

Sunnyvale Financing Authority

Sunnyvale, California

**Basic Financial Statements
and Independent Auditor's Report**
Fiscal Year Ended June 30, 2022



Sunnyvale

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Basic Financial Statements
and Independent Auditor's Report
Fiscal Year Ended June 30, 2022

City of Sunnyvale
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Prepared by the Department of Finance
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Independent Auditor's Report

Governing Board of the
Sunnyvale Financing Authority
Sunnyvale, California

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Sunnyvale Financing Authority (Authority), a component unit of the City of Sunnyvale, California, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Authority as of June 30, 2022, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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.



Walnut Creek, California
December 8, 2022

Management's Discussion and Analysis

Management's Discussion and Analysis (Unaudited)
Fiscal Year Ended June 30, 2022

This analysis of the Sunnyvale Financing Authority (Authority) of the City of Sunnyvale's (City) financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2022. Please read it in conjunction with the accompanying basic financial statements and the accompanying notes to basic financial statements. Certain prior year balances are reclassified to conform with current year's presentation.

A. FINANCIAL HIGHLIGHTS

- At June 30, 2022, the Authority's net position is \$0. The Authority receives lease payments from the City and makes debt service payments to the fiscal agent when due.
- At June 30, 2022, other than the unspent bond proceeds held by the fiscal agent, the Authority's major asset includes the lease receivable from the City, which should be sufficient to pay off the outstanding bonds payable in the remaining bond years. Any excess or unspent funds (primarily interest earned and accrued) can be applied by the City to reduce future lease payments to the Authority.

B. OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements, which consist of three components: 1) government-wide financial statements, 2) governmental funds financial statements, and 3) notes to basic financial statements.

The Authority's main function is the issuance and service of debt for the benefit of the City. The Authority's revenue sources are lease payments from the City and interest income from bond accounts held by the fiscal agent.

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and 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.

The statement of net position presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position.

*Management's Discussion and Analysis (Unaudited), Continued
Fiscal Year Ended June 30, 2022*

B. OVERVIEW OF FINANCIAL STATEMENTS, Continued

The statement of activities presents information about how the Authority's net position changed during the year. All changes in net position are reported as the underlying event giving rise to the change occurs, regardless of timing of related cash flows.

Governmental Funds Financial Statements

The governmental funds financial statements include statements for the governmental funds which are prepared using the current financial resources measurement focus and modified accrual basis of accounting. Revenues are recognized as soon as they become measurable and available. Revenues are considered available when they are collectible within the current period or soon enough (within 60 days of the end of the current fiscal period) thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred except for debt service expenditures which are recorded when payment is due.

For the year ended June 30, 2022, the Authority reported one major debt service fund for the activities of the outstanding bonds: 2020 Civic Center Lease Revenue Bonds Fund.

Reconciliation of the fund financial statements to the government-wide financial statements is provided in the basic financial statements to explain the differences created by the integrated approach.

Notes to the Basic Financial Statements

The notes provide additional information that explain the data provided in the government-wide and governmental fund financial statements.

**Management's Discussion and Analysis (Unaudited), Continued
Fiscal Year Ended June 30, 2022**

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS**Statement of Net Position**

The following are the condensed comparative statements of net position at June 30, 2022 and 2021.

	<u>2022</u>	<u>2021</u>
Assets:		
Current Assets	\$ 67,839	\$ 146,144
Noncurrent Assets	<u>83,220</u>	<u>5,540</u>
Total Assets	<u>151,059</u>	<u>151,684</u>
Liabilities:		
Current Liabilities	1,264	1,263
Noncurrent Liabilities	<u>149,795</u>	<u>150,421</u>
Total Liabilities	<u>151,059</u>	<u>151,684</u>
Net Position	<u>\$ -</u>	<u>\$ -</u>

The liabilities will be funded from lease payments by the City, with credits of the interest earned from the reserve funds and any excess reserves. The decrease in current assets and increase in noncurrent assets were mainly due to disbursement of bond proceeds held by the Authority to the City upon request of reimbursement by the City for Civic Center construction which led to an increase in lease receivable.

**Management’s Discussion and Analysis (Unaudited), Continued
Fiscal Year Ended June 30, 2022**

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS, Continued

Statement of Activities

The following are the condensed comparative statements of activities for the fiscal years ended June 30, 2022 and 2021.

	2022	2021
Revenues:		
Program Revenues:		
Charges for Services - Lease Revenue	\$ 4,804	\$ 3,675
General Revenues:		
Investment Earnings	(373)	2
Expenses:		
Interest Expense and Fiscal Charges	4,431	3,677
Change in Net Position	-	-
Net Position - Beginning of Year	-	-
Net Position - Ending of Year	\$ -	\$ -

The increase in interest expense and fiscal charges and lease revenue were mainly due to the full year of interest for the 2020 Bonds for the current year.

D. GOVERNMENTAL FUND FINANCIAL ANALYSIS

The focus of the Authority’s governmental fund is to provide information on the inflows, outflows and balances of spendable resources. Such information is useful in assessing the Authority’s financing requirements.

2020 Civic Center Lease Revenue Bonds Fund

During the year ended June 30, 2022, 2020 Bonds proceeds of \$77,932,492 was disbursed to the City, and the remaining unspent bond proceeds are expected to be disbursed to the City upon request of reimbursement by the City for Civic Center construction.

Management's Discussion and Analysis (Unaudited), Continued
Fiscal Year Ended June 30, 2022

E. LONG-TERM OBLIGATIONS

During the year ended June 30, 2022, the Authority outstanding long-term obligations totaled to \$149,795,495. The decrease was due to scheduled debt service payments. For more information on the Authority's long-term debt, see Note 3 to the basic financial statements.

F. REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Authority's finances and to demonstrate the Authority's accountability for the funds it receives. If you have questions about this report or need additional financial information, contact the Finance Department of the City of Sunnyvale, 650 W. Olive Avenue, Sunnyvale, California 94086.

Government-Wide Financial Statements

SUNNYVALE FINANCING AUTHORITY

Statement of Net Position
June 30, 2022

	Governmental Activities
Assets:	
Current Assets:	
Restricted Cash and Investments Held by City	\$ 5,225,508
Restricted Cash and Investments Held by Fiscal Agent	61,175,541
Interest Receivable	173,890
Lease Interest Receivable	1,263,856
Total Current Assets	<u>67,838,795</u>
Noncurrent Assets:	
Lease Receivable	<u>83,220,556</u>
Total Assets	<u><u>151,059,351</u></u>
Liabilities:	
Current Liabilities:	
Interest Payable	1,263,856
Noncurrent Liabilities:	
Long-Term Debt - Due in More Than One Year	<u>149,795,495</u>
Total Liabilities	<u><u>151,059,351</u></u>
Net Position	<u><u>\$ -</u></u>

See Accompanying Notes to the Basic Financial Statements.

SUNNYVALE FINANCING AUTHORITY

Statement of Activities
Year Ended June 30, 2022

	Governmental Activities
Program Expenses:	
Interest Expense and Fiscal Charges	4,430,366
Program Revenues:	
Charges for Services - Lease Revenue	4,803,213
General Revenues:	
Investment Earnings (Loss)	<u>(372,847)</u>
Change in Net Position	-
Net Position - Beginning of Year	<u> </u>
Net Position - End of Year	<u><u>\$ -</u></u>

See Accompanying Notes to the Basic Financial Statements.

Governmental Fund Financial Statements

The 2020 Civic Center Lease Revenue Fund is used to account for the resources accumulated for the repayment of the principal and interest of the 2020 Civic Center Lease Revenue Bonds.

SUNNYVALE FINANCING AUTHORITY

**Balance Sheet
Governmental Fund
June 30, 2022**

	2020 Civic Center Lease Revenue Bonds
Assets:	
Restricted Cash and Investments Held by City	\$ 5,225,508
Restricted Cash and Investments Held by Fiscal Agent	61,175,541
Interest Receivable	173,890
Lease Receivable	<u>83,220,556</u>
Total Assets	<u>\$ 149,795,495</u>
Deferred Inflows of Resources:	
Lease Revenue to be Collected	<u>\$ 83,220,556</u>
Fund Balance:	
Restricted for Debt Service	<u>66,574,939</u>
Total Deferred Inflows of Resources and Fund Balance	<u>\$ 149,795,495</u>

See Accompanying Notes to the Basic Financial Statements.

SUNNYVALE FINANCING AUTHORITY

**Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2022**

Total Fund Balance of Governmental Fund	\$ 66,574,939
Amounts reported for governmental activities in the statement of net position are different because:	
Lease receivable reported in the funds are not available to pay for current expenditures and are deferred in the fund financial statements.	83,220,556
Long-term debt are not due and payable in the current period and therefore they are not reported in the governmental fund balance sheet.	(149,795,495)
Interest expense accrual does not require the use of current financial resources and therefore are not reported as payable in the fund financials.	(1,263,856)
Lease revenue on interest accrual are not reported as receivable in the fund financials.	1,263,856
Net Position of Governmental Activities	<u><u>\$ -</u></u>

See Accompanying Notes to the Basic Financial Statements.

SUNNYVALE FINANCING AUTHORITY

**Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Fund
Year Ended June 30, 2022**

	2020 Civic Center Lease Revenue Bonds
Revenues:	
Lease Revenue	\$ 5,055,425
Investment Earnings (Loss)	(372,847)
Total Revenues	<u>4,682,578</u>
Expenditures:	
Intergovernmental Disbursements to the City	77,932,492
Debt Service:	
Interest	<u>5,055,425</u>
Total Expenditures	<u>82,987,917</u>
Net Change in Fund Balance	(78,305,339)
Fund Balance - Beginning of Year	<u>144,880,278</u>
Fund Balance - End of Year	<u><u>\$ 66,574,939</u></u>

See Accompanying Notes to the Basic Financial Statements.

SUNNYVALE FINANCING AUTHORITY

***Reconciliation of the Governmental Fund Statement of Revenues, Expenditures,
and Changes in Fund Balance to the Government-Wide Statement of Activities
Year Ended June 30, 2022***

Net Change in Fund Balance of Governmental Fund \$ (78,305,339)

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

Lease revenues and intergovernmental disbursements to the City reported in the fund financials are reported differently in the government-wide financial statements due to difference in revenue recognition and timing of revenues collection and disbursement. 77,680,280

Amortization of bond premium do not require the use of current financial resources and therefore are not reported as expenditures in the fund financials. 625,059

Change in Net Position of Governmental Activities \$ -

See Accompanying Notes to the Basic Financial Statements.

Notes to Basic Financial Statements
Fiscal Year Ended June 30, 2022

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Sunnyvale Financing Authority (Authority), a component unit of the City of Sunnyvale, California (City), have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Authority’s accounting policies are described below.

A. Reporting Entity

The Authority was established on September 29, 1992 by the Joint Exercise of Powers Agreement between the City and the former Redevelopment Agency of the City of Sunnyvale.

The Authority is administered by a Board of Directors consisting of seven persons, each serving in his or her individual capacity as a Director of the Authority. The sitting members of the City Council constitute the Directors of the Authority until such time as they cease to be members of the City Council.

Additionally, the Authority shall have four officers as follows:

- Chairperson – Mayor of the City
- Vice-Chairperson – Vice-Mayor of the City
- Executive Director – City Manager
- Treasurer – Director of Finance

The City Attorney shall serve as General Counsel to the Authority and the City Clerk shall serve as Secretary. In addition to having the same governing board, the City is financially accountable for the Authority and conducts management activities of the Authority. Though legally a separate entity, the Authority is, in substance, a component unit of the City and is blended into the City’s basic financial statements.

The Board of Directors of the Authority is required to hold at least one regular meeting each year.

B. Basis of Accounting and Measurement Focus

The accounts of the Authority are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for in a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Authority resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

Notes to Basic Financial Statements, Continued
Year Ended June 30, 2022

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES, Continued

Government-Wide Financial Statements

The Authority's government-wide financial statements include a statement of net position and a statement of activities. These statements present summaries of governmental activities for the Authority. The Authority has no business-type activities.

The government-wide financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all current and non-current assets and liabilities are included in the statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Revenues for the Authority includes lease revenues received from the City and investment earnings.

Governmental Fund Financial Statements

Governmental fund financial statements include a balance sheet and a statement of revenues, expenditures and changes in fund balance. An accompanying schedule is presented to reconcile and to explain the differences in fund balance as presented in these statements to the net position presented in the government-wide financial statements.

The governmental fund is accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Revenues are recognized as soon as they become 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 Authority considers revenues to be available if they are collected within 60 days of the end of the current period. The primary revenue sources, which have been treated as susceptible to accrual by the Authority, are lease revenues from the City and investment earnings. Expenditures are recorded in the accounting period in which the bond proceeds are disbursed or the related fund liability is liquidated.

For the year ended June 30, 2022, the Authority reported the following major governmental fund for the activities of the outstanding debt:

- The 2020 Civic Center Lease Revenue Bonds Fund is a debt service fund used to account for the resources accumulated for the repayment of the principal and interest of the 2020 Civic Center Lease Revenue Bonds.

Reconciliation of the fund financial statements to the government-wide financial statements is provided to explain their differences.

Notes to Basic Financial Statements, Continued
Fiscal Year Ended June 30, 2022

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES, Continued

C. Restricted Cash and Investments Held by City

Restricted cash and investments held by the City represents unspent bond proceeds deposited into the City's Treasury Pool. The City's Treasury Pool investments are stated at fair value. Additional information regarding credit risk, interest rate risk, custodial credit risk, and concentration of credit risk of the City's Treasury Pool can be found in the notes to the City's basic financial statements.

D. Restricted Cash and Investments Held by Fiscal Agent

Restricted cash and investments held by the fiscal agent include unspent bond proceeds established in accordance with related bond indentures and held in fiscal agent trustee accounts. The Authority's investment options for the funds held by fiscal agent are specified by the trust indenture. The Authority's investments held by fiscal agents are stated at fair value.

E. Net Position and Fund Balance

Restricted net position and fund balance represent external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The Authority's fund balance is restricted for debt service purposes. At June 30, 2022, the Authority's net position was \$0.

F. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. On the governmental funds balance sheet, the unavailable lease revenues from the City corresponding to the lease receivable are recorded as deferred inflows of resources since the balances are not current financial resources.

G. Effects of New Pronouncements

As of July 1, 2021, the Authority implemented GASB Statement No. 87, *Leases*. The objective of this statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Implementation of this statement did not have a significant impact on the Authority's financial statements for the fiscal year ended June 30, 2022.

Notes to Basic Financial Statements, Continued
Fiscal Year Ended June 30, 2022

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES, Continued

H. Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. In addition, estimates affect the reported amount of expenditures and expenses. Actual results could differ from these estimates and assumptions.

NOTE 2 – RESTRICTED CASH AND INVESTMENTS

A summary of the Authority’s restricted cash and investments at June 30, 2022 are shown below.

Investment Type	Credit Rating	Maturity (in years)			Total	Fair Value Hierarchy
		1 Year of Less	1 to 2 Years	2 to 5 Years		
Held by the City:						
Investments in City Treasury's Pool	Not Rated	\$ -	\$ -	\$ 5,225,508	\$ 5,225,508	Exempt
Held by Fiscal Agent:						
U.S. Treasury Securities	Not Required	\$ 51,757,565	\$ -	\$ -	\$ 51,757,565	Level 2
Negotiable CD	Not Rated	5,995,995	-	-	5,995,995	Level 2
Cash Equivalents Mutual Funds	Not Rated	3,421,981	-	-	3,421,981	Exempt
Total held by fiscal agent		\$ 61,175,541	\$ -	\$ -	\$ 61,175,541	

The Authority categorizes its fair value measurements within the fair value hierarchy based on the valuation inputs used to measure the fair value of the asset. The Authority uses brokers to obtain fair value measurements developed in accordance with GASB Statement No. 72. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs include inputs that are directly observable for the investment (including quoted price for similar investments) and inputs that are not directly observable but are derived from observable market data through correlation. Level 3 inputs are significant unobservable inputs.

Notes to Basic Financial Statements, Continued
Fiscal Year Ended June 30, 2022

NOTE 3 - LEASE RECEIVABLE

In accordance with lease agreements between the City and the Authority, debt service is funded with lease payments made by the City to the Authority. The City has covenanted to make payments in amounts corresponding to the Authority's debt service requirements, and to the extent that funds are unspent upon completion of the capital projects, such funds will be used to retire outstanding debt and the lease payments required from the City will be reduced accordingly.

The estimated future lease payments from the City as of June 30, 2022 are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ -	\$ 5,055,425
2024	2,455,000	5,055,425
2025	2,580,000	4,932,675
2026	2,680,000	4,829,475
2027	2,790,000	4,722,275
2028-2032	15,710,000	21,846,175
2033-2037	19,115,000	18,442,175
2038-2042	23,260,000	14,300,575
2043-2047	28,295,000	9,261,175
2048-2052	34,315,000	3,238,625
	<u>131,200,000</u>	<u>\$ 91,684,000</u>
Add: Unamortized Premium	18,595,495	
Less: Unspent bond proceeds and others	(66,574,939)	
Lease Receivable at June 30, 2022	<u>\$ 83,220,556</u>	

NOTE 4 – LONG-TERM DEBT

Below is a summary of long-term debt activities during the fiscal year ended June 30, 2022:

<u>Description</u>	<u>Beginning Balance, July 1, 2021</u>	<u>Bond Premium Amortization</u>	<u>Ending Balance, June 30, 2022</u>
2020 Civic Center			
Lease Revenue Bonds	\$ 131,200,000	\$ -	\$ 131,200,000
Bond Premium	19,220,554	(625,059)	18,595,495
	<u>\$ 150,420,554</u>	<u>\$ (625,059)</u>	<u>\$ 149,795,495</u>

Notes to Basic Financial Statements, Continued
Fiscal Year Ended June 30, 2022**NOTE 4 – LONG-TERM DEBT, Continued****\$131,200,000 2020 Civic Center Lease Revenue Bonds**

Due in original installments of \$2,455,000-\$4,645,000 until April 1, 2040 and term bonds in the amounts of \$26,165,000, \$31,825,000, and \$14,475,000 due on April 1, 2045, 2050, 2052, respectively. The bonds have fixed interest rates 5.0% in 2024 and 4.0% until 2050 and 2.5% thereafter until the final payment in 2052. Repayments, secured by a first pledge and lien on lease revenue, will be made from the lease revenue received by the Authority under a lease agreement dated November 1, 2020 between the Authority, as lessor and the City, as lessee.

The debt service requirements for the bonds at June 30, 2022 were as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 5,055,425	\$ 5,055,425
2024	2,455,000	5,055,425	7,510,425
2025	2,580,000	4,932,675	7,512,675
2026	2,680,000	4,829,475	7,509,475
2027	2,790,000	4,722,275	7,512,275
2028-2032	15,710,000	21,846,175	37,556,175
2033-2037	19,115,000	18,442,175	37,557,175
2038-2042	23,260,000	14,300,575	37,560,575
2043-2047	28,295,000	9,261,175	37,556,175
2048-2052	34,315,000	3,238,625	37,553,625
	<u>\$ 131,200,000</u>	<u>\$ 91,684,000</u>	<u>\$ 222,884,000</u>
Add Unamortized Premium	18,595,495	-	18,595,495
Total	<u>\$ 149,795,495</u>	<u>\$ 91,684,000</u>	<u>\$ 241,479,495</u>

Events of Default and Acceleration Clauses

The Authority is considered to be in default if the Authority fails to pay the principal of and interest on the outstanding long-term debt when become due and payable. If an event of default has occurred and is continuing, the principal of the long-term debt, together with the accrued interest, may be declared due and payable immediately.

For questions regarding this publication or to request additional copies, contact:

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