Determined Contribution ²	(8,648,934)	(7,602,813)	(6,682,072)	(6,228,044)	(5,483,791)	(4,865,538)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll ³	\$27,983,387	\$ 28,537,793	\$ 30,206,209	\$ 28,645,361	\$ 30,370,147	\$ 28,365,800
Contributions as a Percentage of Covered Payroll ³	30.91%	26.64%	22.12%	21.74%	18.06%	17.15%

¹ As prescribed in GASB 68, paragraph 46, the information presented in the Schedule of Plan Contributions should also be presented as of the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS.

² Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2017-18 were derived from the June 30, 2015 funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2017 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2017 Funding Valuation Report.
Inflation	2.625%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.875%
Investment Rate of Return	7.25% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

CITY OF SIMI VALLEY ● REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2021

California Public Employees' Retirement System (CalPERS)
Safety Plan
Last Ten Years*

Schedule of Changes in Net Pension Liability and Related Ratios

Measurement Period	2020	2019	2018	2017	2016	2015	2014
TOTAL PENSION LIABILITY							
Service Cost	\$ 3,652,512	\$ 3,770,076	\$ 3,852,227	\$ 3,877,677	\$ 3,487,187	\$ 3,224,243	\$ 3,396,111
Interest on Total Pension Liability	13,570,955	13,042,846	12,408,410	11,900,164	11,477,866	10,911,459	10,489,579
Changes of Assumptions	-	-	(72,863)	10,030,117	-	(2,691,829)	-
Difference Between Expected and Actual Experience	(252,858)	974,638	(891,044)	(1,477,890)	(19,908)	(1,874,182)	-
Benefit Payments, including Refunds of Employee Contributions	(9,415,716)	(8,814,575)	(7,827,368)	(7,558,374)	(7,069,897)	(6,616,558)	(6,306,201)
Net Change in Total Pension Liability	7,554,893	8,972,985	7,469,362	16,771,694	7,875,248	2,953,133	7,579,489
Total Pension Liability - Beginning	192,938,024	183,965,039	176,495,677	159,723,983	151,848,735	148,895,602	141,316,113
Total Pension Liability - Ending (a)	\$ 200,492,917	\$ 192,938,024	\$ 183,965,039	\$ 176,495,677	\$ 159,723,983	\$ 151,848,735	\$ 148,895,602
PLAN FIDUCIARY NET POSITION							
Contributions - Employer	\$ 6,159,600	\$ 5,442,227	\$ 5,016,294	\$ 4,740,604	\$ 4,377,786	\$ 3,953,058	\$ 3,604,044
Contributions - Employee	1,573,091	1,255,565	1,288,167	1,214,011	1,218,073	1,170,676	1,080,530
Net Investment Income	6,595,085	8,313,422	10,040,177	11,967,708	591,543	2,402,091	16,230,427
Other Miscellaneous Income/(Expense) ¹	-	294	(350,228)	-	-	-	-
Benefit Payments, including Refunds of Employee Contributions	(9,415,716)	(8,814,575)	(7,827,368)	(7,558,374)	(7,069,897)	(6,616,558)	(6,306,201)
Net Plan to Plan Resource Movement	-	-	(294)	-	-	-	-
Administrative Expense	(186,710)	(90,155)	(184,426)	(159,674)	(66,489)	(122,781)	-
Net Change in Fiduciary Net Position	4,725,350	6,106,778	7,982,322	10,204,275	(948,984)	786,486	14,608,800
Plan Fiduciary Net Position - Beginning ²	132,441,611	126,334,833	118,352,511	108,148,236	109,097,220	108,310,734	93,701,934
Plan Fiduciary Net Position - Ending (b)	\$ 137,166,961	\$ 132,441,611	\$ 126,334,833	\$ 118,352,511	\$ 108,148,236	\$ 109,097,220	\$ 108,310,734
Plan Net Pension Liability/(Asset) - (a) - (b)	\$ 63,325,956	\$ 60,496,413	\$ 57,630,206	\$ 58,143,166	\$ 51,575,747	\$ 42,751,515	\$ 40,584,868
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.41%	68.64%	68.67%	67.06%	67.71%	71.85%	72.74%
Covered Payroll ³	\$12,744,285	\$ 12,535,238	\$ 13,397,653	\$ 13,342,316	\$ 13,396,286	\$ 12,340,656	\$ 12,471,030
Plan Net Pension Liability (Asset) as a Percentage of Covered Payrc	496.90%	482.61%	430.15%	435.78%	385.00%	346.43%	325.43%

¹ During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule of Changes in Net Pension Liability and Related Ratios:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

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

* Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.

**CITY OF SIMI VALLEY ● REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2021**

**California Public Employees' Retirement System (CalPERS)
Safety Plan
Last Ten Years***

Safety Plan - Schedule of Plan Contributions for the Fiscal Years Ended June 30¹

Employer Fiscal Year	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution ²	\$6,159,600	\$ 5,129,019	\$ 4,645,981	\$ 4,658,296	\$ 4,377,786	\$ 3,953,058
Contributions in Relation to the Actuarially Determined Contribution ²	(6,159,600)	(5,129,019)	(4,645,981)	(4,658,296)	(4,377,786)	(3,953,058)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll ³	\$12,744,285	\$ 12,535,238	\$ 13,397,653	\$ 13,342,316	\$ 13,396,286	\$ 12,340,656
Contributions as a Percentage of Covered Payroll ³	48.33%	40.92%	34.68%	34.91%	32.68%	32.03%

¹ As prescribed in GASB 68, paragraph 46, the information presented in the Schedule of Plan Contributions should also be presented as of the employer's most recent fiscal year-end. The employer is responsible for determining this information as prescribed by the standard as this data is not available to CalPERS.

² Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

³ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2017-18 were derived from the June 30, 2015 funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see June 30, 2017 Funding Valuation Report.
Asset Valuation Method	Fair Value of Assets. For details, see June 30, 2017 Funding Valuation Report.
Inflation	2.625%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.875%
Investment Rate of Return	7.25% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

* Fiscal year 2015 was the first year of implementation, therefore, only seven years are shown.

CITY OF SIMI VALLEY ● REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2021

Schedule of Changes in the City's Net OPEB Liability and Related Ratios
Last Ten Years*

	2021	2020	2019	2018
Total OPEB liability:				
Service cost	\$ 1,482,507	\$ 306,921	\$ 317,106	\$ 308,619
Interest	2,901,086	2,604,188	2,375,465	2,429,570
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	838,437	(12,977,830)	-	-
Changes of assumptions	(2,007,874)	21,577,376	(1,069,576)	-
Benefit payments	(2,156,006)	(2,049,633)	(1,700,528)	(1,635,120)
Implicit Subsidy	(861,254)	-	-	-
Net change in total OPEB liability	196,896	9,461,022	(77,533)	1,103,069
Total OPEB liability-beginning	51,646,886	42,185,864	42,263,397	41,160,328
Total OPEB liability-ending (a)	\$ 51,843,782	\$ 51,646,886	\$ 42,185,864	\$ 42,263,397
Fiduciary Net Position:				
Net investment income	\$ 207,546	\$ 176,710	\$ 253,539	\$ 328,517
Employer - City's Contribution	2,156,006	2,049,633	1,700,528	1,635,120
Employer - Implicit Subsidy	861,254	-	-	-
Benefit payments	(2,156,006)	(2,049,633)	(1,700,528)	(1,635,120)
Implicit Subsidy Credit	(861,254)	-	-	-
Administrative expense	(9,883)	(18,407)	(19,535)	(19,748)
Other Miscellaneous Income/(Expense)	-	(1,299,998)	-	-
Net change in plan fiduciary net position	197,663	(1,141,695)	234,004	308,769
Plan fiduciary net position-beginning	2,842,817	3,984,511	3,750,507	3,441,738
Plan fiduciary net position-ending (b)	\$ 3,040,480	\$ 2,842,817	\$ 3,984,511	\$ 3,750,507
City's net OPEB liability ending (a)-(b)	\$ 48,803,302	\$ 48,804,069	\$ 38,201,353	\$ 38,512,890
Plan fiduciary net position as a percentage of the total OPEB liability	5.9%	5.5%	9.4%	8.9%
Covered-employee payroll	\$ 35,512,106	\$ 33,714,502	\$ 35,383,956	\$ 37,757,737
City's OPEB liability as a percentage of the covered employee payroll	137.4%	144.8%	108.0%	102.0%

Notes to Schedule:

The City Adopted GASB 75 for the fiscal year ending June 30, 2018.

CITY OF SIMI VALLEY ● REQUIRED SUPPLEMENTARY INFORMATION
FISCAL YEAR ENDED JUNE 30, 2021

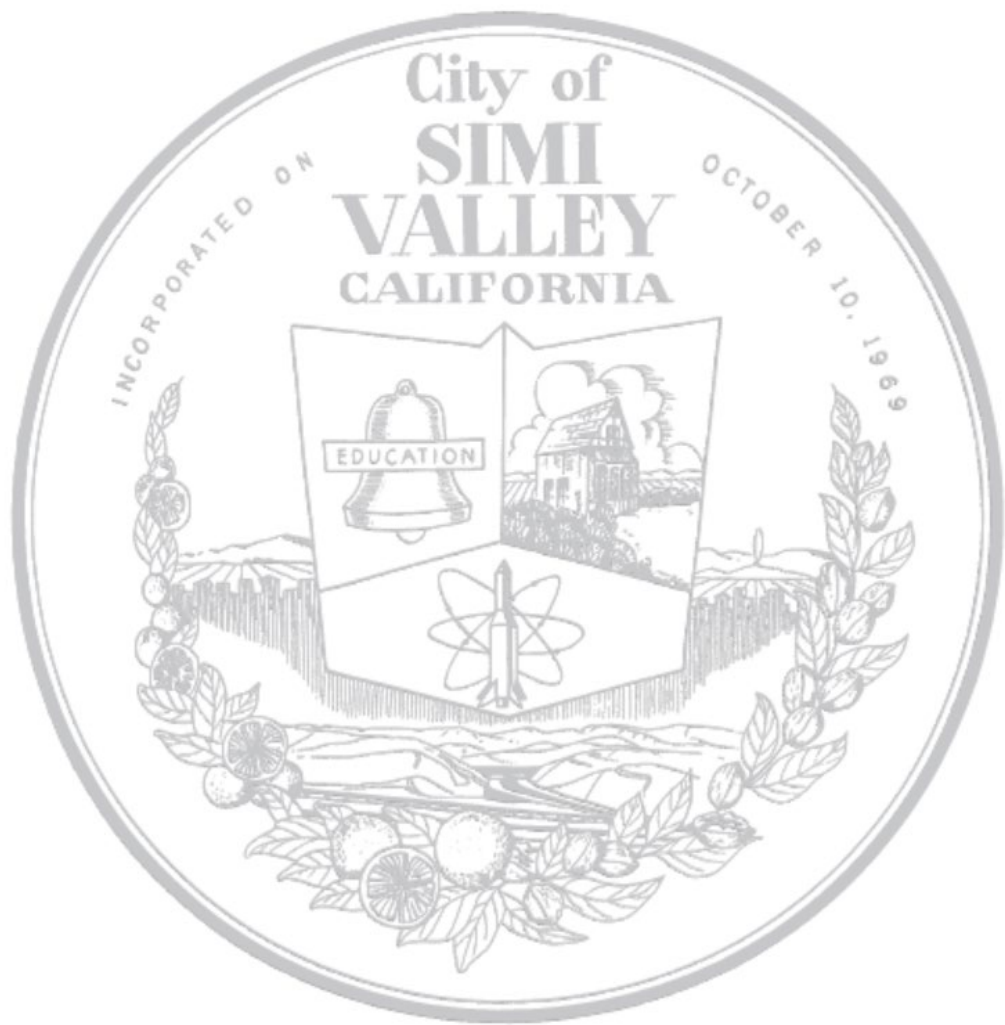
Schedule of OPEB Plan Contributions
Last Ten Years*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially determined contribution	\$ 5,495,152	\$ 2,049,633	\$ 1,659,034	\$ 1,635,120
Contributions in relation to the actuarially determined contribution	<u>3,017,260</u>	<u>(2,049,633)</u>	<u>(1,659,034)</u>	<u>(1,635,120)</u>
Contribution deficiency (excess)	\$ <u>2,477,892</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered-employee payroll	\$ 35,512,106	\$ 33,714,502	\$ 35,383,956	\$ 37,757,737
Contributions as a percentage of covered-employee payroll	8.50%	6.08%	4.69%	4.33%

Notes to Schedule:

Assumptions and Methods

Actuarial Cost Method:	Entry-age normal, level percent of pay
Amortization Method:	Closed period, level percent of pay
Amortization Period:	20 years
Inflation:	0.75%
Assumed Payroll Growth:	2.75%
Healthcare Trend Rates:	7.00%, trending down to 3.84%
Rate of Return on Assets:	6.00%
Mortality Rate:	CalPERS Rates
Retirement Rates:	CalPERS Rates



Supplementary Information



***Non-Major
Governmental Funds***

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

CalHOME Grant fund accounts for the allocation of State funds to support low-income housing programs.

HOME Grant fund accounts for allocation of Federal funds, administered by the State of California, for low- and moderate-income housing programs.

Public, Education, and Government Fees fund accounts for one-percent franchise fees remitted by cable television providers restricted by federal and state legislation for program related expenditures.

Gasoline Tax fund - Portions of the tax per gallon levied by the State of California on all gasoline purchases are allocated to cities throughout the State on a population basis. These revenues are restricted to expenditures for street-related purposes.

Road Maintenance and Rehabilitation Account funds are apportioned to the City by formula pursuant to Streets and Highways Code section 2032(h) for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Transportation funds account for Article 3, Article 8, and Proposition 1B funds received pursuant to State of California, Transportation Development Act and Port Security Bond Act of 2006. These funds are restricted for the improvement and maintenance of street systems, and State allocations for street, mass transit, and safety and security improvements.

Library Services fund accounts for property tax revenue funding and donations from Simi Valley Friends of the Library (a non-profit organization) used for expenditures to operate the Simi Valley Public Library.

Development Related Fees fund accounts for fees paid by developers for infrastructure construction and improvements, traffic and air quality impact mitigation, and program participation in low and moderate income housing programs. This fund also accounts for performance and other deposits held by the City.

Police Grants funds account for funding received from various governmental entities for police activities. Current programs and funding sources include:

- Reimbursement for City's participation in joint agency drug enforcement efforts from the U.S. Department of Justice, Drug Enforcement Administration, and the State of California,
- State funding for front-line municipal police services, including anti-gang and community crime prevention programs, and
- Local Law Enforcement Block Grant funding from the Bureau of Justice Assistance, U.S. Department of Justice for purchasing police equipment, or expanding existing capabilities.

Community Development Block Grant (CDBG) fund accounts for the receipt and expenditure of CDBG funds allocated to the City by the U.S. Department of Housing and Urban Development.

Landscape Maintenance District No. 1 fund accounts for benefit assessments, primarily perimeter landscaping in the public rights-of-way. The general fund finances landscape maintenance costs not associated with specific neighborhoods.

Debt Service Funds

2014A Lease Revenue Refunding Bonds fund was established to account for the debt service transactions related to the sale of variable rate lease revenue bonds issued for the purpose of fully refunding the 2004 Certificates of Participation (“2004 Certificates”).

2016 CREBS FTLRB fund accounts for the resources accumulated and payments made for the principal and interest on long-term debt obtained to finance the solar capital projects.

2017 Lease Agreement fund accounts for the resources accumulated and payments made for the principal and interest on long-term debt obtained to finance the replacement of the City telephone system, energy efficient upgrades at City facilities such as LED lighting, and HVAC system replacement and improvements.

2018 Lease Agreement fund accounts for the resources accumulated and payments made for the principal and interest on long-term debt obtained to provide financing for a purchase and sale agreement and pole license agreement with Southern California Edison (SCE) for the acquisition of streetlights located in Simi Valley.

Capital Project Funds

Equipment Replacement funds account for the replacement of personal computers, terminals, and printers; and establish a reserve for the replacement of vehicles.

Geographic Information System (GIS) fund accounts for geographic based information related to economic development, land use, demographic information, mapping for crime analysis, traffic safety management, permit issuance, and work order administration.

Public Facility Improvements fund provides for the building needs of various City facilities, including the expansion of City Hall and the Senior Citizens’ Center.

Financial Information System (FIS) fund was established to replace the City’s legacy Financial Management Information System with a new Financial Information System, and is used to maintain and optimize the FIS system.

Police Capital Projects fund accounts for capital projects related to the police department such as the police shooting range.

Telephone System fund accounts for the replacement of the Citywide telephone system, installed in 1995 and exceeding its system support life.

Solar Capital Projects fund accounts for the activities related to the acquisition and installation of solar panels on City facilities, including the Library, Senior Citizens' Center, Police Department, City Hall, and Water Quality Control Plant.

LED Streetlight Project fund accounts for the activities related to the acquisition of City streetlights from SCE and retrofitting of the streetlight bulbs to Light Emitting Diode (LED) technology.

**CITY OF SIMI VALLEY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Special Revenue				
	CalHome Grant	HOME Grant	Public, Education & Government Fees	Gasoline Tax	Road Maintenance & Rehabilitaion Account
<u>ASSETS</u>					
Cash and investments:					
Held by City	\$ 265,773	\$ 1,377,239	\$ 2,326,211	\$ 23,818	\$ 2,824,222
Held by bond trustee	-	-	-	-	-
Accounts receivable (net of allowance for uncollectibles)		-	-	-	422,670
Taxes receivable	-	-	69,251	-	-
Grants receivable	-	-	-	-	-
Interest receivable	-	-	5,612	-	5,638
Due from other funds	878	7,738	-	-	-
Loans receivable (net of allowance for uncollectibles)	1,143,249	2,279,412	-	-	-
TOTAL ASSETS	\$ 1,409,900	\$ 3,664,389	\$ 2,401,074	\$ 23,818	\$ 3,252,530
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
<u>LIABILITIES</u>					
Accounts payable	\$ -	\$ 106,229	\$ -	\$ -	\$ -
Salaries and benefits payable	-	-	-	-	-
Due to other funds	-	57,148	-	-	-
Advances from other funds	-	-	-	-	-
TOTAL LIABILITIES	-	163,377	-	-	-
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Unavailable revenue-housing programs	1,143,248	2,279,411	-	-	-
Unavailable revenue-public safety	-	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	1,143,248	2,279,411	-	-	-
<u>FUND BALANCES</u>					
Restricted					
Housing programs	266,652	1,221,601	-	-	-
Public improvements	-	-	-	-	-
Streets and transportation	-	-	-	23,818	3,252,530
Landscape	-	-	-	-	-
Debt service	-	-	-	-	-
Special programs	-	-	2,401,074	-	-
Law enforcement	-	-	-	-	-
Committed					
Equipment	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	266,652	1,221,601	2,401,074	23,818	3,252,530
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,409,900	\$ 3,664,389	\$ 2,401,074	\$ 23,818	\$ 3,252,530

**CITY OF SIMI VALLEY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

Special Revenue							
Transportation Funds	Library Services	Development Related Fees	Police Grants	Community Development Block Grant	Landscape Maintenance District No. 1		
							ASSETS
							Cash and investments:
\$ 10,056,347	\$ 2,179,963	\$ 13,682,398	\$ 1,169,838	\$ -	\$ -	\$ -	Held by City
-	-	-	-	-	-	-	Held by bond trustee
-	12	-	115,442	-	-	-	Accounts receivable (net of allowance for uncollectibles)
-	-	-	-	-	-	-	Taxes receivable
-	-	-	-	864,929	-	-	Grants receivable
1,284	4,101	21,670	2,319	-	-	-	Interest receivable
-	-	-	-	-	-	-	Due from other funds
-	-	5,607,256	-	355,364	-	-	Loans receivable (net of allowance for uncollectibles)
<hr/>							
\$ 10,057,631	\$ 2,184,076	\$ 19,311,324	\$ 1,287,599	\$ 1,220,293	\$ -	\$ -	TOTAL ASSETS
							LIABILITIES AND FUND BALANCES
							LIABILITIES
\$ -	\$ 72,972	\$ 36,430	\$ 26,645	\$ 366,926	\$ 143,014	\$ -	Accounts payable
-	3,065	-	-	-	-	-	Salaries and benefits payable
-	-	-	18,125	497,586	366,382	-	Due to other funds
-	-	-	-	-	-	-	Advances from other funds
<hr/>							
-	76,037	36,430	44,770	864,512	509,396	-	TOTAL LIABILITIES
							DEFERRED INFLOWS OF RESOURCES
-	-	5,607,256	-	355,364	-	-	Unavailable revenue-housing programs
-	-	-	92,945	-	-	-	Unavailable revenue-public safety
<hr/>							
-	-	5,607,256	92,945	355,364	-	-	TOTAL DEFERRED INFLOWS OF RESOURCES
							FUND BALANCES
							Restricted
-	-	4,784,067	-	-	-	-	Housing programs
-	-	7,617,624	-	-	-	-	Public improvements
10,057,631	-	1,265,947	-	-	-	-	Streets and transportation
-	-	-	-	-	-	-	Landscape
-	-	-	-	-	-	-	Debt service
-	2,108,039	-	-	417	-	-	Special programs
-	-	-	1,149,884	-	-	-	Law enforcement
							Committed
-	-	-	-	-	-	-	Equipment
-	-	-	-	-	-	(509,396)	Unassigned
<hr/>							
10,057,631	2,108,039	13,667,638	1,149,884	417	(509,396)	-	TOTAL FUND BALANCES (DEFICITS)
							TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES
\$ 10,057,631	\$ 2,184,076	\$ 19,311,324	\$ 1,287,599	\$ 1,220,293	\$ -	\$ -	

(continued)

**CITY OF SIMI VALLEY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Total Nonmajor Special Revenue Funds	Debt Service			
		2014A Lease Revenue Refunding Bonds	2016 CREBS FTLRB	2017 Lease Agreement	2018 Lease Agreement
ASSETS					
Cash and investments:					
Held by City	\$ 33,905,809	\$ -	\$ -	\$ -	-
Held by bond trustee	-	-	-	1,324,129	-
Accounts receivable (net of allowance for uncollectibles)	538,124	-	-	-	-
Taxes receivable	69,251	-	-	-	-
Grants receivable	864,929	-	-	-	-
Interest receivable	40,624	-	-	-	-
Due from other funds	8,616	-	-	-	-
Loans receivable (net of allowance for uncollectibles)	9,385,281	-	-	-	-
TOTAL ASSETS	\$ 44,812,634	\$ -	\$ -	1,324,129	\$ -
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts payable	\$ 752,216	\$ -	\$ -	\$ -	-
Salaries and benefits payable	3,065	-	-	-	-
Due to other funds	939,241	-	-	-	-
Advances from other funds	-	-	-	-	-
TOTAL LIABILITIES	1,694,522	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue-housing programs	9,385,279	-	-	-	-
Unavailable revenue-public safety	92,945	-	-	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	9,478,224	-	-	-	-
FUND BALANCES					
Restricted					
Housing programs	6,272,320	-	-	-	-
Public improvements	7,617,624	-	-	-	-
Streets and transportation	14,599,926	-	-	-	-
Landscape	-	-	-	-	-
Debt service	-	-	-	1,324,129	-
Special programs	4,509,530	-	-	-	-
Law enforcement	1,149,884	-	-	-	-
Committed					
Equipment	-	-	-	-	-
Unassigned	(509,396)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	33,639,888	-	-	1,324,129	-
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 44,812,634	\$ -	\$ -	1,324,129	\$ -

**CITY OF SIMI VALLEY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

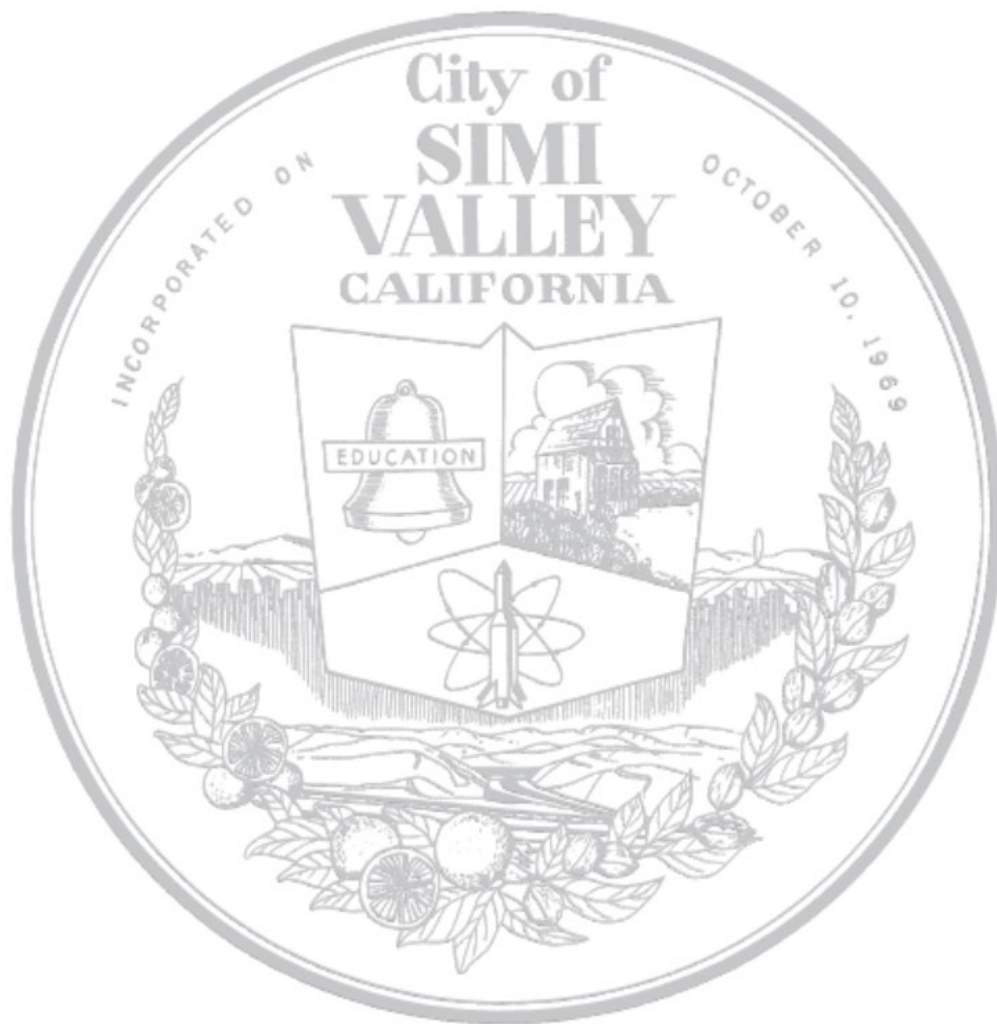
Total Nonmajor Debt Service	Capital Projects				
	Equipment Replacement	Geographic Information System (GIS)	Public Facility Improvements	Financial Information System (FIS)	
					ASSETS
					Cash and investments:
\$ -	\$ 2,654,183	\$ 21,031	\$ 5,589,472	\$ 2,644,104	Held by City
1,324,129	-	-	-	-	Held by bond trustee
-	-	-	-	-	Accounts receivable (net of allowance for uncollectibles)
-	-	-	-	-	Taxes receivable
-	-	-	-	-	Grants receivable
-	2,569	51	-	6,513	Interest receivable
-	-	-	-	-	Due from other funds
-	-	-	-	-	Loans receivable (net of allowance for uncollectibles)
\$ 1,324,129	\$ 2,656,752	\$ 21,082	\$ 5,589,472	\$ 2,650,617	TOTAL ASSETS
					LIABILITIES AND FUND BALANCES
					LIABILITIES
-	\$ 3,877	-	\$ 1,494	\$ 14,382	Accounts payable
-	-	-	-	5,595	Salaries and benefits payable
-	-	-	-	-	Due to other funds
-	-	-	3,348,381	-	Advances from other funds
-	3,877	-	3,349,875	19,977	TOTAL LIABILITIES
					DEFERRED INFLOWS OF RESOURCES
-	-	-	-	-	Unavailable revenue-housing programs
-	-	-	-	-	Unavailable revenue-public safety
-	-	-	-	-	TOTAL DEFERRED INFLOWS OF RESOURCES
					FUND BALANCES
					Restricted
-	-	-	-	-	Housing programs
-	-	-	-	-	Public improvements
-	-	-	-	-	Streets and transportation
-	-	-	-	-	Landscape
1,324,129	-	-	-	-	Debt service
-	-	-	-	-	Special programs
-	-	-	-	-	Law enforcement
					Committed
-	2,652,875	21,082	2,239,597	2,630,640	Equipment
-	-	-	-	-	Unassigned
1,324,129	2,652,875	21,082	2,239,597	2,630,640	TOTAL FUND BALANCES (DEFICITS)
\$ 1,324,129	\$ 2,656,752	\$ 21,082	\$ 5,589,472	\$ 2,650,617	TOTAL LIABILITIES AND FUND BALANCES

(continued)

**CITY OF SIMI VALLEY
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021**

	Capital Projects				Total Nonmajor Capital Projects	Total Nonmajor Funds
	Police Capital Projects	Telephone System	Solar Capital Projects	LED Streetlight Project		
ASSETS						
Cash and investments:						
Held by City	\$ 285,294	\$ 165,753	\$ 56,305	\$ 403,216	\$ 11,819,358	\$ 45,725,167
Held by bond trustee	-	-	-	-	-	1,324,129
Accounts receivable (net of allowance for uncollectibles)	-	-	-	-	-	538,124
Taxes receivable	-	-	-	-	-	69,251
Grants receivable	-	-	-	-	-	864,929
Interest receivable	-	-	-	-	9,133	49,757
Due from other funds	-	-	-	-	-	8,616
Loans receivable (net of allowance for uncollectibles)	-	-	-	-	-	9,385,281
TOTAL ASSETS	\$ 285,294	\$ 165,753	\$ 56,305	\$ 403,216	\$ 11,828,491	\$ 57,965,254
LIABILITIES AND FUND BALANCES						
LIABILITIES						
Accounts payable	\$ -	\$ -	\$ -	\$ -	19,753	771,969
Salaries and benefits payable	-	-	-	-	5,595	8,660
Due to other funds	-	-	-	-	-	939,241
Advances from other funds	-	-	-	-	3,348,381	3,348,381
TOTAL LIABILITIES	-	-	-	-	3,373,729	5,068,251
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue-housing programs	-	-	-	-	-	9,385,279
Unavailable revenue-public safety	-	-	-	-	-	92,945
TOTAL DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	9,478,224
FUND BALANCES						
Restricted						
Housing programs	-	-	-	-	-	6,272,320
Public improvements	-	-	56,305	403,216	459,521	8,077,145
Streets and transportation	-	-	-	-	-	14,599,926
Landscape	-	-	-	-	-	-
Debt service	-	-	-	-	-	1,324,129
Special programs	-	-	-	-	-	4,509,530
Law enforcement	285,294	-	-	-	285,294	1,435,178
Committed						
Equipment	-	165,753	-	-	7,709,947	7,709,947
Unassigned	-	-	-	-	-	(509,396)
TOTAL FUND BALANCES (DEFICITS)	285,294	165,753	56,305	403,216	8,454,762	43,418,779
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 285,294	\$ 165,753	\$ 56,305	\$ 403,216	\$ 11,828,491	\$ 57,965,254

(concluded)



CITY OF SIMI VALLEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Special Revenue				
	CalHome Grant	HOME Grant	Public, Education & Government Fees	Gasoline Tax	Road Maintenance & Rehabilitaion Account
REVENUES					
Taxes	\$ -	\$ -	\$ 281,129	\$ -	\$ -
Use of money and property	131,569	363,888	27,001	-	21,906
From other governments	-	-	-	2,751,655	2,319,450
Grants	-	-	-	-	-
Service charges	-	-	-	-	-
Other revenues	-	-	-	-	-
Total revenues	131,569	363,888	308,130	2,751,655	2,341,356
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Community services	-	-	22,103	-	-
Planning	3,937	124,456	-	-	-
Public ways and facilities	-	-	-	-	-
Public safety	-	-	-	-	-
Total current expenditures	3,937	124,456	22,103	-	-
Capital outlay	-	-	311,321	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Other	-	-	-	-	-
Total debt service	-	-	-	-	-
Total expenditures	3,937	124,456	333,424	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	127,632	239,432	(25,294)	2,751,655	2,341,356
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(2,727,837)	(2,533)
Total other financing sources (uses)	-	-	-	(2,727,837)	(2,533)
NET CHANGE IN FUND BALANCES	127,632	239,432	(25,294)	23,818	2,338,823
FUND BALANCES - BEGINNING	139,020	982,169	2,426,368	-	913,707
FUND BALANCES (DEFICITS) - ENDING	\$ 266,652	\$ 1,221,601	\$ 2,401,074	\$ 23,818	\$ 3,252,530

**CITY OF SIMI VALLEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Special Revenue						
Transportation Funds	Library Services	Development Related Fees	Police Grants	Community Development Block Grant	Landscape Maintenance District No. 1	
						REVENUES
\$ -	\$ 2,292,527	\$ -	\$ -	\$ -	\$ -	Taxes
-	18,617	440,501	11,600	2	-	Use of money and property
4,267,127	-	-	-	-	-	From other governments
-	-	-	626,392	828,265	-	Grants
-	1,365	1,664,479	-	-	782,222	Service charges
-	27,014	1,075,000	-	-	-	Other revenues
4,267,127	2,339,523	3,179,980	637,992	828,267	782,222	Total revenues
						EXPENDITURES
						Current:
-	-	-	-	678,430	60,169	General government
-	2,269,484	-	-	-	-	Community services
-	-	-	-	149,835	-	Planning
114,986	-	156,141	-	-	1,594,319	Public ways and facilities
-	-	-	427,675	-	-	Public safety
114,986	2,269,484	156,141	427,675	828,265	1,654,488	Total current expenditures
						Capital outlay
-	-	-	-	-	-	
						Debt service:
-	-	-	-	-	-	Principal
-	-	-	-	-	-	Interest
-	-	-	-	-	-	Other
						Total debt service
114,986	2,269,484	156,141	427,675	828,265	1,654,488	Total expenditures
4,152,141	70,039	3,023,839	210,317	2	(872,266)	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES
						OTHER FINANCING SOURCES (USES)
-	-	-	-	-	200,000	Transfers in
(365,004)	-	(1,730,061)	(336,138)	-	-	Transfers out
(365,004)	-	(1,730,061)	(336,138)	-	200,000	Total other financing sources (uses)
3,787,137	70,039	1,293,778	(125,821)	2	(672,266)	NET CHANGE IN FUND BALANCES
6,270,494	2,038,000	12,373,860	1,275,705	415	162,870	FUND BALANCES - BEGINNING
\$ 10,057,631	\$ 2,108,039	\$ 13,667,638	\$ 1,149,884	\$ 417	\$ (509,396)	FUND BALANCES (DEFICITS)-ENDING

(continued)

**CITY OF SIMI VALLEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Total Nonmajor Special Revenue Funds	Debt Service			
		2014A Lease Revenue Refunding Bonds	2016 CREBS FTLRB	2017 Lease Agreement	2018 Lease Agreement
<u>REVENUES</u>					
Taxes	\$ 2,573,656	\$ -	\$ -	\$ -	\$ -
Use of money and property	1,015,084	-	-	-	-
From other governments	9,338,232	-	-	-	-
Grants	1,454,657	-	-	-	-
Service charges	2,448,066	-	-	-	-
Other revenues	1,102,014	-	-	-	-
Total revenues	17,931,709	-	-	-	-
<u>EXPENDITURES</u>					
Current:					
General government	738,599	-	-	-	-
Community services	2,291,587	-	-	-	-
Planning	278,228	-	-	-	-
Public ways and facilities	1,865,446	-	-	-	-
Public safety	427,675	-	-	-	-
Total current expenditures	5,601,535	-	-	-	-
Capital outlay	311,321	-	-	-	-
Debt service:					
Principal	-	765,000	391,009	406,871	282,140
Interest	-	705,900	306,973	166,970	285,498
Other	-	2,650	750	750	2,164
Total debt service	-	1,473,550	698,732	574,591	569,802
Total expenditures	5,912,856	1,473,550	698,732	574,591	569,802
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	12,018,853	(1,473,550)	(698,732)	(574,591)	(569,802)
<u>OTHER FINANCING SOURCES (USES)</u>					
Transfers in	200,000	1,473,550	698,732	574,592	568,388
Transfers out	(5,161,573)	-	(2,362)	(20,934)	(107,286)
Total other financing sources (uses)	(4,961,573)	1,473,550	696,370	553,658	461,102
NET CHANGE IN FUND BALANCES	7,057,280	-	(2,362)	(20,933)	(108,700)
FUND BALANCES - BEGINNING	26,582,608	-	2,362	1,345,062	108,700
FUND BALANCES (DEFICITS)-ENDING	\$ 33,639,888	\$ -	\$ -	\$ 1,324,129	\$ -

**CITY OF SIMI VALLEY
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Total Nonmajor Debt Service	Capital Projects				
	Equipment Replacement	Geographic Information System (GIS)	Public Facility Improvements	Financial Information System (FIS)	
					<u>REVENUES</u>
\$ -	\$ -	\$ -	\$ -	\$ -	- Taxes
-	11,667	236	-	30,840	Use of money and property
-	-	-	-	-	From other governments
-	-	-	-	-	Grants
-	-	-	-	-	Service charges
-	6,076	-	-	-	Other revenues
-	17,743	236	-	30,840	Total revenues
					<u>EXPENDITURES</u>
					Current:
-	-	-	-	-	General government
-	-	-	-	-	Community services
-	-	-	-	-	Planning
-	-	-	-	-	Public ways and facilities
-	-	-	-	-	Public safety
-	-	-	-	-	Total current expenditures
-	866,057	-	223,838	389,618	Capital outlay
1,845,020	-	-	-	-	Debt service:
1,465,341	-	-	-	-	Principal
6,314	-	-	-	-	Interest
3,316,675	-	-	-	-	Other
3,316,675	-	-	-	-	Total debt service
3,316,675	866,057	-	223,838	389,618	Total expenditures
(3,316,675)	(848,314)	236	(223,838)	(358,778)	EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES
					<u>OTHER FINANCING SOURCES (USES)</u>
3,315,262	1,035,900	-	1,433,934	-	Transfers in
(130,582)	-	-	-	-	Transfers out
3,184,680	1,035,900	-	1,433,934	-	Total other financing sources (uses)
(131,995)	187,586	236	1,210,096	(358,778)	NET CHANGE IN FUND BALANCES
1,456,124	2,465,289	20,846	1,029,501	2,989,418	FUND BALANCES - BEGINNING
\$ 1,324,129	\$ 2,652,875	\$ 21,082	\$ 2,239,597	\$ 2,630,640	FUND BALANCES (DEFICITS) - ENDING

(continued)

**CITY OF SIMI VALLEY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Capital Projects				Total Nonmajor Capital Projects	Total Nonmajor Funds
	Police Capital Projects	Telephone System	Solar Capital Projects	LED Streetlight Project		
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	2,573,656
Use of money and property	-	-	-	-	42,743	1,057,827
From other governments	-	-	-	-	-	9,338,232
Grants	-	-	-	-	-	1,454,657
Service charges	-	-	-	-	-	2,448,066
Other revenues	75,000	-	-	-	81,076	1,183,090
Total revenues	75,000	-	-	-	123,819	18,055,528
EXPENDITURES						
Current:						
General government	-	-	-	-	-	738,599
Community services	-	-	-	-	-	2,291,587
Planning	-	-	-	-	-	278,228
Public ways and facilities	-	-	-	-	-	1,865,446
Public safety	-	-	-	-	-	427,675
Total current expenditures	-	-	-	-	-	5,601,535
Capital outlay	-	-	-	511,986	1,991,499	2,302,820
Debt service:						
Principal	-	-	-	-	-	1,845,020
Interest	-	-	-	-	-	1,465,341
Other	-	-	-	-	-	6,314
Total debt service	-	-	-	-	-	3,316,675
Total expenditures	-	-	-	511,986	1,991,499	11,221,030
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	75,000	-	-	(511,986)	(1,867,680)	6,834,498
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	2,362	107,286	2,579,482	6,094,744
Transfers out	-	(3,658)	-	-	(3,658)	(5,295,813)
Total other financing sources (uses)	-	(3,658)	2,362	107,286	2,575,824	798,931
NET CHANGE IN FUND BALANCES	75,000	(3,658)	2,362	(404,700)	708,144	7,633,429
FUND BALANCES - BEGINNING	\$ 210,294	\$ 169,411	\$ 53,943	\$ 807,916	7,746,618	35,785,350
FUND BALANCES (DEFICITS) - ENDING	\$ 285,294	\$ 165,753	\$ 56,305	\$ 403,216	\$ 8,454,762	\$ 43,418,779

(concluded)

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***Schedules-Budget and
Actual-Individual***

**CITY OF SIMI VALLEY
CALHOME GRANT
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Use of money and property	\$ 32,500	\$ 32,500	\$ 131,569	\$ 99,069
Total revenues	32,500	32,500	131,569	99,069
<u>EXPENDITURES</u>				
Current:				
Planning (ES):				
Housing programs	30,000	30,000	3,937	26,063
Total expenditures	30,000	30,000	3,937	26,063
 NET CHANGE IN FUND BALANCES	 2,500	 2,500	 127,632	 125,132
FUND BALANCES - BEGINNING	139,020	139,020	139,020	-
FUND BALANCES - ENDING	\$ 141,520	\$ 141,520	\$ 266,652	\$ 125,132

**CITY OF SIMI VALLEY
HOME GRANT
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Use of money and property	\$ 87,000	\$ 87,000	\$ 363,888	\$ 276,888
<u>EXPENDITURES</u>				
Current:				
Planning:				
Materials, supplies, and services	500,000	500,000	108,387	391,613
Reimbursements to general fund	20,000	20,000	16,069	3,931
Total expenditures	520,000	520,000	124,456	395,544
 NET CHANGE IN FUND BALANCES	 (433,000)	 (433,000)	 239,432	 672,432
FUND BALANCES - BEGINNING	982,169	982,169	982,169	-
FUND BALANCES - ENDING	\$ 549,169	\$ 549,169	\$ 1,221,601	\$ 672,432

**CITY OF SIMI VALLEY
PUBLIC, EDUCATION, AND GOVERNMENT FEES
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 275,000	\$ 275,000	\$ 281,129	\$ 6,129
Use of money and property	15,000	15,000	27,001	12,001
Total revenues	<u>290,000</u>	<u>290,000</u>	<u>308,130</u>	<u>18,130</u>
<u>EXPENDITURES</u>				
Current:				
Community services:				
Materials, supplies and services	-	-	22,103	(22,103)
Total current expenditures	<u>-</u>	<u>-</u>	<u>22,103</u>	<u>(22,103)</u>
Capital outlay	-	1,300,000	311,321	988,679
Total expenditures	<u>-</u>	<u>1,300,000</u>	<u>333,424</u>	<u>966,576</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>290,000</u>	<u>(1,010,000)</u>	<u>(25,294)</u>	<u>984,706</u>
<u>OTHER FINANCING (USES)</u>				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	290,000	(1,010,000)	(25,294)	984,706
FUND BALANCES - BEGINNING	<u>2,426,368</u>	<u>2,426,368</u>	<u>2,426,368</u>	<u>-</u>
FUND BALANCES (DEFICITS) - ENDING	<u>\$ 2,716,368</u>	<u>\$ 1,416,368</u>	<u>\$ 2,401,074</u>	<u>\$ 984,706</u>

**CITY OF SIMI VALLEY
GASOLINE TAX
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
From other governments	\$ 2,727,837	\$ 2,727,837	\$ 2,751,655	\$ 23,818
Total revenues	2,727,837	2,727,837	2,751,655	23,818
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(2,727,837)	(2,727,837)	(2,727,837)	-
NET CHANGE IN FUND BALANCES	-	-	23,818	23,818
FUND BALANCES - BEGINNING	-	-	-	-
FUND BALANCES - ENDING	\$ -	\$ -	\$ 23,818	\$ 23,818

**CITY OF SIMI VALLEY
ROAD MAINTENANCE & REHABILITATION ACCOUNT
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Use of money and property	\$ -	\$ -	\$ 21,906	\$ 21,906
From other governments	2,050,329	2,050,329	2,319,450	269,121
Total revenues	<u>2,050,329</u>	<u>2,050,329</u>	<u>2,341,356</u>	<u>291,027</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(2,050,329)	(2,050,329)	(2,533)	2,047,796
NET CHANGE IN FUND BALANCES	-	-	2,338,823	2,338,823
FUND BALANCES - BEGINNING	<u>913,707</u>	<u>913,707</u>	<u>913,707</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 913,707</u>	<u>\$ 913,707</u>	<u>\$ 3,252,530</u>	<u>\$ 2,338,823</u>

**CITY OF SIMI VALLEY
TRANSPORTATION FUNDS
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		Actual	Variance with Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Use of money and property	\$ 2,500	\$ 2,500	\$ -	\$ (2,500)
From other governments	4,425,400	4,425,400	4,267,127	(158,273)
Grants	-	-	-	-
Total revenues	<u>4,427,900</u>	<u>4,427,900</u>	<u>4,267,127</u>	<u>(160,773)</u>
<u>EXPENDITURES</u>				
Current:				
Public ways and facilities:				
Materials, supplies and services	30,000	30,000	114,986	(84,986)
Total expenditures	<u>30,000</u>	<u>30,000</u>	<u>114,986</u>	<u>(84,986)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>4,397,900</u>	<u>4,397,900</u>	<u>4,152,141</u>	<u>(245,759)</u>
<u>OTHER FINANCING (USES)</u>				
Transfers out	(7,481,502)	(7,983,561)	(365,004)	7,618,557
NET CHANGE IN FUND BALANCES	(3,083,602)	(3,585,661)	3,787,137	7,372,798
FUND BALANCES - BEGINNING	<u>6,270,494</u>	<u>6,270,494</u>	<u>6,270,494</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 3,186,892</u>	<u>\$ 2,684,833</u>	<u>\$ 10,057,631</u>	<u>\$ 7,372,798</u>

**CITY OF SIMI VALLEY
LIBRARY SERVICES
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Taxes	\$ 2,292,527	\$ 2,292,527	\$ 2,292,527	\$ -
Use of money and property	4,000	4,000	18,617	14,617
Service charges	5,000	5,000	1,365	(3,635)
Other revenues	75,000	75,000	27,014	(47,986)
Total revenues	<u>2,376,527</u>	<u>2,376,527</u>	<u>2,339,523</u>	<u>(37,004)</u>
<u>EXPENDITURES</u>				
Current:				
Community services:				
Materials, supplies and services	2,481,408	3,462,110	2,269,484	1,192,626
Total expenditures	<u>2,481,408</u>	<u>3,462,110</u>	<u>2,269,484</u>	<u>1,192,626</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(104,881)</u>	<u>(1,085,583)</u>	<u>70,039</u>	<u>1,155,622</u>
<u>OTHER FINANCING (USES)</u>				
Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(104,881)	(1,085,583)	70,039	1,155,622
FUND BALANCES - BEGINNING	<u>2,038,000</u>	<u>2,038,000</u>	<u>2,038,000</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 1,933,119</u>	<u>\$ 952,417</u>	<u>\$ 2,108,039</u>	<u>\$ 1,155,622</u>

**CITY OF SIMI VALLEY
DEVELOPMENT RELATED FEES
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Use of money and property	\$ 330,800	\$ 330,800	\$ 440,501	\$ 109,701
Service charges	185,500	185,500	1,664,479	1,478,979
Other revenues	-	-	1,075,000	1,075,000
Total revenues	<u>516,300</u>	<u>516,300</u>	<u>3,179,980</u>	<u>2,663,680</u>
<u>EXPENDITURES</u>				
Current:				
Public ways and facilities (PW):				
Materials, supplies and services	114,000	242,552	156,141	86,411
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>402,300</u>	<u>273,748</u>	<u>3,023,839</u>	<u>2,750,091</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	(1,730,061)	(1,730,061)	(1,730,061)	-
Total other financing sources (uses)	<u>(1,730,061)</u>	<u>(1,730,061)</u>	<u>(1,730,061)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(1,327,761)	(1,456,313)	1,293,778	2,750,091
FUND BALANCES - BEGINNING	<u>12,373,860</u>	<u>12,373,860</u>	<u>12,373,860</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 11,046,099</u>	<u>\$ 10,917,547</u>	<u>\$ 13,667,638</u>	<u>\$ 2,750,091</u>

**CITY OF SIMI VALLEY
POLICE GRANTS
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Use of money and property	\$ 17,000	\$ 17,000	\$ 11,600	\$ (5,400)
Grants	642,100	804,929	626,392	(178,537)
Total revenues	<u>659,100</u>	<u>821,929</u>	<u>637,992</u>	<u>(183,937)</u>
<u>EXPENDITURES</u>				
Current:				
Public safety:				
Material, supplies and services	<u>413,500</u>	<u>620,420</u>	<u>427,675</u>	<u>192,745</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	<u>245,600</u>	<u>201,509</u>	<u>210,317</u>	<u>8,808</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers out	<u>(272,500)</u>	<u>(386,300)</u>	<u>(336,138)</u>	<u>50,162</u>
Total other financing sources (uses)	<u>(272,500)</u>	<u>(386,300)</u>	<u>(336,138)</u>	<u>50,162</u>
NET CHANGE IN FUND BALANCES	(26,900)	(184,791)	(125,821)	58,970
FUND BALANCES - BEGINNING	<u>1,275,705</u>	<u>1,275,705</u>	<u>1,275,705</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ 1,248,805</u>	<u>\$ 1,090,914</u>	<u>\$ 1,149,884</u>	<u>\$ 58,970</u>

**CITY OF SIMI VALLEY
COMMUNITY DEVELOPMENT BLOCK GRANT
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

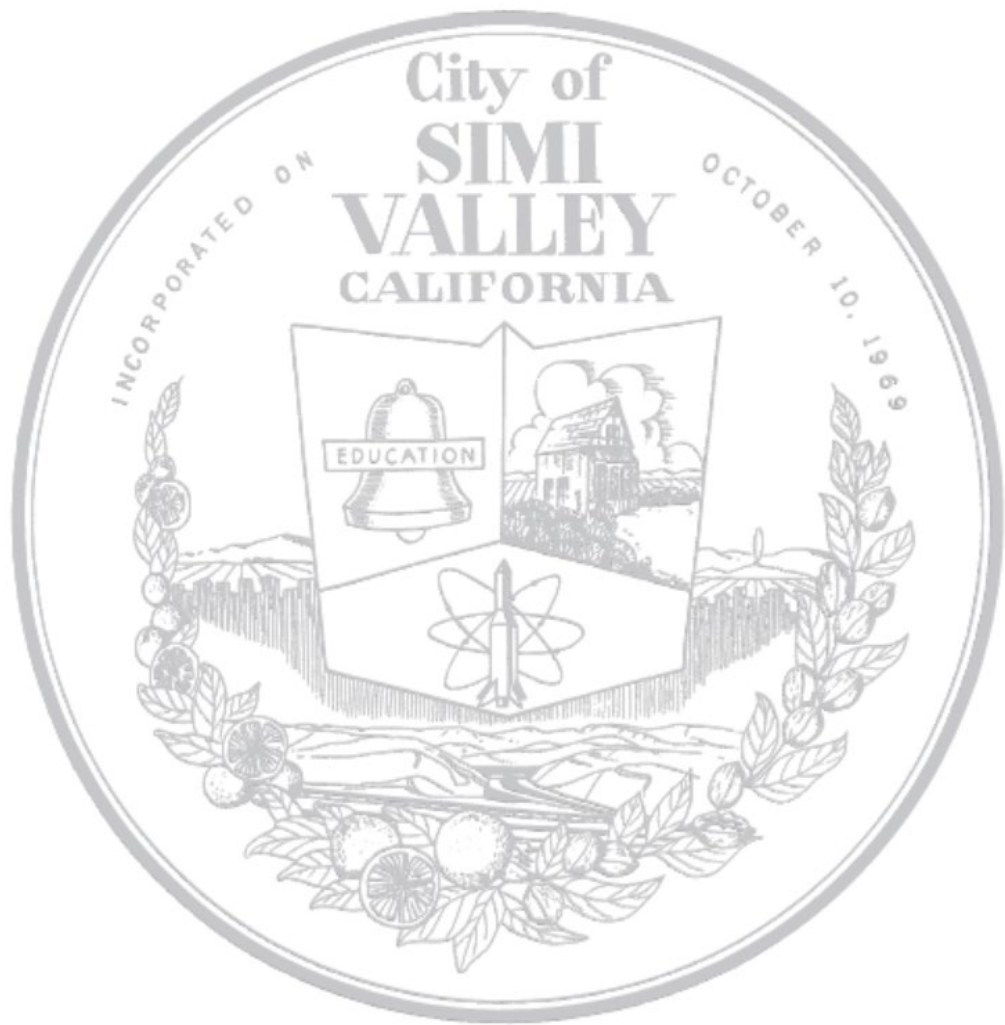
	<u>Budgeted Amounts</u>		Actual	Variance with Budget Positive (Negative)
	Original	Final		
<u>REVENUES</u>				
Use of money and property	\$ 31,800	\$ 31,800	\$ 2	\$ (31,798)
Grants	653,400	1,019,022	828,265	(190,757)
Total revenues	<u>685,200</u>	<u>1,050,822</u>	<u>828,267</u>	<u>(222,555)</u>
<u>EXPENDITURES</u>				
Current:				
General government:				
Reimbursement to general fund	110,304	110,209	110,209	-
Other programs	391,978	1,325,235	568,221	757,014
Total general government	<u>502,282</u>	<u>1,435,444</u>	<u>678,430</u>	<u>757,014</u>
Planning				
Supplies and materials	165,708	193,751	149,835	43,916
Total planning	<u>165,708</u>	<u>193,751</u>	<u>149,835</u>	<u>43,916</u>
Total expenditures	<u>667,990</u>	<u>1,629,195</u>	<u>828,265</u>	<u>800,930</u>
NET CHANGE IN FUND BALANCES	17,210	(578,373)	2	578,375
FUND BALANCES - BEGINNING	415	415	415	-
FUND BALANCES (DEFICITS) - ENDING	<u>\$ 17,625</u>	<u>\$ (577,958)</u>	<u>\$ 417</u>	<u>\$ 578,375</u>

**CITY OF SIMI VALLEY
LANDSCAPE MAINTENANCE DISTRICT NO. 1
SUPPLEMENTAL SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<u>REVENUES</u>				
Use of money and property	\$ 15,700	\$ 15,700	\$ -	\$ (15,700)
Service charges	787,800	787,800	782,222	\$ (5,578)
Total revenues	<u>803,500</u>	<u>803,500</u>	<u>782,222</u>	<u>(21,278)</u>
<u>EXPENDITURES</u>				
Current:				
General government:				
Reimbursement to general fund	<u>317,901</u>	<u>317,901</u>	60,169	257,732
Public ways and facilities:				
Landscape maintenance contract	1,001,330	1,001,330	939,117	62,213
Utilities	511,363	511,363	655,202	(143,839)
Total public ways and facilities	<u>1,512,693</u>	<u>1,512,693</u>	<u>1,594,319</u>	<u>(81,626)</u>
Total expenditures	<u>1,830,594</u>	<u>1,830,594</u>	<u>1,654,488</u>	<u>176,106</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,027,094)</u>	<u>(1,027,094)</u>	<u>(872,266)</u>	<u>154,828</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Transfers in	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(827,094)	(827,094)	(672,266)	154,828
FUND BALANCES - BEGINNING	<u>162,870</u>	<u>162,870</u>	<u>162,870</u>	<u>-</u>
FUND BALANCES (DEFICITS) - ENDING	<u>\$ (664,224)</u>	<u>\$ (664,224)</u>	<u>\$ (509,396)</u>	<u>\$ 154,828</u>



***Internal Service and
Fiduciary Funds***



**CITY OF SIMI VALLEY
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021**

	Liability Insurance	Workers' Compensation Insurance	GIS/Permits Operations	FIS Operations	Total
<u>ASSETS</u>					
Current assets:					
Cash and investments	\$ 3,889,118	\$ 18,099,744	\$ 213,919	\$ 445,234	\$ 22,648,015
Customer receivable	-	807	-	-	807
Interest receivable	8,256	41,826	463	1,095	51,640
TOTAL ASSETS	3,897,374	18,142,377	214,382	446,329	22,700,462
<u>DEFERRED OUTFLOWS OF RESOURCES</u>					
Related to pensions	-	77,861	-	-	77,861
Related to other postemployment benefits	-	30,608	-	-	30,608
Total deferred outflows of resources	-	108,469	-	-	108,469
<u>LIABILITIES</u>					
Current liabilities:					
Accounts payable	23,052	941	-	-	23,993
Salaries and benefits payable	-	6,182	-	-	6,182
Compensated absences	-	3,130	-	-	3,130
Claims and legal services payable	1,313,395	2,082,427	-	-	3,395,822
Total current liabilities	1,336,447	2,092,680	-	-	3,429,127
Noncurrent liabilities:					
Advances from other funds	-	2,344,000	-	-	2,344,000
Compensated absences	-	28,174	-	-	28,174
Claims and legal services payable	2,121,218	7,987,907	-	-	10,109,125
Net pension liability	-	588,320	-	-	588,320
Net other postemployment benefits obligation	-	87,577	-	-	87,577
Total noncurrent liabilities	2,121,218	11,035,978	-	-	13,157,196
TOTAL LIABILITIES	3,457,665	13,128,658	-	-	16,586,323
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Related to pensions	-	15,077	-	-	15,077
Related to other post employment benefits	-	4,526	-	-	4,526
Total deferred inflows of resources	-	19,603	-	-	19,603
<u>NET POSITION</u>					
Unrestricted	439,709	5,102,585	214,382	446,329	6,203,005
TOTAL NET POSITION	\$ 439,709	\$ 5,102,585	\$ 214,382	\$ 446,329	\$ 6,203,005

CITY OF SIMI VALLEY
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021

	Liability Insurance	Workers' Compensation Insurance	GIS/Permits Operations	FIS Operations	Total
<u>OPERATING REVENUES</u>					
Total charges for sales and services	\$ 1,963,870	\$ 4,099,172	\$ 95,200	\$ -	\$ 6,158,242
<u>OPERATING EXPENSES</u>					
Salaries and benefits	-	372,636	-	-	372,636
Excess insurance premiums	689,700	341,730	-	-	1,031,430
Claims and legal expenses	892,564	1,417,073	-	-	2,309,637
Reduction of reserves	75,569	189,340	-	-	264,909
General administration	140,500	126,000	-	-	266,500
Other	-	1,672	60,717	69,696	132,085
Total operating expenses	1,798,333	2,448,451	60,717	69,696	4,377,197
OPERATING INCOME (LOSS)	165,537	1,650,721	34,483	(69,696)	1,781,045
NONOPERATING REVENUES AND EXPENSES:					
Interest	39,384	10,026	2,157	5,273	56,840
Fair market value adjustment	-	-	-	-	-
Total non-operating expenses	39,384	10,026	2,157	5,273	56,840
INCOME (LOSS) BEFORE TRANSFERS	204,921	1,660,747	36,640	(64,423)	1,837,885
<u>TRANSFERS</u>					
Transfers in	-	-	-	-	-
Transfers out	(3,000)	(3,200)	-	-	(6,200)
Total transfers	(3,000)	(3,200)	-	-	(6,200)
CHANGE IN NET POSITION	201,921	1,657,547	36,640	(64,423)	1,831,685
NET POSITION-BEGINNING	237,788	3,445,038	177,742	510,752	4,371,320
NET POSITION-ENDING	\$ 439,709	\$ 5,102,585	\$ 214,382	\$ 446,329	\$ 6,203,005

**CITY OF SIMI VALLEY
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Liability Insurance	Workers' Compensation Insurance	GIS/Permits Operations	FIS Operations	Total
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>					
Cash received from service charges and other revenues (net of refunds)	\$ 1,963,870	\$ 4,099,172	\$ 95,200	\$ -	\$ 6,158,242
Cash paid for salaries and benefits	-	(369,431)	-	-	(369,431)
Cash paid for general administration	(140,500)	(126,000)	-	-	(266,500)
Cash paid for services	(863,120)	(6,814)	(64,717)	(81,696)	(1,016,347)
Cash paid for insurance premiums and claims	(734,871)	(1,634,145)	-	-	(2,369,016)
Net cash provided (used) by operating activities	<u>225,379</u>	<u>1,962,782</u>	<u>30,483</u>	<u>(81,696)</u>	<u>2,136,948</u>
<u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</u>					
Transfers to other funds	(3,000)	(3,200)	-	-	(6,200)
Cash used by noncapital financing activities	<u>(3,000)</u>	<u>(3,200)</u>	<u>-</u>	<u>-</u>	<u>(6,200)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>					
Interest on investments	42,134	35,873	2,342	6,302	86,651
Cash provided by investing activities	<u>42,134</u>	<u>35,873</u>	<u>2,342</u>	<u>6,302</u>	<u>86,651</u>
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	264,513	1,995,455	32,825	(75,394)	2,217,399
CASH AND INVESTMENTS, BEGINNING OF YEAR	<u>3,624,605</u>	<u>16,104,289</u>	<u>181,094</u>	<u>520,628</u>	<u>20,430,616</u>
CASH AND INVESTMENTS, END OF YEAR	<u>\$ 3,889,118</u>	<u>\$ 18,099,744</u>	<u>\$ 213,919</u>	<u>\$ 445,234</u>	<u>\$ 22,648,015</u>
<u>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</u>					
Operating income (loss)	\$ 165,537	\$ 1,650,721	\$ 34,483	\$ (69,696)	\$ 1,781,045
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
(Increase) decrease in prepaid expenses	-	(13,207)	-	-	(13,207)
Increase (decrease) in accounts payable	(20,501)	(5,142)	(4,000)	(12,000)	(41,643)
Increase (decrease) in accrued payroll	-	(668)	-	-	(668)
Increase (decrease) in compensated absences	-	(2,973)	-	-	(2,973)
Increase (decrease) in claims and legal services payable	80,343	313,998	-	-	394,341
Increase (decrease) net pension liability	-	19,982	-	-	19,982
Increase (decrease) net other postemployment benefits liability	-	71	-	-	70
Total adjustments	<u>59,842</u>	<u>312,061</u>	<u>(4,000)</u>	<u>(12,000)</u>	<u>355,903</u>
Net cash provided (used) by operating activities	<u>\$ 225,379</u>	<u>\$ 1,962,782</u>	<u>\$ 30,483</u>	<u>\$ (81,696)</u>	<u>\$ 2,136,948</u>

**CITY OF SIMI VALLEY
COMBINING SCHEDULE OF NET POSITION
PRIVATE PURPOSE TRUST FUND
JUNE 30, 2021**

Successor Agency to the Simi Valley CDA Private-Purpose Trust Fund

	Community Development Agency Administration	Merged Tapo Canyon & West End Tax Increment	LMIH- Residual	Redevelopment Obligation Retirement
<u>ASSETS</u>				
Cash and investments:				
Held by City	\$ -	\$ (110,369)	\$ 1	\$ 2,366,201
Held by bond trustee	-	-	-	-
Interest receivable	-	-	-	1,979
Capital assets not being depreciated	-	1,124,174	-	-
TOTAL ASSETS	-	1,013,805	1	2,368,179
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Deferred loss on refunding	-	-	-	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	-	-	-	-
<u>LIABILITIES</u>				
Accrued interest payable	-	-	-	-
Loans payable - City	-	51,103	-	-
Long-term debt:	-	-	-	-
Due within one year	-	-	-	-
Due in more than one year	-	-	-	-
TOTAL LIABILITIES	-	51,103	-	-
<u>NET POSITION</u>				
Held in trust for other purposes	\$ -	\$ 962,702	\$ 1	\$ 2,368,179

(continued)

**CITY OF SIMI VALLEY
COMBINING SCHEDULE OF NET POSITION
PRIVATE PURPOSE TRUST FUND
JUNE 30, 2021**

<u>Successor Agency to the Simi Valley CDA Private-Purpose Trust Fund</u>			
2003 Tax Allocation Refunding Bonds	CDA Projects	Total Successor Agency to the Simi Valley CDA Private-Purpose Trust Fund	
			ASSETS
			Cash and investments:
\$ 104,146	\$ 39,009	\$ 2,398,988	Held by City
2,101,887	-	2,101,887	Held by bond trustee
573	94	2,646	Interest receivable
	-	1,124,174	Capital assets not being depreciated
<u>2,206,607</u>	<u>39,103</u>	<u>5,627,695</u>	TOTAL ASSETS
			DEFERRED OUTFLOWS OF RESOURCES
75,223		75,223	Deferred loss on refunding
<u>75,223</u>	<u>-</u>	<u>75,223</u>	TOTAL DEFERRED OUTFLOWS OF RESOURCES
			LIABILITIES
268,498	-	268,498	Accrued interest payable
	-	51,103	Loans payable - City
	-		Long-term debt:
1,285,000	-	1,285,000	Due within one year
15,072,212	-	15,072,212	Due in more than one year
<u>16,625,710</u>	<u>-</u>	<u>16,676,813</u>	TOTAL LIABILITIES
			NET POSITION
\$ (14,343,881)	\$ 39,103	\$ (10,973,895)	Held in trust for other purposes

(concluded)

**CITY OF SIMI VALLEY
 COMBINING SCHEDULE OF CHANGES IN NET POSITION
 PRIVATE PURPOSE TRUST FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Successor Agency to the Simi Valley CDA Private-Purpose Trust Fund

	Community Development Agency Administration	Merged Tapo Canyon & West End Tax Increment	LMIH- Residual	Redevelopment Obligation Retirement
<u>ADDITIONS</u>				
Property taxes	\$ -	\$ -	\$ -	\$ 2,796,299
Investment earnings	-	-	-	82
Transfers in	51,484	2,149,618	-	-
TOTAL ADDITIONS	51,484	2,149,618	-	2,796,381
<u>DEDUCTIONS</u>				
Administrative expenses	-	-	-	-
Interest and fiscal agency expenses of former Simi Valley Community Development Agency	-	-	-	-
Contributions to other governments	51,484	-	-	-
Transfers out	-	-	-	4,265,513
TOTAL DEDUCTIONS	51,484	-	-	4,265,513
CHANGE IN NET POSITION	-	2,149,618	-	(1,469,132)
NET POSITION - BEGINNING (DEFICIT)	-	(1,186,916)	1	3,837,311
NET POSITION - ENDING (DEFICIT)	\$ -	\$ 962,702	\$ 1	\$ 2,368,179

(continued)

**CITY OF SIMI VALLEY
COMBINING SCHEDULE OF CHANGES IN NET POSITION
PRIVATE PURPOSE TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

<u>Successor Agency to the Simi Valley CDA Private-Purpose Trust Fund</u>			
2,003 Tax Allocation Refunding Bonds	CDA Projects	Total Successor Agency to the Simi Valley CDA Private-Purpose Trust Fund	
\$	-	\$	2,796,299
11,099	438	11,619	Property taxes
2,066,933	-	4,268,035	Investment earnings
2,078,031	438	7,075,952	Transfers in
			ADDITIONS
			Administrative expenses
7,250	-	7,250	Interest and fiscal agency expenses of former
839,729	-	839,729	Simi Valley Community Development Agency
		51,484	Contributions to other governments
2,522	-	4,268,035	Transfers out
849,501	-	5,166,498	DEDUCTIONS
			Administrative expenses
			Interest and fiscal agency expenses of former
			Simi Valley Community Development Agency
			Contributions to other governments
			Transfers out
			TOTAL DEDUCTIONS
			CHANGE IN NET POSITION
1,228,531	438	1,909,455	NET POSITION - BEGINNING (DEFICIT)
(15,572,411)	38,665	(12,883,350)	NET POSITION - ENDING (DEFICIT)
\$ (14,343,880)	\$ 39,103	\$ (10,973,895)	

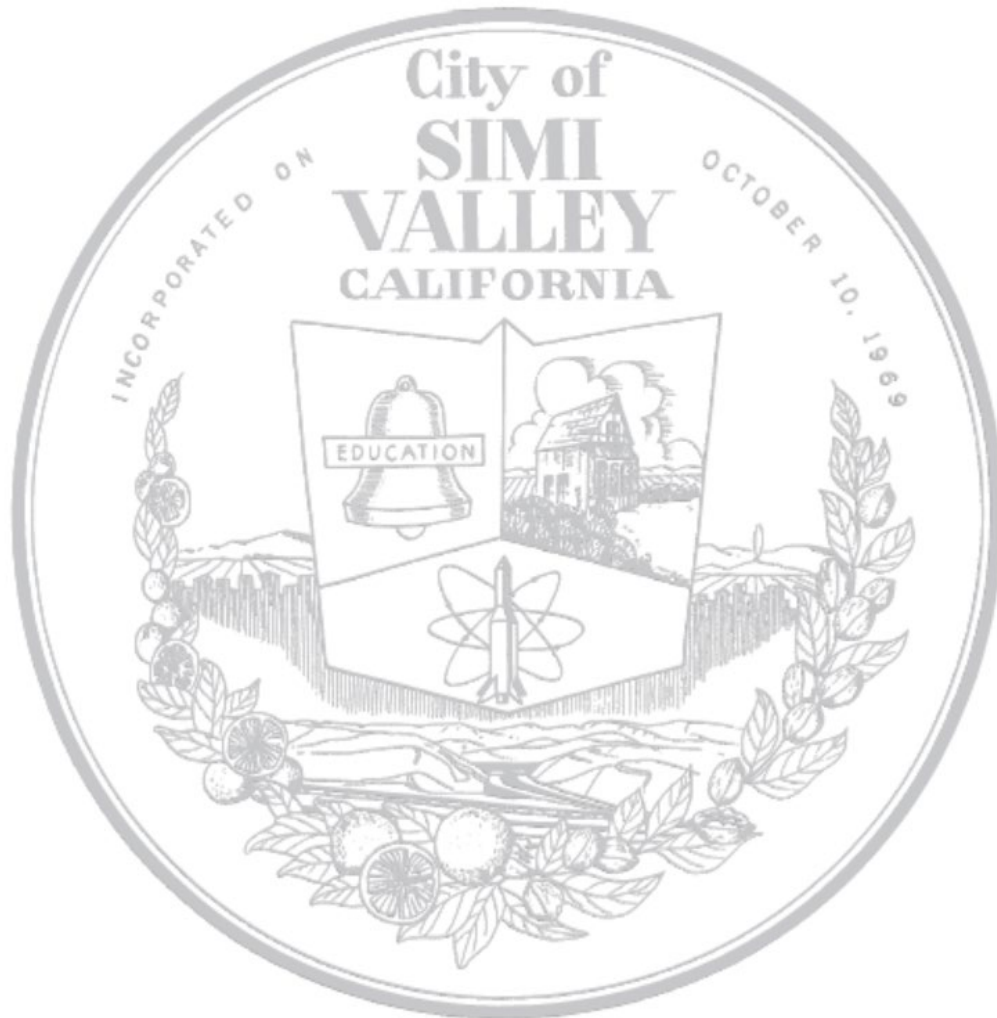
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**CITY OF SIMI VALLEY
COMBINING STATEMENT OF NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2021**

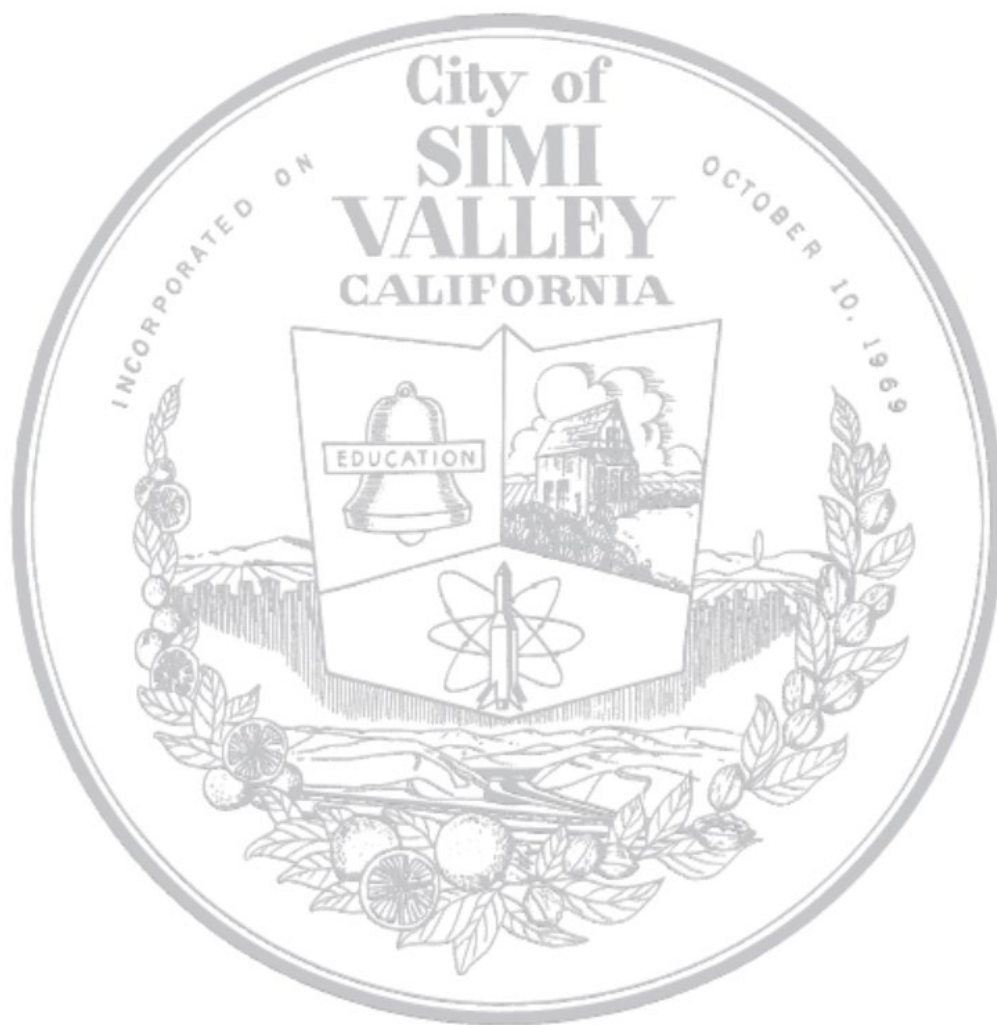
	City Agency Fund	Assessment Districts - City of Simi Valley	Total Custodial Funds
<u>ASSETS</u>			
Current assets:			
Cash and investments:			
Held by City	\$ 5,744,588	\$ 1,385,346	\$ 7,129,934
Held by bond trustee	-	1,028,673	1,028,673
Accounts receivable	-	3,008	3,008
	5,744,588	2,417,027	8,161,615
TOTAL ASSETS	5,744,588	2,417,027	8,161,615
<u>LIABILITIES</u>			
Accounts payable	\$ 62,084	\$ 2,767	\$ 64,851
Deposits	5,682,504	-	5,682,504
Due to bondholders	-	2,054,364	2,054,364
	5,744,588	2,057,131	7,801,719
TOTAL LIABILITIES	5,744,588	2,057,131	7,801,719
<u>NET POSITION (DEFICIT)</u>			
Held in trust for other purposes	\$ -	\$ 359,896	\$ 359,896

**CITY OF SIMI VALLEY
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 CUSTODIAL FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	City Agency Fund	Assessment Districts - City of Simi Valley	Total Custodial Funds
<u>ADDITIONS</u>			
Other taxes	\$ -	\$ 440,032	\$ 440,032
Investment earnings	-	12,589	12,589
TOTAL ADDITIONS	-	452,621	452,621
<u>DEDUCTIONS</u>			
Administrative expenses	-	15,997	15,997
Interest and fiscal agency expenses	-	384,575	384,575
TOTAL DEDUCTIONS	-	400,572	400,572
CHANGE IN NET POSITION	-	52,049	52,049
NET POSITION - BEGINNING	-	307,847	307,847
NET POSITION - ENDING	\$ -	\$ 359,896	\$ 359,896



STATISTICAL SECTION



**STATISTICAL SECTION
(UNAUDITED)**

This section 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.

	PAGE
<u>Financial Trends</u> These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.....	138
<u>Revenue Capacity</u> These schedules contain information to help the reader assess the government’s most significant local revenue source, the property tax.	148
<u>Debt Capacity</u> These schedules present information to help the reader assess the affordability of the government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.....	154
<u>Demographic and Economic Information</u> These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place. ..	158
<u>Operating Information</u> These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.....	160

SOURCE:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

**CITY OF SIMI VALLEY
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	Fiscal Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
Governmental activities					
Net investment in capital assets	\$ 185,373,875	\$ 182,759,929	\$ 186,806,245	\$ 207,788,585	\$ 211,751,365
Restricted	68,151,365	61,520,939	58,246,665	57,372,815	57,552,738
Unrestricted	37,498,659	34,169,932	37,002,698	(55,691,639)	(52,859,886)
Total governmental activities net position	<u>\$ 291,023,899</u>	<u>\$ 278,450,800</u>	<u>\$ 282,055,608</u>	<u>\$ 209,469,761</u>	<u>\$ 216,444,217</u>
Business-type activities					
Net investment in capital assets	\$ 131,301,986	\$ 129,933,391	\$ 132,775,502	\$ 141,770,140	\$ 143,093,105
Restricted	6,472,751	5,886,068	4,894,656	4,716,713	5,140,128
Unrestricted	43,346,788	42,641,507	38,232,485	15,841,185	17,627,461
Total business-type activities net position	<u>\$ 181,121,525</u>	<u>\$ 178,460,966</u>	<u>\$ 175,902,643</u>	<u>\$ 162,328,038</u>	<u>\$ 165,860,694</u>
Primary Government					
Net investment in capital assets	\$ 316,675,861	\$ 312,693,320	\$ 319,581,747	\$ 349,558,725	\$ 354,844,470
Restricted	74,624,116	67,407,007	63,141,321	62,089,528	62,692,866
Unrestricted	80,845,447	76,811,439	75,235,183	(39,850,454)	(35,232,425)
Total primary government net position	<u>\$ 472,145,424</u>	<u>\$ 456,911,766</u>	<u>\$ 457,958,251</u>	<u>\$ 371,797,799</u>	<u>\$ 382,304,911</u>

Continued

**CITY OF SIMI VALLEY
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

		Fiscal Year								
		2016-17	2017-18	2018-19	2019-20	2020-21				
							Governmental activities			
\$	210,531,356	\$	196,724,305	\$	208,951,633	\$	209,763,040	\$	203,826,589	Net investment in capital assets
	64,139,877		71,851,898		60,704,865		62,018,594		78,265,866	Restricted
	(62,293,358)		(88,047,192)		(90,524,428)		(89,407,109)		(83,168,701)	Unrestricted
\$	212,377,875	\$	180,529,011	\$	179,132,070	\$	182,374,525	\$	198,923,754	Total governmental activities net position
										Business-type activities
\$	141,317,489	\$	139,670,875	\$	137,805,536		139,278,603		133,644,109	Net investment in capital assets
	5,941,420		7,011,040		7,874,785		7,874,785		9,843,643	Restricted
	19,496,282		18,695,056		24,888,703		30,472,607		43,093,859	Unrestricted
\$	166,755,191	\$	165,376,971	\$	170,569,024	\$	177,625,995	\$	186,581,611	Total business-type activities net position
										Primary Government
\$	351,848,845	\$	336,395,180	\$	346,757,169	\$	349,041,643	\$	337,470,698	Net investment in capital assets
	70,081,297		78,862,938		68,579,650		69,893,379		88,109,509	Restricted
	(42,797,076)		(69,352,136)		(65,635,725)		(58,934,502)		(40,074,842)	Unrestricted
\$	379,133,066	\$	345,905,982	\$	349,701,094	\$	360,000,520	\$	385,505,365	Total primary government net position

Concluded

**CITY OF SIMI VALLEY
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
Expenses					
Governmental activities:					
General government	\$ 15,257,184	\$ 19,086,724	\$ 19,924,154	\$ 19,604,979	\$ 16,442,755
Community services	4,385,668	4,441,851	6,042,418	6,264,358	6,397,826
Planning	7,606,116	5,852,282	5,665,265	5,699,916	6,308,221
Public ways and facilities	16,585,197	16,902,636	17,004,864	16,822,400	16,641,718
Public safety	33,242,551	31,460,391	30,566,135	31,445,540	31,286,515
Interest on long-term debt	2,044,426	1,206,096	1,059,055	265,922	720,840
Refunding bond issuance costs	-	-	-	-	194,069
Total governmental activities expenses	<u>79,121,142</u>	<u>78,949,980</u>	<u>80,261,891</u>	<u>80,103,115</u>	<u>77,991,944</u>
Business-type activities:					
Sanitation	14,286,220	15,050,164	17,180,903	16,136,164	14,845,944
Waterworks district no. 8	33,913,655	37,542,008	40,980,119	37,984,287	34,249,031
Transit	6,087,068	6,369,369	6,207,520	6,722,692	7,117,042
Total business-type activities expenses	<u>54,286,943</u>	<u>58,961,541</u>	<u>64,368,542</u>	<u>60,843,143</u>	<u>56,212,017</u>
Total primary government expenses	<u>\$ 133,408,085</u>	<u>\$ 137,911,521</u>	<u>\$ 144,630,433</u>	<u>\$ 140,946,258</u>	<u>\$ 134,203,961</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 298,136	\$ 281,940	\$ 380,835	\$ 531,683	\$ 1,606,097
Community services	686,018	788,384	911,308	882,739	1,109,053
Planning	1,893,951	1,915,769	2,191,796	2,202,730	2,738,543
Public ways and facilities	1,795,810	1,651,506	3,322,178	1,913,193	1,821,043
Public safety	844,549	837,559	854,386	866,031	771,002
Operating grants and contributions	9,208,075	8,946,791	11,617,046	12,519,780	9,643,713
Capital grants and contributions	1,799,184	4,959,909	11,108,870	28,819,982	13,530,222
Total governmental activities program revenues	<u>16,525,723</u>	<u>19,381,858</u>	<u>30,386,419</u>	<u>47,736,138</u>	<u>31,219,673</u>
Business-type activities:					
Charges for services:					
Sanitation	14,600,252	14,733,151	14,831,706	14,567,947	16,047,248
Waterworks district no. 8	33,332,611	35,285,062	37,042,247	33,215,428	30,877,802
Transit	467,415	427,115	415,476	401,369	430,804
Operating grants and contributions	2,656,313	2,376,527	2,573,874	2,526,193	2,602,009
Capital grants and contributions	1,832,677	1,172,661	4,016,047	11,698,157	5,458,314
Total business-type activities program revenues	<u>52,889,268</u>	<u>53,994,516</u>	<u>58,879,350</u>	<u>62,409,094</u>	<u>55,416,177</u>
Total primary governmental program revenues	<u>\$ 69,414,991</u>	<u>\$ 73,376,374</u>	<u>\$ 89,265,769</u>	<u>\$ 110,145,232</u>	<u>\$ 86,635,850</u>
Net (Expense)/Revenue					
Governmental activities	(62,595,419)	(59,568,122)	(49,875,472)	(32,366,977)	(46,772,271)
Business-type activities	(1,397,675)	(4,967,025)	(5,489,192)	1,565,951	(795,840)
Total primary government net expense	<u>\$ (63,993,094)</u>	<u>\$ (64,535,147)</u>	<u>\$ (55,364,664)</u>	<u>\$ (30,801,026)</u>	<u>\$ (47,568,111)</u>

Continued

**CITY OF SIMI VALLEY
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

Fiscal Year					
2016-17	2017-18	2018-19	2019-20	2020-21	
					Expenses
					Governmental activities:
\$ 13,323,582	\$ 18,661,104	\$ 17,720,443	\$ 19,516,513	\$ 16,936,266	General government
7,068,775	7,469,961	7,234,363	6,523,639	6,568,970	Community services
6,001,235	6,459,507	6,002,066	3,840,624	6,739,637	Planning
18,569,074	19,580,854	19,651,601	23,659,432	19,921,676	Public ways and facilities
34,501,473	38,809,004	36,836,767	36,691,093	37,445,831	Public safety
937,079	1,230,782	1,440,347	1,466,885	1,356,832	Interest on long-term debt
-	-	-	-	-	Refunding bond issuance costs
<u>80,401,218</u>	<u>92,211,212</u>	<u>88,885,587</u>	<u>91,698,185</u>	<u>88,969,212</u>	Total governmental activities expenses
					Business-type activities:
18,151,061	18,222,816	17,375,318	17,324,800	18,985,485	Sanitation
36,967,538	42,900,423	40,552,517	42,895,822	48,250,272	Waterworks district no. 8
<u>7,369,511</u>	<u>9,135,850</u>	<u>9,387,703</u>	<u>8,839,284</u>	<u>8,222,624</u>	Transit
<u>62,488,110</u>	<u>70,259,089</u>	<u>67,315,538</u>	<u>69,059,905</u>	<u>75,458,381</u>	Total business-type activities expenses
<u>\$ 142,889,328</u>	<u>\$ 162,470,301</u>	<u>\$ 156,201,125</u>	<u>\$ 160,758,090</u>	<u>\$ 164,427,593</u>	Total primary government expenses
					Program Revenues
					Governmental activities:
					Charges for services:
\$ 800,874	\$ 2,497,172	\$ 2,580,241	\$ 1,990,356	\$ 1,569,907	General government
924,269	1,015,074	1,086,783	840,227	293,799	Community services
4,256,995	4,430,830	4,742,278	2,926,064	5,443,247	Planning
1,936,852	2,719,170	2,927,559	2,335,563	3,687,751	Public ways and facilities
626,340	889,379	896,399	561,674	772,994	Public safety
9,398,940	9,348,042	11,987,812	12,622,399	22,170,916	Operating grants and contributions
3,694,804	2,117,322	1,619,868	5,383,614	505,218	Capital grants and contributions
<u>21,639,074</u>	<u>23,016,989</u>	<u>25,840,940</u>	<u>26,659,897</u>	<u>34,443,832</u>	Total governmental activities program revenues
					Business-type activities:
					Charges for services:
17,645,619	19,241,722	20,591,589	21,857,056	23,846,199	Sanitation
36,529,274	43,808,330	40,967,174	43,144,049	51,005,332	Waterworks district no. 8
426,246	406,387	402,517	291,226	8,922	Transit
2,639,740	2,667,120	2,673,492	5,663,893	6,923,917	Operating grants and contributions
1,921,558	2,064,181	1,952,893	1,302,250	3,745,985	Capital grants and contributions
<u>59,162,437</u>	<u>68,187,740</u>	<u>66,587,665</u>	<u>72,258,474</u>	<u>85,530,355</u>	Total business-type activities program revenues
<u>\$ 80,801,511</u>	<u>\$ 91,204,729</u>	<u>\$ 92,428,605</u>	<u>\$ 98,918,371</u>	<u>\$ 119,974,187</u>	Total primary governmental program revenues
					Net (Expense)/Revenue
(58,762,144)	(69,194,223)	(63,044,647)	(65,038,288)	(54,525,380)	Governmental activities
<u>(3,325,673)</u>	<u>(2,071,349)</u>	<u>(727,873)</u>	<u>3,198,569</u>	<u>10,071,974</u>	Business-type activities
<u>\$ (62,087,817)</u>	<u>\$ (71,265,572)</u>	<u>\$ (63,772,520)</u>	<u>\$ (61,839,719)</u>	<u>\$ (44,453,406)</u>	Total primary government net expense

Continued

**CITY OF SIMI VALLEY
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	Fiscal Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	\$ 23,461,856	\$ 24,823,215	\$ 27,438,436	\$ 28,340,047	\$ 29,835,623
Tax increment	9,262,457	-	-	-	-
Sales tax	15,018,520	15,617,678	15,440,917	15,944,424	17,432,505
Motor fuel tax	-	-	-	-	-
Franchise tax	4,789,947	4,809,762	4,849,204	4,757,607	5,025,802
Business tax	1,509,209	1,536,743	1,601,785	1,742,469	1,786,153
Other taxes	1,692,627	1,857,033	1,975,930	2,128,115	2,587,113
Contributions from other governments	1,280,200	457,220	3,074,897	373,512	-
Investment earnings	1,041,686	228,258	1,046,411	819,685	835,387
Extraordinary gain on dissolution of redevelopment agency	16,832,057	-	-	-	-
Transfers	(2,143,949)	(1,844,949)	(1,672,300)	(2,869,014)	(3,255,695)
Contributions to other governments	-	-	-	-	(63,992)
Total governmental activities	<u>72,744,610</u>	<u>47,484,960</u>	<u>53,755,280</u>	<u>51,236,845</u>	<u>54,182,896</u>
Business-type activities:					
Investment earnings	697,813	345,334	1,030,711	955,624	811,714
Miscellaneous	93,813	116,183	227,858	105,367	261,087
Transfers	2,143,949	1,844,949	1,672,300	2,869,014	3,255,695
Total business-type activities	<u>2,935,575</u>	<u>2,306,466</u>	<u>2,930,869</u>	<u>3,930,005</u>	<u>4,328,496</u>
Total primary government	<u>\$ 75,680,185</u>	<u>\$ 49,791,426</u>	<u>\$ 56,686,149</u>	<u>\$ 55,166,850</u>	<u>\$ 58,511,392</u>
Change in Net Position					
Governmental activities	\$ 10,149,191	\$ (12,083,162)	\$ 3,879,808	\$ 18,869,868	\$ 7,410,625
Business-type activities	1,537,900	(2,660,559)	(2,558,323)	5,495,956	3,532,656
Total primary government	<u>\$ 11,687,091</u>	<u>\$ (14,743,721)</u>	<u>\$ 1,321,485</u>	<u>\$ 24,365,824</u>	<u>\$ 10,943,281</u>

Continued

NOTES:

1. In FY 2008-09 capital contributions - unrestricted was re-classified to program revenues.

**CITY OF SIMI VALLEY
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

		Fiscal Year					
	2016-17	2017-18	2018-19	2019-20	2020-21		
						General Revenues	
						and Other Changes in Net Position	
						Governmental activities:	
						Taxes:	
\$	31,120,875	\$ 32,303,044	\$ 34,011,044	\$ 39,014,593	\$ 37,990,791	Property taxes	
	-	-	-	-	-	Tax increment	
	16,842,335	17,857,830	18,961,367	18,319,232	21,372,380	Sales tax	
	-	-	-	-	-	Motor fuel tax	
	4,740,682	4,445,972	4,931,918	4,872,904	5,185,293	Franchise tax	
	1,787,587	1,967,065	2,106,344	2,112,049	2,241,423	Business tax	
	2,561,922	2,703,566	2,849,714	2,289,122	2,418,059	Other taxes	
	-	2,082,766	49,350	52,160	51,484	Contributions from other governments	
	964,495	1,290,234	2,496,426	2,973,992	699,791	Investment earnings	
	-	-	-	-	-	Extraordinary gain on dissolution of redevelopment agency	
	(3,572,095)	(3,512,087)	(3,758,457)	(1,353,309)	1,115,388	Transfers	
	250,000	-	-	-	-	Contributions to other governments	
	<u>54,695,802</u>	<u>59,138,390</u>	<u>61,647,706</u>	<u>68,280,743</u>	<u>71,074,609</u>	Total governmental activities	
						Business-type activities:	
	520,855	821,540	2,041,917	2,418,455	(156,009)	Investment earnings	
	127,220	119,408	119,552	86,638	155,039	Miscellaneous	
	<u>3,572,095</u>	<u>3,512,087</u>	<u>3,758,457</u>	<u>1,353,309</u>	<u>(1,115,388)</u>	Transfers	
	<u>4,220,170</u>	<u>4,453,035</u>	<u>5,919,926</u>	<u>3,858,402</u>	<u>(1,116,358)</u>	Total business-type activities	
\$	<u>58,915,972</u>	<u>\$ 63,591,425</u>	<u>\$ 67,567,632</u>	<u>\$ 72,139,145</u>	<u>\$ 69,958,251</u>	Total primary government	
						Change in Net Position	
\$	(4,066,342)	\$ (10,055,833)	\$ (1,396,941)	\$ 3,242,455	\$ 16,549,229	Governmental activities	
	894,497	2,381,686	5,192,053	7,056,971	8,955,616	Business-type activities	
\$	<u>(3,171,845)</u>	<u>\$ (7,674,147)</u>	<u>\$ 3,795,112</u>	<u>\$ 10,299,426</u>	<u>\$ 25,504,845</u>	Total primary government	

Concluded

**CITY OF SIMI VALLEY
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
General fund					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved					
Nonspendable, reported in:					
Long-term receivables	19,384,570	22,246,241	18,509,076	16,988,891	15,769,102
Committed, reported in:					
Retiree benefits	805,028	630,447	846,723	863,564	535,057
Special programs	229,687	185,195	272,722	283,828	319,322
Economic recovery	-	6,839,684	6,084,838	6,084,838	6,084,838
Prudent reserve	-	-	11,881,778	11,682,715	11,665,494
Assigned, reported in:					
Capital	9,304,096	4,198,811	6,029,111	7,968,732	9,374,012
Unassigned	10,059,954	11,406,896	-	-	-
Total general fund	<u>\$ 39,783,335</u>	<u>\$ 45,507,274</u>	<u>\$ 43,624,248</u>	<u>\$ 43,872,568</u>	<u>\$ 43,747,825</u>
All other government funds					
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:					
Special revenue funds					
Debt service					
Capital projects funds					
Non-spendable, reported in:					
Long-term receivables	2,500,000	-	-	-	-
Restricted, reported in:					
Housing programs	5,432,733	6,045,598	6,389,178	8,376,955	10,483,070
Public improvements	19,029,472	16,794,452	15,748,357	12,760,231	11,949,371
Streets	889,134	869,822	2,314,747	3,075,194	3,872,702
Lighting	7,241,174	-	-	-	-
Landscape	929,495	952,063	848,183	1,233,583	1,404,310
Debt service	2,635,890	2,637,044	1,656,157	7,963	-
Special programs	493,194	792,788	1,037,576	1,603,522	2,199,119
Law enforcement	406,183	892,103	774,724	2,090,806	2,852,712
Committed, reported in:					
Streets	3,117,412	1,996,149	2,531,276	2,460,203	2,789,142
Equipment	3,525,143	3,858,038	4,421,827	5,409,661	5,306,436
Assigned, reported in:					
Capital	216,560	129,089	143,103	130,083	59,446
Unassigned	-	(42,047)	(108,051)	(164,935)	(55,000)
Total all other governmental funds	<u>\$ 46,416,390</u>	<u>\$ 34,925,099</u>	<u>\$ 35,757,077</u>	<u>\$ 36,983,266</u>	<u>\$ 40,861,308</u>

Continued

NOTE:

In fiscal year 2013-14, the reporting of fund balance set aside for Prudent reserve was corrected, moving the amount from the Unassigned category to the Committed category.

SOURCE:
City of Simi Valley

**CITY OF SIMI VALLEY
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

		Fiscal Year					
2016-17	2017-18	2018-19	2019-20	2020-21			
\$ -	\$ -	\$ -	\$ -	\$ -	General fund		
					Reserved		
					Unreserved		
					Nonspendable, reported in:		
14,039,905	14,035,421	10,017,212	8,124,400	5,971,366	Long-term receivables		
					Committed, reported in:		
17,609		30,008	278,911	372,760	Retiree benefits		
333,021	386,105	421,164	522,806	590,552	Special programs		
6,084,838	5,084,838	5,084,838	11,084,838	11,084,838	Economic recovery		
11,737,044	12,315,232	12,670,975	13,049,720	14,019,727	Prudent reserve		
					Assigned, reported in:		
9,647,610	10,672,125	17,873,825	19,355,215	38,297,703	Capital		
-	(472,818)	-	-		Unassigned		
<u>\$ 41,860,027</u>	<u>\$ 42,020,903</u>	<u>\$ 46,098,022</u>	<u>\$ 52,415,890</u>	<u>\$ 70,336,946</u>	Total general fund		
\$ -	\$ -	\$ -	All other government funds				
					Reserved		
					Unreserved, reported in:		
					Special revenue funds		
					Debt service		
					Capital projects funds		
					Non-spendable, reported in:		
-	-	-	-	-	Long-term receivables		
					Restricted, reported in:		
11,334,690	12,044,976	13,008,731	9,806,362	11,661,964	Housing programs		
10,966,923	10,456,563	8,949,351	8,757,063	8,077,145	Public improvements		
3,846,189	4,815,203	5,991,314	8,023,324	14,599,926	Streets		
-	-	-	-	-	Lighting		
1,104,197	844,656	693,379	162,870	-	Landscape		
6,424,000	11,989,483	4,241,900	1,456,124	1,324,129	Debt service		
2,583,864	3,074,465	3,972,856	4,464,783	4,509,530	Special programs		
2,620,596	2,445,054	2,853,886	1,275,705	1,435,178	Law enforcement		
					Committed, reported in:		
2,202,918	4,162,511	2,565,480	2,739,696	3,137,771	Streets		
5,230,390	5,267,713	5,101,910	5,475,553	7,709,947	Equipment		
					Assigned, reported in:		
-	-	-	-	-	Capital		
(4,618,291)	(693,295)	(209,150)	1,409,206	(509,396)	Unassigned		
<u>\$ 41,695,476</u>	<u>\$ 54,407,329</u>	<u>\$ 47,169,657</u>	<u>\$ 43,570,686</u>	<u>\$ 51,946,194</u>	Total all other governmental funds		

Concluded

SOURCE:
City of Simi Valley

**CITY OF SIMI VALLEY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	Fiscal Year				
	2011-12	2012-13	2013-14	2014-15	2015-16
Revenues					
Taxes	\$ 46,313,876	\$ 48,405,537	\$ 51,630,610	\$ 54,024,712	\$ 56,667,196
Tax increment	9,262,457	-	-	-	-
Licenses and permits	1,549,642	1,526,942	1,641,301	1,965,120	2,561,293
Fines and forfeitures	590,625	562,301	567,379	613,301	597,889
Use of money and property	1,401,486	1,308,808	1,371,779	2,901,802	2,901,207
From other governments	7,885,687	7,485,213	9,875,682	9,489,007	7,715,746
Grants	2,089,328	6,209,316	3,795,247	4,650,237	3,858,045
Service charges	1,992,262	1,861,540	3,247,246	2,111,740	3,300,023
Other revenues	1,438,435	2,320,567	2,411,592	1,865,966	1,732,533
Contributions from other governments	1,280,200	464,854	3,073,464	376,588	-
Total revenues	<u>73,803,998</u>	<u>70,145,078</u>	<u>77,614,300</u>	<u>77,998,473</u>	<u>79,333,932</u>
Expenditures					
Current:					
General government	5,024,456	6,760,196	8,977,728	6,764,233	5,784,087
Community services	4,274,451	4,366,229	5,759,582	6,245,135	6,581,050
Planning	7,961,160	7,395,246	8,954,977	6,440,023	6,246,916
Public ways and facilities	14,710,961	14,558,261	14,683,649	14,791,346	15,988,868
Public safety	28,845,564	28,918,401	29,922,421	31,605,027	32,811,987
Capital outlay	3,544,377	9,466,790	4,346,397	4,987,471	3,362,875
Debt service:					
Principal	2,130,000	1,360,000	3,220,000	270,000	-
Interest	1,940,460	1,242,425	1,129,784	742,212	806,625
Refunding escrow	-	-	-	1,396,316	-
Bond issuance costs	-	-	-	194,069	-
Other	13,032	7,933	6,710	1,150	1,150
Intergovernmental	39,517	-	-	-	-
Total expenditures	<u>68,483,978</u>	<u>74,075,481</u>	<u>77,001,248</u>	<u>73,436,982</u>	<u>71,583,558</u>
Excess (deficiency) of revenues over expenditures	<u>5,320,020</u>	<u>(3,930,403)</u>	<u>613,052</u>	<u>4,561,491</u>	<u>7,750,374</u>
Other Financing Sources (Uses)					
Transfers in	16,499,059	27,577,674	16,997,812	12,214,657	8,301,888
Transfers out	(18,635,008)	(29,414,623)	(18,661,912)	(15,503,671)	(11,604,733)
Bonds issued	-	-	-	20,767,747	-
Payment to escrow agent	-	-	-	(20,565,715)	-
Contributions from other governments	-	-	-	-	250,000
Contributions to other governments	-	-	-	-	(313,992)
Total other financing sources (uses)	<u>(2,135,949)</u>	<u>(1,836,949)</u>	<u>(1,664,100)</u>	<u>(3,086,982)</u>	<u>(3,366,837)</u>
Extraordinary gain	-	(7,622,494)	-	-	-
Net change in fund balances	<u>\$ 3,184,071</u>	<u>\$ (13,389,846)</u>	<u>\$ (1,051,048)</u>	<u>\$ 1,474,509</u>	<u>\$ 4,383,537</u>
Debt service as a percentage of noncapital expenditures	6.24%	3.86%	6.24%	1.46%	1.20%

Continued

SOURCE:
City of Simi Valley

**CITY OF SIMI VALLEY
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

		Fiscal Year					
2016-17	2017-18	2018-19	2019-20	2020-21			
						Revenues	
\$ 57,053,401	\$ 59,277,477	\$ 62,860,387	\$ 66,607,900	\$ 69,207,946		Taxes	
-	-	-	-	-		- Tax increment	
2,158,210	2,523,744	2,618,558	2,703,432	3,829,208		Licenses and permits	
403,841	568,456	562,503	329,429	236,362		Fines and forfeitures	
1,276,619	1,796,416	3,049,771	3,355,999	1,884,393		Use of money and property	
7,094,051	8,092,405	10,014,798	9,601,415	9,692,508		From other governments	
4,417,808	2,838,349	2,933,635	7,640,989	12,213,457		Grants	
3,304,023	3,970,562	4,185,273	2,773,884	4,447,402		Service charges	
2,783,106	4,629,045	4,982,086	3,008,689	3,365,342		Other revenues	
-	-	-	-	-		- Contributions from other governments	
<u>78,491,059</u>	<u>83,696,454</u>	<u>91,207,011</u>	<u>96,021,737</u>	<u>104,876,618</u>		Total revenues	
						Expenditures	
						Current:	
6,457,231	8,530,647	6,309,774	9,906,448	10,139,013		General government	
6,763,706	6,927,525	6,673,466	5,891,145	5,635,391		Community services	
6,387,901	6,447,721	5,533,197	5,878,601	6,003,043		Planning	
16,076,033	16,467,229	15,610,695	20,013,765	16,252,868		Public ways and facilities	
33,107,205	33,565,393	34,156,673	36,325,983	35,513,526		Public safety	
16,914,455	7,153,833	17,291,140	9,822,627	2,892,610		Capital outlay	
						Debt service:	
-	1,002,827	1,416,140	1,550,208	1,845,020		Principal	
806,625	1,289,250	1,326,672	1,762,714	1,465,341		Interest	
-	-	-	-	-		- Refunding escrow	
-	-	-	-	-		- Bond issuance costs	
103,816	80,624	2,900	6,400	6,314		Other	
-	-	-	-	-		- Intergovernmental	
<u>86,616,972</u>	<u>81,465,049</u>	<u>88,320,657</u>	<u>91,157,891</u>	<u>79,753,126</u>		Total expenditures	
						Excess (deficiency) of revenues	
<u>(8,125,913)</u>	<u>2,231,405</u>	<u>2,886,354</u>	<u>4,863,846</u>	<u>25,123,492</u>		over expenditures	
						Other Financing Sources (Uses)	
18,175,804	13,912,428	20,421,754	15,259,176	10,912,021		Transfers in	
(21,320,599)	(17,418,315)	(26,518,011)	(17,456,285)	(9,790,433)		Transfers out	
9,967,078	12,064,445	-	-	-		- Bonds issued	
-	-	-	-	-		- Payment to escrow agent	
250,000	2,082,766	49,350	52,160	51,484		Contributions from other governments	
-	-	-	-	-		- Contributions to other governments	
<u>7,072,283</u>	<u>10,641,324</u>	<u>(6,046,907)</u>	<u>(2,144,949)</u>	<u>1,173,072</u>		Total other financing sources (uses)	
						- Extraordinary gain	
<u>\$ (1,053,630)</u>	<u>\$ 12,872,729</u>	<u>\$ (3,160,553)</u>	<u>\$ 2,718,897</u>	<u>\$ 26,296,564</u>		Net change in fund balances	
						Debt service as a percentage of	
1.16%	3.10%	3.85%	3.63%	4.15%		noncapital expenditures	
						Concluded	

SOURCE:
City of Simi Valley

**CITY OF SIMI VALLEY
 ASSESSED VALUE AND ESTIMATED ACTUAL
 VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS (see notes)**

Gross Assessed Valuation ¹					
Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property	Total Secured Property
2011-12	\$ 12,088,027,336	\$ 1,344,027,796	\$ 674,653,809	\$ 193,996,193	\$ 14,300,705,134
2012-13	11,938,025,471	1,363,564,876	683,204,414	213,010,276	14,197,805,037
2013-14	12,406,140,958	1,380,245,496	698,325,303	219,989,056	14,704,700,813
2014-15	13,233,479,645	1,373,427,652	709,886,529	235,133,683	15,551,927,509
2015-16	13,911,611,419	1,363,302,305	726,776,926	253,789,491	16,255,480,141
2016-17	14,491,714,823	1,453,070,630	747,791,168	281,441,169	16,974,017,790
2017-18	15,171,707,742	1,512,280,692	775,292,210	290,374,174	17,749,654,818
2018-19	15,913,650,843	1,508,895,877	827,029,445	291,674,652	18,541,250,817
2019-20	16,650,203,798	1,524,382,440	869,540,338	309,190,987	19,353,317,563
2020-21	17,356,164,331	1,545,236,672	923,417,588	313,486,721	20,138,305,312

Continued

NOTES:

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

1. For comparison purposes, gross assessed valuations includes homeowners' exemption. Although this exemption reduces property tax collections, a portion of the revenue loss is reimbursed by the State of California. As such, gross assessed valuation is the revenue base used in establishing property tax-related revenues.

2. Valuations are established by the County Assessor of the County of Ventura, except for property owned by private utility companies, which is valued by the State of California.

SOURCE:
 California Municipal Statistics, Inc.

**CITY OF SIMI VALLEY
 ASSESSED VALUE AND ESTIMATED ACTUAL
 VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS (see notes)**

Gross Assessed Valuation ¹

<u>Utility ²</u>	<u>Unsecured</u>	<u>Total</u>	<u>Percent Change</u>	<u>Total Direct Tax Rate</u>	<u>Fiscal Year</u>
\$ 2,322,792	\$ 369,287,100	\$ 14,672,315,026	-0.8%	1.00%	2011-12
2,322,792	358,752,359	14,558,880,188	-0.8%	1.00%	2012-13
2,322,792	348,853,900	15,055,877,505	3.4%	1.00%	2013-14
2,322,792	354,410,454	15,908,660,755	5.7%	1.00%	2014-15
144,746	340,321,787	16,595,946,674	4.3%	1.00%	2015-16
144,746	348,808,162	17,322,970,698	4.4%	1.00%	2016-17
144,746	353,999,429	18,103,798,993	4.5%	1.00%	2017-18
144,746	356,420,499	18,897,816,062	4.4%	1.00%	2018-19
144,746	361,476,071	19,714,938,380	4.3%	1.00%	2019-20
210,776	387,816,827	20,526,332,915	4.1%	1.00%	2020-21

Concluded

SOURCE:
 California Municipal Statistics, Inc.

**CITY OF SIMI VALLEY
DIRECT AND OVERLAPPING GOVERNMENTS
PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)**

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
Basic Tax Levy per Article 13A of California State Constitution	1.000000	1.000000	1.000000	1.000000	1.000000
City	-	-	-	-	-
Total direct	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>
County Flood Control District	-	-	-	-	-
Simi Valley Unified School District	0.057800	0.061500	0.059800	0.061800	0.054100
Metropolitan Water District	0.003700	0.003500	0.003500	0.003500	0.003500
Ventura Community College District	0.014000	0.019100	0.016700	0.017600	0.013000
Total direct and overlapping	<u>1.075500</u>	<u>1.084100</u>	<u>1.080000</u>	<u>1.082900</u>	<u>1.070600</u>

Continued

NOTES:

The tax rate information provided is for Tax Rate Area 09006, the largest tax rate area in the City.

Overlapping rates are those of local and county governments that apply to property owners within the City of Simi Valley. Not all overlapping rates apply to all Simi Valley property owners; for example, although the county property tax rates apply to all city property owners, the Flood Control District rates apply only to city property owners whose property is located within that district's geographic boundaries.

SOURCE:
California Municipal Statistics, Inc.

**CITY OF SIMI VALLEY
DIRECT AND OVERLAPPING GOVERNMENTS
PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(rate per \$100 of assessed value)**

<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	
1.000000	1.000000	1.000000	1.000000	1.000000	Basic Tax Levy per Article 13A of California State Constitution
-	-	-	-	-	City
<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	<u>1.000000</u>	Total direct
-	-	-	-	-	County Flood Control District
0.052800	0.079100	0.077100	0.059400	0.086300	Simi Valley Unified School District
0.003500	0.003500	0.003500	0.003500	0.015000	Metropolitan Water District
0.015500	0.015100	0.015200	0.014300	0.003500	Ventura Community College District
<u>1.071800</u>	<u>1.097700</u>	<u>1.095800</u>	<u>1.077200</u>	<u>1.104800</u>	Total direct and overlapping

Concluded

SOURCE:
California Municipal Statistics, Inc.

**CITY OF SIMI VALLEY
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2021			2012		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
DP 241 Country Club LP	\$ 110,486,259	1	0.62%			
NF Creekside Apartments LLC	78,546,186	2	0.44%			
IMT Capital V Wood Ranch LLC	75,778,610	3	0.43%			
SE-Shadow Ridge LLC	48,631,376	4	0.27%			
ESG Properties LLC	47,489,980	5	0.27%	\$ 40,340,631	9	0.27%
DP 849 Country Club LP	39,787,292	6	0.22%			
Miracle Mile Properties LP	36,338,309	7	0.21%			
RAAS Nutritionals LLC	35,407,864	8	0.20%			
Essex Meadowood	34,851,601	9	0.20%	58,247,444	5	0.38%
Spectrum Pacific West LLC	30,932,900	10	0.17%			
Bank of America				117,324,494	1	0.77%
Tishman Speyer Archstone				101,700,000	2	0.68%
Fountains Apartments Ltd				74,752,683	3	0.50%
Target Corporation				59,828,448	4	0.40%
South Street Center LLC				51,181,018	6	0.34%
Mountaingate Associates LLC				43,314,998	7	0.29%
Stone Creek Investors				40,907,764	8	0.27%
Fairfield Rancho Corrales				38,800,000	10	0.26%
Total Taxable Assessed Value Ten Largest Taxpayers	\$ 538,250,377		3.04%	\$ 626,397,480		4.16%

SOURCE:
HdL Coren Cone

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

Fiscal Year	Taxes Levied for the Fiscal Year	Collections within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2011-12	\$ 31,380,139	\$ 27,921,798	88.98%	\$ 86,868	\$ 28,008,666	89.26%
2012-13	31,451,572	28,397,076	90.29%	104,934	28,502,010	90.62%
2013-14	32,257,545	29,392,698	91.12%	173,706	29,566,404	91.66%
2014-15	34,131,863	33,369,651	97.77%	172,384	33,542,035	98.27%
2015-16	37,179,612	34,029,242	91.53%	203,580	34,232,822	92.07%
2016-17	39,105,618	35,443,930	90.64%	244,670	35,688,600	91.26%
2017-18	42,348,149	37,295,853	88.07%	250,813	37,546,666	88.66%
2018-19	42,471,808	38,746,266	91.23%	246,840	38,993,105	91.81%
2019-20	44,950,945	44,163,945	98.25%	233,543	44,397,487	98.77%
2020-21	46,564,800	42,609,458	91.51%	-	42,609,458	91.51%

1. Only the secured property tax data for the City of Simi Valley and its Redevelopment Agency is presented in this table.

NOTES:

The Ventura County Tax Collector is responsible for all property tax roll levies and collections within the City of Simi Valley.

The City of Simi Valley has not levied a general purpose property tax subsequent to the passage of Proposition 13.

Collections presented do not include penalty charges or interest collected.

SOURCE:
Ventura County Controller-Auditor

**City of Simi Valley
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Fiscal Year	Governmental Activities			Total Primary Government	Percent of Personal Income ⁵	Debt Per Capita ⁵
	Tax Allocation Bonds ^{1,2}	Lease Revenue Bonds	Certificates of Participation ²			
2012	\$ 26,210,230	\$ 3,385,000	\$ 23,185,726	\$ 52,780,956	1.26%	\$ 417
2013	-	2,610,000	22,587,840	25,197,840	0.55%	198.68
2014	-	- ³	21,964,953	21,964,953	0.45%	173.24
2015	-	20,414,513	- ⁴	20,414,513	0.45%	160.96
2016	-	20,315,876 ^{2,4}	-	20,315,876	0.43%	159.88
2017	-	30,184,317 ^{2,4}	-	30,184,317	0.59%	236.93
2018	-	41,147,298 ^{2,4}	-	41,147,298	0.83%	321.83
2019	-	39,632,520 ^{2,4}	-	39,632,520	0.78%	308.00
2020	-	37,983,674 ^{2,4}	-	37,983,674	0.64%	293.85
2021	-	36,040,015 ^{2,4}	-	36,040,015	N/A ⁶	277.26

NOTES:

1. As of June 30, 2012, the tax allocation bond debt is an obligation of private purpose trust funds, not governmental activities. Assembly Bill 1X 26 provides for the dissolution of all redevelopment agencies in the State of California. As of February 1, 2012, assets and liabilities of the former redevelopment agency, including the tax allocation bonds, were transferred from governmental funds of the City to the Fiduciary (private purpose trust) fund. In future fiscal years, the Fiduciary fund will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated. See note disclosure V E.

2. Presented net of original issuance premiums, discounts, and adjustments. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

3. On August 12, 2013, the Council approved the early repayment of 1995 Simi Valley Public Financing Authority Lease Revenue Bonds and a call for full redemption of the bonds occurred on October 1, 2013.

4. In August 2014, the City issued \$18,795,000 of 2014A Lease Revenue Refunding Bonds for the purpose of fully refunding the 2004 Certificates of Participation issue with a carrying amount of \$21,705,000. The 2004 Certificates were refunded in full on August 26, 2014 and no portion of the 2004 Certificates remained outstanding as of June 30, 2015. In September 2016, the City issued Lease Revenue Bonds, Series 2016 NCREBs, for \$9,226,619, and a Tax-Exempt Lease, Series 2016, for \$740,459, both maturing on September 1, 2036. In December 2017, the City issued Tax-Exempt Lease Series 2017, for \$6,408,600, maturing March 1, 2033. In May 2018, the City issued a Taxable Equipment Lease for \$5,655,845, maturing in March 2034.

5. See Schedule of Demographic and Economic Statistics for personal income and population data.

6. Per Capita Personal Income and Median Age are currently unavailable from the U.S. Census Bureau. Fiscal year 2021 data will be available later in the year, and will be updated in the subsequent year's report.

There is no general bonded outstanding debt in the governmental funds.

SOURCE:

City of Simi Valley
US Census Bureau

**CITY OF SIMI VALLEY
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
JUNE 30, 2021 (see notes)**

	Outstanding Debt 6/30/21	Percentage Applicable ¹	Estimated Share of Overlapping Debt 6/30/21
<u>Overlapping and Assessment Debt Repaid with Property Taxes</u>			
Metropolitan Water District	\$ 26,830,000	0.629 %	\$ 168,761
Ventura County Community College District	269,969,464	13.989	37,766,028
Simi Valley Unified School District	267,225,588	96.949	259,072,535
City of Simi Valley Community Facilities Dist No.2004-1	5,710,000	100.000	5,710,000
City of Simi Valley 1915 Act Bonds	870,000	100.000	870,000
<u>Overlapping Other Debt</u>			
Ventura County General Fund Obligations	319,290,000	13.985	44,652,707
Ventura County Superintendent of Schools Certificates	8,325,000	13.985	1,164,251
Simi Valley Unified School District Certificates	6,336,010	96.949	6,142,698
Total overlapping and assessment debt			355,546,980
<u>City Direct Debt</u>			
City of Simi Valley 2014A Lease Revenue Refunding Bond	16,942,687	100.000	16,942,687
City of Simi Valley 2016 New Clean Renewable Energy Bond	7,883,942	100.000	7,883,942
City of Simi Valley 2016 Tax Exempt Energy Bond	621,707	100.000	621,707
City of Simi Valley 2017 Tax Exempt Bond	5,260,533	100.000	5,260,533
City of Simi Valley 2018 Tax Equipment Lease	5,331,146	100.000	5,331,146
Total direct debt			36,040,015
Total direct and overlapping debt			<u>\$ 391,586,995</u>

NOTES:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. The process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

1. For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

There is no general bonded outstanding debt in the governmental funds.

SOURCE:
City of Simi Valley
California Municipal Statistics, Inc.

**City of Simi Valley
Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year				
	2012	2013	2014	2015	2016
Debt limit	\$ 550,211,813	\$ 545,958,007	\$ 564,595,406	\$ 596,574,778	\$ 622,348,000
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	<u>\$ 550,211,813</u>	<u>\$ 545,958,007</u>	<u>\$ 564,595,406</u>	<u>\$ 596,574,778</u>	<u>\$ 622,348,000</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%	0%

Continued

NOTE:

1. California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. Thus, the limit shown is 3.75% (one-fourth the limit of 15%).

SOURCE:
California Municipal Statistics, Inc.

**City of Simi Valley
Legal Debt Margin Information
Last Ten Fiscal Years**

Fiscal Year					
2017	2018	2019	2020	2021	
\$ 649,611,401	\$ 678,892,462	\$ 708,668,102	\$ 769,737,484	\$ 769,737,484	Debt limit
-	-	-	-	-	Total net debt applicable to limit
<u>\$ 649,611,401</u>	<u>\$ 678,892,462</u>	<u>\$ 708,668,102</u>	<u>\$ 769,737,484</u>	<u>\$ 769,737,484</u>	Legal debt margin
0%	0%	0%	0%	0%	Total net debt applicable to the limit as a percentage of debt limit
					Concluded

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value	\$20,526,332,915
Debt limit (3.75% of assessed value) ¹	\$ 769,737,484
General obligation bonds	-
Legal debt margin	\$ 769,737,484

SOURCE:
California Municipal Statistics, Inc.

**CITY OF SIMI VALLEY
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income¹	Median Age	Public School Enrollment	Unemployment Rate
2012	126,474	4,191,222	33,139	37.0	19,998	7.6%
2013	126,827	4,600,269	36,272	37.2	18,360	6.1%
2014	126,786	4,832,195	38,113	41.1	18,047	5.1%
2015	126,827	4,586,318	36,162	39.8	17,431	4.6%
2016	127,070	4,763,346	37,486	39.0	17,015	4.8%
2017	127,400	5,100,332	40,034	40.1	16,905	3.9%
2018	127,855	4,977,012	38,927	40.0	16,594	3.7%
2019	128,678	5,076,604	39,452	40.3	16,432	3.4%
2020	129,262	5,946,311	46,002	41.6	16,393	12.5%
2021	129,985	N/A ²	N/A ²	N/A ²	15,788	6.1%

NOTE:

1. Per capita income for year 2010 was obtained from the US Census Bureau. Per capita income for interim years has been inflation adjusted by the US Census Bureau.

2. Per Capita Personal Income and Median Age are currently unavailable from the U.S. Census Bureau. Fiscal year 2021 data will be available later in the year, and will be updated in the subsequent year's report.

SOURCE:
City of Simi Valley
Simi Valley Unified School District
State of California Employment Development Department
US Census Bureau
Ventura County Statistical Abstract

**CITY OF SIMI VALLEY
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

<u>Employer</u>	<u>2021</u>			<u>2012</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Employed Labor Force</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Employed Labor Force</u>
Simi Valley Unified School District	1,975	1	3.20%	2,699	1	4.12%
Simi Valley Hospital - Adventist Health	978	2	1.59%	868	2	1.33%
Meggitt Safety Systems, Inc.	563	3	0.91%	320	8	0.49%
Milgard Windows & Doors	481	4	0.78%	267	9	0.41%
City of Simi Valley	464	5	0.75%	536	3	0.82%
Rancho Simi Parks & Recreation District	251	6	0.41%	403	5	0.62%
Polytainer Inc	188	7	0.30%			
Target #2462	176	8	0.29%	350	7	0.53%
Lowe's Home Improvement #1971	157	9	0.25%			
USTE, Inc	156	10	0.25%			
Aerovironment, Inc.				455	4	0.69%
Vons Grocery Stores*				361	6	0.55%
Nexicore				256	10	0.39%
Total	<u>5,389</u>		<u>8.74%</u>	<u>6,515</u>		<u>9.95%</u>

NOTE:

Of ninety-four employers surveyed by the City of Simi Valley, thirty-six employers responded (38%).

SOURCE:

City of Simi Valley
State of California Employment Development Department
Labor Market Information Division

**CITY OF SIMI VALLEY
CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

<u>Function</u>	Full & Part Time Employees as of June 30¹									
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
General government	55	57	57	61	53	58	56	54	60	60
Community services	29	28	29	31	27	24	27	27	20	20
Planning and Community Services	49	42	40	39	36	36	33	30	32	31
Public ways and facilities	92	89	88	90	87	87	87	83	80	78
Public safety										
Sworn police personnel	123	120	119	123	121	121	115	118	123	112
Civilians	52	52	52	52	49	50	53	47	44	45
Sanitation	53	56	51	54	47	54	53	52	53	49
Waterworks district no. 8	43	44	45	43	45	41	40	41	35	32
Transit	<u>40</u>	<u>41</u>	<u>38</u>	<u>39</u>	<u>38</u>	<u>42</u>	<u>40</u>	<u>40</u>	<u>38</u>	<u>37</u>
Total	<u>536</u>	<u>529</u>	<u>519</u>	<u>532</u>	<u>503</u>	<u>513</u>	<u>504</u>	<u>492</u>	<u>485</u>	<u>464</u>

NOTE:

1. Totals do not include temporary employees or part-time crossing guards.

SOURCE:
City of Simi Valley

**CITY OF SIMI VALLEY
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General government										
Business tax applications and renewals	10,257	9,764	9,709	9,643	9,709	9,437	9,028	9,403	7,675	7,223
Business tax receipts issued	9,196	9,060	8,936	8,563	9,480	8,366	7,922	7,315	7,396	7,779
Business tax revenues (\$)	1,509,209	1,536,702	1,601,875	1,742,469	1,786,153	1,787,587	1,967,065	2,106,344	2,112,049	2,190,665
Community services										
Cultural arts center events	334	344	362	354	378	392	369	370	357	0
Cultural arts center attendance	35,418	39,388	38,643	36,403	39,473	36,248	38,913	33,564	26,675	0
Senior center attendance ¹	189,302	192,107	182,368	172,233	160,805	153,803	166,441	172,079	145,505	40,975
Library card holders ²	-	-	20,498	28,298	33,830	39,135	45,159	46,406	38,423	34,382
Library total collection ³	-	-	139,104	146,623	158,596	170,848	164,748	161,450	136,071	140,972
Library total circulation ³	-	-	344,358	330,838	333,068	285,089	299,182	317,085	333,683	247,680
Planning										
Building permits	1,623	1,590	2,382	2,054	2,200	2,500	2,600	2,750	2,500	2,950
Plumbing, mechanical, and electrical permits	2,590	2,592	3,473	3,213	2,950	3,400	3,640	3,750	3,200	3,450
Permit valuation (thousands \$)	49,992	47,316	55,300	41,766	66,800	76,800	71,300	76,740	63,500	65,750
Public Safety										
Arrests	3,857	3,472	2,961	3,459	3,377	2,939	3,134	2,964	2,381	1,762
Enforcement citations	6,827	7,688	8,518	8,308	8,300	6,936	8,988	8,230	4,703	2,454
Public ways and facilities										
Street resurfacing (miles)	2.23	6.66	5.67	3.93	3.73	6.38	10.12	23.77	10.12	1.4
Sanitation										
Wastewater customers	36,604	36,704	36,796	36,761	36,769	37,079	36,949	35,773	37,395	36,874
Average dry weather flow (MGD)	8.80	8.60	8.50	8.10	7.80	7.70	7.92	7.78	7.78	7.70
Waterworks district no. 8										
Customers ⁴	25,059	25,156	25,093	25,585	25,664	25,558	25,433	25,622	25,251	25,548
Water delivered (million gallons)	6,502.0	6,305.1	7,352.8	8,083.5	6,517.0	5,176.0	5,486.0	6,227.0	6,423.0	6,832.0
Transit										
Fixed-route revenue miles	420,295	400,425	426,057	426,057	404,857	380,354	378,284	376,506	387,056	409,044
Fixed-route passengers	417,156	434,512	347,929	378,452	333,619	364,810	251,917	266,718	181,098	121,642
Fixed-route revenue hours	25,776	24,882	25,551	25,551	25,346	26,904	27,340	26,727	25,282	26,788
Paratransit revenue miles	180,763	184,074	183,407	172,444	158,604	160,043	162,551	159,508	110,289	71,396
Paratransit passengers	45,756	46,290	50,308	45,364	43,485	45,009	43,406	50,134	29,133	22,394
Paratransit revenue hours	17,486	18,966	17,984	17,009	17,356	17,832	17,709	17,226	11,730	5,790

NOTE:

1. Due to State Budget cuts effective 2014, Senior programs were reduced, resulting in lower attendance.
2. Effective 7/01/13, the City assumed responsibility for library operations from the County.
3. Includes Print, Audio, Video and Ebooks. 2015 totals have been restated.
4. Balance of community, approximately 13,705 customers, serviced by Golden State Water Co. during fiscal year 2021.

SOURCE:
City of Simi Valley
Golden State Water Co.

**CITY OF SIMI VALLEY
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Fleet size	91	94	96	97	99	101	103	103	104	98
Public ways and facilities										
Streets (miles)	324.91	324.91	326.91	332.69	336.41	337.57	337.57	337.57	337.57	337.57
Streetlights ¹	7,937	7,942	8,241	8,225	8,223	8,243	8,268	8,479	8,382	8,382
Traffic signals ²	121	121	121	121	121	121	121	121	121	121
Sanitation										
Sewerlines (miles) ³	374	374	374	374	374	374	374	374	380	380
Treatment capacity (million gallons per day)	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5
Waterworks district no. 8										
Water mains (miles) ⁴	375	375	380	380	380	380	337	345	345	345
Fire hydrants	2,844	2,844	2,844	2,844	2,844	2,844	2,875	2,850	2,874	2,853
Storage capacity (million gallons)	55.8	55.8	55.8	55.8	55.8	55.8	55.8	55.8	55.8	55.8
Transit										
Buses - 40 foot	11	11	11	8	8	8	8	8	8	8
Buses - 35 foot	0	0	0	3	3	3	3	3	3	3
Paratransit Vehicles	11	11	11	11	11	12	12	12	12	12

NOTES:

No capital asset indicators are available for the general government, community services or planning function.

1. Streetlights acquired from Southern California Edison as of 11/01/18.
2. Traffic signals listed are those owned by the City. Fourteen additional signals, owned by Caltrans, are located at freeways.
3. Collection system information was estimated for FY2007 and FY2008, and obtained from the City's Geographical Information System for FY2009 through the current year.
4. Reduction in water main miles in FY 2018 reflects updates in GIS accuracy for active mains, versus active plus abandoned.

SOURCE:
City of Simi Valley
Southern California Edison