

SHOW ME THE MONEY: FINANCIAL TRANSPARENCY NEEDED



2022 Santa Clara County
Civil Grand Jury

December 14, 2022

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GLOSSARY AND ABBREVIATIONS

Government Code, Section 41004 California Government Code section 41004 states: “Regularly, at least once each month, the city treasurer shall submit to the city clerk a written report and accounting of all receipts, disbursements, and fund balances. The city treasurer shall file a copy with the legislative body.”

Treasurer’s Reports The reports required by Government Code section 41004 may have various styles and titles. For purposes of this report, the Civil Grand Jury will refer to these reports throughout as "treasurer's reports."

Charter City Article XI, section 3(a) of the California Constitution authorizes the adoption of a city charter and provides that the charter has the force and effect of state law. Article XI, section 5(a), the "home rule" provision, grants to charter cities the ability to govern over "municipal affairs."

There are six charter cities in Santa Clara County: San José, Palo Alto, Santa Clara, Sunnyvale, Gilroy, and Mountain View.

General Law City A general law city may only have a form of government authorized by state general law. A city that has not adopted a charter is bound by the state’s general laws even with respect to municipal affairs.

There are nine general law cities and towns in Santa Clara County: Los Altos, Los Altos Hills, Los Gatos, Milpitas, Campbell, Monte Sereno, Cupertino, Saratoga and Morgan Hill. The scope of this investigation is limited to general law cities.

GAAP Generally Accepted Accounting Principles: a set of accounting rules and standards established by the accounting industry.

SUMMARY

General law cities in California are required to comply with California Government Code section 41004 (Section 41004), which states, “at least once each month, the city treasurer shall submit to the city clerk a written report and accounting of all receipts, disbursements, and fund balances. The city treasurer shall file a copy with the legislative body.” The benefit of the law is to ensure financial accountability and public transparency as well as to foster better fiscal affairs. Treasurer's reports provide city councils with timely and accurate financial information necessary to make reliable and sound decisions.

The 2022 Santa Clara County Civil Grand Jury (Civil Grand Jury) found that there is widespread noncompliance with this state requirement throughout Santa Clara County (County) by the general law cities. As of the date of this report, six of the nine general law cities¹ in the County are noncompliant with this state law: Los Altos, Los Altos Hills, Los Gatos, Milpitas, Campbell, and Monte Sereno. Additionally, the City of Cupertino was initially noncompliant until the city took corrective action during the Civil Grand Jury's investigation. The City of Saratoga and City of Morgan Hill were the only two cities compliant prior to the investigation.

Based on responses from city officials, the Civil Grand Jury determined that there is a widespread misunderstanding among these general law cities in the County regarding Section 41004 reporting requirements. The Civil Grand Jury recommends that the noncompliant cities – Los Altos, Los Altos Hills, Los Gatos, Milpitas, Campbell, and Monte Sereno – comply with Section 41004.

¹ The Town of Los Altos Hills and the Town of Los Gatos are general law cities.

BACKGROUND

The State Legislature established the office of city treasurer by enactment of California Government Code, Title 4 - Government of Cities, Division 3 - Other Officers, Chapter 3 - City Treasurer. The statutory duties for city treasurers may generally be found in the following sections:

Section 41001: The city treasurer shall receive and safely keep all money the treasurer receives.

Section 41002: (a) The city treasurer shall comply with all laws governing the deposit and securing of public funds and the handling of trust funds in their possession; and (b) if the city has issued bonds, the city treasurer shall use a system of accounting and auditing that adheres to generally accepted accounting principles.

Section 41003: The city treasurer shall pay out money only on warrants signed by legally designated persons.

Section 41004: Regularly, at least once each month, the city treasurer shall submit to the city clerk a written report and accounting of all receipts, disbursements, and fund balances. The city treasurer shall file a copy with the legislative body.

Pursuant to California Government Code section 36502, the city treasurer is an elective office. California Government Code section 36508 and California Elections Code section 9222 permit cities to submit to the electors the question of whether the city treasurer position should be an appointive office. In that instance, the financial duties assigned by the state statutes to the city treasurer are transferred from an elected treasurer to an appointed officer if approved by the electorate. Only one general law city in the County, Morgan Hill, continues to have an elected city treasurer, who serves for four years. All other cities in the County have opted to assign city treasurer duties to senior administrative staff.

METHODOLOGY

Upon receiving a complaint regarding Government Code section 41004 noncompliance in Cupertino, the Civil Grand Jury decided to expand the investigation to review all nine general law cities in the County: Los Altos, Los Altos Hills, Los Gatos, Milpitas, Campbell, Monte Sereno, Cupertino, Saratoga, and Morgan Hill. From March to August 2022, the Civil Grand Jury began the process by polling these Cities to determine if they produced treasurer's reports.

The Civil Grand Jury took the following steps:

- Contacted a total of 22 officials across nine cities who were responsible for tasks relevant to the topic of this report.
- Reviewed relevant sections of the California Government Code, California Elections Code, and examined the ordinances, policies, and memos of each city relevant to their city treasurer duties.
- Reviewed published city council and city committee agendas relevant to Section 41004.
- Reviewed other relevant city documents, including but not limited to financial audits, city organizational charts, and relevant job descriptions.
- Verified the six most recent treasurer's reports of each city, if submitted.

The Civil Grand Jury inspected the contents of each report to verify the inclusion of the required elements: monthly disbursements, receipts, and fund balances. The Civil Grand Jury also determined whether the reports were published at least once each month to be compliant with Section 41004.

It should be noted that most cities do not call their report "Treasurer's Report." [Appendix A](#) provides links to examples of compliant Section 41004 reports, showcasing variations in terms of report name, style, layout, and appearance.

The Civil Grand Jury used the 2011-2012 Solano County Civil Grand Jury report entitled "City Treasurer Functional Review" as a reference for this report.

INVESTIGATION

All interviews and email correspondence were designed to determine if general law cities complied with Section 41004. To be deemed compliant, a city must produce a financial document at least once each month that details all of the following: monthly disbursements, receipts, and fund balances – and must be filed with the legislative body. Six months of reports were requested to verify an existing track record. Data collection and verification took place from March to July 2022.

The results of this investigation are depicted in Table 1 below.

Table 1. Section 41004 Compliance Among Nine General Law Cities

City/Town	Compliant	Noncompliant
Los Altos		X
Los Altos Hills		X
Los Gatos		X
Milpitas		X
Campbell		X
Monte Sereno		X
Cupertino		X*
Saratoga	X	
Morgan Hill	X	

*During the investigation, Cupertino started complying with Section 41004.

There are a number of reasons for cities' noncompliance:

- Some cities were under the impression that the Section 41004 mandate was a discretionary guideline.
- Others adopted the practice of other cities that did not produce the requisite monthly reports.

However, the primary error among the cities was that they produced abbreviated reports that omitted required information such as receipts, disbursements, and fund balances. Some of the deficient reports lacked substance, with abbreviated information presented without context or details.

The Civil Grand Jury believes there is no fiscal impact involved in complying with Section 41004. Outside resources should not be required since existing staff already make some financial reports, collect this type of data, and should be able to produce treasurer's reports. Therefore, each of the deficient cities can be compliant with minimal effort or burden.

Noncompliant Cities and Towns

Los Altos

The City of Los Altos does not have an elected city treasurer. Further, the Los Altos Municipal Code does not specifically state which official performs the duties of a city treasurer. Los Altos Municipal Code Section 2.01.060, however, provides that the city manager is the administrative head of the city and is specifically empowered “keep the council at all times fully advised as to the financial condition and needs of the city.” In the City of Los Altos, monthly treasurer’s reports are not prepared and submitted to the city clerk in accordance with Section 41004.

At the time of the Civil Grand Jury inquiry in June 2022, the City of Los Altos did not submit any treasurer’s reports. According to the City of Los Altos, Government Code section 37208 indemnified them from the Section 41004 mandate. However, the language of Government Code Section 37208 refers to payroll warrants or checks and makes no mention of the reporting required by Section 41004, which requires a report of “receipts, disbursements and general fund balances.” Moreover, the language of Government Code Section 37208 neither excuses a city from complying with Section 41004 nor makes any reference to Section 41004.

Further, the city erroneously noted that its Generally Accepted Accounting Principles (GAAP) policy on financial reporting excused noncompliance with Section 41004 reporting requirements. In 2015, the city adopted a “Financial Policy” that reads in part, “The city’s accounting and financial reports are to be maintained in accordance with GAAP.” GAAP accounting does not address the Section 41004 mandated requirements.

The Civil Grand Jury determined that the City of Los Altos does not produce treasurer's reports and thus is noncompliant.

Los Altos Hills

The Town of Los Altos Hills does not have an elected city treasurer. The town's Municipal Code is silent on who performs the duties of the treasurer; however, the Civil Grand Jury learned that the treasurer responsibilities fall to the director of administrative services.

The Civil Grand Jury received monthly treasurer's reports in June 2022. Upon inspection, however, they contained only disbursements and lacked receipts as well as fund balances; thus the reports are incomplete and noncompliant.

Los Gatos

The Town of Los Gatos does not have an elected city treasurer. The town's Municipal Code Section 2.30.035 delegates the responsibility of the treasurer and the ability to assign those duties to the town manager. The director of finance is responsible for the town's financial matters. The Town of Los Gatos produces quarterly reports, not monthly reports as required by Section 41004. While the disbursements, receipts, and fund balances are in the reports, they must be published at least once each month to comply with Section 41004. Because the production intervals are quarterly, the Town of Los Gatos is not in compliance.

Milpitas

The City of Milpitas does not have an elected city treasurer. Milpitas Municipal Code section VI-1-3.02 vests the duties of a city treasurer with the city manager, who is empowered to appoint a city treasurer pursuant to Section VI-1-3.04. In the City of Milpitas, the finance director produces weekly disbursement reports, quarterly receipt and investment reports for the general and special districts' funds, and annual reports for all other reporting.

At the time of inquiry in June 2022, the Civil Grand Jury noted well-prepared reports. However, the frequency of report submission does not meet Section 41004 criteria, which requires monthly reports. Reports showing all receipts, disbursements, and fund balances must be filed with the city clerk at least once each month. Due to submission infrequency, the City of Milpitas is not in compliance.

Campbell

In November of 2010, voters in the City of Campbell approved Measure O, which changed the office of the city treasurer (and city clerk) from an elected to an appointed office. The City of

Campbell's Municipal Code is silent on who has officially assumed those duties.² The Civil Grand Jury learned that the city's finance director has the responsibilities of a treasurer and oversees the preparation of financial reports. The reports are prepared by the accounting clerk, reviewed by the finance manager and the finance director, and approved by the city manager for inclusion in the council packet.

At the time of inquiry in June 2022, 21 reports were submitted. The submitted documents had no payroll records and accounts payable balances with paid or disbursed funds. Additionally, the required information was not published at least once each month.

The City of Campbell's submitted reports do not comply with Section 41004 because disbursements, receipts, and balances are not filed at least once each month.

Monte Sereno

The City of Monte Sereno does not have an elected city treasurer. The Monte Sereno Municipal Code section 2.04.010 designates the city manager as the director of finance and tasks the city manager with "performing all duties of City treasurer as set forth in Government Code sections 41000 et seq." At the time of inquiry in June 2022, six treasurer's reports were received by the Civil Grand Jury. While the reports did contain the required fund balances, the receipts and disbursements were not compliant with the Section 41004 requirement.

Compliant Cities

Cupertino

The City of Cupertino does not have an elected city treasurer. The City of Cupertino's Municipal Code section 2.24.030 states:

The treasurer shall make monthly reports which conform to the requirements of Government Code Section 41004. Said reports shall be delivered to the City Council, city manager and made available for review by such other persons who may so request.

Until 2022, no staff member for the City of Cupertino had been preparing and delivering a monthly treasurer's report to the Cupertino City council. However, during the Civil Grand Jury's

² The City of Campbell's Municipal Code does not appear to have been updated. The City of Campbell's Municipal Code section 2.08.010 still states that the elected officers shall be those designated by general laws, which includes a city treasurer. Further, the code has other references to an elected city treasurer. (See Sections 2.16.040 [city treasurer compensation] and 2.16.010 [establishment of salaries].)

investigation, the belated monthly treasurer's reports for January and February 2022 were published and placed on the Cupertino Audit Committee agenda.

The Civil Grand Jury recognizes the action taken by the City of Cupertino as soon as it was brought to their attention. The City of Cupertino is now compliant with Section 41004 as of March 2022, despite the stated history of not submitting the required reports.

Saratoga

The City of Saratoga does not have an elected city treasurer. The City of Saratoga Municipal Code section 2-20.035 states that the city manager shall serve as the city treasurer and be responsible for "other duties and responsibilities as required by law to be performed by the City Treasurer." Thus, the city manager is responsible for the preparation and submission of monthly treasurer's reports.

The Civil Grand Jury verified in June 2022 that regular monthly treasurer's reports are filed with the City of Saratoga and are fully compliant with Section 41004. These reports can also be found by the public on the city's website. An example is shown in [Appendix A](#).

Morgan Hill

The City of Morgan Hill has an elected city treasurer. The treasurer, in conjunction with the finance director, prepares the treasurer's reports.

The Civil Grand Jury verified in June 2022 that regular monthly treasurer's reports are produced. The reports contain all the required components of disbursements, receipts, and fund balances. Thus, the City of Morgan Hill is compliant with Section 41004. A compliant Morgan Hill treasurer's report is shown in [Appendix A](#).

CONCLUSION

Within the County, there is widespread noncompliance with California Government Code section 41004 by the general law cities. The Civil Grand Jury commends the cities of Saratoga and Morgan Hill for being in full compliance and notes the City of Cupertino's quick action to become compliant. The Civil Grand Jury recommends that the noncompliant cities of Los Altos, Los Altos Hills, Los Gatos, Milpitas, Campbell, and Monte Sereno comply with Section 41004. This is to be done by producing treasurer's reports at least once each month containing the required disbursements, receipts, and fund balance information. The benefit of implementing this recommendation overshadows any limited cost impact since existing staff could compile the report. In short, there is great benefit in producing these reports, as they improve financial transparency to the residents of the cities.

FINDINGS AND RECOMMENDATIONS

It is recommended that noncompliant cities start producing treasurer's reports as required by law. Some cities produce abbreviated information that does not include requisite financial information as defined in state Government Code section 41004. Some cities produce requisite reports, but not on a monthly basis.

Finding 1

The City of Los Altos is not submitting monthly treasurer's reports in compliance with California Government Code section 41004.

Recommendation 1

The City of Los Altos should comply with Government Code section 41004 by submitting monthly treasurer's reports that include monthly disbursements, receipts, and fund balances and by filing those reports with the city. This recommendation should be implemented by March 15, 2023.

Finding 2

The City of Los Altos does not produce treasurer's reports in compliance with California Government Code section 41004. The reason provided for non-compliance was that the City of Los Altos' financial policy does not require the preparation and submission of treasurer's reports. It is an erroneous belief that internal policies excuse compliance with Government Code section 41004.

Recommendation 2

The City of Los Altos should amend its financial policy to require that monthly treasurer's reports be prepared and submitted in accordance with California Government Code section 41004 by March 15, 2023.

Finding 3

The Town of Los Altos Hills produces monthly treasurer's reports but the content of those reports lacks monthly disbursements, receipts, and fund balances required by California Government Code section 41004.

Recommendation 3

The Town of Los Altos Hills should update their existing monthly reports to include monthly disbursements, receipts, and fund balances by March 15, 2023.

Finding 4

The Town of Los Gatos produced reports that contain the required content but does not produce the treasurer's reports on a monthly basis as required by California Government Code section 41004.

Recommendation 4

The Town of Los Gatos should produce its reports on a monthly basis to comply with California Government Code section 41004 by March 15, 2023.

Finding 5

The City of Milpitas does not produce monthly treasurer's reports as required by California Government Code section 41004.

Recommendation 5

The Civil Grand Jury recommends that the City of Milpitas comply with California Government Code section 41004 by producing monthly treasurer's reports that include monthly disbursements, receipts, and fund balances by March 15, 2023.

Finding 6

The City of Campbell does not produce monthly treasurer's reports as required by California Government Code section 41004.

Recommendation 6

The City of Campbell should comply with California Government Code section 41004 by producing monthly treasurer's reports that include monthly disbursements, receipts, and fund balances by March 15, 2023.

Finding 7

The City of Monte Sereno does not produce monthly treasurer's reports as required by California Government Code section 41004.

Recommendation 7

The City of Monte Sereno should comply with California Government Code section 41004 by producing monthly treasurer's reports that include monthly disbursements, receipts, and fund balances by March 15, 2023.

Finding 8

When the Civil Grand Jury began this investigation, the City of Cupertino was not in compliance with California Government Code section 41004. However, starting in March 2022, the City of Cupertino began producing treasurer's reports compliant with Section 41004.

Recommendation 8

The City of Cupertino should maintain compliance with California Government Code section 41004. Continued compliance is recommended.

Finding 9

The Civil Grand Jury commends the City of Saratoga for producing monthly treasurer's reports that include disbursements, receipts, and fund balances. The City of Saratoga is in full compliance with California Government Code section 41004.

Recommendation 9

No recommendation.

Finding 10

The Civil Grand Jury commends the elected city treasurer for producing monthly treasurer's reports that include monthly disbursements, receipts, and fund balances. The City of Morgan Hill is in full compliance with California Government Code section 41004.

Recommendation 10

No recommendation.

REQUIRED RESPONSES

Pursuant to California Penal Code section 933(b) et seq. and California Penal Code section 933.05, the Civil Grand Jury requests responses from the following governing bodies:

Responding Agency	Findings	Recommendations
City of Los Altos	1, 2	1, 2

Responding Agency	Findings	Recommendations
Town of Los Altos Hills	3	3

Responding Agency	Findings	Recommendations
Town of Los Gatos	4	4

Responding Agency	Findings	Recommendations
City of Milpitas	5	5

Responding Agency	Findings	Recommendations
City of Campbell	6	6

Responding Agency	Findings	Recommendations
City of Monte Sereno	7	7

Responding Agency	Findings	Recommendations
City of Cupertino	8	8

Responding Agency	Findings	Recommendations
City of Saratoga	9	

Responding Agency	Findings	Recommendations
City Treasurer of Morgan Hill	10	

APPENDIX A: EXAMPLES OF COMPLIANT TREASURER'S REPORTS

On the following pages are two examples of monthly treasurer's reports that contain the required disbursements, receipts, and starting and ending fund balances and are therefore compliant with California Government Code section 41004. They are included to show that there are various names and formats that the reports may take. Following the examples are links to the full reports for ease of access.

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Example 1. Page 3 of 7 from Saratoga August 2022 Treasurer's Report

TABLE 1: CHANGES IN TOTAL FUND BALANCE

Fund Description	Prior Year Carryforward 7/1/2022	Increase/ (Decrease) July	Current Revenue	Current Expenditure	Transfer In	Transfer Out	Fund Balance 8/31/2022*
General Fund							
Restricted Fund Balances:							
Environmental Services Reserve	63,182	-	-	-	-	-	63,182
Committed Fund Balances:							
Hillside Stability Reserve	1,000,000	-	-	-	-	-	1,000,000
Assigned Fund Balances:							
Future Capital Replacement & Efficiency Project Reserve	2,796,663	-	-	-	-	-	2,796,663
Carryforwards Reserve	20,850	-	-	-	-	-	20,850
Facility Reserve	3,700,000	-	-	-	-	-	3,700,000
Unassigned Fund Balances:							
Working Capital Reserve	1,000,000	-	-	-	-	-	1,000,000
Fiscal Stabilization Reserve	3,150,000	-	-	-	-	-	3,150,000
Compensated Absences Reserve	331,481	-	-	-	-	-	331,481
Other Unassigned Fund Balance Reserve (Pre YE distribution)	3,348,282	(602,197)	682,632	(1,063,288)	-	-	2,365,429
General Fund Total	15,410,458	(602,197)	682,632	(1,063,288)	-	-	14,427,605
Special Revenue							
Landscape/Lighting Districts	977,231	-	44	(15,943)	-	-	961,331
ARPA Federal Grants	7,127,589	-	-	-	-	-	7,127,589
Special Revenue Fund Total	8,104,820	-	44	(15,943)	-	-	8,088,920
Debt Service							
Library Bond	805,311	(714,893)	3,312	-	-	-	93,730
Arrowhead Bond	481,242	(774)	-	(68,767)	-	-	411,701
Debt Service Fund Total	1,286,554	(715,667)	3,312	(68,767)	-	-	505,431
Internal Service Fund							
Liability/Risk Management	641,403	(759,998)	517	(6,948)	-	-	(125,027)
Workers Compensation	232,829	(2,185)	-	(54,431)	-	-	176,212
Office Support Fund	155,443	149	890	(2,027)	-	-	154,456
Information Technology Services	661,159	(30,693)	-	(98,942)	-	-	531,525
Vehicle & Equipment Maintenance	278,317	(5,541)	-	(20,466)	-	-	252,310
Building Maintenance	764,302	(22,267)	-	(60,637)	-	-	681,398
Vehicle & Equipment Replacement	1,201,979	-	-	-	-	-	1,201,979
Technology Replacement	798,337	-	-	-	-	-	798,337
Facility FFE Replacement	1,012,136	-	-	-	-	-	1,012,136
Internal Service Fund Total	5,745,905	(820,535)	1,407	(243,452)	-	-	4,683,326
Trust/Agency							
WVCWP Agency Fund	558,655	(29,955)	-	(41,044)	-	-	487,656
Trust/Agency Fund Total	558,655	(29,955)	-	(41,044)	-	-	487,656
Capital Project							
Street Projects	3,381,066	(34,069)	50,747	(355,438)	-	-	3,042,306
Park and Trail Projects	849,562	-	-	(4,143)	-	-	845,419
Facility Projects	623,475	4,458	-	(53,643)	-	-	574,289
Administrative Projects	1,429,921	7,042	8,205	(290)	-	-	1,444,879
Tree Fund Projects	52,541	-	-	-	-	-	52,541
Park In-Lieu Projects	1,172,555	-	-	-	-	-	1,172,555
CIP Grant Street Projects	(46,912)	-	-	-	-	-	(46,912)
CIP Grant Park & Trail Projects	-	-	100,000	-	-	-	100,000
CIP Grant Administrative Projects	(164,574)	-	-	-	-	-	(164,574)
CIP Grant ARPR/SLFRF Projects	-	-	-	(142,725)	-	-	(142,725)
Gas Tax Fund Projects	247,731	-	126,140	-	-	-	373,871
CIP Fund Total	7,545,366	(22,570)	285,092	(556,240)	-	-	7,251,649
Total City	38,651,757	(2,190,923)	972,487	(1,988,733)	-	-	35,444,587

*Fund balances are unaudited, and may not include all necessary adjustments. These figures will be updated in future reports once the FY 2021/22 independent audit is completed.

**Negative fund balance due to authorized spending of anticipated revenues

https://legistarweb-production.s3.amazonaws.com/uploads/attachment/pdf/1578630/Treasurer_Report_for_August_2022.pdf

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Example 2. Page 12 of 21 from Morgan Hill March 2022 Financial and Investment Report

 CITY OF MORGAN HILL CASH AND INVESTMENT REPORT FOR THE MONTH OF MARCH 31, 2022 FOR THE FISCAL YEAR OF 2021-22					
	Invested in Fund	Yield	Book Value End of Month	% of Total	Market Value
Investments					
State Treasurer LAIF - City	All Funds Pooled	0.37%	\$ 45,441,165	25.03%	\$ 45,324,795
2015 Wastewater Rev Bonds - CIP	Wastewater Fund	0.37%	16,505,883	9.09%	16,463,614
Federal Issues	All Funds Pooled	0.94%	98,042,404	54.01%	94,770,480
US Treasury Notes	All Funds Pooled	1.73%	6,437,395	3.55%	4,489,470
Certificate of Deposits	All Funds Pooled	0.45%	500,000	0.28%	499,998
Dreyfus Treas Cash Management Acct	All Funds Pooled	0.16%	85,113	0.05%	85,113
	SUBTOTAL		\$ 167,011,960	92.00%	\$ 161,633,469
Bond Reserve Accounts - held by trustees					
Zions Bank - Civic Center/Library Facility					
Blackrock Liq Fund	Debt Service	0.01%	3	0.00%	3
Zions Bank - MH Police Facility Lease Revenue Bonds					
Blackrock Liq Fund	Debt Service	0.01%	4	0.00%	4
BNY - RDA Bonds					
Dreyfus Cash Mgmt 521	Successor Fund	0.01%	6,262,932	3.45%	6,262,932
Zions Bank - MH Ranch 2015					
Blackrock Liq Funds Fed Fund -DI -2015	Agency Fund	0.01%	614,302	0.34%	614,302
Zions Bank - Madrone Bus Park Taxable/ Tax Exempt 2015					
Blackrock Liquidity Temp Fund-2015	Agency Fund	0.01%	596,450	0.33%	596,450
	SUBTOTAL		7,473,690	4.12%	7,473,690
Other Cash/Deposits					
General Checking	All Funds		1,825,901	1.01%	1,825,901
Workers' Comp Administrators	Workers' Comp		30,000	0.02%	30,000
Petty Cash & Emergency Cash	General Fund		7,112	0.00%	7,112
CALPERS CERBT - OPEB Trust			3,487,404	1.92%	4,194,950
PARS - PENSION Trust			1,700,000	0.94%	1,987,827
	SUBTOTAL		7,050,417	3.88%	8,045,789
Total Cash and Investments			\$ 181,536,067	100.00%	\$ 177,152,949

** As of 02/28/2022

CASH ACTIVITY SUMMARY FY 2021-22			
Fund Type	07/1/21 Balance	Change in Cash Balance	3/31/2022 Balance
General Fund	\$ 19,007,873	\$ 1,673,604	\$ 20,681,477
Community Development	1,077,499	74,934	1,152,433
RDA Successor Agency (except Housing)	508,427	5,755,321	6,263,749
Housing Successor Agency/ CDBG	4,307,419	334,589	4,642,008
Water - Operations	2,573,349	431,704	3,005,052
Water Other	15,405,786	3,097,753	18,503,539
Sewer - Operations	1,593,140	1,632,205	3,225,345
Sewer Other	57,221,072	(3,033,264)	54,187,808
Other Special Revenue	7,425,644	1,105,689	8,531,334
Streets and Capital Projects (except RDA)	37,931,830	(173,075)	37,758,756
Debt Service	337,123	(32,855)	304,268
Internal Service	19,378,242	1,128,766	20,507,008
Agency Funds (assessment dists./refundable deposits)	3,356,940	(583,651)	2,773,290
Total	\$ 170,124,346	\$ 11,411,721	\$ 181,536,067

<https://www.morgan-hill.ca.gov/DocumentCenter/View/40944/March-2022-Financial-and-Investment-Report-PDF>

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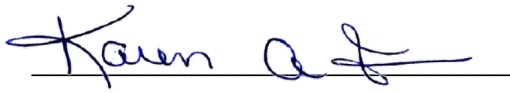
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Interviews

Interviews were conducted with 16 individuals between April 25, 2022, and June 16, 2022.

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This report was **ADOPTED** by the 2022 Santa Clara County Civil Grand Jury on this 14th day of December, 2022.



Karen Enzensperger
Foreperson