

CITY OF SOUTH EL MONTE
FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by:
Finance Department

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CITY OF SOUTH EL MONTE
For the Fiscal Year Ended June 30, 2022
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INTRODUCTORY

SECTION

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CITY OF SOUTH EL MONTE

1415 N. SANTA ANITA AVENUE
SOUTH EL MONTE, CALIFORNIA 91733
(626) 579-6540



December 22, 2022

Madam Mayor and
Members of the City Council
City of South El Monte
1415 Santa Anita Avenue
South El Monte, CA 91733

It is with pleasure that we submit to you an Annual Comprehensive Financial Report (ACFR) of the City of South El Monte (the City) for the year ended June 30, 2022. This report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation rests with the City. These financial statements have been designed and presented in a manner that enhances your understanding of the City's financial position and activities.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City of South El Monte's financial statements have been audited by the independent certified public accounting firm of Vasquez & Company LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of South El Monte for the fiscal year ended June 30, 2022 are free of material misstatements. The audit involved examining, on a test basis, the evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and estimates made by management; and evaluating the overall presentation of financial statements. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of South El Monte's financial statements for the fiscal year ended June 30, 2022 are fairly presented in conformity with GAAP.

This report was prepared using Governmental Accounting Standards Board Statement No. 34 (GASB 34). The intent of GASB 34 is to present government accounting and financial reporting in a manner closer to the private sector. GASB requires that management provide a narrative and summary of significant financial results, which is presented in the form of the Management's Discussion and Analysis (MD&A) section. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City of South El Monte's finances and to show the City's accountability for the money it receives. It is our opinion that the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain understanding of the City's financial affairs have been included.

Profile of the City

The City of South El Monte was incorporated on July 30, 1958 as a general law city and operates under a Council/City Manager form of government. It is governed by an elected five-member council. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committee members and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City and for appointing the heads of the various departments.

The City provides a full range of public services including public safety, community development, public works, and community services which includes parks and recreation and senior services. The City contracts for fire and sheriff services through the Los Angeles County. Currently, there are no components required to be reported.

Budgetary Process and Administration - General Fund

The fiscal year of the City begins on the first day of July of each year and ends on the thirtieth day of June the following year. Before June 30 of each year, the City Manager submits to the City Council a proposed budget for the next ensuing fiscal year based on a detailed financial plan prepared by the heads of the various departments of the City. Upon receipt of the proposed budget, the Council may make modifications with the affirmative vote of at least a majority of its members. Before adoption of the budget, the Council holds a public hearing wherein the public is given an opportunity to be heard, after which the Council may make any revisions deemed advisable. On or before June 30, the City Council adopts the budget as amended through a budget resolution passed by the affirmative vote of at least a majority of its members. Upon final adoption, the budget is in effect for the ensuing fiscal year and becomes the authority for the various departments to expend subject to controls established by the City's Policy. At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by affirmative vote of the majority of the Council members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level, subject to the authority granted to the City Manager to transfer appropriations within a fund as necessary to assure adequate and proper standards of service and to achieve the intent of the City Council in providing municipal services for the fiscal year.

Factors Affecting Financial Condition

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

South El Monte, "The City of Achievement" is a vibrant and thriving community, located in the heart of the San Gabriel Valley, just minutes from downtown Los Angeles.

Community

South El Monte was incorporated into a city in 1958 with a population of 3,900, and is now home to approximately 20,000 residents with a daytime population of over 44,000, as workers from various business industries stream into the city limits, every morning. The land uses within its 2.8 square are:

- 54% industrial
- 26% residential
- 6% retail
- 3% office/commercial
- 6% other amenities

South El Monte is a tight knit community, which offers a diverse age of residents with the same dedication and spirit that the City was founded upon. Our community members are the heart of South El Monte and for that reason, the City is always striving to improve the quality of life and provide exceptional services. South El Monte offers various community programs for residents of various ages, such as recreation facilities and parks, youth and senior services, and community special events.

Commercial & Industrial Base

In just six decades, the South El Monte has matured into a viable commercial and industrial base, with over 2,400 businesses due the City having a diverse land use pattern and excellent freeway accessibility to the 10, 60, and 605 freeways which provide ready access to points throughout Southern California. These factors contribute to the desirability of South El Monte as a good location for development.

Long Term Financial Planning

Community Development Department

The City, through its Community Development Department, continues to implement the initiatives of the South El Monte General Plan, which calls for targeted commercial and industrial development in key districts, mixed-use projects along designated corridors and the preservation of the residential neighborhoods. The City actively engages the business community and has provided guidance to facilitate the approval process and the construction of private and public investments.

The Community Development Department consists of the following Divisions with a collaborative goals and objectives, and accomplishments as follows:

Divisions

- Public Safety Center
- Planning Commission
- Community Development
- Building & Safety
- Code Enforcement

Goals and Objectives

- Analyzes land use and development proposals from an environmental, zoning, land use, and design standpoint and provides recommendations to the Planning Commission and the City Council
- Inspects all new construction, additions, and tenant improvements to ensure compliance with all zoning standards and building standards
- Prepares, updates and administers the General Plan
- Provides information and assistance to the public with regards to the City's development review process

Accomplishments

- Updated the State mandated City's Housing Element with the community's input.
- Launched the City's online permitting system, making it easier for residents and businesses to obtain permits.
- Received a \$150,000 grant from Local Early Action Planning (LEAP) to be used for building permit scanning and cloud storage.
- Obtained a \$200,000 Sustainable Communities Program Grant from SCAG to facilitate housing production by completing a comprehensive zoning code update.
- The Horizons Project, construction of 62 homes along Santa Anita Ave is under development. Currently 15 units are under construction.
- Mye Plaza Mixed Use Project gained approval of a 106,137 square foot mixed-use project consisting of 73 residential units and 8 commercial units.
- Century Communities Project, 54 units are completed or pending final inspection. There are another 18 units currently under construction.
- Reviewed fifty pre-application requests ranging from ADA's to remodels, to new construction.
- Installed new decorative street and pedestrian lighting along Santa Anita.
- Issued 1,854 business licenses (new and renewal)
- Issued 309 Building Permits
- Issued 54 Administrative Citations
- Issued 5,876 Parking Citations

Finance Department

The Finance Department manages and maintains the City's financial records in conformity with generally accepted accounting principles and in compliance with Federal, State, County laws.

The Finance Department consists of the following Divisions to assist the overall goals and objectives of the City, and accomplishments as follows:

Divisions

- Budgeting
- Financial Reporting
- Accounts Receivable
- Accounts Payable
- Payroll
- Grant Management

Goals and Objectives

Assist all departments and divisions of the City with its budgeting, financials reporting, grant management, and compliance filings.

Ensure the City remains compliant with city-wide federal, state, or county legal and contractual compliance filings.

Recommend, adhere, and enforce officially adopted financial policies and procedures of the City.

Recommend, setup, implement, and monitor financial reporting and accounting practices to adhere to industry standards, such as Generally Accepted Accounting Principles and best practices issued by the Government Finance Officers Association and League of California Cities.

Accomplishments

- Continued to refine the City's five years financial forecast to keep management abreast of where the organization is financially headed.
- Obtained an overall low financial risk rating by the State Auditor, which is the best score that can be achieved.
- Obtained a clean audit opinion on the 6/30/21 City financial audit.
- Obtained a clean audit opinion on the 6/30/21 MTA audit.
- Resolved outstanding Successor Agency compliance reporting issues with the California State Department of Finance and Los Angeles County Auditor-Controller.
- Implemented a new Enterprise Resource Planning system, Incode, by Tyler Technologies in 9 months.
- Completed the Coronavirus Relief Fund compliance filing.
- Completed the American Rescue Plan Act compliance filing.
- Filed the 6/30/21 State Controller's report month-and-half before its due date in December 2021.
- Filed the 6/30/21 State Streets Report in December 2021 before the filing deadline.
- Continued to create avenues to improve the overall financial future of the City by:
 - Completed the setup of an OPEB Trust and funding of its unfunded liability of \$1.9 million.
 - Continued to refine the City's cost and fee study to ensure proper charges for services.
 - Developed a long-term strategy to issue debt at a lower interest rate to pay off the CalPERS unfunded pension liability.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement in Financial Reporting to cities who apply and qualify to meet the standards of this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements and is reviewed by a panel of experts to qualify. Although a Certificate of Achievement is valid for a period of one year, we believe our current annual comprehensive financial report meets the standards required and we are submitting it to the GFOA to determine its eligibility for the first time in the City's financial reporting history.

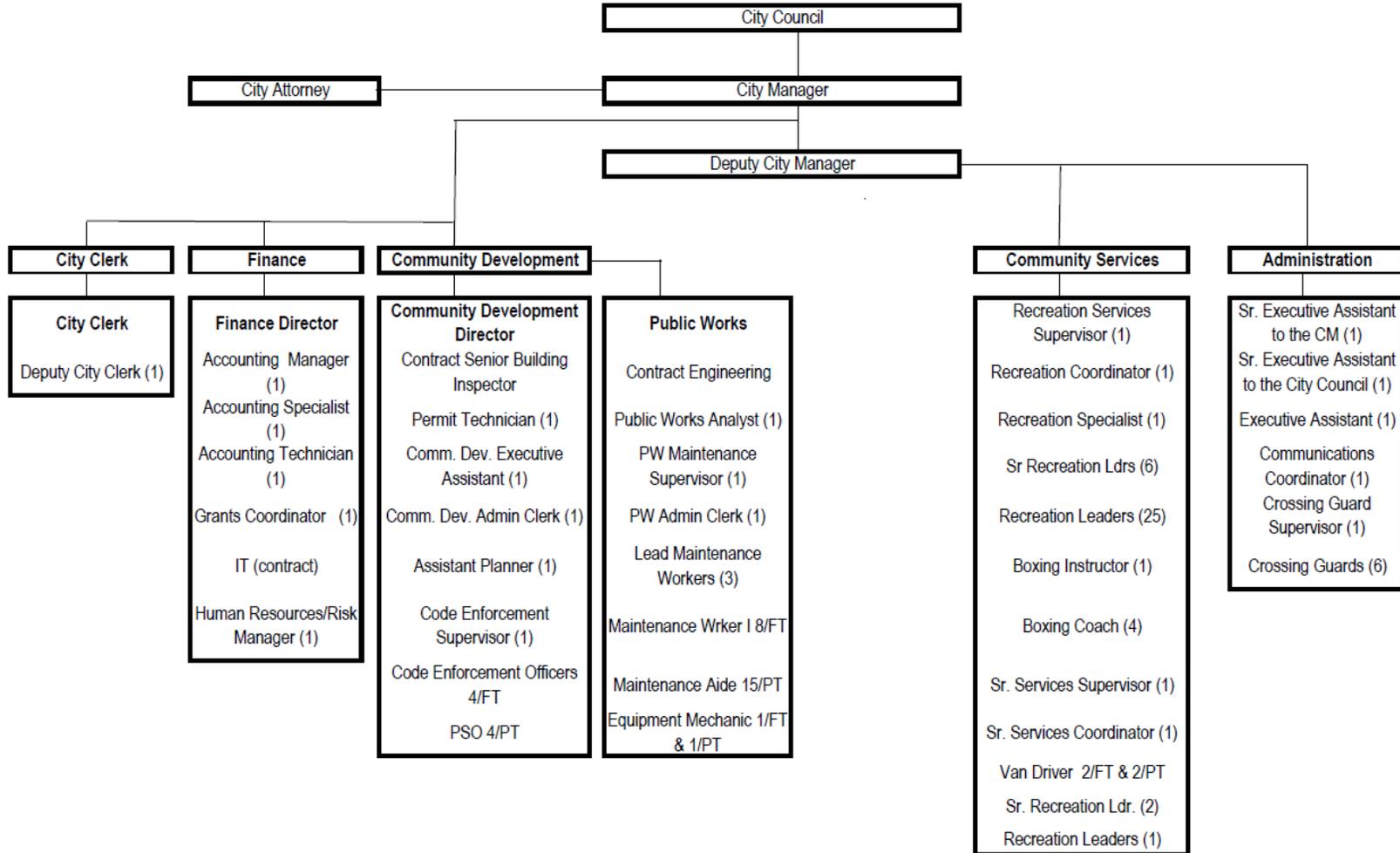
The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the Finance Department of the City of El South Monte. I thank the City's independent auditors, Vasquez & Company LLP, for their technical assistance. I wish to express my appreciation to the numerous City employees who assisted in gathering information for the preparation of this report. Finally, I thank the Mayor, members of the City Council, and Department Directors for their support and leadership in managing the financial matters of the City.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R Salas". The signature is fluid and cursive, with the first letter "R" being particularly large and stylized.

Rene Salas, Interim City Manager

**CITY OF SOUTH EL MONTE
ORGANIZATIONAL CHART FY 2021-2022**



**CITY OF SOUTH EL MONTE
DIRECTORY OF
CITY OFFICIALS
FISCAL YEAR 2021-2022**

CITY COUNCIL

Gloria Olmos
Mayor

Richard Angel
Mayor Pro Tem

Manuel Acosta
Councilmember

Gracie Retamoza
Councilmember

Hector Delgado
Councilmember

MANAGEMENT TEAM

Rachel Barbosa
City Manager

Anthony Taylor
City Attorney

Rene Salas
Deputy City Manager

Colby Cataldi
Community Development Director

Donna Schwartz
City Clerk

William Fox
Interim Finance Director



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MANILA, PH

Independent Auditor's Report

**The Honorable Mayor and Members of the City Council
City of South El Monte, California**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of South El Monte, California (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical 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 City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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 and *Government Auditing Standards*, we:

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

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



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 13 and the required supplementary information on pages 57 through 63 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report December 22, 2022 on our consideration of the City of South El Monte'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.

Vasquez & Company LLP

**Glendale, California
December 22, 2022**

MANAGEMENT'S DISCUSSION

AND ANALYSIS (UNAUDITED)

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As management of the City of South El Monte (“the City”), we offer readers of the financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2022.

OVERVIEW OF BASIC FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: (i) government-wide financial statements, (ii) fund financial statements, and (iii) notes to the basic financial statements. This report also contains *Required Supplementary Information* and *Supplementary information* in addition to the basic financial statements themselves.

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. 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).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes (*governmental activities*). The governmental activities of the City include general government, public safety, public works/utilities, community development, community service programs, and interest on long-term debt.

The government-wide financial statements only consist of the City of South El Monte (known as the primary government), and do not include any blended component units. Fiduciary funds are not presented in the government-wide financial statements as the resources are not available to support City programs.

The government-wide financial statements can be found on pages 14-15 of this report.

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 of the funds of the City are divided into two categories: governmental 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 financing 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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the governmental funds (see page 78-106).

The basic governmental funds financial statements can be found on pages 16 through 19 of this report.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support City programs. The fiduciary fund consists of an agency fund which is custodial in nature and does not present results of operations or a measurement focus.

The basic fiduciary funds financial statements can be found on pages 20-21 of this report.

Notes to the basic financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 22 of this report.

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 are presented immediately following the notes to the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

City's Net Position

The table below summarizes the City's net position as of June 30, 2022 and June 30, 2021. The details of the current year's summary can be found on page 14 of this report.

	Governmental Activities		
	2022	2021	Net Change
ASSETS AND DEFERRED OUFLOWS			
Current and other assets	\$ 33,800,669	\$ 23,741,410	\$ 10,059,259
Capital asset	17,830,481	17,163,786	666,695
Deferred outflows	3,865,928	2,048,140	1,817,788
Total Assets and Deferred Outflows	55,497,078	42,953,336	12,543,742
LIABILITIES AND DEFERRED INFLOWS			
Current liabilities	2,269,816	1,434,107	835,709
Long-term liabilities	9,073,557	12,962,629	(3,889,072)
Deferred inflows	6,519,230	648,218	5,871,012
Total Liabilities and Deferred Inflows	17,862,603	15,044,954	2,817,649
NET POSITION			
Net investment in capital assets	15,977,775	15,288,354	689,421
Restricted	21,420,259	16,729,055	4,691,204
Unrestricted	236,441	(4,109,027)	4,345,468
Total Net Position	\$ 37,634,475	\$ 27,908,382	\$ 9,726,093

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$37,634,475 (net position).

The category of the City's net position with the largest balance totaling \$21,420,259 (56.9%) represents the city's restricted assets, which are restricted for specific purposes.

The second largest category of net position, totaling \$15,977,775 (42.5%) represents resources that are invested in capital assets, net of accumulated depreciation.

The last remaining category of net position, totaling \$236,441 (0.6%) represents unrestricted net position.

Governmental activities, net position:

- Current and other assets increased by \$10,059,259 from the prior year mainly due to increase in cash and investments.
- Capital assets increased by \$666,695 from the prior year due to an increase in construction in progress of \$910,192 and increase in capital assets being depreciated and amortized of \$1,359,090 offset by depreciation and amortization of \$1,602,587.
- Deferred outflows increased by \$1,817,788 from the prior year mainly due to contributions made to the OPEB Plan subsequent to measurement date.
- Current liabilities increased by \$835,709 from the prior year mainly due to an increase in accounts payable.
- Long-term liabilities decreased by \$3,889,072 from the prior year mainly due to a decrease in net pension liability of \$3,126,028 and a decrease in net OPEB liability of \$736,108.
- Deferred inflows increased by \$5,871,012 from the prior year mainly due to change in actuarial assumptions, difference between actual and proportionate share of contributions, and differences between actual and projected investment gains/losses.
- Net investment in capital assets increased by \$689,421 due to the increase in capital assets less the liabilities attributable to the capital assets.
- Restricted net position increased by \$4,691,204 mainly due to an accumulation of restricted assets within the City's special revenue funds.
- The unrestricted net position increased by \$4,345,468 from the prior year mainly due to the current year's change in net position of \$9,726,093 offset by the increase in restricted net position of \$4,691,204 and increase in net investment in capital asset of \$689,421.

City of South El Monte
Management's Discussion and Analysis (Unaudited)
June 30, 2022

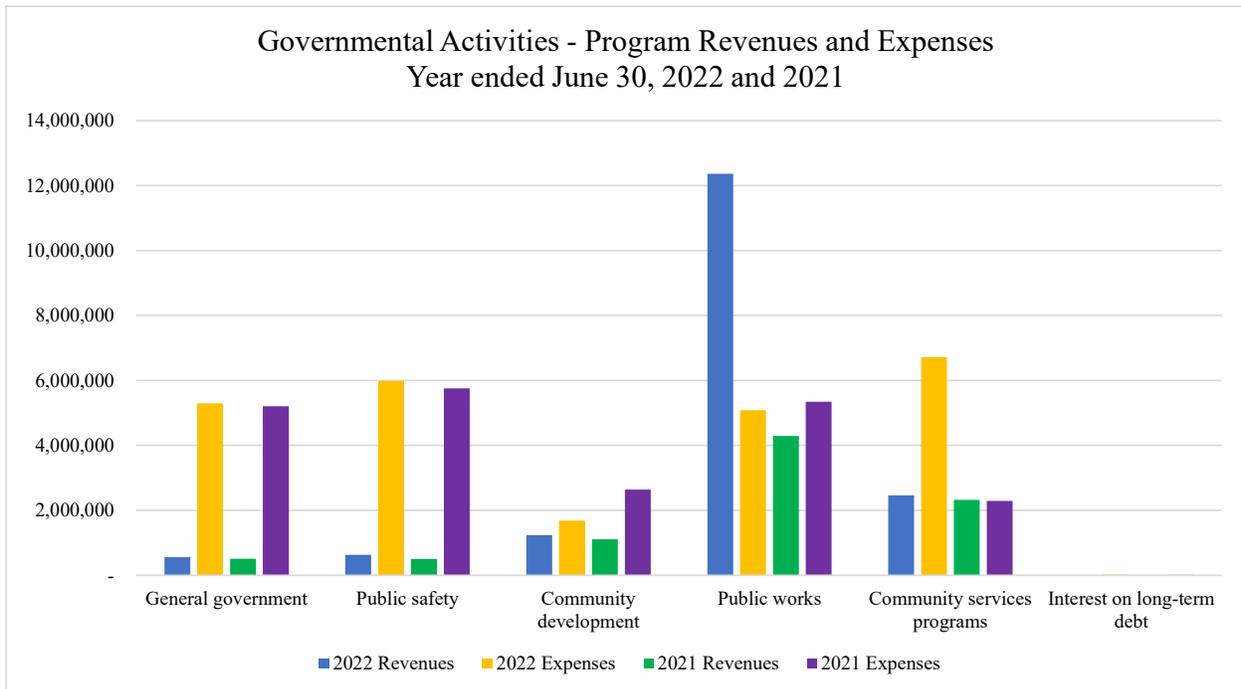
Changes in Net Position

The table below summarizes the City's changes in net position between the current and prior fiscal year. The details of the current year's changes in net position can be found on page 15 of this report.

	Governmental Activities		
	2022	2021	Net Change
REVENUES			
Program revenues			
Charges for services	\$ 2,548,948	\$ 2,615,908	\$ (66,960)
Operating grants and contributions	6,173,417	2,893,662	3,279,755
Capital grants and contributions	8,551,022	3,237,224	5,313,798
General revenues			
Property taxes	2,632,023	1,114,424	1,517,599
Other taxes	14,202,596	12,583,075	1,619,521
Investment income	21,643	46,753	(25,110)
Other	398,825	226,633	172,192
Total Revenues	34,528,474	22,717,679	11,810,795
EXPENSES			
Program activities			
General government	\$ 5,295,530	\$ 5,209,417	\$ 86,113
Public safety	5,990,345	5,761,462	228,883
Community development	1,686,933	2,644,505	(957,572)
Public works	5,084,936	5,348,358	(263,422)
Community services programs	6,720,210	2,294,313	4,425,897
Interest on long-term debt	24,427	20,119	4,308
Total Expenses	24,802,381	21,278,174	3,524,207
Change in Net Position	9,726,093	1,439,505	8,286,588
Net Position - Beginning	27,908,382	26,468,877	1,439,505
Net Position - Ending	\$ 37,634,475	\$ 27,908,382	\$ 9,726,093

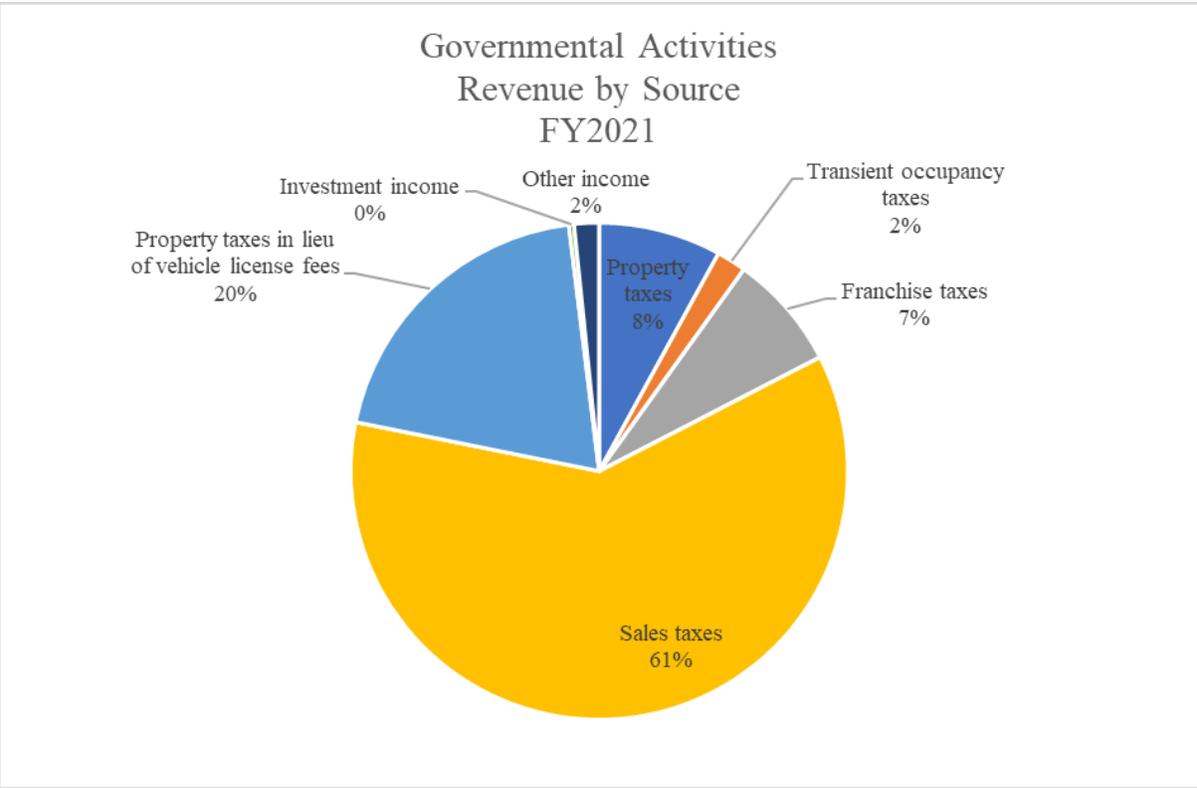
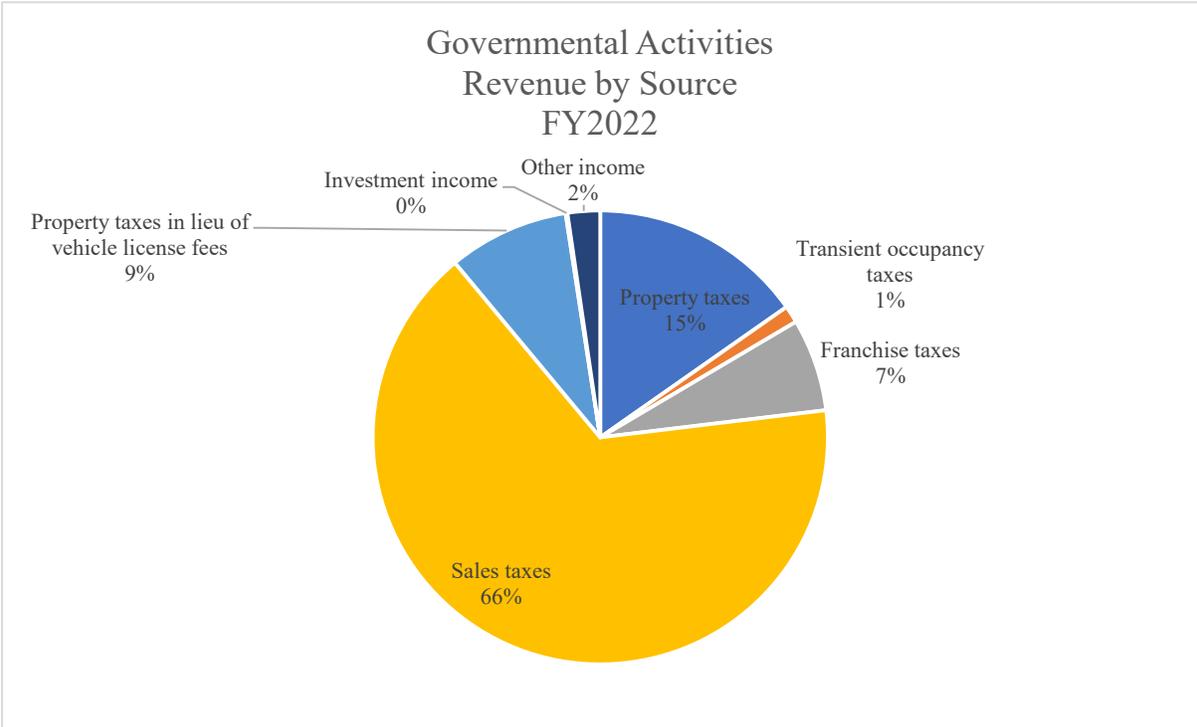
Governmental activities, changes in net position:

Governmental activities’ net position increased by \$9,726,093 for the City. The increase in governmental activities is higher by \$8,286,588 as compared to the prior year’s increase in the City’s net position of \$1,439,505.



Governmental activities consist of the following departments and divisions:

- | <u>(1) General Government</u> | <u>(2) Public Safety</u> | <u>(3) Community Development</u> | <u>(4) Public Works</u> | <u>(5) Community Service</u> |
|-------------------------------|--------------------------|----------------------------------|------------------------------|----------------------------------|
| a. City Council | a. Public Safety Center | a. Administration | a. Administration | a. Community Services Commission |
| b. City Administration | b. Law Enforcement | b. Planning Commission | b. City Engineering | b. Patriotic Commission |
| c. City Attorney | c. School Safety | c. Community Development | c. Environmental Engineering | c. Emergency Preparedness |
| d. Community Promotion | | d. Building and Safety | d. Waste Management | d. Senior Services |
| e. Human Resources | | e. Animal Control | e. Emergency Services | e. Extended Day-Care Services |
| f. Risk Management | | f. Code Enforcement | f. City Hall | f. Parks and Recreation |
| g. City Clerk | | | g. Maintenance Yard | g. Youth Sports |
| h. Elections | | | h. General Utilities | h. Boxing |
| i. Accounting | | | i. Facility Maintenance | i. Special Events |
| j. Business License | | | j. Landscape Maintenance | j. Fourth of July |
| k. Information Technology | | | k. Street Maintenance | k. Concerts in the Park |
| l. Public Services | | | l. Vehicle Maintenance | l. Christmas Wish |
| | | | m. Street Lighting | m. Community Center |
| | | | | n. Senior Center |
| | | | | o. Mini-Center |
| | | | | p. Aquatics |
| | | | | q. New Temple Park |
| | | | | r. Shively Park |
| | | | | s. Mary Dan Dyke Park |



FINANCIAL ANALYSIS OF THE GOVERNMENTAL 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 useful in assessing the City's financing requirements. In particular, the nonspendable, restricted, committed, assigned, and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the City's governmental funds reported a combined ending fund balance of \$31,361,528 (see page 16), an increase of \$9,054,225 from the prior year. Approximately 68.3% of the total fund balance amount, \$21,420,259, constitutes restricted fund balance, which are amounts that can be spent only for specific purposes stipulated by external resource providers. Approximately 0.5% of the total fund balance amount, \$157,994, constitutes nonspendable fund balance, which are amounts that are not in a spendable form or are required to be maintained intact, constitutionally, or through enabling legislation. The remainder of the fund balance amount, \$9,783,275, or 31.2% is an unassigned fund balance to indicate that it is the residual classification that is not contained in the other classifications.

The General Fund is the operating fund of the City. At the end of the current fiscal year, the total fund balance was \$9,941,269 (see page 16). At the end of the current fiscal year, the total fund balance of the General Fund represents 56.1% of the total expenditures of the General Fund for the year.

GENERAL FUND AND BUDGETARY HIGHLIGHTS

For the current year, the General Fund's total positive variance between the final budgeted amounts and the actual amount of change in fund balance was \$2,633,838. The key reason for this variance was due to higher actual revenues than projected of \$3,721,093.

For the current year, the General Fund's total positive variance between the final budgeted estimated revenues and actual revenues was \$3,721,093. The key reasons for this variance were due to higher actual revenues over estimated revenues of \$2,928,406 in taxes and \$248,039 in licenses and permits and \$568,209 in intergovernmental revenues.

For the current year, the General Fund's total positive variance between the final budgeted amount and the actual amount for expenditures was \$51,662.

For the current year, the General Fund's total negative variance between the final budgeted amounts and the actual amount for other financing sources was (\$1,138,917) due to the unrealized budgeted transfers in of \$1,229,397.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

The City's investment in capital assets for its governmental activities as of June 30, 2022, amounts to \$17,830,481 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, building, improvements, machinery and equipment, leased equipment, and infrastructure such as roads. The total increase in the City's investment in capital assets for the current fiscal year was \$666,695 from the prior year due to an increase in construction in progress of \$910,192 and increase in capital assets being depreciated of \$1,359,090 offset by depreciation and amortization of \$1,602,587.

There were no significant construction commitments outstanding as of June 30, 2022.

Additional information on the City's capital assets can be found in Note 7 on pages 36-37 of this report.

Outstanding debt

As of June 30, 2022, the City had no major debt outstanding. Additional information on the City's long-term debt can be found in Note 8 on pages 37-38 of this report.

ECONOMIC FACTORS AND NEW YEAR'S BUDGET AND RATES

The following factors were considered in preparing the City's budget for the 2022 fiscal year:

The City serves a diverse industrial, commercial, and residential customer base. At June 30, 2022, the average unemployment rate of the City was 10.5%, which was higher than the State's average of 8.0%, and higher than the national average of 5.9%.

Inflationary trends in the region compare unfavorably to national indices.

The occupancy rate of the City for fiscal 2022 was estimated to be 95.6%.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department, 1415 Santa Anita Avenue, South El Monte, CA 91733.

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BASIC FINANCIAL --- STATEMENTS

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City of South El Monte
Statement of Net Position
June 30, 2022

	Governmental Activities
ASSETS:	
Cash and investments	\$ 23,804,893
Restricted cash and investments	1,928,082
Receivables:	
Accounts	99,403
Taxes	4,975,013
Intergovernmental	698,683
Loans	2,136,601
Leases	99,316
Prepaid costs	58,678
Capital assets:	
Non-depreciable assets	5,547,040
Depreciable assets, net of accumulated depreciation	12,191,605
Right to use leased assets, net of accumulated amortization	91,836
TOTAL ASSETS	51,631,150
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred amounts on OPEB plan	2,142,173
Deferred amounts on pension plans	1,723,755
TOTAL DEFERRED OUTFLOWS OF RESOURCES	3,865,928
LIABILITIES:	
Accounts payable and accrued expenses	2,269,816
Long-term liabilities:	
Due within one year	225,035
Due in more than one year	1,924,882
Net OPEB liability	1,191,974
Net pension liability	5,731,666
TOTAL LIABILITIES	11,343,373
DEFERRED INFLOWS OF RESOURCES:	
Deferred amounts on leases	98,310
Deferred amounts on OPEB plan	1,017,053
Deferred amounts on pension plans	5,403,867
TOTAL DEFERRED INFLOWS OF RESOURCES	6,519,230
NET POSITION:	
Net investment in capital assets	15,977,775
Restricted	21,420,259
Unrestricted	236,441
TOTAL NET POSITION	\$ 37,634,475

See accompanying notes to the basic financial statements.

City of South El Monte
Statement of Activities
Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 5,295,530	\$ 559,675	\$ -	\$ -	\$ (4,735,855)
Public safety	5,990,345	188,619	448,747	-	(5,352,979)
Community development	1,686,933	162,106	789,216	291,428	(444,183)
Public works	5,084,936	-	4,180,377	8,188,579	7,284,020
Community services programs	6,720,210	1,638,548	755,077	71,015	(4,255,570)
Interest on long-term debt	24,427	-	-	-	(24,427)
Total governmental activities	\$ 24,802,381	\$ 2,548,948	\$ 6,173,417	\$ 8,551,022	(7,528,994)
General revenues:					
Taxes:					
					2,632,023
					212,705
					1,138,428
					11,369,696
					1,481,767
					21,643
					398,825
					<u>17,255,087</u>
					9,726,093
					<u>27,908,382</u>
					<u>\$ 37,634,475</u>

See accompanying notes to the basic financial statements.

**City of South El Monte
Balance Sheet
Governmental Funds
June 30, 2022**

	Special Revenue Fund					Total Governmental Funds
	General Fund	Grants Fund	Safe Clean Water Program Fund	Housing Successor Fund	Nonmajor Governmental Funds	
ASSETS						
Cash and investments	\$ 23,799,864	\$ -	\$ -	\$ -	\$ 5,029	\$ 23,804,893
Restricted cash and investments	1,928,082	-	-	-	-	1,928,082
Receivables:						
Accounts	-	-	-	99,403	-	99,403
Taxes	4,975,013	-	-	-	-	4,975,013
Intergovernmental	400,050	71,015	-	-	227,618	698,683
Loans	-	-	-	211,270	1,925,331	2,136,601
Leases	99,316	-	-	-	-	99,316
Advances to other funds	-	4,175,186	4,293,214	128,182	11,819,031	20,415,613
Prepays	58,678	-	-	-	-	58,678
TOTAL ASSETS	\$ 31,261,003	\$ 4,246,201	\$ 4,293,214	\$ 438,855	\$ 13,977,009	\$ 54,216,282
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ 2,209,376	\$ 14,856	\$ -	\$ -	\$ 45,584	\$ 2,269,816
Advances from other funds	19,012,048	-	-	-	1,403,565	20,415,613
TOTAL LIABILITIES	21,221,424	14,856	-	-	1,449,149	22,685,429
DEFERRED INFLOWS OF RESOURCES:						
Leases	98,310	-	-	-	-	\$ 98,310
Unavailable revenue	-	71,015	-	-	-	71,015
TOTAL DEFERRED INFLOWS OF RESOURCES	98,310	71,015	-	-	-	169,325
FUND BALANCES:						
Nonspendable	157,994	-	-	-	-	157,994
Restricted	-	4,160,330	4,293,214	438,855	12,527,860	21,420,259
Unassigned	9,783,275	-	-	-	-	9,783,275
TOTAL FUND BALANCES	9,941,269	4,160,330	4,293,214	438,855	12,527,860	31,361,528
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 31,261,003	\$ 4,246,201	\$ 4,293,214	\$ 438,855	\$ 13,977,009	\$ 54,216,282

See accompanying notes to the basic financial statements.

City of South El Monte
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022

Fund balances for governmental funds		\$ 31,361,528
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental fund financial statements.		
Capital assets not being depreciated	\$ 5,547,040	
Capital assets being depreciated	38,793,898	
Accumulated depreciation	<u>(26,602,293)</u>	17,738,645
Right to use leased assets used in governmental activities are not current financial resources and therefore are not reported in the governmental fund financial statements.		
Right to use assets at historical cost	125,555	
Accumulated amortization	<u>(33,719)</u>	91,836
Certain revenues in the governmental funds are unavailable if they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements.		
		71,015
Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and therefore are not reported in the governmental fund financial statements. Long-term liabilities consist of the following:		
Compensated absences	(297,211)	
Lease liabilities	(93,768)	
ERCDC Loan payable	<u>(1,758,938)</u>	(2,149,917)
Pension related debt applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the Statement of Net Position as the changes in these amounts effects only the government-wide statements for governmental activities.		
Deferred outflows of resources	1,723,755	
Deferred inflows of resources	(5,403,867)	
Net pension liability	<u>(5,731,666)</u>	(9,411,778)
Other postemployment benefit (OPEB) debt applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to OPEB are only reported in the Statement of Net Position as the changes in these amounts effects only the government-wide statements for governmental activities.		
Deferred outflows of resources	2,142,173	
Deferred inflows of resources	(1,017,053)	
Net OPEB liability	<u>(1,191,974)</u>	<u>(66,854)</u>
Net position of governmental activities		<u><u>\$ 37,634,475</u></u>

See accompanying notes to the basic financial statements.

City of South El Monte
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2022

	General Fund	Special Revenue Fund			Nonmajor Governmental Funds	Total Governmental Funds
		Grants Fund	Safe Clean Water Program Fund	Housing Successor Fund		
REVENUES:						
Taxes	\$ 16,833,439	\$ -	\$ -	\$ -	\$ 1,180	\$ 16,834,619
Licenses and permits	1,947,939	-	-	-	-	1,947,939
Fines and forfeitures	184,977	-	-	-	-	184,977
Use of money and property	60,455	2,622	3,421	172	15,428	82,098
Charges for services	249,912	-	-	-	71,902	321,814
Special assessments	-	-	-	-	392,343	392,343
Intergovernmental	998,209	5,093,740	3,644,912	-	4,557,983	14,294,844
Other revenues	68,127	-	-	70,423	260,275	398,825
TOTAL REVENUES	20,343,058	5,096,362	3,648,333	70,595	5,299,111	34,457,459
EXPENDITURES:						
Current:						
General government	5,126,476	-	-	-	3,000	5,129,476
Public safety	5,965,610	-	-	-	-	5,965,610
Community development	1,499,138	-	-	-	165,416	1,664,554
Public works/utilities	3,038,830	229,863	82,652	-	797,049	4,148,394
Community services programs	1,596,810	-	-	3,633,333	948,622	6,178,765
Capital outlay	314,711	165,528	-	-	1,663,488	2,143,727
Debt service:						
Principal	148,281	-	-	-	-	148,281
Interest	19,364	-	-	-	5,063	24,427
TOTAL EXPENDITURES	17,709,220	395,391	82,652	3,633,333	3,582,638	25,403,234
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,633,838	4,700,971	3,565,681	(3,562,738)	1,716,473	9,054,225
NET CHANGE IN FUND BALANCE:	2,633,838	4,700,971	3,565,681	(3,562,738)	1,716,473	9,054,225
FUND BALANCES - BEGINNING OF YEAR	7,307,431	(540,641)	727,533	4,001,593	10,811,387	22,307,303
FUND BALANCES - END OF YEAR	\$ 9,941,269	\$ 4,160,330	\$ 4,293,214	\$ 438,855	\$ 12,527,860	\$ 31,361,528

See accompanying notes to the basic financial statements.

City of South El Monte
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
Year Ended June 30, 2022

Net change in fund balances - total governmental funds \$ 9,054,225

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets are allocated over their estimated useful lives as a depreciation or amortization expense, or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. The activity is reconciled as follows:

Cost of assets capitalized	\$ 2,143,727	
Right to use assets capitalized	125,555	
Amortization expense	(33,719)	
Depreciation expense	<u>(1,568,868)</u>	666,695

Certain revenues in the governmental funds are unavailable if they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements. 71,015

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. These amounts are the net effect of these differences in the treatment of long-term debt and related items.

Principal payment on long-term debt	148,281	
Lease liabilities	<u>(125,555)</u>	22,726

Pension expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, pension expense includes the change in the net pension liability, and related changes in pension amounts for deferred outflows of resources and deferred inflows of resources. (1,919,718)

OPEB expense reported in the governmental funds includes the premiums paid. In the Statement of Activities, OPEB expense includes the change in the net OPEB liability, and related change in OPEB amounts for deferred outflows of resources and deferred inflows of resources 1,826,940

Some expenses reported in the Statement of Activities utilize current financial resources but are not expensed in the Statement of Activities until due. 4,210

Compensated absences		<u>4,210</u>
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Change in net position of governmental activities \$ 9,726,093

City of South El Monte
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Successor Agency Private-purpose Trust Fund
ASSETS:	
Cash and investments	\$ 659,161
Cash and investments with fiscal agents	3,772,089
	4,431,250
LIABILITIES:	
Accounts payable and accrued liabilities	400,058
Interest payable	351,642
Bonds payable	
Due within one year	1,310,575
Due in more than one year	21,926,215
	23,988,490
NET POSITION:	
Net position held in trust for Successor Agency	\$ (19,557,240)

See accompanying notes to the basic financial statements.

City of South El Monte
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2022

	Successor Agency Private-purpose Trust Fund
ADDITIONS:	
Property tax revenue	\$ 2,065,987
Interest income	399
TOTAL ADDITIONS	2,066,386
DEDUCTIONS:	
Administrative expenses	212,229
Interest expense	856,038
TOTAL DEDUCTIONS	1,068,267
CHANGE IN NET POSITION	998,119
NET POSITION - BEGINNING OF YEAR	(20,555,359)
NET POSITION - END OF YEAR	\$ (19,557,240)

See accompanying notes to the basic financial statements.

NOTES TO THE BASIC

FINANCIAL STATEMENTS

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of South El Monte conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting principles.

A) Reporting Entity

The reporting entity “City of South El Monte” includes all the accounts of the City. The City was incorporated on July 30, 1958 as a general law city and operates under a Council/Manager form of government.

Currently, there are no component units required to be reported.

B) Basis of Presentation

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following are the types of funds used:

Governmental Fund Types:

- General Fund - Used to account for all financial resources except those required to be accounted for in another fund.
- Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are restricted by law or administrative action for specified purposes.
- Capital Projects Funds - Used to account for financial resources used for the construction of specific capital projects.

Fiduciary Fund Types:

- Private-purpose Trust Fund - Used to account for the wind-down of the former South El Monte Business Improvement District.

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The City’s government-wide financial statements include a Statement of Net Position and a Statement of Activities including changes in net position. These statements present summaries of Governmental Activities for the City and include all non-fiduciary activities of the City. The City has no business-type activities.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Government-Wide Financial Statements (Continued)

These statements are presented on an *economic resources measurement focus* and the *accrual basis of accounting*. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. *Accrual basis of accounting* refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of the related cash flows.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. The types of transactions reported as program revenues for the City are reported in three categories:

- 1) Charges for services
- 2) Operating grants and contributions
- 3) Capital grants and contributions.

Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Operating grants and contributions include revenues restricted to meeting the requirements of a particular operating function and may include state-shared revenues and grants. Capital grants and contributions include revenues restricted to meeting the requirements of a particular capital function and may include grants and developer fees. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenses. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Certain eliminations have been made to interfund transfers, payables, and receivables. All internal balances in the government-wide statements have been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and aggregated non-major funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the Government-Wide Financial Statements. The City has presented all major funds that met the qualifications of GASB Statement No. 34.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C) Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Governmental Fund Financial Statements (Continued)

All governmental funds are accounted for on a spending or *current financial resources measurement focus* and the *modified accrual basis of accounting*. Accordingly, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on the balance sheets. The reported fund balance is considered to be a measure of “available spendable resources.” The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both *measurable* and *available*. *Measurable* means that the amount of the transaction can be determined and *available* means that the amounts were collected during the current period or soon enough thereafter to finance expenditures of the current period. Accrued revenues include property taxes received within 60 days after year-end, taxpayer assessed taxes, and earnings on investments. The City considers sales tax revenues to be "available" when received within 60 days after year-end. Grant funds earned but not received are recorded as a receivable, and grant funds received before the revenue recognition criteria have been met are reported as unearned revenues. 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Fiduciary Funds

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary private-purpose trust fund is accounted for using the economic resources measurement focus and accrual basis of accounting. The private-purpose trust fund accounts for the assets held by the City for the Successor Agency to the South El Monte Business Improvement District. These funds are not available for use by the City. As such, fiduciary funds are not included in the governmental-wide statements.

D) Fund Classifications

The City reports the following major governmental funds:

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

The *Grants Fund* is used to account for unusual and infrequent grant reimbursement activities not tracked in any other special revenue funds.

The *Safe Clean Water Program Fund* is used to record the activities funded by the Los Angeles County Measure W for safe clean water programs.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Fund Classifications (Continued)

The *Housing Successor Special Revenue Fund* is used to account for the housing activities of the former Community Development Commission of the South El Monte Business Improvement District. Funding sources consist primarily of loan repayments and corresponding interest that are used to increase, improve, and preserve the community's supply of low and moderate income housing.

E) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements

During the fiscal year ended June 30, 2022, the City 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. The implementation of this new accounting standards resulted in recognition of lease receivable and deferred inflows of resources and lease payable and right to use lease asset in the City's June 30, 2022 financial statements. See also Notes 6 and 7.

F) Property Taxes

Under California law, property taxes are assessed and collected by the counties up to 1 percent of assessed value, plus other increases approved by the voters. The property taxes go into a pool and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes, which are received from the county within 60 days after year-end.

Lien Date:	January 1
Due Date:	November 1 and February 1
Delinquent Date:	December 10 and April 10

G) Cash and Investments

Investments are reported in the accompanying basic financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Investments in external pools are valued based on the stated fair value represented by the external pool. Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments. The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H) Capital Assets

Capital assets, which include land, machinery and equipment (vehicles, computers, etc.), buildings and improvements, and infrastructure assets (street systems, storm drains, etc.), are reported in the government-wide financial statements. Land assets are capitalized without regard to cost, and not depreciated. Infrastructure is capitalized if it has a life expectancy of seven years (7) or greater and has a designated value exceeding \$100,000. Assets other than land or infrastructure is capitalized if the asset has a useful life of two (2) years or more and a designated value exceeding \$5,000. Capital assets are recorded at historical cost if purchased or constructed. Donated capital assets received prior to the implementation of GASB Statement No. 72 were recorded at fair value on the date of donation. Donated capital assets are recorded at acquisition value as of the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is recorded in the government-wide financial statements on a straight-line basis over the useful lives of the assets as follows:

Buildings and improvements	15 to 50 years
Vehicles, machinery and equipment	3 to 10 years
Infrastructure:	
Roadway networks	10 to 100 years
Storm drain network	30 to 100 years
Parks and recreation network	25 years

GASB Statement No. 34 requires the City to report and depreciate new infrastructure assets effective with the year of implementation (2002-2003). Infrastructure assets include roads, bridges, sidewalks, park improvements, traffic signals, etc. The retroactive reporting of infrastructure (assets acquired prior to July 1, 2002) is optional for Phase III Governments. The City is a Phase III Government and has elected not to retroactively report infrastructure. Infrastructure is reported on a prospective basis from the year of implementation.

I) Employee Compensated Absences

City employees accumulate vacation hours, which may be paid upon termination, death or retirement. Employees may accrue up to 320 hours of vacation leave to be carried from year to year. Employees can accumulate unlimited hours of sick leave. Upon termination, death or retirement, all employees with at least one full year of employment are compensated a designated percentage of unused sick leave based on their length of service with the City. The amount of compensated absences not expected to be paid from current available resources is accounted for as long-term liabilities within the Statement of Net Position.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J) Claims and Judgments

The City's self-insurance program is administered through the California Joint Powers Insurance Authority (CJPIA), which is described in Note 12. The CJPIA is a public entity risk pool. Claim losses recorded in the CJPIA include both current claims and incurred but not reported claims (IBNR).

Deposits to the CJPIA are recorded by the City as insurance expenditures in the General Fund when paid. Favorable claims experience results in a refund of deposits from the CJPIA and such refunds, if any, are recorded as a reduction of insurance expenditures in the year received. Adverse claims experience result in the payment of additional deposits and such deposits, if any, are recorded as insurance expenditures when paid.

K) Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenditure) until then. The City has the following items that qualify for reporting in this category:

- Deferred outflows related to pension and OPEB plans equal to employer contributions made after the measurement date of the net pension liability and total OPEB liability, respectively.
- Deferred outflows related to pension plan for the changes in the employer's proportion. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension through the plan.
- Deferred outflows related to OPEB plan resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with OPEB through the plan.
- Deferred outflows related to pension resulting from the difference between expected and actual experience. These amounts are amortized over a closed period equal to the average of the expected remaining lives of all employees that are provided with pension through the plan.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K) Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the Statement of Net Position and Governmental Funds Balance Sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflows from leases, which are also reported in the governmental funds Balance Sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows related OPEB plan for differences between expected and actual experience. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the plan.
- Deferred inflows related to pension plan for the changes in the employer's proportion and difference between the employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pension through the plan.
- Deferred inflows from pension plan resulting from difference between projected and actual earnings on plan investments. These amounts are amortized over five years.

L) Net Position

The government-wide financial statements and fiduciary fund statements utilize a net position presentation. Net position is classified in the following categories:

Net Investment in Capital Assets - This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce this category.

Restricted Net Position - This category presents external restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position - This category represents the net position of the City that is not externally restricted for any project or other purpose.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M) Net Position Flow Assumption

Sometimes the City 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, 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.

N) Fund Balance

Effective July 1, 2010, the City adopted the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The objective of the statement is to enhance the usefulness of fund balance information by providing fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. In the fund financial statements, the governmental fund balance is classified in the following categories:

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories, prepaid amounts, and long-term notes receivable.

Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by formal action of the City's highest level of decision-making authority, its City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally (for example, ordinance).

Unassigned Fund Balance – the residual classification for the General Fund and includes all amounts not contained in the other classifications. Governmental funds report residual negative balances as unassigned fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O) 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 of South El Monte's California Public Employees' Retirement System (CalPERS) plan (Plan) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P) Other Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the total 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 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.

Q) Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

Cash and investments as of June 30, 2022 are reported as follows:

	Primary Government	Fiduciary Fund	Total
Cash on hand	\$ 2,358	\$ -	\$ 2,358
Deposits with financial institutions	2,606,190	659,161	3,265,351
Investments	23,124,427	3,772,089	26,896,516
Total cash and investments	<u>\$ 25,732,975</u>	<u>\$ 4,431,250</u>	<u>\$ 30,164,225</u>

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer*
State and Local Agency Bonds	5 years	25%	5%
U.S. Treasury Obligations	5 years	None	None
U.S. Government Agency Securities	5 years	None	None
Banker's Acceptance	180 days	15%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	2 years	30%	30%
Nonnegotiable Certificates of Deposit	2 years	30%	None
Repurchase Agreements	7 days	20%	None
Medium-Term Notes	3 years	30%	None
Mutual Funds	None	20%	10%
Money Market Mutual Funds	None	20%	None
Mortgage Pass-Through Securities	5 years	20%	None
County Pool Investment Funds	5 years	None	None
Joint Powers Authority Pool	None	None	None
Local Agency Investment Fund (LAIF)	None	None	\$65 million
Passbook Savings Account	5 years	None	FDIC insured amount

*Based on state law requirements or the City's investment policy requirements, whichever is more restrictive.

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the City's investment policy. These provisions do not specify a limitation on the maximum amount that can be invested in one issuer, the maximum percentage allowed or the maximum maturity of an investment.

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk

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

Investment Type	Remaining Maturity (in Months)			Total
	12 months or less	13 to 24 months	25 months or more	
Local Agency Investment Fund (LAIF)	\$ 21,196,345	\$ -	\$ -	\$ 21,196,345
Money market mutual funds held by bond trustee	\$ 3,772,089	-	-	3,772,089
Restricted investments held by Trust for OPEB	1,928,082	-	-	1,928,082
Total	<u>\$ 26,896,516</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,896,516</u>

Disclosures Relating to Credit Risk

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

Investment Type	Total as of June 30, 2022	Minimum Legal Rating	AAA	Not Required to be Rated
LAIF	\$ 21,196,345	\$ -	\$ -	\$ 21,196,345
Money market mutual funds held by bond trustee	3,772,089	-	3,772,089	-
Restricted investments held by Trust for OPEB	1,928,082	-	-	1,928,082
Total	<u>\$ 26,896,516</u>	<u>\$ -</u>	<u>\$ 3,772,089</u>	<u>\$ 23,124,427</u>

Concentration of Credit Risk

The City's investment policy contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There were no investments in any one issuer that represent 5% or more of total City's investments at June 30, 2022.

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit).

The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure the City deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits. At June 30, 2022, none of the City's deposits with financial institutions in excess of the federal depository insurance limits were held in uncollateralized accounts.

With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

Investment in State Investment Pool

The City is a voluntary participant in the LAIF that is regulated by the California Government Code 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of the portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

LAIF is a governmental investment pool managed and directed by the California State Treasurer and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various participants provides oversight to the management of the fund. The daily operation and responsibilities of LAIF fall under the auspices of the State Treasurer's office.

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements

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

The City's has the following fair value measurements as of June 30, 2022:

Investment Type	Amount	Fair Value Hierarchy Category		
		Level 1	Level 2	Level 3
Restricted investments held by Trust for OPEB	\$ 1,928,082	\$ -	\$ 1,928,082	-
Total investments measured at fair value:		\$ -	\$ 1,928,082	\$ -
LAIF*	21,196,345			
Money market mutual funds held by bond trustee*	3,772,089			
Total investments	<u>\$ 26,896,516</u>			

*Not subject to fair value measurement hierarchy.

NOTE 3 - INTERFUND TRANSACTIONS

Interfund Loan Balances

Interfund loan balances as of June 30, 2022 are as follows:

Receivable Fund	Payable Fund	Amount
Safe Clean Water Program Fund	General Fund	\$ 4,293,214
Grants Fund	General Fund	4,175,187
Housing Successor fund	General Fund	128,182
Nonmajor Governmental Funds	General Fund	10,415,465
Nonmajor Governmental Funds	Nonmajor Governmental Funds	1,403,565
		<u>\$ 20,415,613</u>

Interfund loans occur in the normal course of business as the General Fund serves as the primary operating fund of the City, such as making payroll and issuing checks, which are subsequently reimbursed by one another in the normal course of business.

Interfund Transfers

Transfers are used to reimburse the General Fund for expenditures historically incurred by the General Fund on behalf of other funds. During the current year, no interfund transfers were recorded.

NOTE 4 - DOWN PAYMENT ASSISTANCE AND HOME REHABILITATION GRANTS

The former South El Monte Business Improvement District (District) operated First-Time Homebuyer and Home Rehabilitation Programs that provided silent second down payment or home rehabilitation assistance grants to residents who meet certain qualifications for the purpose of providing assistance to low-moderate income households. The grants are secured by a deed of trust and no monthly payments are required. At the end of the term, which ranges from 10 to 20 years, the grants are forgiven unless the following occurs during the grant term; 1) property is sold or transferred, 2) property is no longer owner-occupied, or 3) property is refinanced at which time full repayment would be required. The purpose of the grants is to provide low-moderate income households with homeownership or home rehabilitation assistance with no intent of recovering the grant. The receivables related to these grants are in the Housing Successor special revenue fund. The balance of the loans receivable at June 30, 2022 was \$211,270, which includes gross receivables of \$1,408,468 and an allowance for uncollectible accounts of \$1,197,198.

In addition, the City operates the BEGIN Grant and CalHOME Grant special revenue funds which also provide for down payment assistance and home rehabilitation loans for low to moderate income residents. The amount of the net loans outstanding in these funds at year-end is \$214,200 and \$1,711,131, respectively.

NOTE 5 - OWNER PARTICIPATION AGREEMENTS

In December 2017, the City sold land to a developer with a cost of \$6,515,875 in exchange for a note in the amount of \$4,360,000 resulting in a loss on sale of property in the amount of \$2,155,875 reported in the Housing Successor Special Revenue Fund. The land sold was originally purchased by the former South El Monte Business District and was transferred to the Housing Successor when the City took over the housing functions of the former District under AB x1 26. The note is subject to a regulatory agreement and a disposition and development agreement dated April 8, 2014 and amended October 24, 2017. The payment on the note is accelerated and due to the City if the developer is in default of the regulatory agreement, however one twelfth of the principal amount is forgiven upon the sale of each of the twelve assisted units provided that no default, as defined in the regulatory agreement, by the developer occurs. As of June 30, 2022, all twelve units has been sold and there are no remaining receivables on this note.

NOTE 6 – LEASE RECEIVABLE

On July 14, 2011, the City entered into a 5-year lease with United States Postal Service (USPS). Under the lease, USPS pays the City an annual rent of \$15,948 payable in equal installments at the end of each calendar month in exchange for operating its business within a 13,799 square foot section in the City of South El Monte, commonly known as Rush, W. of Santa Anita. The lessee had the sole discretion to extend the lease for another 5 years effective July 14, 2016 and July 1, 2021 for annual rents of \$16,745 and \$17,582, respectively.

On September 13, 2017, the City entered into a 1-year lease with Akitoi Learning Center (Akitoi) with an option for Akitoi to extend up to five one-year terms. Commencing on the Commencement Date, Akitoi pays the City \$1,914 per month in exchange for the use of approximately 6,000 square feet of interior ground floor space for use as a child development center. In the event Akitoi exercised its option to extend the lease, the monthly payments ranged from \$2,010 to \$2,443.

City of South El Monte
Notes to Basic Financial Statements
Year Ended June 30, 2022

NOTE 6 – LEASE RECEIVABLE (CONTINUED)

At June 30, 2022, the lease receivable and deferred inflows of resources for the above leases were \$99,316 and \$98,310, respectively.

NOTE 7 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2022 is as follows:

	Balance June 30, 2021	Addition	Deletion	Reclass	Balance June 30, 2022
Governmental Activities					
Capital assets, not being depreciated					
Land	\$ 3,126,512	\$ -	\$ -	\$ -	\$ 3,126,512
Construction in Progress	1,510,336	946,028	-	(35,836)	2,420,528
Total capital assets, not being depreciated	<u>4,636,848</u>	<u>946,028</u>	<u>-</u>	<u>(35,836)</u>	<u>5,547,040</u>
Capital assets, being depreciated and amortized					
Buildings and Improvements	17,393,635	66,662	-	35,836	17,496,133
Infrastructure	17,121,034	811,188	-	-	17,932,222
Vehicles	1,950,418	233,258	-	-	2,183,676
Machinery and Equipment	1,095,276	86,591	-	-	1,181,867
Leased equipment	-	125,555	-	-	125,555
Total capital assets being depreciated and amortized	<u>37,560,363</u>	<u>1,323,254</u>	<u>-</u>	<u>35,836</u>	<u>38,919,453</u>
Less accumulated depreciation					
Buildings and Improvements	(12,061,475)	(592,893)	-	-	(12,654,368)
Infrastructure	(10,396,367)	(857,689)	-	-	(11,254,056)
Vehicles	(1,768,080)	(38,125)	-	-	(1,806,205)
Machinery and Equipment	(807,503)	(80,161)	-	-	(887,664)
Less accumulated amortization					
Leased equipment	-	(33,719)	-	-	(33,719)
Total accumulated depreciation and amortization	<u>(25,033,425)</u>	<u>(1,602,587)</u>	<u>-</u>	<u>-</u>	<u>(26,636,012)</u>
Net capital assets, being depreciated and amortized					
Buildings and Improvements	5,332,160	(526,231)	-	35,836	4,841,765
Infrastructure	6,724,667	(46,501)	-	-	6,678,166
Vehicles	182,338	195,133	-	-	377,471
Machinery and Equipment	287,773	6,430	-	-	294,203
Leased equipment	-	91,836	-	-	91,836
Total capital assets being depreciated and amortized, net	<u>12,526,938</u>	<u>(279,333)</u>	<u>-</u>	<u>35,836</u>	<u>12,283,441</u>
Governmental activities capital assets, net	<u>\$ 17,163,786</u>	<u>\$ 666,695</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,830,481</u>

NOTE 7 - CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

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

Governmental Activities:	
General Government	\$ 136,820
Public Safety	22,018
Public Works	913,530
Community Development	10,598
Community Services	433,442
Recreation	86,179
Total depreciation and amortization expense	\$ 1,602,587

NOTE 8 - LONG-TERM DEBT

Long-term debt activity for the year ended June 30, 2022 is as follows:

	Balances June 30, 2021	Additions	Deletions	Balances June 30, 2022	Due Within One Year	Long-term
Governmental activities:						
Lease liabilities	\$ -	\$ 125,555	\$ (31,787)	\$ 93,768	\$ 33,070	\$ 60,698
Compensated absences	301,421	221,855	(226,065)	297,211	74,303	222,908
ERCDC loan payable	1,875,432	-	(116,494)	1,758,938	117,662	1,641,276
Total	\$ 2,176,853	\$ 347,410	\$ (374,346)	\$ 2,149,917	\$ 225,035	\$ 1,924,882

Lease Liabilities

The City has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The first agreement was executed on January 17, 2019 to commence on April 15, 2019, to lease a tractor and requires 60 monthly payments of \$1,695. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.35%, which is the implicit rate in the lease agreement. As a result of the lease, the City has recorded a right to use asset with a net book value of \$34,242 on June 30, 2022.

The second agreement was executed on June 9, 2021, to lease a copy machine and requires 60 monthly payments of \$1,404. The lease liability is measured at a discount rate of 5%, which is the stated rate in the lease agreement. As a result of the lease, the City has recorded a right to use asset with a net book value of \$57,594 on June 30, 2022.

NOTE 8 - LONG-TERM DEBT (CONTINUED)

Lease Liabilities (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 33,070	\$ 4,114	\$ 37,184
2024	30,228	2,668	32,896
2025	15,325	1,523	16,848
2026	15,145	695	15,840
	\$ 93,768	\$ 9,000	\$ 102,768

Compensated Absences

The City’s policies relating to employee leave benefits are described in Note 1, item I. This liability will be paid in future years from future resources primarily from the General Fund. As of June 30, 2022, the outstanding balance was \$297,211.

ERCDC Loan Payable

On June 18, 2014, The City entered into a loan agreement with the Energy Resources Conservation and Development Commission (ERCDC) to install solar photovoltaic systems on City owned facilities for up to \$2,307,104. The amount of the loan will be based on eligible project costs and issued on a reimbursement basis. The loan matures over 20 years with an interest rate of 1.00%. As of June 30, 2022, the City has received all the loan proceeds and will repay the loan from the General Fund. The project is estimated to save the City approximately \$135,000 in annual electricity costs.

The annual payment requirements are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 117,662	\$ 17,297	\$ 134,959
2024	118,798	16,161	134,959
2025	120,033	14,926	134,959
2026	121,236	13,723	134,959
2027	122,452	12,508	134,960
2028-2032	630,872	43,924	674,796
2033-2036	527,885	11,952	539,837
	\$ 1,758,938	\$ 130,491	\$ 1,889,429

NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

At June 30, 2022, the following governmental funds had deficit balance: Older American Act Fund (\$128,823), DOE Fund (\$60,793), Used Oil Recycling Grant Fund (\$6,668), Homelessness Initiative Fund (\$21,019), CDBG Fund (\$79,197), HSIP Fund (\$932,082), PLHA Fund (\$5,045) and Federal Grants Fund (\$7,555). These deficits are expected to be remedied with future revenues or transfers.

Expenditures in Excess of Appropriations

Expenditures for the year ended June 30, 2022, exceeded appropriations in the following funds and functions:

Fund Name	Appropriations	Expenditures	Excess Over Appropriations
Major governmental funds			
General Fund			
General government	\$ 4,679,393	\$ 5,126,476	\$ (447,083)
Public safety	5,933,989	5,965,610	(31,621)
Community services program	1,304,580	1,596,810	(292,230)
Debt service:			
Principal	134,959	148,281	(13,322)
Interest	-	19,364	(19,364)
Grants Fund			
Public works/utilities	160,000	229,863	(69,863)
Safe Clean Water Program Fund			
Public works/utilities	-	82,652	(82,652)
Housing Successor Fund			
Community services program	-	3,633,333	(3,633,333)
Nonmajor governmental funds			
Gas Tax Fund			
Public works/utilities	520,780	694,242	(173,462)
Debt service:			
Interest	-	5,063	(5,063)
Road Maintenance and Rehabilitation Fund			
Capital outlay	-	660,568	(660,568)
Rosemead Maintenance District Fund			
Public works/utilities	-	140	(140)
Cable PEG Fund			
Capital outlay	-	26,913	(26,913)
Quimby In Lieu Fees Fund			
Capital outlay	-	9,354	(9,354)
DOE Grant Fund			
Public safety	-	1,199	(1,199)
Capital outlay	-	33,978	(33,978)

NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Expenditures in Excess of Appropriations (Continued)

Fund Name	Appropriations	Expenditures	Excess Over Appropriations
Nonmajor governmental funds (continued)			
Used Oil Recycling Grant Fund			
Public works/utilities	-	2,965	(2,965)
Beverage Container Recycling Grant Fund			
Community development	-	9,276	(9,276)
Homelessness Initiative Fund			
Community services program	49,965	168,370	(118,405)
Measure M Local Return Fund			
Public works/utilities	-	12,188	(12,188)
Prop C Local Return Fund			
Public works/utilities	-	9,660	(9,660)
CDBG Fund			
Community development	111,037	156,140	(45,103)
HSIP Fund			
Capital outlay	-	432,368	(432,368)
TDA Fund			
Capital outlay	-	67,853	(67,853)
Prop A Local Return Fund			
Community services program	183,475	354,960	(171,485)
Measure R Local Return Fund			
Public works/utilities	3,343	75,997	(72,654)
Capital outlay	-	2,646	(2,646)
Sewer Assessment Fund			
Public works/utilities	-	658	(658)
PLHA Fund			
Community services program	-	5,045	(5,045)
Federal Grants Fund			
General government	-	3,000	(3,000)
	\$ <u>13,081,521</u>	\$ <u>19,534,972</u>	\$ <u>(6,453,451)</u>

NOTE 10 - PENSION PLAN

A) General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the miscellaneous pool. Accordingly, rate plans within the miscellaneous pool are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous pool. The City sponsors three rate plans. Benefit provisions under the Plan are established by state statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. All members are eligible for non-industrial disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits as of measurement date June 30, 2021, are summarized as follows:

	Miscellaneous		
	Tier I	Tier II	Tier III - PEPRA
Hire date	Prior to January 1, 2013	On or After January 1, 2013	On or After January 1, 2013
Benefit formula	2.5%@55	2%@60	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.092% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8.0%	6.9%	6.8%
Required employer contribution rates:			
Normal cost rate	12.2%	9.1%	7.6%
Payment of unfunded liability	\$655,417	\$1,813	\$3,457

NOTE 10 - PENSION PLAN (CONTINUED)

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 July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions.

The pension liability for governmental activities is primarily liquidated from the General Fund.

As of June 30, 2022, the City reported a net pension liability for its proportionate share of the net pension liability of all Plans of \$5,731,666. The net pension liability of the Plan is measured as of June 30, 2021, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the Plan as of June 30, 2021 and 2020 measurement dates were 0.30186% and 0.20999%, respectively. This accounted for an increase of 0.09186% from the previous year.

For the year ended June 30, 2022, the City recognized pension expense of \$1,919,718. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of</u>	<u>Deferred Inflows of</u>
Changes of Assumptions	\$ -	\$ -
Differences between Expected and Actual Experience	642,745	-
Differences between Projected and Actual Investment Earnings	-	5,003,442
Differences between Employer's Contributions and Proportionate Share of Contributions	-	270,216
Change in Employer's Proportion	103,567	130,209
Pension Contributions Made Subsequent to Measurement Date	977,443	-
	<u>\$ 1,723,755</u>	<u>\$ 5,403,867</u>

NOTE 10 - PENSION PLAN (CONTINUED)

Contributions (Continued)

\$977,443 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 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:

Fiscal Year Ending June 30:	Deferred Outflows/ (Inflows) of Resources
2022	\$ (1,030,782)
2023	(1,074,780)
2024	(1,169,300)
2025	(1,382,693)
2026	-
Thereafter	-
	\$ (4,657,555)

Actuarial Assumptions

For the measurement period ended June 30, 2021 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2020 total pension liability determined in the June 30, 2020 actuarial accounting valuation. The June 30, 2020 total pension liability was based on the following actuarial methods and assumptions:

Valuation date	June 30, 2020
Measurement date	June 30, 2021
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Salary increased	Varied by Entry Age and Service
Mortality rate table ⁽¹⁾	Derived using CalPERS' Membership Data for all Funds

¹ CalPERS developed the mortality table used based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale MP-2016. For more details on this table, please refer to the 2017 experience study report.

All other actuarial assumptions used in the June 30, 2020 valuation use the results of CalPERS Experience Study and Review of Actuarial Assumptions – December 2017, including updates to salary increases, mortality, and retirement rates, as a basis. The experience study report is available on the CalPERS website under Forms and Publications.

NOTE 10 - PENSION PLAN (CONTINUED)

Change of Assumptions

In the current fiscal year, there were no changes to the assumptions.

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the Plan and reflects the long-term expected rate of return for the Plan net of investment expenses and without reduction for administrative expenses. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing of the Plans, the tests revealed the asset would not run out. Therefore, the current 7.15% 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% will be 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 called "GASB 68 Crossover Testing Report" that can be obtained at CalPERS's website under the GASB 68 section.

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 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.

NOTE 10 - PENSION PLAN (CONTINUED)

The expected real rates of return by asset class are as follows:

Asset Class (1)	Assumed Asset Allocation	Real Return Years 1 - 10 (2, 4)	Real Return Years 11+ (3, 4)
Public 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 Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
	100.00%		

(1) In the CalPERS' ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(2) An expected inflation of 2.00% used for this period.

(3) An expected inflation of 2.92% used for this period.

(4) Figures are based on previous ALM of 2017.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	Discount Rate -1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Plan's Net Pension Liability	\$ 9,974,217	\$ 5,731,666	\$ 2,224,410

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

At June 30, 2022, the City reported no payables due to the pension plan, for outstanding contributions required for the year ended June 30, 2022.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City administers a single-employer defined-benefit postemployment healthcare plan (the Plan). Dependents are eligible to enroll, and benefits continue to surviving spouses.

Benefits Provided

Retirees are eligible for medical benefits if they retire at age 50 or later, have 5 or more years of CalPERS service, and were enrolled in a CalPERS plan at retirement. The City pays the PEMHCA minimum benefit (\$143 for 2021, and \$149 for 2022).

A summary of the substantive plan used as the basis of the valuation is as follows:

<u>Retiree Medical Benefits</u>	
Eligibility	If hired before January 1, 2013: Age 50 & 5 years of CalPERS service. If hired after January 1, 2013: Age 52 & 5 years of CalPERS service.
Duration of Coverage	Retiree's lifetime
Medical plan choices	Any eligible plan available via PEMHCA and administered by CalPERS.
Core Benefit	PEMHCA Minimum Benefit - \$143/month for 2021 and \$149/month for 2022.
Dependent benefit	Dependents are eligible to enroll in the plan. Surviving spouses can maintain coverage contingent on receiving a corresponding surviving spouse pension benefit from CalPERS.
Disability benefit	A disability-related retirement can maintain coverage (same as Core Benefit).

Employees Covered by Benefit Terms

At June 30, 2021 (the census date), the benefit terms covered the following employees:

<u>Category</u>	<u>Count</u>
Inactive employees, spouses, or beneficiaries currently receiving benefit payments	17
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	52
Total	<u><u>69</u></u>

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions

The City makes contributions based on an actuarially determined rate.

Contribution rate	0.96% for n/a years, 2.51% thereafter.
Reporting period contributions	\$37,517 (Includes implicit subsidy credit.)

Net OPEB Liability

The City's net OPEB liability was valued as of June 30, 2021, and was used to calculate the net OPEB liability measured as of June 30, 2021.

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date:	June 30, 2021
Discount rate	6.25%
Inflation	5.50%
Healthcare cost trend rates	
Pre-Medicare	7.00%*
Medicare	6.00%*
Salary Increases	2.75%**
Mortality rates	Based on CalPERS tables

* *Trending down to 4.04% over 56 years. Applies to calendar years.*

** *Additional merit-based increases based on CalPERS merit salary increase tables.*

- Projections of the sharing of benefit-related costs are based on an established pattern of practice.
- Experience studies come from the CalPERS Pension Assumption Model, revised May 14, 2018.
- Inactive employees (retirees) pay the cost of benefits in excess of the City's contribution.
- There were no ad hoc postemployment benefit changes (including ad hoc COLAs) to the plan.
- There were no changes between the measurement date and the report date that are expected to have a significant effect on the net OPEB liability.

Discount Rate

The discount rate used to measure the total OPEB liability is 6.25%. The City's OPEB Plan is unfunded, therefore, the discount rate used was the rate of tax-exempt, high quality 20-year municipal bonds, as of the valuation date.

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance as of Report Date June 30, 2021	\$ 1,928,082	\$ -	\$ 1,928,082
Changes for the Year:			
Service Cost	158,457	-	158,457
Interest	50,660	-	50,660
Differences Between Expected and Actual Experience	(174,289)	-	(174,289)
Changes of Assumptions	(733,419)	-	(733,419)
Contributions- Employer	-	12,134	(12,134)
Contributions- Employer Implicit Subsidy	-	25,383	(25,383)
Benefit Payments	(12,134)	(12,134)	-
Implicit Subsidy Credit	(25,383)	(25,383)	-
Net Changes	<u>(736,108)</u>	<u>-</u>	<u>(736,108)</u>
Balance as of Report Date June 30, 2022	<u>\$ 1,191,974</u>	<u>\$ -</u>	<u>\$ 1,191,974</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.25%) or one percentage point higher (7.25%) follows:

	1% Decrease (5.25%)	Discount Rate (6.25%)	1% Increase (7.25%)
Total OPEB Liability (Asset)	\$ 1,344,473	\$ 1,191,974	\$ 1,062,767
Increase (Decrease)	152,499		(129,207)
% Change	12.80%		-10.80%

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The healthcare trend for this valuation started at 7.00% and decreased to 4.04% over 56 years. The total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.00%) or one percentage point higher (8.00%) than current healthcare cost trend rates follows:

	1% Decrease (6.00%)	Healthcare Cost Trend Rate (7.00%)	1% Increase (8.00%)
Total OPEB Liability (Asset)	\$ 1,034,705	\$ 1,191,974	\$ 1,385,039
Increase (Decrease)	(157,269)		193,065
% Change	-13.20%		16.20%

NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the reporting year ended June 30, 2022, the City recognized an OPEB expense of \$129,031. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (362,497)
Changes of assumptions	186,202	(654,556)
Contributions made subsequent to measurement date	1,955,971	-
	\$ 2,142,173	\$ (1,017,053)

\$1,995,971 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred in flows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30:	Deferred Outflows/ (Inflows) of Resources
2023	\$ (80,086)
2024	(102,595)
2025	(108,225)
2026	(108,225)
2027	(108,225)
Thereafter	(323,495)

Expected Average Remaining Service Lives (EARSL)

The effects on the total OPEB liability of (1) changes in economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in OPEB expense in a systematic and rational manner over a closed period equal to the average of the expected remaining service lives of all employees that are provided with benefits through the OPEB plan (active employees and inactive employees), beginning in the current period. The expected average remaining service lives (EARSL) for the current period was 9.3 years.

Payable to the OPEB Plan

At June 30, 2022, the City reported no payables due to the OPEB plan, for outstanding contributions required for the year ended June 30, 2022.

NOTE 12 – INSURANCE

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The Authority began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program - Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses also have a \$50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: <https://cjpia.org/coverage/risk-sharing-pools/>.

Workers Compensation Program - Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

NOTE 12 - INSURANCE (CONTINUED)

For 2021-22 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance

Pollution Legal Liability Insurance - The City participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of South El Monte. Coverage is on a claims-made basis. There is a \$250,000 deductible. The Authority has an aggregate limit of \$20 million.

Property Insurance - The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City property is currently insured according to a schedule of covered property submitted by the City of South El Monte to the Authority. The City property currently has all-risk property insurance protection in the amount of \$32,011,833. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$5,000 deductible.

Earthquake and Flood Insurance - The City purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. The City property currently has earthquake protection in the amount of \$21,514,800. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance - The City purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in fiscal year 2021-22.

NOTE 13 - CONTINGENCIES AND COMMITMENTS

In the normal course of operations, the City has been named as a defendant in various claims and legal actions. In the opinion of management and legal counsel, the ultimate liability for these actions and claims will not have a material adverse effect on the City's basic financial statements.

The City participates in several federal, state and county programs. These programs are subject to examination by the grantors and the amount, if any, of expenditures, which may be disallowed by the granting and funding agencies, cannot be determined at this time.

NOTE 14 - SUCCESSOR AGENCY TO THE SOUTH EL MONTE BUSINESS IMPROVEMENT DISTRICT DISCLOSURES

The assets and liabilities of the South El Monte Business Improvement District were transferred to the Successor Agency to the South El Monte Business Improvement District on February 1, 2012 as a result of the dissolution of the former redevelopment agency's under AB x1 26 as amended. The City is acting in a fiduciary capacity for the assets and liabilities. Disclosures related to these transactions are as follows:

Long-term Liabilities

Long-term liabilities activity for the year ended June 30, 2022 were as follows:

	Balance 6/30/2021	Additions	Deductions	Balance 6/30/2022	Due Within One Year
Fiduciary Activities:					
2014 Series A	\$ 6,950,000	\$ -	\$ -	\$ 6,950,000	\$ -
2014 Series A Discount	(82,368)	-	14,976	(67,392)	(14,976)
2015 Series A	8,805,000	-	(45,000)	8,760,000	45,000
2015 Series A Premium	195,849	-	(15,620)	180,229	15,620
2015 Series B	3,855,000	-	(595,000)	3,260,000	610,000
2015 Series B Discount	(26,726)	-	6,317	(20,409)	(6,317)
2019 Series A	4,845,000	-	(650,000)	4,195,000	665,000
2019 Deferred Amount on Refunding	(24,390)	-	3,752	(20,638)	(3,752)
	<u>\$ 24,517,365</u>	<u>\$ -</u>	<u>\$ (1,280,575)</u>	<u>\$ 23,236,790</u>	<u>\$ 1,310,575</u>

NOTE 14 - SUCCESSOR AGENCY TO THE SOUTH EL MONTE BUSINESS IMPROVEMENT DISTRICT DISCLOSURES (CONTINUED)

Long-term Liabilities (Continued)

2014A Tax Allocation Refunding Bonds

On July 2, 2014, the Successor Agency to the South El Monte Improvement District issued \$6,950,000 in Tax Allocation Refunding Bonds, 2014 Series A. The bonds were issued to refund all of the outstanding Tax Allocation Bonds, Series 2008A. As a result, the 2008A Tax Allocation Bonds are considered to be defeased and the liability has been removed from the statement of fiduciary net position. The 2008 bonds were issued to finance various projects for the redevelopment of the Merged Project Area.

The 2014 bonds are payable from and secured by tax revenues as defined in the bond indenture. Interest on the 2014 bonds is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2015. Principal payments are due on August 1 of each year, beginning with August 1, 2028.

Debt service payments on the Bonds will be made from the Successor Agency Private-purpose Trust Fund. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ -	\$ 265,488	\$ 265,488
2024	-	265,488	265,488
2025	-	265,488	265,488
2026	-	265,488	265,488
2027	-	265,488	265,488
2028-2032	2,530,000	1,157,994	3,687,994
2033-2037	4,420,000	508,400	4,928,400
	<u>\$ 6,950,000</u>	<u>\$ 2,993,834</u>	<u>\$ 9,943,834</u>

2015 Tax Allocation Refunding Bonds, Series A and B

On May 13, 2015, the Successor Agency to the South El Monte Improvement District issued \$8,985,000 in Tax Allocation Refunding Bonds, Series A, and \$6,595,000 in Tax Allocation Refunding Bonds, Series B. The 2015 Series A bonds were issued to refund all of the outstanding 2005 Tax Allocation Bonds, Series A. The 2015 Series B bonds were issued to refund all of the outstanding 2005 Tax Allocation Bonds, Series B. As a result, the 2005 Tax Allocation Bonds, Series A and B, are considered to be defeased and the liability has been removed from the statement of fiduciary net position. The 2005 bonds were issued to finance various projects for the redevelopment of the Merged Project Area.

NOTE 14 - SUCCESSOR AGENCY TO THE SOUTH EL MONTE BUSINESS IMPROVEMENT DISTRICT DISCLOSURES (CONTINUED)

Long-term Liabilities (Continued)

2015 Tax Allocation Refunding Bonds, Series A and B (Continued)

The 2015 Series A and B bonds are payable from and secured by tax revenues as defined in the bond indenture. Interest on the 2015 bonds is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2016. Principal payments are due on August 1 of each year, beginning with August 1, 2017 for the Series A bonds and August 1, 2016 for the Series B bonds.

Debt service on the Bonds will be made from the Successor Agency Private-purpose Trust Fund. Annual debt service requirements to maturity are as follows:

2015 Series A			
Year Ending June 30,	Principal	Interest	Total
2023	\$ 45,000	\$ 361,219	\$ 406,219
2024	50,000	360,088	410,088
2025	50,000	358,806	408,806
2026	50,000	357,400	407,400
2027	55,000	355,825	410,825
2028-2032	4,360,000	1,426,625	5,786,625
2033-2036	4,150,000	428,000	4,578,000
	\$ 8,760,000	\$ 3,647,963	\$ 12,407,963

2015 Series B			
Year Ending June 30,	Principal	Interest	Total
2023	\$ 610,000	\$ 111,163	\$ 721,163
2024	625,000	90,312	715,312
2025	650,000	67,187	717,187
2026	675,000	41,500	716,500
2027	700,000	14,000	714,000
	\$ 3,260,000	\$ 324,162	\$ 3,584,162

NOTE 14 - SUCCESSOR AGENCY TO THE SOUTH EL MONTE BUSINESS IMPROVEMENT DISTRICT DISCLOSURES (CONTINUED)

Long-term Liabilities (Continued)

2019 Subordinate Taxable Tax Allocation Refunding Bonds

On September 26, 2019, the Successor Agency to the South El Monte Improvement District issued \$5,535,000 in Subordinate Taxable Tax Allocation Refunding Bonds, Series 2019. The 2019 bonds were issued to refund all of the outstanding 2007 Tax Allocation Bonds, Series A. As a result, the 2007 Tax Allocation Bonds, Series A, are considered to be defeased and the liability has been removed from the statement of fiduciary net position. The 2007 bonds were issued to finance various projects for the redevelopment of the Merged Project Area.

The 2019 bonds are payable from and secured by tax revenues as defined in the bond indenture. Interest on the 2019 bonds is payable semiannually on February 1 and August 1 of each year, commencing February 1, 2020. Principal payments are due on August 1 of each year, beginning with August 1, 2020.

Debt service payments on the Bonds will be made from the Successor Agency Private-purpose Trust Fund. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 665,000	\$ 88,670	\$ 753,670
2024	675,000	74,431	749,431
2025	690,000	59,585	749,585
2026	705,000	43,888	748,888
2027	720,000	27,140	747,140
Thereafter	740,000	9,250	749,250
	\$ 4,195,000	\$ 302,964	\$ 4,497,964

NOTE 15 – CORONAVIRUS PANDEMIC

The worldwide pandemic that is the coronavirus continues to impact every aspect of society. The Fiscal Year 2021-22 financial statements include the impacts to revenue and expenditures from the economic and organizational response to the coronavirus. The FY 2022-23 budget was built conservatively, with continued uncertainty about how the pandemic would impact the City in coming months.

Management continues to monitor the impacts the coronavirus is having on the organization as well as the local and regional economy. There have been numerous changes to stay at home orders or other modified restrictions in the months after June 30, 2022. Management responds as necessary and for the most part has no control over the bottom line impact the coronavirus and the measures taken to control it have on the City. Management does not foresee significant impacts beyond what was forecast in the adopted budget for FY 2022-23. In addition, management does not anticipate having to take drastic actions to combat the impacts of the coronavirus, as new safety protocols implemented since March 2020 remain in place.

NOTE 16 - SUBSEQUENT EVENTS

In preparing these financial statements, the City has evaluated events and transactions for potential recognition or disclosure through December 22, 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.

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REQUIRED SUPPLEMENTARY

INFORMATION (UNAUDITED)

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City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of the Proportionate Share of
Net Pension Liability and Contributions

Last 10 Years*

Fiscal Year Ended	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Measurement period	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Plan's proportion of the net pension liability	0.06946%	0.08104%	0.07911%	0.07792%	0.07888%	0.08040%	0.08141%	0.10598%
Plan's proportionate share of the net pension liability	\$ 4,322,195	\$ 5,562,668	\$ 6,845,608	\$ 7,727,031	\$ 7,601,059	\$ 8,238,409	\$ 8,857,694	\$ 5,731,666
Plan's covered -employee payroll	\$ 2,082,997	\$ 2,360,098	\$ 2,560,239	\$ 2,473,404	\$ 2,308,132	\$ 2,886,967	\$ 3,920,664	\$ 2,997,621
Plan's proportionate share of the net pension liability as a percentage of covered payroll	207.50%	235.70%	267.38%	312.40%	329.32%	285.37%	295.49%	183.46%
Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability	81.44%	76.88%	72.47%	72.10%	73.76%	72.80%	71.42%	82.16%
Plan's proportionate share of aggregate employer contributions	\$ 512,700	\$ 639,714	\$ 670,946	\$ 755,365	\$ 813,902	\$ 913,613	\$ 989,023	\$ 1,038,407

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

Last 10 Years*

Fiscal Year Ended	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Measurement period	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Actuarially determined contribution	\$ 422,541	\$ 473,701	\$ 643,085	\$ 511,152	\$ 572,837	\$ 673,881	\$ 776,018	\$ 875,540
Contribution in relation to the actuarially determined contribution	422,541	473,701	645,707	511,152	572,837	673,881	776,018	875,540
Contribution deficiency (excess)	\$ -	\$ -	\$ (2,623)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 2,360,098	\$ 2,560,239	\$ 2,473,404	\$ 2,308,132	\$ 2,886,967	\$ 3,920,664	\$ 2,997,621	\$ 3,124,279
Contributions as a percentage of covered-employee payroll	20.29%	20.07%	25.22%	20.67%	24.82%	23.34%	25.89%	28.02%

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

See independent auditor's report.

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of Changes in the Total OPEB Liability and Related Ratios

	Last 10 Years*				
Fiscal Year Ended	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Measurement period	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021
Total beginning OPEB liability	\$ 1,488,214	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082
Changes for the year:					
Service cost	75,958	78,142	70,946	133,079	158,457
Interest	54,928	58,076	67,155	53,995	50,660
Difference between expected and actual experience	-	(7,307)	(290,662)	(4,504)	(174,289)
Changes in assumptions	-	153,632	13,089	177,995	(733,419)
Benefit payments	(12,162)	(15,424)	(15,986)	(12,372)	(12,134)
Implicit subsidy credit	(30,311)	(31,390)	(40,380)	(36,629)	(25,383)
Net changes	<u>88,413</u>	<u>235,729</u>	<u>(195,838)</u>	<u>311,564</u>	<u>(736,108)</u>
Total ending OPEB liability (a)	<u>\$ 1,576,627</u>	<u>\$ 1,812,356</u>	<u>\$ 1,616,518</u>	<u>\$ 1,928,082</u>	<u>\$ 1,191,974</u>
Total beginning plan fiduciary net position	\$ -	\$ -	\$ -	\$ -	\$ -
Changes for the year:					
Contribution - employer	12,162	15,424	15,986	12,372	12,134
Expected benefit payments	(12,162)	(15,424)	(15,986)	(12,372)	(12,134)
Net changes	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total ending plan fiduciary net position (b)	<u>\$ -</u>				
Net ending OPEB liability (a) - (b)	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082	\$ 1,191,974
Covered-employee payroll	\$ 1,992,079	\$ 2,046,861	\$ 2,783,335	\$ 2,991,252	\$ 2,944,722
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Net OPEB asset as a percentage of covered payroll	79.1%	88.5%	58.1%	64.5%	40.5%

* Fiscal year 2018 was the first year of implementation, therefore only five years are shown.

City of South El Monte
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Taxes	\$ 13,905,033	\$ 13,905,033	\$ 16,833,439	\$ 2,928,406
Licenses and permits	1,699,900	1,699,900	1,947,939	248,039
Fines and forfeitures	176,000	176,000	184,977	8,977
Use of money and property	56,000	56,000	60,455	4,455
Charges for services	355,032	355,032	249,912	(105,120)
Intergovernmental	430,000	430,000	998,209	568,209
Other revenues	-	-	68,127	68,127
TOTAL REVENUES	16,621,965	16,621,965	20,343,058	3,721,093
EXPENDITURES:				
Current:				
General government	4,679,393	4,679,393	5,126,476	(447,083)
Public safety	5,933,989	5,933,989	5,965,610	(31,621)
Community development	1,846,091	1,846,091	1,499,138	346,953
Public works/utilities	3,343,270	3,343,270	3,038,830	304,440
Community services programs	1,304,580	1,304,580	1,596,810	(292,230)
Capital outlay	518,600	518,600	314,711	203,889
Debt service:				
Principal	134,959	134,959	148,281	(13,322)
Interest	-	-	19,364	(19,364)
TOTAL EXPENDITURES	17,760,882	17,760,882	17,709,220	51,662
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,138,917)	(1,138,917)	2,633,838	3,772,755
OTHER FINANCING SOURCES (USES):				
Transfers in	1,229,397	1,229,397	-	(1,229,397)
Transfers out	(90,480)	(90,480)	-	90,480
TOTAL OTHER FINANCING SOURCES (USES)	1,138,917	1,138,917	-	(1,138,917)
NET CHANGE IN FUND BALANCE	-	-	2,633,838	2,633,838
FUND BALANCE - BEGINNING OF YEAR	7,307,431	7,307,431	7,307,431	-
FUND BALANCE - END OF YEAR	\$ 7,307,431	\$ 7,307,431	\$ 9,941,269	\$ 2,633,838

See independent auditor's report.

City of South El Monte
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
Grants Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 2,622	\$ 2,622
Intergovernmental	7,112,727	7,112,727	5,093,740	(2,018,987)
TOTAL REVENUES	7,112,727	7,112,727	5,096,362	(2,016,365)
EXPENDITURES:				
Current:				
Public works/utilities	160,000	160,000	229,863	(69,863)
Capital outlay	2,665,044	2,665,044	165,528	2,499,516
TOTAL EXPENDITURES	2,825,044	2,825,044	395,391	2,429,653
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,287,683	4,287,683	4,700,971	413,288
OTHER FINANCING SOURCES (USES):				
Transfers in	90,480	90,480	-	(90,480)
Transfers out	(994,382)	(994,382)	-	994,382
TOTAL OTHER FINANCING SOURCES (USES)	(903,902)	(903,902)	-	903,902
NET CHANGE IN FUND BALANCE	3,383,781	3,383,781	4,700,971	1,317,190
FUND BALANCE (DEFICIT) - BEGINNING OF YEAR	(540,641)	(540,641)	(540,641)	-
FUND BALANCE - END OF YEAR	\$ 2,843,140	\$ 2,843,140	\$ 4,160,330	\$ 1,317,190

See independent auditor's report.

City of South El Monte
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
Safe Clean Water Program Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 3,421	\$ 3,421
Intergovernmental	441,000	441,000	3,644,912	3,203,912
TOTAL REVENUES	441,000	441,000	3,648,333	3,207,333
EXPENDITURES:				
Current:				
Public works/utilities	-	-	82,652	(82,652)
Capital outlay	450,000	450,000	-	450,000
TOTAL EXPENDITURES	450,000	450,000	82,652	367,348
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,000)	(9,000)	3,565,681	3,574,681
NET CHANGE IN FUND BALANCE	(9,000)	(9,000)	3,565,681	3,574,681
FUND BALANCE - BEGINNING OF YEAR	727,533	727,533	727,533	-
FUND BALANCE - END OF YEAR	\$ 718,533	\$ 718,533	\$ 4,293,214	\$ 3,574,681

See independent auditor's report.

City of South El Monte
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
Housing Successor Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 172	\$ 172
Other revenues	-	-	70,423	70,423
TOTAL REVENUES	-	-	70,595	70,595
EXPENDITURES:				
Current:				
Community services programs	-	-	3,633,333	(3,633,333)
TOTAL EXPENDITURES	-	-	3,633,333	(3,633,333)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(3,562,738)	(3,562,738)
NET CHANGE IN FUND BALANCE	-	-	(3,562,738)	(3,562,738)
FUND BALANCE - BEGINNING OF YEAR	4,001,593	4,001,593	4,001,593	-
FUND BALANCE - END OF YEAR	<u>\$ 4,001,593</u>	<u>\$ 4,001,593</u>	<u>\$ 438,855</u>	<u>\$ (3,562,738)</u>

See independent auditor's report.

NOTE 1 – BUDGETARY POLICY AND CONTROL

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budget/actual comparisons in this report use the GAAP basis. The budgetary comparison schedules present both the original adopted budget and the final budget with all amendments. The Budgetary comparison schedules are presented as Required Supplementary Information for the General Fund and major Special Revenue Funds as required by GASB Statement No. 34. However, the City did not budget for the Housing Successor Special Revenue funds.

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SUPPLEMENTARY

INFORMATION

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Special Revenue Funds - Used to account for the proceeds of specific revenue sources that are restricted by law or administrative action for specified purposes as listed below:

- Gas Tax Fund – State Gas Taxes are derived from State of California taxes on gasoline purchases and are allocated on a share basis to cities. These revenues are restricted for use designated by the Streets and Highways Code sections (Section 2103, 2105, 2106, 2107, 2107.5, and etc.) and can only be used on public street construction, improvements, and/or maintenance.
- Older American Act Fund – The Older Americans Act (OAA) Nutrition Programs, part of the Federal Administration on Aging within the Administration for Community Living, provide grants to States to help support nutrition services for older people throughout the country. The OAA Nutrition Programs include the Congregate Nutrition Program and the Home Delivered Nutrition Program. The purposes of these programs are to 1) reduce hunger and food insecurity, 2) promote socialization, 3) promote health and well-being, and 4) delay adverse health conditions. The intent is to make community based nutrition services available to older adults who may be at risk of losing their independence and their ability to remain in the community.
- Road Maintenance and Rehabilitation (RMRA) Fund – As a result of the Road Repair and Accountability Act of 2017, Senate Bill 1 (SB1), funds are derived from the taxes on gasoline and diesel fuel and registration taxes on motor vehicles with allocations from the State of California for local streets and roads and other transportation purposes.
- Rosemead Maintenance District Fund – The Rosemead Maintenance District Fund was intended to provide for half of the Rosemead Maintenance District maintenance cost as an assessment on property tax bills and collected by the County.
- Hayward Maintenance District – The Hayward Maintenance District Fund was intended to provide for the full cost of the Hayward Maintenance District maintenance cost as an assessment on property tax bills and collected by the County.
- Air Quality Management District – The South Coast Air Quality Management District (AQMD) receives a small portion of the annual vehicle registration license fees. The AQMD remits a portion of these revenues to cities for selected anti-pollution/transportation projects.
- Cable PEG Fund – Per Federal Communications Commission, pursuant to Section 611 of the Communications Act, local franchising authorities may require cable operators to set aside channels for public, educational, or governmental ("PEG") use. The Cable Franchise and Public, Education, and Government (PEG) Fees Fund exist to account for such activities.
- Quimby In Lieu Fee Fund – The Quimby In Lieu Fees Fund account is for park development. Funds are collected from local developers in lieu of donation of land for local parks. The funds are restricted for park improvements and may not be used for park maintenance or operations.
- DOE Fund – The DOE Fund was historically used to account for unusual and infrequent grants not tracked in any other special revenue funds. This was previously named as Miscellaneous Grant Fund.

Special Revenue Funds (Continued)

- State COPS Grant Fund – The State Community Oriented Policing Services (COPS) Fund account is for AB3999 funds for law enforcement.
- Used Oil Recycling Grant Fund – The State of California enacted the California Oil Recycling Act, which provides grants to cities and counties for establishing and maintaining local used oil collection, used oil filter collection and public outreach programs to encourage used motor oil and filter recycling by "Do it Yourself" oil changers. The California Integrated Waste Management Board (CIWMB) has been delegated the responsibility for the administration of the program by the State, setting up the necessary procedures for awarding Local Government Opportunity Grants to help local governments establish or enhance permanent, sustainable used oil and filters recycling programs.
- Beverage Container Recycling Grant Fund – The State of California enacted the California Beverage Container Recycling and Litter Reduction Act that provides funds to cities and counties for beverage container recycling and litter cleanup activities. The California Department of Conservation's Division of Recycling has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures for cities and counties or their designees under the program. Section 14581 (a)(4)(E) of the California Beverage Container Recycling and Litter Reduction Act, the eligible participant must submit the Funding Request Form by the due date and time in order to request funds from the Department of Conservation's Division of Recycling.
- Homelessness Initiative Fund – This fund was created in order to track the cost of providing care and services to the homeless from any available funding such as the County of Los Angeles Measure H or state grants.
- Measure M Local Return Fund – Measure M revenues represent the City's portion of a special Los Angeles County ½ cent on Sales Tax approved by the voters in 2016. Cities are entitled to 17% of all the ½ cent revenues. Distribution to each city is pro-rated based on each city's population. Funds are primarily utilized for street and road maintenance and improvement projects.
- Prop C Local Return Fund – Proposition "C" revenues represent the City's portion of a special Los Angeles County ½ cent Sales Tax approved by voters in 1990. Cities are entitled to 20% of all the ½ cent revenues. Distribution to each city is pro-rated based on each city's population. These revenues are restricted to fund transportation related activities and projects that benefit and support local transit services.
- Community Development Block Grant (CDBG) Fund – The Federal Department of Housing and Urban Development created the CDBG program to revitalize low and moderate income areas within American cities. The fund provides resources for activities that benefit persons with low and moderate income. The City receives funds through the County of Los Angeles as a subgrantee.
- HSIP Fund – This fund is used to account for the activity of highway construction.

Special Revenue Funds (Continued)

- Prop A Park Bond Grant Fund – The Safe Neighborhood Parks Proposition of 1992 (Proposition A) provides funding for park and open space improvement projects. On an annual basis, 15% of all proceeds of assessments levied and collected by Los Angeles County are set aside and designated as a maintenance and servicing fund for the maintenance of Measure A fund projects.
- TDA Fund – The Transportation Development Act (TDA) Article 3 funds are allocations from the Los Angeles County Metropolitan Transportation Authority (MTA). These funds are allocated annually on a per capita basis. Local agencies may either draw down these funds or place them in reserve. Agencies must submit a claim form to Metro by the end of the fiscal year in which they are allocated.
- Prop A Local Return Fund – Proposition A revenues represent the City’s portion of a special Los Angeles County ½ cent Sales Tax passed by the voters in 1980. Cities are entitled to 25% of all the ½ cent revenues. Distribution to each city is pro-rated based on each city’s population. These revenues are restricted to fund transportation related activities and projects that benefit and support local transit services.
- Measure R Local Return Fund – Measure R revenues represent the City’s portion of a special Los Angeles County ½ cent Sales Tax approved by voters in 2008. Cities are entitled to 15% of all the ½ cent revenues for a period of 30 years. Distribution to each city is pro-rated based on each city’s population. Funds are to be utilized to improve local transit services, transportation infrastructure, public improvements and citywide roadway related capital improvement projects.
- Sewer Assessment Fund – This fund is used to account for tax assessments received for the improvement of the sewer infrastructure of the City.
- State Deferred Loan Program Fund – This fund has been used to record any state loan program that is not part of the CalHome Grant Fund or the CalHome Reuse Fund.
- CalHOME Grant Fund – The CalHome Grant Fund is used to account for the California Department of Housing and Community Development grants restricted for the HOME Investment Partnership program.
- Begin Program Fund – The Begin Program Fund was historically established to account for the City’s Begin Program. There has been no activities over 12 years.
- PLHA Fund – The Permanent Local Housing Allocation (PLHA) Program Fund is used to account for grants received for housing-related projects and programs that assist in addressing the unmet housing needs.
- CalHOME Reuse Fund – The CalHOME Reuse Fund is used to account for the California Department of Housing and Community Development programs for first-time homebuyers.
- Federal Grants Fund – This fund is used to account for federal grants not accounted in other special revenue funds.

Capital Projects Fund

- Capital Improvement Fund - Used to account for financial resources used for the construction of specific capital projects.

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Special Revenue Funds					
	Gas Tax Fund	Older American Act Fund	RMRA Fund	Rosemead Maintenance District	Hayward Maintenance District	Air Quality Management District
ASSETS						
Cash and investments	\$ -	\$ 5,029	\$ -	\$ -	\$ -	\$ -
Receivables:						
Intergovernmental	36,486	-	32,666	-	-	-
Loans	-	-	-	-	-	-
Advance to other funds	459,882	-	885,560	10,485	23,674	46,421
TOTAL ASSETS	\$ 496,368	\$ 5,029	\$ 918,226	\$ 10,485	\$ 23,674	\$ 46,421
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ 3,774	\$ 1,112	\$ -	\$ -	\$ -	\$ -
Advance from other funds	-	132,740	-	-	-	-
TOTAL LIABILITIES	3,774	133,852	-	-	-	-
FUND BALANCES:						
Restricted	492,594	(128,823)	918,226	10,485	23,674	46,421
TOTAL FUND BALANCES	492,594	(128,823)	918,226	10,485	23,674	46,421
TOTAL LIABILITIES AND FUND BALANCES	\$ 496,368	\$ 5,029	\$ 918,226	\$ 10,485	\$ 23,674	\$ 46,421

(Continued)

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

Special Revenue Funds						
Cable PEG Fund	Quimby In Lieu Fees Fund	DOE Fund	State COPS Grant Fund	Used Oil Recycling Grant Fund	Beverage Container Recycling Grant Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	ASSETS
						Cash and investments
						Receivables:
						Intergovernmental
						Loans
96,643	474,203	-	304,853	-	29,978	Advance to other funds
<u>\$ 96,643</u>	<u>\$ 474,203</u>	<u>\$ -</u>	<u>\$ 304,853</u>	<u>\$ -</u>	<u>\$ 29,978</u>	TOTAL ASSETS
						LIABILITIES AND FUND BALANCES
						LIABILITIES:
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Accounts payable and accrued expenses
		60,793		6,668		Advance from other funds
		60,793		6,668		TOTAL LIABILITIES
96,643	474,203	(60,793)	304,853	(6,668)	29,978	FUND BALANCES:
						Restricted
96,643	474,203	(60,793)	304,853	(6,668)	29,978	TOTAL FUND BALANCES
<u>\$ 96,643</u>	<u>\$ 474,203</u>	<u>\$ -</u>	<u>\$ 304,853</u>	<u>\$ -</u>	<u>\$ 29,978</u>	TOTAL LIABILITIES AND FUND BALANCES

(Continued)

City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds					
	Homelessness Initiative Fund	Measure M Local Return Fund	Prop C Local Return Fund	CDBG Fund	HSIP Fund	Prop A Park Bond Grant Fund
ASSETS						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:						
Intergovernmental	158,466	-	-	-	-	-
Loans	-	-	-	-	-	-
Advance to other funds	-	1,040,499	1,187,416	-	-	17,660
TOTAL ASSETS	\$ 158,466	\$ 1,040,499	\$ 1,187,416	\$ -	\$ -	\$ 17,660
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ 1,664	\$ -	\$ -	\$ 178
Advance from other funds	179,485	-	-	79,197	932,082	-
TOTAL LIABILITIES	179,485	-	1,664	79,197	932,082	178
FUND BALANCES:						
Restricted	(21,019)	1,040,499	1,185,752	(79,197)	(932,082)	17,482
TOTAL FUND BALANCES	(21,019)	1,040,499	1,185,752	(79,197)	(932,082)	17,482
TOTAL LIABILITIES AND FUND BALANCES	\$ 158,466	\$ 1,040,499	\$ 1,187,416	\$ -	\$ -	\$ 17,660

(Continued)

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

Special Revenue Funds						
TDA Fund	Prop A Local Return Fund	Measure R Local Return Fund	Sewer Assessment Fund	State Deferred Loan Program Fund	CalHOME Grant Fund	
						ASSETS
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Cash and investments
						Receivables:
-	-	-	-	-	-	Intergovernmental
-	-	-	-	-	1,711,131	Loans
<u>23,977</u>	<u>1,044,858</u>	<u>1,001,335</u>	<u>3,443,437</u>	<u>31,585</u>	<u>36,320</u>	Advance to other funds
<u>\$ 23,977</u>	<u>\$ 1,044,858</u>	<u>\$ 1,001,335</u>	<u>\$ 3,443,437</u>	<u>\$ 31,585</u>	<u>\$ 1,747,451</u>	TOTAL ASSETS
						LIABILITIES AND FUND BALANCES
						LIABILITIES:
\$ -	\$ 13,932	\$ 10,073	\$ 2,671	\$ 11,500	\$ 680	Accounts payable and accrued expenses
-	-	-	-	-	-	Advance from other funds
<u>-</u>	<u>13,932</u>	<u>10,073</u>	<u>2,671</u>	<u>11,500</u>	<u>680</u>	TOTAL LIABILITIES
						FUND BALANCES:
<u>23,977</u>	<u>1,030,926</u>	<u>991,262</u>	<u>3,440,766</u>	<u>20,085</u>	<u>1,746,771</u>	Restricted
<u>23,977</u>	<u>1,030,926</u>	<u>991,262</u>	<u>3,440,766</u>	<u>20,085</u>	<u>1,746,771</u>	TOTAL FUND BALANCES
<u>\$ 23,977</u>	<u>\$ 1,044,858</u>	<u>\$ 1,001,335</u>	<u>\$ 3,443,437</u>	<u>\$ 31,585</u>	<u>\$ 1,747,451</u>	TOTAL LIABILITIES AND FUND BALANCES

(Continued)

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022**

	Special Revenue Funds				Capital Projects Fund	Total Non-Major Governmental Funds
	Begin Program Fund	PLHA Fund	CalHOME Reuse Fund	Federal Grants Fund	Capital Improvement Fund	
ASSETS						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,029
Receivables:						
Intergovernmental	-	-	-	-	-	227,618
Loans	214,200	-	-	-	-	1,925,331
Advance to other funds	-	-	633,430	-	1,026,815	11,819,031
TOTAL ASSETS	\$ 214,200	\$ -	\$ 633,430	\$ -	\$ 1,026,815	\$ 13,977,009
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,584
Advance from other funds	-	5,045	-	7,555	-	1,403,565
TOTAL LIABILITIES	-	5,045	-	7,555	-	1,449,149
FUND BALANCES:						
Restricted	214,200	(5,045)	633,430	(7,555)	1,026,815	12,527,860
TOTAL FUND BALANCES	214,200	(5,045)	633,430	(7,555)	1,026,815	12,527,860
TOTAL LIABILITIES AND FUND BALANCES	\$ 214,200	\$ -	\$ 633,430	\$ -	\$ 1,026,815	\$ 13,977,009

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City of South El Monte
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2022

	Special Revenue Funds					
	Gas Tax Fund	Older American Act Fund	RMRA Fund	Rosemead Maintenance District	Hayward Maintenance District	Air Quality Management District
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ 1,126	\$ 54	\$ -
Use of money and property	805	-	1,618	13	32	88
Charges for services	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Intergovernmental	501,738	342,869	419,771	-	-	20,218
Other revenues	-	-	-	-	-	-
TOTAL REVENUES	502,543	342,869	421,389	1,139	86	20,306
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Public works/utilities	694,242	-	-	140	-	-
Community services programs	-	420,247	-	-	-	-
Capital outlay	-	-	660,568	-	-	63,572
Debt service:						
Interest	5,063	-	-	-	-	-
TOTAL EXPENDITURES	699,305	420,247	660,568	140	-	63,572
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(196,762)	(77,378)	(239,179)	999	86	(43,266)
NET CHANGE IN FUND BALANCE	(196,762)	(77,378)	(239,179)	999	86	(43,266)
FUND BALANCES - BEGINNING OF YEAR	689,356	(51,445)	1,157,405	9,486	23,588	89,687
FUND BALANCES - END OF YEAR	<u>\$ 492,594</u>	<u>\$ (128,823)</u>	<u>\$ 918,226</u>	<u>\$ 10,485</u>	<u>\$ 23,674</u>	<u>\$ 46,421</u>

(Continued)

**City of South El Monte
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2022**

Special Revenue Funds						
Cable PEG Fund	Quimby In Lieu Fees Fund	DOE Fund	State COPS Grant Fund	Used Oil Recycling Grant Fund	Beverage Container Recycling Grant Fund	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	REVENUES:
140	609	-	305	-	43	Taxes
-	71,289	-	-	-	-	Use of money and property
-	-	-	-	-	-	Charges for services
-	-	-	-	-	-	Special assessments
-	-	-	161,285	5,000	5,616	Intergovernmental
10,686	-	-	-	-	-	Other revenues
<u>10,826</u>	<u>71,898</u>	<u>-</u>	<u>161,590</u>	<u>5,000</u>	<u>5,659</u>	TOTAL REVENUES
-	-	-	-	-	-	EXPENDITURES:
-	-	-	-	-	-	Current:
-	-	-	-	-	-	General government
-	-	-	-	-	-	Public safety
-	-	-	-	-	9,276	Community development
-	-	1,199	-	2,965	-	Public works/utilities
-	-	-	-	-	-	Community services programs
26,913	9,354	33,978	-	-	-	Capital outlay
-	-	-	-	-	-	Debt service:
-	-	-	-	-	-	Interest
<u>26,913</u>	<u>9,354</u>	<u>35,177</u>	<u>-</u>	<u>2,965</u>	<u>9,276</u>	TOTAL EXPENDITURES
<u>(16,087)</u>	<u>62,544</u>	<u>(35,177)</u>	<u>161,590</u>	<u>2,035</u>	<u>(3,617)</u>	EXCESS OF REVENUES OVER (UNDER) EXPENDITURES
(16,087)	62,544	(35,177)	161,590	2,035	(3,617)	NET CHANGE IN FUND BALANCE
112,730	411,659	(25,616)	143,263	(8,703)	33,595	FUND BALANCES - BEGINNING OF YEAR
<u>\$ 96,643</u>	<u>\$ 474,203</u>	<u>\$ (60,793)</u>	<u>\$ 304,853</u>	<u>\$ (6,668)</u>	<u>\$ 29,978</u>	FUND BALANCES - END OF YEAR

(Continued)

City of South El Monte
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2022

	Special Revenue Funds					
	Homelessness Initiative Fund	Measure M Local Return Fund	Prop C Local Return Fund	CDBG Fund	HSIP Fund	Prop A Park Bond Grant Fund
REVENUES:						
Taxes	\$ -	-	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	1,155	1,480	-	-	24
Charges for services	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Intergovernmental	158,466	376,900	444,157	396,480	512,914	-
Other revenues	-	-	-	-	-	-
TOTAL REVENUES	158,466	378,055	445,637	396,480	512,914	24
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Community development	-	-	-	156,140	-	-
Public works/utilities	-	12,188	9,660	-	-	-
Community services programs	168,370	-	-	-	-	-
Capital outlay	-	583	98,151	267,502	432,368	-
Debt service:						
Interest	-	-	-	-	-	-
TOTAL EXPENDITURES	168,370	12,771	107,811	423,642	432,368	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,904)	365,284	337,826	(27,162)	80,546	24
NET CHANGE IN FUND BALANCE	(9,904)	365,284	337,826	(27,162)	80,546	24
FUND BALANCES - BEGINNING OF YEAR	(11,115)	675,215	847,926	(52,035)	(1,012,628)	17,458
FUND BALANCES - END OF YEAR	\$ (21,019)	\$ 1,040,499	\$ 1,185,752	\$ (79,197)	\$ (932,082)	\$ 17,482

(Continued)

**City of South El Monte
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2022**

Special Revenue Funds							
TDA Fund	Prop A Local Return Fund	Measure R Local Return Fund	Sewer Assessment Fund	State Deferred Loan Program Fund	CalHOME Grant Fund		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		REVENUES:
39	1,304	1,182	4,414	43	48		Taxes
-	613	-	-	-	-		Use of money and property
-	-	-	392,343	-	-		Charges for services
67,853	535,465	333,064	-	-	-		Special assessments
-	-	-	-	-	-		Intergovernmental
					249,589		Other revenues
<u>67,892</u>	<u>537,382</u>	<u>334,246</u>	<u>396,757</u>	<u>43</u>	<u>249,637</u>		TOTAL REVENUES
							EXPENDITURES:
-	-	-	-	-	-		Current:
-	-	-	-	-	-		General government
-	-	-	-	-	-		Public safety
-	-	-	-	-	-		Community development
-	-	75,997	658	-	-		Public works/utilities
-	354,960	-	-	-	-		Community services programs
67,853	-	2,646	-	-	-		Capital outlay
							Debt service:
-	-	-	-	-	-		Interest
<u>67,853</u>	<u>354,960</u>	<u>78,643</u>	<u>658</u>	<u>-</u>	<u>-</u>		TOTAL EXPENDITURES
39	182,422	255,603	396,099	43	249,637		EXCESS OF REVENUES OVER (UNDER) EXPENDITURES
39	182,422	255,603	396,099	43	249,637		NET CHANGE IN FUND BALANCE
23,938	848,504	735,659	3,044,667	20,042	1,497,134		FUND BALANCES - BEGINNING OF YEAR
<u>\$ 23,977</u>	<u>\$ 1,030,926</u>	<u>\$ 991,262</u>	<u>\$ 3,440,766</u>	<u>\$ 20,085</u>	<u>\$ 1,746,771</u>		FUND BALANCES - END OF YEAR

(Continued)

City of South El Monte
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Nonmajor Governmental Funds
Year Ended June 30, 2022

	Special Revenue Funds			Federal	Capital Projects Fund	Total
	Begin Program Grand	PLHA Fund	CallHOME Reuse Fund	Grants Fund	Capital Improvement Fund	NonMajor Governmental Funds
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,180
Use of money and property	-	-	689	-	1,397	15,428
Charges for services	-	-	-	-	-	71,902
Special assessments	-	-	-	-	-	392,343
Intergovernmental	-	-	253,742	22,445	-	4,557,983
Other revenues	-	-	-	-	-	260,275
TOTAL REVENUES	-	-	254,431	22,445	1,397	5,299,111
EXPENDITURES:						
Current:						
General government	-	-	-	3,000	-	3,000
Public safety	-	-	-	-	-	-
Community development	-	-	-	-	-	165,416
Public works/utilities	-	-	-	-	-	797,049
Community services programs	-	5,045	-	-	-	948,622
Capital outlay	-	-	-	-	-	1,663,488
Debt service:						
Interest	-	-	-	-	-	5,063
TOTAL EXPENDITURES	-	5,045	-	3,000	-	3,582,638
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(5,045)	254,431	19,445	1,397	1,716,473
NET CHANGE IN FUND BALANCE	-	(5,045)	254,431	19,445	1,397	1,716,473
FUND BALANCES - BEGINNING OF YEAR	214,200	-	378,999	(27,000)	1,025,418	10,811,387
FUND BALANCES - END OF YEAR	\$ 214,200	\$ (5,045)	\$ 633,430	\$ (7,555)	\$ 1,026,815	\$ 12,527,860

(Concluded)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Gas Tax Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 805	\$ 805
Intergovernmental	467,389	467,389	501,738	34,349
TOTAL REVENUES	467,389	467,389	502,543	35,154
EXPENDITURES:				
Current:				
Public works/utilities	520,780	520,780	694,242	(173,462)
Capital outlay	100,000	100,000	-	100,000
Debt service:				
Interest	-	-	5,063	(5,063)
TOTAL EXPENDITURES	620,780	620,780	699,305	(78,525)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(153,391)	(153,391)	(196,762)	(43,371)
OTHER FINANCING SOURCES (USES):				
Transfers in	388,149	388,149	-	(388,149)
TOTAL OTHER FINANCING SOURCES (USES)	388,149	388,149	-	(388,149)
NET CHANGE IN FUND BALANCE	234,758	234,758	(196,762)	(431,520)
FUND BALANCE - BEGINNING OF YEAR	689,356	689,356	689,356	-
FUND BALANCE - END OF YEAR	\$ 924,114	\$ 924,114	\$ 492,594	\$ (431,520)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Older American Act Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 304,000	\$ 304,000	\$ 342,869	\$ 38,869
TOTAL REVENUES	304,000	304,000	342,869	38,869
EXPENDITURES:				
Current:				
Community services programs	614,914	614,914	420,247	194,667
TOTAL EXPENDITURES	614,914	614,914	420,247	194,667
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(310,914)	(310,914)	(77,378)	233,536
NET CHANGE IN FUND BALANCE	(310,914)	(310,914)	(77,378)	233,536
FUND BALANCE - BEGINNING OF YEAR	(51,445)	(51,445)	(51,445)	-
FUND BALANCE - END OF YEAR	<u>\$ (362,359)</u>	<u>\$ (362,359)</u>	<u>\$ (128,823)</u>	<u>\$ 233,536</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Road Maintenance and Rehabilitation Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,618	\$ 1,618
Intergovernmental	388,149	388,149	419,771	31,622
TOTAL REVENUES	388,149	388,149	421,389	33,240
EXPENDITURES:				
Capital outlay	-	-	660,568	(660,568)
TOTAL EXPENDITURES	-	-	660,568	(660,568)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	388,149	388,149	(239,179)	(627,328)
NET CHANGE IN FUND BALANCE	388,149	388,149	(239,179)	(627,328)
FUND BALANCE - BEGINNING OF YEAR	1,157,405	1,157,405	1,157,405	-
FUND BALANCE - END OF YEAR	<u>\$ 1,545,554</u>	<u>\$ 1,545,554</u>	<u>\$ 918,226</u>	<u>\$ (627,328)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Rosemead Maintenance District Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 13	\$ 13
Taxes	700	700	1,126	426
TOTAL REVENUES	<u>700</u>	<u>700</u>	<u>1,139</u>	<u>439</u>
EXPENDITURES:				
Current:				
Public works/utilities	-	-	140	(140)
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>140</u>	<u>(140)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>700</u>	<u>700</u>	<u>999</u>	<u>299</u>
NET CHANGE IN FUND BALANCE	700	700	999	299
FUND BALANCE - BEGINNING OF YEAR	<u>9,486</u>	<u>9,486</u>	<u>9,486</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 10,186</u>	<u>\$ 10,186</u>	<u>\$ 10,485</u>	<u>\$ 299</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Hayward Maintenance District Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 32	\$ 32
Taxes	40	40	54	14
TOTAL REVENUES	40	40	86	46
EXCESS OF REVENUES OVER EXPENDITURES	40	40	86	46
NET CHANGE IN FUND BALANCE	40	40	86	46
FUND BALANCE - BEGINNING OF YEAR	23,588	23,588	23,588	-
FUND BALANCE - END OF YEAR	\$ 23,628	\$ 23,628	\$ 23,674	\$ 46

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Air Quality Management District Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 88	\$ 88
Intergovernmental	13,750	13,750	20,218	6,468
TOTAL REVENUES	13,750	13,750	20,306	6,556
EXPENDITURES:				
Capital outlay	68,000	68,000	63,572	4,428
TOTAL EXPENDITURES	68,000	68,000	63,572	4,428
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(54,250)	(54,250)	(43,266)	10,984
NET CHANGE IN FUND BALANCE	(54,250)	(54,250)	(43,266)	10,984
FUND BALANCE - BEGINNING OF YEAR	89,687	89,687	89,687	-
FUND BALANCE - END OF YEAR	\$ 35,437	\$ 35,437	\$ 46,421	\$ 10,984

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Cable PEG Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 140	\$ 140
Other revenues	11,000	11,000	10,686	(314)
TOTAL REVENUES	11,000	11,000	10,826	(174)
EXPENDITURES:				
Capital outlay	-	-	26,913	(26,913)
TOTAL EXPENDITURES	-	-	26,913	(26,913)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	11,000	11,000	(16,087)	(27,087)
NET CHANGE IN FUND BALANCE	11,000	11,000	(16,087)	(27,087)
FUND BALANCE - BEGINNING OF YEAR	112,730	112,730	112,730	-
FUND BALANCE - END OF YEAR	\$ 123,730	\$ 123,730	\$ 96,643	\$ (27,087)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Quimby In Lieu Fees Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 609	\$ 609
Charges for services	50,000	50,000	71,289	21,289
TOTAL REVENUES	50,000	50,000	71,898	21,898
EXPENDITURES:				
Capital outlay	-	-	9,354	(9,354)
TOTAL EXPENDITURES	-	-	9,354	(9,354)
EXCESS OF REVENUES OVER EXPENDITURES	50,000	50,000	62,544	12,544
NET CHANGE IN FUND BALANCE	50,000	50,000	62,544	12,544
FUND BALANCE - BEGINNING OF YEAR	411,659	411,659	411,659	-
FUND BALANCE - END OF YEAR	\$ 461,659	\$ 461,659	\$ 474,203	\$ 12,544

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - DOE Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES:				
Current:				
Public works/utilities	\$ -	\$ -	\$ 1,199	\$ (1,199)
Capital outlay	-	-	33,978	(33,978)
TOTAL EXPENDITURES	-	-	35,177	(35,177)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(35,177)	(35,177)
NET CHANGE IN FUND BALANCE	-	-	(35,177)	(35,177)
FUND BALANCE - BEGINNING OF YEAR	(25,616)	(25,616)	(25,616)	-
FUND BALANCE - END OF YEAR	<u>\$ (25,616)</u>	<u>\$ (25,616)</u>	<u>\$ (60,793)</u>	<u>\$ (35,177)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - State COPS Grant Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 305	\$ 305
Intergovernmental	102,000	102,000	161,285	59,285
TOTAL REVENUES	<u>102,000</u>	<u>102,000</u>	<u>161,590</u>	<u>59,590</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>102,000</u>	<u>102,000</u>	<u>161,590</u>	<u>59,590</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(102,000)</u>	<u>(102,000)</u>	<u>-</u>	<u>102,000</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(102,000)</u>	<u>(102,000)</u>	<u>-</u>	<u>102,000</u>
NET CHANGE IN FUND BALANCE	-	-	161,590	161,590
FUND BALANCE - BEGINNING OF YEAR	<u>143,263</u>	<u>143,263</u>	<u>143,263</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 143,263</u>	<u>\$ 143,263</u>	<u>\$ 304,853</u>	<u>\$ 161,590</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Used Oil Recycling Grant Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 6,120	\$ 6,120	\$ 5,000	\$ (1,120)
TOTAL REVENUES	6,120	6,120	5,000	(1,120)
EXPENDITURES:				
Current:				
Public works/utilities	-	-	2,965	(2,965)
TOTAL EXPENDITURES	-	-	2,965	(2,965)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,120	6,120	2,035	(4,085)
NET CHANGE IN FUND BALANCE	6,120	6,120	2,035	(4,085)
FUND BALANCE - BEGINNING OF YEAR	(8,703)	(8,703)	(8,703)	-
FUND BALANCE - END OF YEAR	<u>\$ (2,583)</u>	<u>\$ (2,583)</u>	<u>\$ (6,668)</u>	<u>\$ (4,085)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Beverage Container Recycling Grant Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 43	\$ 43
Intergovernmental	5,100	5,100	5,616	516
TOTAL REVENUES	5,100	5,100	5,659	559
EXPENDITURES:				
Current:				
Community development	-	-	9,276	(9,276)
TOTAL EXPENDITURES	-	-	9,276	(9,276)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,100	5,100	(3,617)	(8,717)
NET CHANGE IN FUND BALANCE	5,100	5,100	(3,617)	(8,717)
FUND BALANCE - BEGINNING OF YEAR	33,595	33,595	33,595	-
FUND BALANCE - END OF YEAR	<u>\$ 38,695</u>	<u>\$ 38,695</u>	<u>\$ 29,978</u>	<u>\$ (8,717)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Homelessness Initiative Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 165,000	\$ 165,000	\$ 158,466	\$ (6,534)
TOTAL REVENUES	165,000	165,000	158,466	(6,534)
EXPENDITURES:				
Current:				
Community services programs	49,965	49,965	168,370	(118,405)
TOTAL EXPENDITURES	49,965	49,965	168,370	(118,405)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	115,035	115,035	(9,904)	(124,939)
NET CHANGE IN FUND BALANCE	115,035	115,035	(9,904)	(124,939)
FUND BALANCE - BEGINNING OF YEAR	(11,115)	(11,115)	(11,115)	-
FUND BALANCE - END OF YEAR	<u>\$ 103,920</u>	<u>\$ 103,920</u>	<u>\$ (21,019)</u>	<u>\$ (124,939)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Measure M Local Return Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,155	\$ 1,155
Intergovernmental	301,906	301,906	376,900	74,994
TOTAL REVENUES	301,906	301,906	378,055	76,149
EXPENDITURES:				
Current:				
Public works/utilities	-	-	12,188	(12,188)
Community services programs	13,500	13,500	-	13,500
Capital outlay	322,762	322,762	583	322,179
TOTAL EXPENDITURES	336,262	336,262	12,771	323,491
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(34,356)	(34,356)	365,284	399,640
NET CHANGE IN FUND BALANCE	(34,356)	(34,356)	365,284	399,640
FUND BALANCE - BEGINNING OF YEAR	675,215	675,215	675,215	-
FUND BALANCE - END OF YEAR	\$ 640,859	\$ 640,859	\$ 1,040,499	\$ 399,640

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Prop C Local Return Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,480	\$ 1,480
Intergovernmental	355,184	355,184	444,157	88,973
TOTAL REVENUES	355,184	355,184	445,637	90,453
EXPENDITURES:				
Current:				
Public works/utilities	-	-	9,660	(9,660)
Capital outlay	379,719	379,719	98,151	281,568
TOTAL EXPENDITURES	379,719	379,719	107,811	271,908
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(24,535)	(24,535)	337,826	362,361
NET CHANGE IN FUND BALANCE	(24,535)	(24,535)	337,826	362,361
FUND BALANCE - BEGINNING OF YEAR	847,926	847,926	847,926	-
FUND BALANCE - END OF YEAR	\$ 823,391	\$ 823,391	\$ 1,185,752	\$ 362,361

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Community Development Block Grant Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 70,000	\$ 70,000	\$ 396,480	\$ 326,480
TOTAL REVENUES	<u>70,000</u>	<u>70,000</u>	<u>396,480</u>	<u>326,480</u>
EXPENDITURES:				
Current:				
Community development	111,037	111,037	156,140	(45,103)
Capital outlay	470,000	470,000	267,502	202,498
TOTAL EXPENDITURES	<u>581,037</u>	<u>581,037</u>	<u>423,642</u>	<u>157,395</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(511,037)</u>	<u>(511,037)</u>	<u>(27,162)</u>	<u>483,875</u>
NET CHANGE IN FUND BALANCE	(511,037)	(511,037)	(27,162)	483,875
FUND BALANCE - BEGINNING OF YEAR	<u>(52,035)</u>	<u>(52,035)</u>	<u>(52,035)</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ (563,072)</u>	<u>\$ (563,072)</u>	<u>\$ (79,197)</u>	<u>\$ 483,875</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – HSIP Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 512,914	\$ 512,914
TOTAL REVENUES	-	-	512,914	512,914
EXPENDITURES:				
Capital outlay	-	-	432,368	(432,368)
TOTAL EXPENDITURES	-	-	432,368	(432,368)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	80,546	80,546
NET CHANGE IN FUND BALANCE	-	-	80,546	80,546
FUND BALANCE - BEGINNING OF YEAR	(1,012,628)	(1,012,628)	(1,012,628)	-
FUND BALANCE - END OF YEAR	<u>\$ (1,012,628)</u>	<u>\$ (1,012,628)</u>	<u>\$ (932,082)</u>	<u>\$ 80,546</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Prop A Park Bond Grant Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 24	\$ 24
TOTAL REVENUES	-	-	24	24
EXPENDITURES:				
Current:				
Community services programs	4,654	4,654	-	4,654
TOTAL EXPENDITURES	4,654	4,654	-	4,654
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,654)	(4,654)	24	4,678
NET CHANGE IN FUND BALANCE	(4,654)	(4,654)	24	4,678
FUND BALANCE - BEGINNING OF YEAR	17,458	17,458	17,458	-
FUND BALANCE - END OF YEAR	<u>\$ 12,804</u>	<u>\$ 12,804</u>	<u>\$ 17,482</u>	<u>\$ 4,678</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - TDA Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 39	\$ 39
Intergovernmental	15,541	15,541	67,853	52,312
TOTAL REVENUES	15,541	15,541	67,892	52,351
EXPENDITURES:				
Capital outlay	-	-	67,853	(67,853)
TOTAL EXPENDITURES	-	-	67,853	(67,853)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	15,541	15,541	39	(15,502)
NET CHANGE IN FUND BALANCE	15,541	15,541	39	(15,502)
FUND BALANCE - BEGINNING OF YEAR	23,938	23,938	23,938	-
FUND BALANCE - END OF YEAR	<u>\$ 39,479</u>	<u>\$ 39,479</u>	<u>\$ 23,977</u>	<u>\$ (15,502)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Prop A Local Return Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,304	\$ 1,304
Charges for services	6,630	6,630	613	(6,017)
Intergovernmental	428,204	428,204	535,465	107,261
TOTAL REVENUES	434,834	434,834	537,382	102,548
EXPENDITURES:				
Current:				
Community services programs	183,475	183,475	354,960	(171,485)
TOTAL EXPENDITURES	183,475	183,475	354,960	(171,485)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	251,359	251,359	182,422	(68,937)
NET CHANGE IN FUND BALANCE	251,359	251,359	182,422	(68,937)
FUND BALANCE - BEGINNING OF YEAR	848,504	848,504	848,504	-
FUND BALANCE - END OF YEAR	\$ 1,099,863	\$ 1,099,863	\$ 1,030,926	\$ (68,937)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Measure R Local Return Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,182	\$ 1,182
Taxes	266,388	266,388	333,064	66,676
TOTAL REVENUES	266,388	266,388	334,246	67,858
EXPENDITURES:				
Current:				
Public works/utilities	3,343	3,343	75,997	(72,654)
Capital outlay	-	-	2,646	(2,646)
TOTAL EXPENDITURES	3,343	3,343	78,643	(75,300)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	263,045	263,045	255,603	(7,442)
NET CHANGE IN FUND BALANCE	263,045	263,045	255,603	(7,442)
FUND BALANCE - BEGINNING OF YEAR, as restated	735,659	735,659	735,659	-
FUND BALANCE - END OF YEAR	\$ 998,704	\$ 998,704	\$ 991,262	\$ (7,442)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual – Sewer Assessment Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 4,414	\$ 4,414
Special assessments	390,000	390,000	392,343	2,343
TOTAL REVENUES	390,000	390,000	396,757	6,757
EXPENDITURES:				
Current:				
Public works/utilities	-	-	658	(658)
TOTAL EXPENDITURES	-	-	658	(658)
EXCESS OF REVENUES OVER EXPENDITURES	390,000	390,000	396,099	6,099
NET CHANGE IN FUND BALANCE	390,000	390,000	396,099	6,099
FUND BALANCE - BEGINNING OF YEAR	3,044,667	3,044,667	3,044,667	-
FUND BALANCE - END OF YEAR	<u>\$ 3,434,667</u>	<u>\$ 3,434,667</u>	<u>\$ 3,440,766</u>	<u>\$ 6,099</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - State Deferred Loan Program Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 43	\$ 43
TOTAL REVENUES	-	-	43	43
EXCESS OF REVENUES OVER EXPENDITURES	-	-	43	43
NET CHANGE IN FUND BALANCE	-	-	43	43
FUND BALANCE - BEGINNING OF YEAR, as restated	20,042	20,042	20,042	-
FUND BALANCE - END OF YEAR	<u>\$ 20,042</u>	<u>\$ 20,042</u>	<u>\$ 20,085</u>	<u>\$ 43</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - CalHOME Grant Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 48	\$ 48
Other revenues	-	-	249,589	249,589
TOTAL REVENUES	-	-	249,637	249,637
EXCESS OF REVENUES OVER EXPENDITURES	-	-	249,637	249,637
NET CHANGE IN FUND BALANCE	-	-	249,637	249,637
FUND BALANCE - BEGINNING OF YEAR	1,497,134	1,497,134	1,497,134	-
FUND BALANCE - END OF YEAR	<u>\$ 1,497,134</u>	<u>\$ 1,497,134</u>	<u>\$ 1,746,771</u>	<u>\$ 249,637</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Begin Program Grant Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE - BEGINNING OF YEAR	214,200	214,200	214,200	-
FUND BALANCE - END OF YEAR	<u>\$ 214,200</u>	<u>\$ 214,200</u>	<u>\$ 214,200</u>	<u>\$ -</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual PHLA Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES:				
Current:				
Community services programs	\$ -	\$ -	\$ 5,045	\$ (5,045)
TOTAL EXPENDITURES	-	-	5,045	(5,045)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(5,045)	(5,045)
NET CHANGE IN FUND BALANCE	-	-	(5,045)	(5,045)
FUND BALANCE - BEGINNING OF YEAR	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,045)</u>	<u>\$ (5,045)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - CalHOME Reuse Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 689	\$ 689
Intergovernmental	-	-	253,742	253,742
TOTAL REVENUES	-	-	254,431	254,431
EXCESS OF REVENUES OVER EXPENDITURES	-	-	254,431	254,431
NET CHANGE IN FUND BALANCE	-	-	254,431	254,431
FUND BALANCE - BEGINNING OF YEAR	378,999	378,999	378,999	-
FUND BALANCE - END OF YEAR	<u>\$ 378,999</u>	<u>\$ 378,999</u>	<u>\$ 633,430</u>	<u>\$ 254,431</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Federal Grants Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Intergovernmental	\$ -	\$ -	\$ 22,445	\$ 22,445
TOTAL REVENUES	-	-	22,445	22,445
EXPENDITURES:				
Current:				
General government	-	-	3,000	(3,000)
TOTAL EXPENDITURES	-	-	3,000	(3,000)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	19,445	19,445
NET CHANGE IN FUND BALANCE	-	-	19,445	19,445
FUND BALANCE - BEGINNING OF YEAR	(27,000)	(27,000)	(27,000)	-
FUND BALANCE - END OF YEAR	\$ (27,000)	\$ (27,000)	\$ (7,555)	\$ 19,445

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget to Actual - Capital Improvement Capital Project Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,397	\$ 1,397
TOTAL REVENUES	-	-	1,397	1,397
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,397	1,397
NET CHANGE IN FUND BALANCE	-	-	1,397	1,397
FUND BALANCE - BEGINNING OF YEAR	1,025,418	1,025,418	1,025,418	-
FUND BALANCE - END OF YEAR	<u>\$ 1,025,418</u>	<u>\$ 1,025,418</u>	<u>\$ 1,026,815</u>	<u>\$ 1,397</u>

STATISTICAL

SECTION

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STATISTICAL SECTION

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

Contents	<u>Pages</u>
<u>Financial Trends</u> - These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed overtime.	108 - 111
<u>Revenue Capacity</u> - These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	112 - 115
<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 financial activities take place.	116 - 117
<u>Demographic and Economic Information</u> - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	118 - 119
<u>Operating Information</u> - These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	120 - 124

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

City of South El Monte
Table 1 – Net Position By Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<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>	<u>2022</u>
Primary government										
Governmental activities										
Net investment in capital assets	\$ 12,135,164	\$ 12,011,564	\$ 12,427,204	\$ 12,427,204	\$ 15,391,539	\$ 16,836,392	\$ 16,279,206	\$ 15,385,721	\$ 15,288,354	\$ 15,977,775
Restricted	2,520,772	4,076,793	6,153,607	6,784,907	6,270,483	11,639,911	12,767,932	14,656,475	16,729,055	21,420,259
Unrestricted	5,790,895	6,676,035	451,982	(373,525)	(1,360,693)	(3,319,192)	(2,421,175)	(3,573,319)	(4,109,027)	236,441
Total primary government net position	<u>\$ 20,446,831</u>	<u>\$ 22,764,392</u>	<u>\$ 19,032,793</u>	<u>\$ 18,838,586</u>	<u>\$ 20,301,329</u>	<u>\$ 25,157,111</u>	<u>\$ 26,625,963</u>	<u>\$ 26,468,877</u>	<u>\$ 27,908,382</u>	<u>\$ 37,634,475</u>

City of South El Monte
Table 2 – Changes in Net Position By Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Primary government										
Governmental activities										
Revenues										
Charges for services	\$ 1,728,141	\$ 2,077,030	\$ 2,041,630	\$ 1,791,353	\$ 2,126,255	\$ 1,937,143	\$ 2,760,764	\$ 3,247,176	\$ 2,615,908	\$ 2,548,948
Operating grants and contributions	2,376,105	2,086,270	1,834,219	2,529,514	2,571,607	2,229,016	1,790,794	1,626,320	2,893,662	6,173,417
Capital grants and contributions	1,447,566	2,456,400	3,306,666	1,233,663	1,616,551	2,044,027	2,073,780	1,590,854	3,237,224	8,551,022
Property taxes, general purpose	2,703,141	2,815,222	2,972,604	2,955,711	873,635	896,332	1,035,976	1,696,431	1,114,424	2,632,023
Transient occupancy taxes	195,163	213,613	218,994	212,323	229,111	191,636	288,383	236,442	268,482	212,705
Franchise taxes	701,297	753,131	799,754	813,819	809,243	798,954	890,867	973,919	1,050,379	1,138,428
Sales taxes	6,054,024	6,428,562	6,565,741	6,329,473	6,930,561	6,858,448	7,545,803	7,343,638	8,487,635	11,369,696
Motor vehicle in lieu tax	11,599	9,600	9,273	8,409	2,222,849	2,343,267	2,481,572	2,638,576	2,776,579	1,481,767
Investment income	7,655	18,273	20,067	17,615	48,567	76,073	91,983	140,950	46,753	21,643
Other	214,594	27,148	15,782	32,139	486,779	200,367	139,308	503,180	226,633	398,825
Total revenues	15,439,285	16,885,249	17,784,730	15,924,019	17,915,158	17,575,263	19,099,230	19,997,486	22,717,679	34,528,474
Expenses										
General government	\$ 2,522,937	\$ 2,944,846	\$ 3,387,734	\$ 3,587,150	\$ 3,934,063	\$ 3,773,053	\$ 3,702,128	\$ 6,345,062	\$ 5,209,417	\$ 5,295,530
Public safety	3,923,240	3,978,000	4,223,205	4,579,804	4,759,360	5,585,982	5,453,070	5,530,803	5,761,462	5,990,345
Public works	2,632,197	2,684,201	2,085,286	1,983,278	1,652,138	3,368,705	3,463,458	3,273,015	5,348,358	5,084,936
Community development	1,437,594	1,745,321	3,229,405	2,449,420	2,688,425	4,013,280	1,789,151	1,674,360	2,644,505	1,686,933
Community service programs	3,006,049	3,194,855	3,208,311	3,503,076	3,405,818	4,089,294	3,388,622	3,299,829	2,294,313	6,720,210
Interest on long-term debt	26,476	20,465	18,657	15,498	12,611	55,544	31,816	31,503	20,119	24,427
Total expenses	13,548,493	14,567,688	16,152,598	16,118,226	16,452,415	20,885,858	17,828,245	20,154,572	21,278,174	24,802,381
Total primary government change in net position	\$ 1,890,792	\$ 2,317,561	\$ 1,632,132	\$ (194,207)	\$ 1,462,743	\$ (3,310,595)	\$ 1,270,985	\$ (157,086)	\$ 1,439,505	\$ 9,726,093
Beginning net position	\$ 17,785,793	\$ 20,446,831	\$ 22,764,392	\$ 19,032,793	\$ 18,838,586	\$ 20,301,329	\$ 25,157,111	\$ 26,625,963	\$ 26,468,877	\$ 27,908,382
Change in net position	1,890,792	2,317,561	1,632,132	(194,207)	1,462,743	(3,310,595)	1,270,985	(157,086)	1,439,505	9,726,093
Prior period adjustments *	770,246	-	(5,363,731)	-	-	8,166,377	197,867	-	-	-
Ending net position	\$ 20,446,831	\$ 22,764,392	\$ 19,032,793	\$ 18,838,586	\$ 20,301,329	\$ 25,157,111	\$ 26,625,963	\$ 26,468,877	\$ 27,908,382	\$ 37,634,475

* Prior-period adjustments were made for the following reasons:
2012 - Dissolution of Redevelopment Agency by the State of California.
2013 - Correction for land transferred to the Successor Agency in the prior year.
2015 - Implementation of GASB 68, Accounting and Financial Reporting for Pensions.
2018 - Transfer of assets from the Successor Agency to the City.
2019 - Revenue recognition.

City of South El Monte
Table 3 – Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<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>	<u>2022</u>
GASB 54 Fund Balance Classification										
General Fund										
Nonspendable	\$ 29,912	\$ 42,005	\$ 84,543	\$ 20,593	\$ 40,061	\$ 88,354	\$ 2,810,805	\$ 13,500	\$ 25,284	\$ 157,994
Committed	538,968	538,968	-	-	-	-	-	-	-	-
Unassigned	3,787,598	4,572,247	4,493,275	3,896,625	4,340,398	4,331,914	3,150,408	6,385,767	7,282,147	9,783,275
Total General Fund	\$ 4,356,478	\$ 5,153,220	\$ 4,577,818	\$ 3,917,218	\$ 4,380,459	\$ 4,420,268	\$ 5,961,213	\$ 6,399,267	\$ 7,307,431	\$ 9,941,269
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 314	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted										
Special revenue funds	2,531,369	3,578,911	5,038,910	5,967,251	5,399,696	10,740,132	11,813,650	13,787,348	15,703,637	20,393,444
Capital projects funds	-	276,195	1,318,950	990,992	946,044	557,950	875,039	893,065	1,025,418	1,026,815
Unassigned	(21,416)	(223,231)	(195,367)	(127,015)	(2,392)	(40,452)	(673,445)	(897,513)	(1,729,183)	-
Total all other governmental funds	\$ 2,509,953	\$ 3,631,875	\$ 6,162,493	\$ 6,831,228	\$ 6,343,662	\$ 11,257,630	\$ 12,015,244	\$ 13,782,900	\$ 14,999,872	\$ 21,420,259
Total Governmental Funds	\$ 6,866,431	\$ 8,785,095	\$ 10,740,311	\$ 10,748,446	\$ 10,724,121	\$ 15,677,898	\$ 17,976,457	\$ 20,182,167	\$ 22,307,303	\$ 31,361,528

City of South El Monte
Table 4 – Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<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>	<u>2022</u>
Revenues										
Taxes	\$ 8,233,955	\$ 8,980,548	\$ 9,035,140	\$ 9,509,623	\$ 11,822,836	\$ 11,443,098	\$ 12,242,601	\$ 12,889,006	\$ 14,103,615	\$ 16,834,619
Licenses and permits	956,865	1,270,924	1,276,473	1,037,642	1,183,025	1,190,157	1,625,233	2,326,397	1,752,197	1,947,939
Fines and forfeitures	265,117	302,830	294,895	261,638	323,515	253,925	284,632	201,387	134,735	184,977
Use of money and property	55,322	64,143	64,302	66,272	95,378	149,481	91,983	140,950	99,283	82,098
Charges for services	356,774	326,592	311,631	320,021	375,632	319,879	462,348	334,822	440,572	321,814
Special assessments	369,624	377,661	385,485	396,826	393,400	394,238	388,551	384,570	383,564	392,343
Intergovernmental	5,135,828	5,213,599	6,304,401	5,431,025	3,395,701	3,423,041	4,110,696	3,217,174	5,577,078	14,294,844
Other revenues	304,711	30,402	15,782	32,140	486,780	190,233	235,015	503,180	226,634	398,825
Total revenues	<u>15,678,196</u>	<u>16,566,699</u>	<u>17,688,109</u>	<u>17,055,187</u>	<u>18,076,267</u>	<u>17,364,052</u>	<u>19,441,059</u>	<u>19,997,486</u>	<u>22,717,678</u>	<u>34,457,459</u>
Expenditures										
General government	2,488,352	2,916,906	3,288,015	3,504,241	3,420,318	3,502,562	3,691,546	4,716,178	4,866,635	5,129,476
Public safety	3,906,528	3,960,747	4,205,952	4,565,871	4,746,258	5,347,087	5,441,231	5,520,347	5,749,350	5,965,610
Community development	1,421,409	1,729,136	2,069,101	1,968,480	1,647,165	3,840,787	1,783,360	1,664,024	2,533,226	1,664,554
Public works/utilities	1,996,595	2,080,215	2,594,383	2,225,660	2,151,311	2,401,217	2,339,521	2,282,372	4,138,609	4,148,394
Community service programs	3,032,031	2,849,043	2,670,677	2,943,887	2,824,169	3,283,754	2,633,939	2,676,693	1,673,127	6,178,765
Capital outlay	668,143	1,031,471	1,634,973	3,632,209	3,680,512	804,780	1,243,369	720,804	1,462,032	2,143,727
Debt service - principal	101,776	60,052	63,054	59,960	56,598	148,623	175,585	179,855	149,444	148,281
Debt service - interest	26,476	20,465	18,657	15,498	12,611	55,544	31,816	31,503	20,119	24,427
Total expenditures	<u>13,641,310</u>	<u>14,648,035</u>	<u>16,544,812</u>	<u>18,915,806</u>	<u>18,538,942</u>	<u>19,384,354</u>	<u>17,340,367</u>	<u>17,791,776</u>	<u>20,592,542</u>	<u>25,403,234</u>
Other financing sources (uses):										
Transfers-in	513,186	596,425	1,597,739	2,734,569	3,132,356	551,989	29,701	-	-	-
Transfers-out	(513,186)	(596,425)	(1,597,739)	(2,734,569)	(3,132,356)	(551,989)	(29,701)	-	-	-
Proceeds from loan	-	-	-	1,868,754	438,350	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,868,754</u>	<u>438,350</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency)	<u>\$ 2,036,886</u>	<u>\$ 1,918,664</u>	<u>\$ 1,143,297</u>	<u>\$ 8,135</u>	<u>\$ (24,325)</u>	<u>\$ (2,020,302)</u>	<u>\$ 2,100,692</u>	<u>\$ 2,205,710</u>	<u>\$ 2,125,136</u>	<u>\$ 9,054,225</u>
Beginning fund balance	\$ 4,829,545	\$ 6,866,431	\$ 8,785,095	\$10,740,311	\$10,748,446	\$10,724,121	\$15,677,898	\$17,976,457	\$20,182,167	\$22,307,303
Change in fund balance	2,036,886	1,918,664	1,143,297	8,135	(24,325)	(2,020,302)	2,100,692	2,205,710	2,125,136	9,054,225
Prior period adjustments*	-	-	811,919	-	-	6,974,079	197,867	-	-	-
Ending fund balance	<u>\$ 6,866,431</u>	<u>\$ 8,785,095</u>	<u>\$10,740,311</u>	<u>\$10,748,446</u>	<u>\$10,724,121</u>	<u>\$15,677,898</u>	<u>\$17,976,457</u>	<u>\$20,182,167</u>	<u>\$22,307,303</u>	<u>\$31,361,528</u>

* Prior-period adjustments were made for the following reasons:
2012 - Dissolution of Redevelopment Agency by the State of California.
2015 - Revenue recognition.
2018 - Transfer of assets from the Successor Agency to the City.
2019 - Revenue recognition.

City of South El Monte
Table 5 – Tax Revenue By Source – Governmental Activities
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<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>	<u>2022</u>
Primary government										
Governmental activities										
Revenues										
Taxes										
Property taxes	\$ 2,703,141	\$ 2,815,222	\$ 2,972,604	\$ 2,955,711	\$ 873,635	\$ 896,332	\$ 1,035,976	\$ 1,696,431	\$ 1,114,424	\$ 2,632,023
Transient occupancy taxes	195,163	213,613	218,994	212,323	229,111	191,636	288,383	236,442	268,482	212,705
Franchise taxes	701,297	753,131	799,754	813,819	809,243	798,954	890,867	973,919	1,050,379	1,138,428
Sales taxes	6,054,024	6,428,562	6,565,741	6,329,473	6,930,561	6,858,448	7,545,803	7,343,638	8,487,635	11,369,696
Motor vehicle in lieu tax	11,599	9,600	9,273	8,409	2,222,849	2,343,267	2,481,572	2,638,576	2,776,579	1,481,767
Total tax revenues	<u>\$ 9,665,224</u>	<u>\$ 10,220,128</u>	<u>\$ 10,566,366</u>	<u>\$ 10,319,735</u>	<u>\$ 11,065,399</u>	<u>\$ 11,088,637</u>	<u>\$ 12,242,601</u>	<u>\$ 12,889,006</u>	<u>\$ 13,697,499</u>	<u>\$ 16,834,619</u>

City of South El Monte
Table 6 – Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property	Total Secured Property	Utility ²	Unsecured	Total	Total Direct Tax Rate
2012-13	\$ 569,266,784	\$ 179,620,415	\$ 852,490,623	\$ 60,836,082	\$ 1,662,213,904	\$ 0	\$ 118,647,496	\$ 1,780,861,400	42.16%
2013-14	596,778,569	186,287,535	879,208,903	63,143,183	1,725,418,190	0	113,546,337	1,838,964,527	6.94%
2014-15	626,446,415	194,101,037	895,533,204	72,078,746	1,788,159,402	0	119,704,111	1,907,863,513	6.94%
2015-16	666,827,867	198,103,765	929,721,856	70,983,521	1,865,637,009	0	123,995,300	1,989,632,309	6.93%
2016-17	730,247,841	214,928,894	980,181,637	52,246,134	1,977,604,506	0	128,154,969	2,105,759,475	6.93%
2017-18	769,009,518	228,623,059	1,021,712,149	60,140,112	2,079,484,838	0	139,254,130	2,218,738,968	6.91%
2018-19	819,380,478	241,809,474	1,083,476,994	64,532,657	2,209,199,603	0	151,557,941	2,360,757,544	6.92%
2019-20	871,326,461	254,473,819	1,156,479,484	71,164,589	2,353,444,353	0	156,674,286	2,510,118,639	6.91%
2020-21	922,642,778	271,394,193	1,205,176,755	69,082,630	2,468,296,356	0	158,311,997	2,626,608,353	6.90%
2021-22	969,120,486	275,036,942	1,271,456,830	79,834,742	2,595,449,000	0	176,998,817	2,772,447,817	6.90%

Notes:

Exempt values are not included in Total.

In 1978 the voters of the State of California passed Proposition 13 which limited 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 of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value 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 is subject to the limitations described above.

City of South El Monte
Table 7 – Direct and Overlapping
Property Tax Rates
Last Ten Fiscal Years

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Basic Levy ¹	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
El Monte City School District	0.132880	0.127350	0.118220	0.146420	0.146820	0.146160	0.145800	0.108030	0.075130	0.079890
El Monte Union High School	0.089920	0.097990	0.084180	0.091550	0.084690	0.082430	0.087930	0.109690	0.092940	0.076510
Metropolitan Water District	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500
Mountain View School District	-	-	-	-	-	0.047700	0.055340	0.051400	0.054850	0.099250
Pasadena Community College Dist	0.020560	0.018990	0.010320	0.008720	0.008850	0.008190	0.007670	0.007210	0.005540	0.008990
Rio Hondo Community College Dist	0.028120	0.028920	0.028210	0.027120	0.028080	0.027480	0.025540	0.025710	0.013610	0.015260
Total Direct & Overlapping² Tax Rates	1.274970	1.276760	1.244430	1.277310	1.271940	1.315460	1.325780	1.305540	1.245570	1.283400
City's Share of 1% Levy Per Prop 13 ³	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667
Voter Approved City Debt Rate										
Redevelopment Rate ⁴										
Total Direct Rate⁵	0.421610	0.069420	0.069360	0.069310	0.069260	0.069070	0.069190	0.069070	0.069030	0.068990

Notes:

¹In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

²Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all property owners.

³City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. The ERAF portion of the City's Levy has been subtracted where known.

⁴Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.

⁵Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

City of South El Monte
Table 8 – Principal Property Taxpayers
Current Year and Ten Years Ago

Taxpayer	2022			2013		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
INTERNATIONAL MEDICATION SYSTEMS LIMITED	\$ 44,063,927	1	1.59%	\$ 22,165,103	1	1.24%
RUSH STREET LLC	20,358,754	2	0.73%			
VACCO INDUSTRIES	19,783,689	3	0.71%	10,024,125	9	0.56%
OUT OF THE SHELL LLC	19,764,373	4	0.71%			
HIEU INVESTMENTS LLC	19,764,373	5	0.66%			
PRIME FRIT EL MONTE LLC	17,029,092	6	0.61%			
ART WEISS INC	16,577,624	7	0.60%			
ROSEMEAD HOLDING LLC	16,400,000	8	0.59%			
AMRO FABRICATING CORPORATION	16,290,763	9	0.59%			
KENNETH J KAY COTRUSTEE ET AL	15,871,456	10	0.57%			
CALIFORNIA T C GROUP				16,380,145	2	0.92%
OWEN BROS ENTERPRISES				14,137,337	3	0.79%
M AND T COMPANY LLC				14,024,471	4	0.79%
SEL HOMES LLC				13,838,606	5	0.78%
WHITTIER NARROWS BUSINESS PARK				12,479,833	6	0.70%
GREATER EL MONTE CALMED INVESTMENT LP				11,205,929	7	0.63%
FALLON RAMBEAU PROPERTIES LLC				11,176,035	8	0.63%
PRIMESTOR SOUTH EL MONTE LLC				9,883,800	10	0.56%
Total Taxable Assessed Value Ten Largest Taxpayers	<u>\$ 205,904,051</u>		<u>7.43%</u>	<u>\$ 135,315,384</u>		<u>7.60%</u>
Total Taxable Assessed Value Other Taxpayers.....	<u>\$ 2,566,543,766</u>		<u>92.57%</u>	<u>\$ 1,645,546,016</u>		<u>0.924016892</u>
Total Taxable Assessed Value All Taxpayers.....	<u>\$ 2,772,447,817</u>		<u>100.00%</u>	<u>\$ 1,780,861,400</u>		<u>100.00%</u>

City of South El Monte
Table 9 – Direct and Overlapping Debt
Current Year and Ten Years Ago

	2022			2013		
	Gross Bonded Debt Balance	Percent Applicable to City	Net Bonded Debt	Gross Bonded Debt Balance	Percent Applicable to City	Net Bonded Debt
*337.05 METROPOLITAN WATER DISTRICT	\$ 9,835,780	0.168	\$ 16,500	\$ 79,696,126	0.125	\$ 99,910
473.51 EL MONTE CITY SD DS 1999 SERIES A				1,420,000	13,512	191,870
473.53 EL MONTE DISTRICT DS 1999 SERIES C				435,000	13,512	58,777
473.54 EL MONTE CITY SD SD 2004 REFUND BONDS				5,745,000	13,512	776,265
473.55 EL MONTE CITY SD DS 2004 SERIES A 2005				13,640,000	13,512	1,843,037
473.56 EL MONTE CITY SD DS 2005 REFUND BONDS				16,891,310	13,512	2,282,354
473.57 EL MONTE CITY SD DS 2004 SERIES B				23,018,006	13,512	3,110,193
473.58 EL MONTE CITY SD DS 2004 SERIES C	5,876,911	13.287	780,838			
473.59 EL MONTE CITY SD DS 2004 SERIES D (2009)	5,015,000	13.287	666,320			
473.60 EL MONTE CITY SD DS 2008 SERIES A				9,150,747	13,512	1,236,449
473.61 EL MONTE CITY SD DS 2008 SERIES A-1BABS				18,540,000	13,512	2,505,125
473.62 EL MONTE CITY SD DS 2008, SERIES B	5,719,716	13.287	759,952	5,998,159	13,512	810,471
473.63 EL MONTE CITY SD DS 2012 REFUND BONDS	4,450,000	13.287	591,251			
473.64 EL MONTE CITY SD DS 2014 SERIES A	31,920,000	13.287	4,241,062			
473.65 EL MONTE CITY SD DS 2015 REF BONDS	9,900,000	13.287	1,315,367			
473.66 EL MONTE CITY SD DS 2014 SERIES B	8,935,000	13.287	1,187,152			
473.67 EL MONTE CITY SD DS 2017 REF BOND SER A	3,155,000	13.287	419,190			
473.68 EL MONTE CITY SD DS 2017 REF BOND SER B	28,235,000	13.287	3,751,453			
577.50 MOUNTAIN VIEW SD DS 2016 SERIES A	15,405,000	22.780	3,509,313			
577.51 MOUNTAIN VIEW SD DS 2016 SERIES B	13,130,000	22.780	2,991,060			
577.52 MOUNTAIN VIEW SD DS 2016 SERIES C	11,450,000	22.780	2,608,350			
577.55 MOUNTAIN VIEW SD DS 2020 SERIES A	19,845,000	22.780	4,520,760			
745.51 EL MONTE UNION HSD 2002 SERIES A				1,260,000	15,885	200,153
745.52 EL MONTE UNION HSD 2002 SERIES B				2,370,000	15,885	376,478
745.53 EL MONTE UNION HSD 2006 REFUND BONDS				34,798,086	15,885	5,527,727
745.54 EL MONTE UNION HSD 2002 SERIES C				28,190,000	15,885	4,478,023
745.55 EL MONTE UNION HSD DS 2008 SERIES A				52,822,277	15,885	8,390,896
745.56 EL MONTE UNION HSD DS 2008 SERIES B	29,117,830	16.048	4,672,923	30,297,787	15,885	4,812,848
745.57 EL MONTE UNION HSD DS 2015 REF BONDS	10,200,000	16.048	1,636,929			
745.59 EL MONTE UNION HSD DS 2008 SERIES C	47,225,000	16.048	7,578,819			
745.60 EL MONTE UNION HSD DS 2016 REF BONDS	9,970,098	16.048	1,600,033			

City of South El Monte
Table 9 – Direct and Overlapping Debt (Continued)
Current Year and Ten Years Ago

	Gross Bonded Debt Balance	Percent Applicable to City	Net Bonded Debt	Gross Bonded Debt Balance	Percent Applicable to City	Net Bonded Debt
745.61 EL MONTE UNION HSD DS 2008 SERIES D	\$ 44,005,000	16.048	\$ 7,062,064	\$ -		\$ -
745.62 EL MONTE UNION HSD DS 2018 SERIES A	100,711,221	16.048	16,162,460			
812.51 PASADENA CCD DS 2006 SERIES B				46,100,000	0.001	296
812.52 PASADENA CCD DS 2006 REFUNDING BOND SERIES C				5,315,367	0.001	34
812.53 PASADENA CCD DS 2002, 2006 SER D				26,505,000	0.001	170
812.54 PASADENA CCD 2002, 2009 SERIES E (BABS)				25,295,000	0.001	162
816.52 RIO HONDO CCD DS 2004 SERIES 2004A				3,650,000	6.078	221,864
816.53 RIO HONDO CCD DS 2005 REFUNDING BONDS				42,055,387	6.078	2,556,325
816.54 RIO HONDO CCD DS 2004 SERIES 2008				61,881,844	6.078	3,761,470
816.55 RIO HONDO CCD DS 04, 2010 SER C				60,040,980	6.092	3,657,520
816.56 RIO HONDO CCD DS REF 2004 2019 SER B	\$ 113,112,824	6.087	\$ 6,885,184			
Total Overlapping Debt			72,956,980			46,898,417

2021/22 Assessed Valuation: \$1,353,650,023 After Deducting \$1,418,797,794 Incremental Value.

Debt To Assessed Valuation Ratios:	Direct Debt	0.00%
	Overlapping Debt	5.39%
	Total Debt	5.39%

2012/13 Assessed Valuation: \$1,106,823,165 After Deducting \$674,038,235 Incremental Value.

Debt To Assessed Valuation Ratios:	Direct Debt	0.00%
	Overlapping Debt	4.24%
	Total Debt	4.24%

*This fund is a portion of a larger agency, and is responsible for debt in areas outside the city.

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the city.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed 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.

Data Source: HdL Coren & Cone, Los Angeles County Assessor and Auditor Combined 2012/13 Lien Date Tax Rolls

City of South El Monte
Table 10 – Demographic and Economic Statistics
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income ¹	Median Age	Unemployment Rate
2012	20,312	283,007	13,933	30.6	11.80%
2013	20,426	290,396	14,217	30.5	9.80%
2014	20,435	289,523	14,168	31.2	4.40%
2015	20,814	304,112	14,610	32.6	3.60%
2016	20,862	310,663	14,891	33.4	2.80%
2017	20,882	314,899	15,079	34.2	3.70%
2018	21,293	327,800	15,394	34.3	4.10%
2019	21,204	346,078	16,321	34.3	4.30%
2020	21,296	363,970	17,091	34.4	12.30%
2021	19,668	380,710	19,356	34.8	7.90%

Notes and Data Sources:

Population: California State Department of Finance. Unemployment Data: California Employment Development Department

2000-2009 Income, Age, and Education Data: ESRI - Demographic Estimates are based on the last available Census. Projections are developed by incorporating all of the prior census data released to date. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries

2010 and later: Income, Age and Education Data - US Census Bureau, most recent American Community Survey

City of South El Monte
Table 11 – Principal Employers
Current Year and Ten Years Ago

Employer	2022			2013		
	Employees	% of Total City Employment	Rank	Employees	% of Total City Employment	Rank
INTERNATIONAL MEDICATION SYSTEMS	805	9.04%	1			
VACCO INDUSTRIES	442	4.97%	2	335	4.19%	2
GREATER EL MONTE COMMUNITY HOSPITAL	341	3.83%	3	385	4.81%	1
LAWRENCE EQUIPMENT INC	295	3.31%	4	250	3.13%	3
AMRO FABRICATING CORPORATION	125	1.40%	5	102	1.28%	6
LEADER INDUSTRIES	100	1.12%	6	94	1.18%	9
TED LEVINE DRUM CO	94	1.06%	7	94	1.18%	10
CRANEVEYOR CORP	75	0.84%	8	75	0.94%	8
SIERRA LANDSCAPE DEVELOPMENT INC	70	0.79%	9			
ALUM A COAT	61	0.69%	10			
COAST APPLIANCE PARTS CO				140	1.75%	4
SUPERIOR GROCERS #104				115	1.44%	5
EL MONTE SUPERSTORE				100	1.25%	7
Total	2,408	27.06%		1,690	21.13%	
Total Employment	8,900	100.00%		8,000	100.00%	

Sources:

Finance Department, City of South El Monte

State of California Economic Development Department - Labor Force Information

City of South El Monte
Table 12 – Full-time Equivalent City Employees By Function/Program*
Last Ten Fiscal Years

	<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>	<u>2022</u>
General government	11.35	12.56	11.26	11.69	12.67	13.65	18.70	18.74	17.17	14.00
Public safety	5.14	6.58	6.59	5.50	5.83	6.15	9.05	7.60	2.13	2.50
Community development	5.71	5.63	6.15	5.71	6.31	6.90	8.58	6.42	8.35	7.50
Public works	16.86	15.93	17.14	16.27	17.22	18.16	18.10	24.91	31.78	21.75
Community services	52.94	57.30	54.86	47.83	50.74	53.64	57.07	44.83	19.57	33.25
	<u>92.00</u>	<u>98.00</u>	<u>96.00</u>	<u>87.00</u>	<u>92.75</u>	<u>98.50</u>	<u>111.50</u>	<u>102.50</u>	<u>79.00</u>	<u>79.00</u>

* Full time employees assumed at a utilization rate of 1.00 and part-time employs, City Council members, and Commissioners assumed at utilization rate of 0.50.

** Fiscal 2017 data was not available as payroll was outsourced to ADP. Actual was assumed to be the median between fiscal years 2016 and 2018.

City of South El Monte
Table 13 – Operating Indicators By Function/Program
Last Ten Fiscal Years

FUNCTION	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL GOVERNMENT										
SALES OF PUBLICATIONS	91	71	85	80	111	81	91	37	18	18
RENTS	43	37	33	39	40	34	37	31	35	32
PUBLIC SAFETY										
PARKING VIOLATIONS	88	95	97	98	104	92	83	63	66	68
ADMIN CITATION FEES	25	33	46	30	25	29	25	4	6	6
BUSINESS LICENSE										
Advertising Billboard	0	0	0	0	0	0	0	0	0	1
Apartments-5 Or More	44	44	45	46	46	47	46	47	47	48
Bingo Game-charitable	1	1	1	1	1	1	1	1	1	0
Carnival/Circus/Traveling Show	0	0	0	0	0	0	0	0	1	0
Contractor-inside Registration	29	34	37	39	40	43	51	51	58	58
Contractors-outside	0	0	0	3	1	5	6	4	5	5
Exempt	0	0	0	0	0	0	0	2	3	3
Food Establishment	92	92	93	93	94	95	100	99	101	100
Gardener-outside	1	1	1	1	1	1	1	0	0	0
Gun Dealer	1	1	1	1	1	1	1	1	0	0
Health Club/Spa	0	0	0	0	0	0	0	0	0	1
Home Occupation	6	8	10	13	16	18	19	26	32	36
Import/export Registration	35	37	39	42	46	48	48	49	46	43
Kennel	1	1	1	1	1	1	1	1	1	1
Manufacturing Registration	158	163	170	174	185	190	205	211	183	184
Massage Parlor	1	1	2	2	2	2	2	1	1	1
Massage Technician	0	0	0	5	7	10	13	4	0	0
Motels	3	3	3	3	3	3	3	3	4	3
Other Registration	66	70	82	83	84	88	88	95	105	110
Peddler-retail Veh.-out O	3	3	3	3	3	3	7	4	4	4
Private School	0	0	0	1	1	1	1	1	1	1
Professional-registration	64	68	68	76	82	90	104	103	95	97
Public Eating - No Alcohol Sales	14	15	17	17	18	18	16	17	15	20
Public Eating W/alcohol/dance & Er	2	2	2	2	2	2	2	2	2	2
Public Eating With Alcohol Sales	12	13	13	16	15	17	16	17	18	18
Public Eating-all Other	1	2	2	2	2	2	3	3	3	4
Rentals-apartments	71	72	71	72	68	71	85	84	83	79
Rentals-boarding Houses	5	5	5	5	5	5	4	4	5	6
Rentals-condominiums	2	2	2	2	2	2	5	4	4	5
Rentals-duplexes	87	89	91	92	96	96	100	90	85	87
Rentals-single Family Dwelling	251	255	258	261	264	266	278	280	280	281
Rentals-townhouses	0	0	0	0	0	0	1	1	1	1
Rentals-triplexes	18	18	18	18	18	18	17	16	17	18
Repair Svcs - Registration	53	57	66	68	74	79	74	78	74	73
Retail Registration	65	77	84	94	101	111	129	142	147	154
Sewing/garment-registration	31	41	49	63	69	81	79	71	61	61
Swap Meet	0	0	0	0	0	0	0	1	1	1
Warehouse-registration	28	37	42	50	52	73	81	83	85	90
Waste Collector	3	3	3	3	2	2	2	3	2	2
Wholesale Registration	176	199	216	239	251	275	313	344	340	348
TOW FEES	24	15	12	12	12	13	2	1	10	9
PARKING PERMITS	0	0	0	0	0	10	6	1	8	1
DOG LICENSE										

City of South El Monte
Table 13 – Operating Indicators By Function/Program (Continued)
Last Ten Fiscal Years

FUNCTION	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
PUBLIC WORKS										
PLANNING FEES	103	103	71	78	86	67	69	64	61	97
PENALTY	202	320	137	175	175	167	45	3	0	0
FINES AND FORFEITURES	27	29	24	31	29	12	25	3	9	11
ELECTRICAL PERMITS	138	185	148	145	137	135	143	126	152	92
MECHANICAL PERMITS	89	106	76	70	64	68	57	70	74	50
PLUMBING PERMITS	87	137	114	69	91	76	75	78	79	58
BUILDING PERMITS	327	405	517	383	334	328	351	363	376	319
SEWER PERMIT	10	33	29	11	15	20	11	11	24	16
GRADING PERMIT	6	8	9	5	13	7	15	9	5	12
STRONG MOTION PERMIT	20	54	46	19	19	8	23	26	26	14
STORAGE OF PERMIT-P.MAINT	74	62	45	39	47	33	32	18	32	16
DEVELOPMENT FEES	6	8	13	6	13	5	13	12	15	12
INDUSTRIAL WASTE PERMIT	197	207	191	193	207	194	180	170	150	175
ENCROACHMENT PERMIT	1	1	42	136	152	109	137	140	138	134
PUBLIC WORKS PERMIT	109	158	160	139	127	143	79	98	75	104
FORECLOSURE REGISTRATION	33	51	57	46	31	20	22	21	11	8
HOME FRCLSURE PRCSSG FEE	30	47	49	45	30	17	20	21	11	8
COMMUNITY SERVICES										
BUS PASS-SENIORS	306	263	228	219	209	234	225	97	7	24
BUS PASS-HANDICAPPED	49	56	32	28	28	24	23	6	0	1
BUS PASS-STUDENTS	97	98	114	132	90	66	78	24	0	0
FOOTHILL PASSES	20	21	16	12	13	30	63	18	3	0
EZ BUS PASSES	106	134	122	92	79	59	67	38	9	11
RECREATION FEE	903	511	924	1755	959	866	594	177	152	251
SWIM TEAM	32	50	34	21	46	69	43	25	22	9
BASKETBALL	294	281	363	385	450	405	338	250	85	310
T-BALL	144	153	190	189	197	183	138	127	70	130
EXCURSION-SENIOR CENTER	8	25	9	11	13	25	75	65	0	61
EXCURSION-PARKS & REC	1	25	1	54	49	0	0	0	0	0
RECREATIONAL CLASSES	13	4	0	0	0	0	0	0	0	1
SPECIAL EVENTS	50	62	54	93	87	130	83	195	0	80
TAP & BALLET	65	77	93	11	0	0	0	0	0	0
AEROBICS	43	0	0	0	0	0	0	0	0	0
FOLKLORICO	9	3	32	8	0	0	0	0	0	1
FACILITY RESERVATIONS	54	60	28	29	213	240	189	156	25	117
CHEERLEADING	270	82	555	798	852	0	0	0	0	0
RECREATION SWIMMING	97	110	130	91	203	98	93	68	10	103
SWIM LESSONS	662	629	538	799	869	762	715	579	342	1234
BOXING REGISTRATION	759	416	715	924	835	924	1034	776	0	578
ZUMBA	211	246	214	183	175	88	41	26	0	75
TAEKWONDO	64	100	155	87	1	28	104	67	0	1
CHILD SVC-EXTENDED DAY CR	292	312	429	636	568	603	542	350	0	121
CI-CONG. MEALS DONATIONS	67	57	55	59	50	55	152	99	40	43
CII-HOMEBOUND DONATIONS	19	19	21	24	22	27	59	32	21	20
CI-COUNTY PRN CONG.	12	20	13	13	14	16	16	20	20	18
CII-COUNTY PRN HOMEBOUND	24	27	21	28	29	28	30	25	33	26
CHRISTMAS TOY DR DONATION	134	121	127	127	132	139	134	116	119	129
DONATION-PATRIOTIC COMM.	4	5	5	7	5	7	0	0	0	2
RECREAT'N PROG.FUNDRAISER	1	25	0	282	50	0	0	0	0	0

City of South El Monte
Table 14 – Capital Assets By Function
Last Ten Fiscal Years

	<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>	<u>2022</u>
General government										
City Hall	1	1	1	1	1	1	1	1	1	1
Solar System	0	0	0	0	4	4	4	4	4	4
Public safety										
Public Safety Center	1	1	1	1	1	1	1	1	1	1
Public works										
Roads (miles)	38	38	38	38	38	38	38	38	38	38
Street Lights	1082	1082	1082	1082	1082	1082	1082	1082	1082	1082
Sidewalks (miles)	66	66	66	66	66	66	66	66	66	66
Sewer Line (miles)	47	47	47	47	47	47	47	47	47	47
City Yard	2	2	2	2	2	2	2	2	2	2
Bus Shelter	25	25	25	25	25	25	25	25	25	25
Public Restrooms	11	11	11	11	11	11	11	11	11	11
Community services										
Community Center / Senior Center	1	1	1	1	1	1	1	1	1	1
Mini Center	1	1	1	1	1	1	1	1	1	1
City Owned Parks (acreage)	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77
Baseball / Softball Fields	8	8	8	8	8	8	8	8	8	8
Basketball Courts	9	9	9	9	9	9	9	9	9	9
Aquatic Center Pool	2	2	2	2	2	2	2	2	2	2
Gymnasium	1	1	1	1	1	1	1	1	1	1
Boxing Gym	1	1	1	1	1	1	1	1	1	1
Skate Park	1	1	1	1	1	1	1	1	1	1

* Estimated based on 6/30/15 data.

City of South El Monte
Table 15 – Top 25 Sales Tax Producers
Current and Ten Years Ago

Top 25 Sales Tax Producers
For Fiscal Year 2021-22

<u>Business Name</u>	<u>Business Category</u>
2010 Office Furniture	Office Supplies/Furniture
Arco	Service Stations
Asia Building Supply	Contractors
Cardinal Paint & Powder	Light Industrial/Printers
Chevron	Service Stations
DDC Electric Supply	Plumbing/Electrical Supplies
El Monte Ornamental Supply	Contractors
Ewing Irrigation Products	Garden/Agricultural Supplies
Exquisite Cabinet & Counter Top	Contractors
Greencastle Cabinetry	Contractors
HD Stone & Cabinets	Contractors
KB Stone & Cabinet	Contractors
Lawrence Equipment	Food Service Equip./Supplies
Leader Industries	Trailers/Auto Parts
Marshalls	Family Apparel
McDonalds	Quick-Service Restaurants
Premium Autos	Used Automotive Dealers
Quartz Max	Contractors
Shell	Service Stations
Smardan Supply Co	Plumbing/Electrical Supplies
South El Monte Arco	Service Stations
Southeast Concrete Products	Contractors
Superior Grocers	Grocery Stores
Tyler Stone	Textiles/Furnishings
USA Gas	Service Stations

Top 25 Sales Tax Producers
For Fiscal Year 2012-13

<u>Business Name</u>	<u>Business Category</u>
2010 Office Furniture	Office Supplies/Furniture
Ace Lumber & Supply	Building Materials
Arco AM PM	Service Stations
Cardinal Paint & Powder	Light Industrial/Printers
Caspian Sea Petroleum	Service Stations
Circle K	Service Stations
DDC Electric Supply	Plumbing/Electrical Supplies
El Monte Ornamental Supply	Contractors
FleetPride	Trailers/Auto Parts
Garvey Mart & Service	Service Stations
IMS	Drugs/Chemicals
Lawrence Equipment	Food Service Equip./Supplies
Leader Industries	Trailers/Auto Parts
Marshalls	Family Apparel
McDonalds	Quick-Service Restaurants
Mikes Shell	Service Stations
Mingguang Stone & Cabinet	Contractors
Mobil	Service Stations
Pscmb Repairs	Repair Shop/Equip. Rentals
Santa Anita Chevron	Service Stations
Shell	Service Stations
Smardan Supply Co	Plumbing/Electrical Supplies
Southeast Concrete Products	Contractors
Superior Grocers	Grocery Stores
USA Gas	Service Stations

Percent of Fiscal Year Total Paid By Top 25 Accounts = 44.27%

Percent of Fiscal Year Total Paid By Top 25 Accounts = 50.46%

Sources: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies

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