

**CITY OF SOUTH EL MONTE, CALIFORNIA**  
**FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**Prepared by:**  
**Finance Department**

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**City of South El Monte**  
**For the Fiscal Year Ended June 30, 2023**  
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INTRODUCTORY

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SECTION

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## CITY OF SOUTH EL MONTE

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



January 24, 2024

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 fiscal year ended June 30, 2023. 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 Moss, Levy & Hartzheim CPAs, 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, 2023 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, 2023 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 component units 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 miles 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***

- Planning
- Housing
- Community and Economic Development
- Planning Commission

### ***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***

- Received a \$150,000 grant from Local Early Action Planning (LEAP) in FY 21-22 to be used for building permit scanning and cloud storage. Project is nearing completion.
- Obtained a \$200,000 Sustainable Communities Program Grant from SCAG to facilitate housing production by completing a comprehensive zoning code update. The update is underway. The update will include a number of code updates, including a reorganization of the code, removal of outdated language, updated list of commercial and industrial uses, including updated development standards, and a developer and resident's zoning code handbook. The update will make the code easier to understand and implement. Update draft has been completed by staff and the environmental review portion of the project will be starting mid-December, 2023.
- 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. The project is currently in the plan check process.
- Starlite Specific Plan – The project gained approval in the latter portion of FY 21-22. The project included multiple entitlement applications for the development of 169 single-family dwelling units and 38 multi-family dwelling units. The project is currently in the building plan check process. Grading is underway. Construction pending grading completion and final map approval.
- Reviewed 48 Pre-application requests ranging from ADA's to remodels to new construction.
- Issued 537 Building Permits
- Issued 2,185 Business licenses (new and renewals)
- Issued 29 Administrative Citations
- Issued 6,961 Parking Citations

## **Public Works Department**

The Public Works Department is responsible for building, safety, and maintenance and construction of the City's infrastructure. The engineering division is responsible for administering city contracts and designing public improvements, such as roadways, storm drains, sewers, traffic signals, and City-owned buildings. The Public Works Department is also responsible for inspecting all city-run construction projects.

The Public Works Department consists of the following Divisions, all working with a collaboratively toward shared goals and objectives, and accomplishments as follows:

### ***Divisions***

- Public Works Administration
- Community Improvement Projects
- Engineering
- Building & Safety
- Code Enforcement & Public Safety
- Waste Management & Recycling
- Emergency Preparedness
- Facilities Maintenance & Improvements
- Parks & Landscape Maintenance
- Street Maintenance
- Fleet Maintenance

### ***Goals and Objectives***

- Find areas for improvements to enhance and/or eliminate infrastructure needs and/or deficiencies.
- Effectively manage condition of infrastructure and the availability of financial resources to make necessary changes, including grants.
- Effectively manage the location of existing and/or planned facilities.
- Compliance with environmental and safety standards.

### ***Accomplishments***

- Traffic signal enhancements at the intersections of Rush Street and Peck Road (FY2022), Santa Anita Avenue and Klingerman Street (FY2023), Santa Anita Avenue and Rush Street (FY2022), and Santa Anita Avenue and Central Avenue (Continuing).
- Repaving of various residential streets including Lashbrook Avenue, Strozier Avenue, Fawcett Avenue, Michael Hunt Drive, Bunker Avenue, Enloe Street, Adson Place, Lorin Avenue, Granada Avenue and Lexington-Gallatin Road.
- Replacement of overhead electric facilities with a new underground street lighting system along Santa Anita Avenue between Fawcett Avenue and Tyler Avenue; and the installation of 41 new decorative streetlights.
- The planning and designing for new bike facilities and street furniture along Santa Anita Avenue.
- Various parks and facility improvements including restroom renovations and playground pavement rehabilitation projects at Shively Park, installation of outdoor fitness equipment at

- Mary Van Dyke Park and Civic Center, and new playground structures at New Temple Park and Mary Van Dyke Park.
- Planning and design for street improvements along Merced Avenue, consisting of cool pavement, permeable pavers, bike lanes, landscaping, and stormwater capture infrastructure.
  - Conceptual design for street improvements along Rosemead Boulevard and Rush Street to reduce single occupant motor vehicle trips and improve safety for all roadway users.

## **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***

- Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the City's Annual Comprehensive Financial Report For the Fiscal Year Ended June 30, 2022.
- Continued to refine the City's five years financial forecast to keep management abreast of where the organization is financially headed.
- Obtained a clean audit opinion on the 6/30/22 City financial audit.
- Obtained a clean audit opinion on the 6/30/22 MTA audit.
- Continued to create avenues to improve the overall financial future of the City by:
  - Fully funded the CalPERS unfunded actuarial liability.
  - Fully funded the OPEB unfunded actuarial liability.

- Became a member of the California Asset Management Trust, a joint power authority, to invest in the California Asset Management Program, and nearly doubled the City's investment returns.
- Engaged USI, an insurance consulting and brokerage firm to conduct RFP's on behalf of the City for dental, vision, life, and disability insurance coverage (disability insurance previous not provided), and almost doubled the employees' benefit package while reducing City's annual premiums.

### **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 (ACFR). This report must satisfy both generally accepted accounting principles and applicable legal requirements and is reviewed by a panel of experts to qualify. The City is proud to announce that for the fiscal year ended June 30, 2022, it received this award for the first time. The Certificate of Achievement is valid for a period of one year, and the City believes its fiscal year ended June 30, 2023 ACFR continues to meet the standards required and will be submitting it to GFOA to determine its eligibility for a second award.

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, Moss, Levy & Hartzheim CPAs, 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.

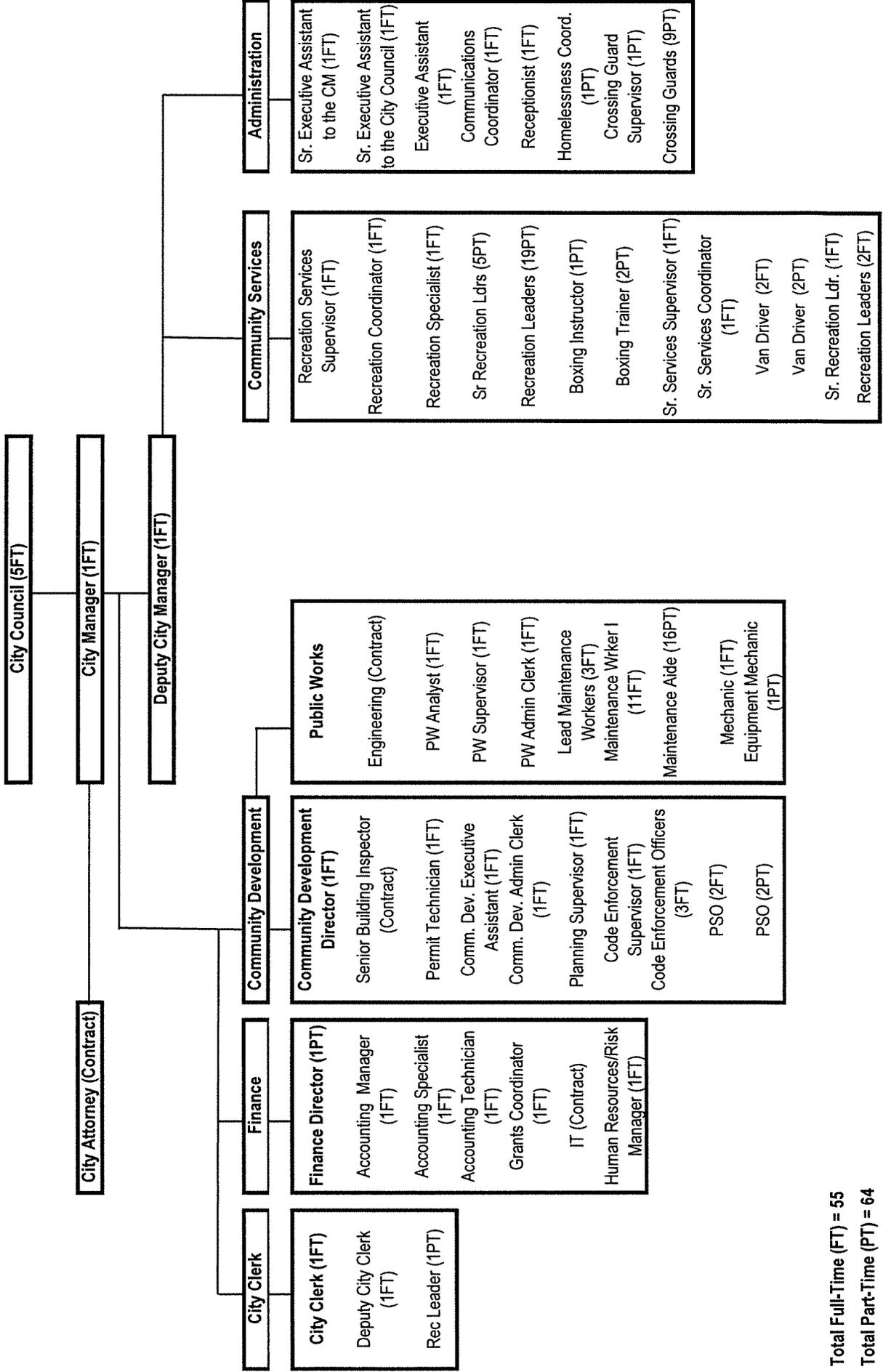
Respectfully submitted,



Rene Salas, City Manager

CITY OF SOUTH EL MONTE

ORGANIZATIONAL CHART FY 2022-2023



Total Full-Time (FT) = 55

Total Part-Time (PT) = 64



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of South El Monte  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*Christopher P. Morrill*

Executive Director/CEO

**CITY OF SOUTH EL MONTE  
AS OF JUNE 30, 2023**

**CITY COUNCIL**

**Gloria Olmos  
Mayor**

**Richard Angel  
Mayor Pro Tem**

**Manuel Acosta  
Councilmember**

**Hector Delgado  
Councilmember**

**Rudy Bojorquez  
Councilmember**

**MANAGEMENT TEAM**

**Rene Salas  
City Manager**

**Anthony Taylor  
City Attorney**

**Donna Schwartz  
City Clerk**

**Guillermo Arreola  
Community Development Director**

**Masami Higa  
Director of Finance**

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**MOSS, LEVY & HARTZHEIM LLP**

CERTIFIED PUBLIC ACCOUNTANTS

**PARTNERS**

CRAIG A HARTZHEIM, CPA  
HADLEY Y HUI, CPA  
ALEXANDER C HOM, CPA  
ADAM V GUISE, CPA  
TRAVIS J HOLE, CPA  
WILSON LAM, CPA

**COMMERCIAL ACCOUNTING & TAX SERVICES**

8383 WILSHIRE BLVD., SUITE 800  
BEVERLY HILLS, CA 90210  
TEL: 310.670.2745  
FAX: 310.670.1689  
www.mlhcpas.com

**GOVERNMENTAL AUDIT SERVICES**

5800 HANNUM AVE, SUITE E  
CULVER CITY, CA 90230  
TEL: 310.670.2745  
FAX: 310.670.1689  
www.mlhcpas.com

**INDEPENDENT AUDITOR'S REPORT**

To the Members of the City Council  
City of South El Monte, California

**Opinions**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of South El Monte, California as of and for the fiscal year ended June 30, 2023, 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 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, 2023, and the respective changes in financial position and, where applicable, cash flows thereof, for the fiscal 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 and those 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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 Responsibility 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 generally accepted auditing standards and Government Auditing Standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if 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 generally accepted auditing standards and Government Auditing Standards, we:

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

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

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis and budgetary comparison schedule for the General fund and Pool Operations Special Revenue fund, on pages 8 through 15 and 53 through 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Other Information**

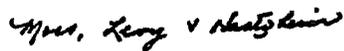
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of South El Monte's budgetary financial statements. The introductory section, nonmajor governmental funds combining and individual non-major fund information, major capital project fund budgetary comparison schedule, and the statistical section are presented for purposes of additional analysis and are not required parts of the basic financial statements.

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



Moss, Levy & Hartzheim, LLP  
Culver City, California  
January 24, 2024

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MANAGEMENT'S DISCUSSION  

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AND ANALYSIS (UNAUDITED)

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, 2023.

## 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, deferred outflows of resources, total liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial 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 City's funds 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 pages 64-67 and pages 83-110).

The basic governmental funds financial statements can be found on pages 16 and 18 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 a private purpose trust fund.

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 required supplementary information.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

*City's Net Position*

The table below summarizes the City's net position as of June 30, 2023 and June 30, 2022. The details of the current year's summary can be found on page 14 of this report.

	<b>Governmental Activities</b>		
	<b>2023</b>	<b>2022</b>	<b>Net Change</b>
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
Current and other assets	\$ 38,546,686	\$ 33,800,669	\$ 4,746,017
Capital assets	17,982,478	17,830,481	151,997
Deferred outflows	13,252,616	3,865,928	9,386,688
<b>Total Assets and Deferred Outflows</b>	<b>69,781,780</b>	<b>55,497,078</b>	<b>14,284,702</b>
<b>LIABILITIES AND DEFERRED INFLOWS</b>			
Current liabilities	2,174,529	2,269,816	(95,287)
Long-term liabilities	21,760,662	9,073,557	12,687,105
Deferred inflows	2,142,077	6,519,230	(4,377,153)
<b>Total Liabilities and Deferred Inflows</b>	<b>26,077,268</b>	<b>17,862,603</b>	<b>8,214,665</b>
<b>NET POSITION</b>			
Net investment in capital assets	16,280,505	15,977,775	302,730
Restricted	19,196,409	21,420,259	(2,223,850)
Unrestricted	8,227,598	236,441	7,991,157
<b>Total Net Position</b>	<b>\$ 43,704,512</b>	<b>\$ 37,634,475</b>	<b>\$ 6,070,037</b>

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 \$43,704,512 (net position).

The category of the City's net position with the largest balance totaling \$19,196,409 (43.9%) represents the city's restricted assets, which are restricted for special revenues.

The second largest category of net position, totaling \$16,280,505 (37.3%) represents resources that are invested in capital assets, net of accumulated depreciation and related debt.

The last remaining category of net position, totaling \$8,227,598 (18.8%) represents unrestricted net position.

**Governmental activities, net position:**

- Current and other assets increased by \$4,746,017 from the prior fiscal year. Of this amount, there was an increase in cash and investments of \$7.1 million, a decrease in receivables of \$2.9 million, and an increase in net OPEB asset of \$0.6 million.
- Capital assets increased by \$151,997 from the prior fiscal year due to a decrease in construction in progress of \$1,244,681, an increase in capital assets being depreciated and amortized of \$3,062,785 offset by depreciation of \$1,632,387.
- Deferred outflows increased by \$9,386,688 from the prior fiscal year mainly due to contributions made to the OPEB Plan subsequent to measurement date.
- Current liabilities decreased by \$95,287 from the prior fiscal year mainly due to a decrease in accounts payable.
- Long-term liabilities increased by \$12,687,105 from the prior fiscal year mainly due to an increase in net pension liability of \$4,531,463, an increase in pension bonds of \$9,430,516 and a decrease in net OPEB liability of \$1,191,974.
- Deferred inflows decreased by \$4,377,153 from the prior fiscal year mainly due to change in actuarial assumptions, difference between expected and actual experience, net difference between projected and actual earnings on pension plan investments, difference between actual and proportionate share of contributions, change in employer proportion, and change in deferred leases.
- Net investment in capital assets increased by \$302,730 due to the increase in capital assets less the liabilities attributable to the capital assets.
- Restricted net position decreased by \$2,223,850 mainly due to a reduction of restricted assets within the City's special revenue funds.
- The unrestricted net position increased by \$7,991,157 from the prior year mainly due to the current fiscal year's change in net position of \$6,070,037 offset by the decrease in restricted net position of \$2,223,850 and increase in net investment in capital asset of \$302,730.

**Changes in Net Position**

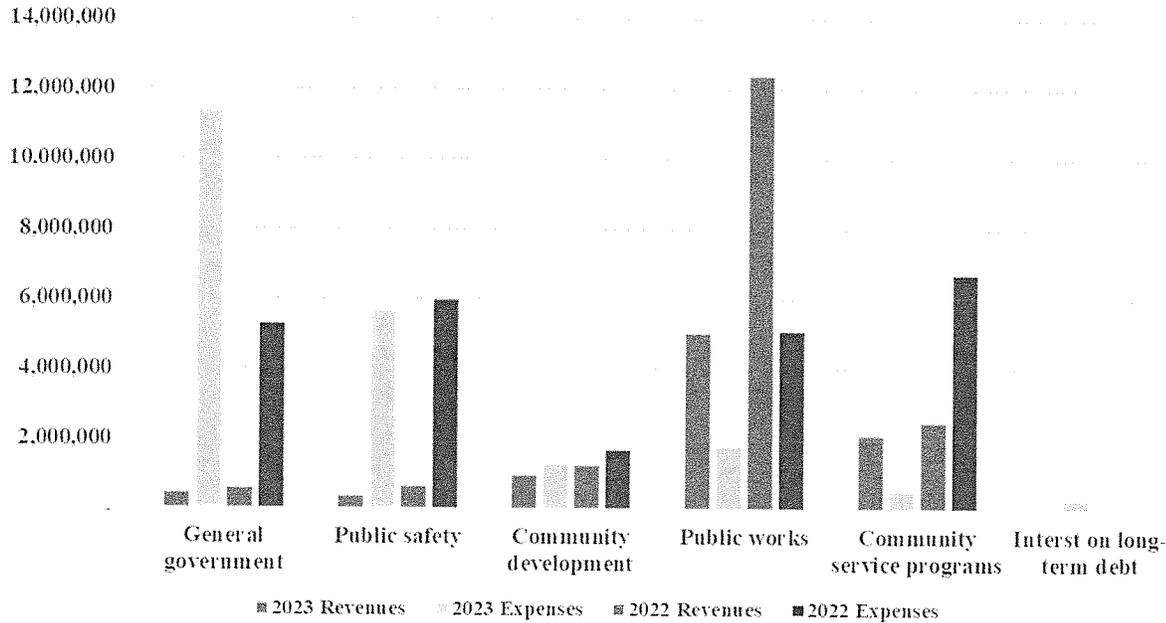
The table below summarizes the City's changes in net position between the current and prior fiscal year. The details of the current fiscal year's changes in net position can be found on page 15 of this report.

	<b>Governmental Activities</b>		
	<b>2023</b>	<b>2022</b>	<b>Net Change</b>
<b>REVENUES</b>			
Program revenues			
Charges for services	\$ 2,456,083	\$ 2,548,948	\$ (92,865)
Operating grants and contributions	2,430,399	6,173,417	(3,743,018)
Capital grants and contributions	4,013,172	8,551,022	(4,537,850)
General revenues			-
Property taxes	4,312,153	2,632,023	1,680,130
Other taxes	12,815,019	14,202,596	(1,387,577)
Investment income	238,148	21,643	216,505
Other	644,562	398,825	245,737
<b>Total Revenues</b>	<b>26,909,536</b>	<b>34,528,474</b>	<b>(7,618,938)</b>
<b>EXPENSES</b>			
Program activities			
General government	\$ 11,340,415	\$ 5,295,530	\$ 6,044,885
Public safety	5,650,205	5,990,345	(340,140)
Community development	1,278,112	1,686,933	(408,821)
Public works	1,779,204	5,084,936	(3,305,732)
Community service programs	514,482	6,720,210	(6,205,728)
Interest on long-term debt	277,081	24,427	252,654
<b>Total Expenses</b>	<b>20,839,499</b>	<b>24,802,381</b>	<b>(3,962,882)</b>
<b>Change in Net Position</b>	<b>6,070,037</b>	<b>9,726,093</b>	<b>(3,656,056)</b>
<b>Net Position - Beginning</b>	<b>37,634,475</b>	<b>27,908,382</b>	<b>9,726,093</b>
<b>Net Position - Ending</b>	<b>\$ 43,704,512</b>	<b>\$ 37,634,475</b>	<b>\$ 6,070,037</b>

**Governmental activities, changes in net position:**

Governmental activities' net position increased by \$6,070,037 for the City. The increase in governmental activities is lower by \$3,656,057 as compared to the prior fiscal year's increase in the City's net position of \$9,726,093.

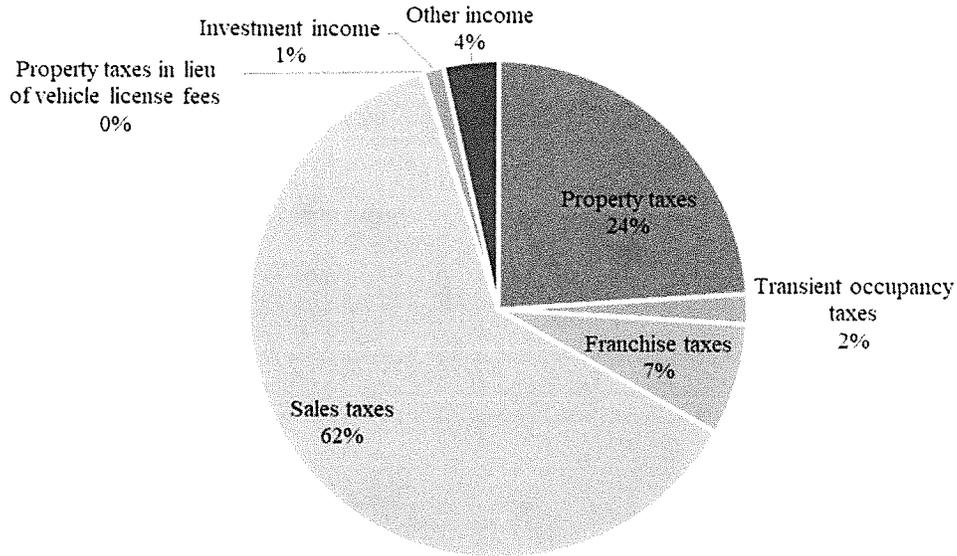
**Governmental Activities - Program Revenues and Expenses**  
**Year ended June 30, 2023 and 2022**



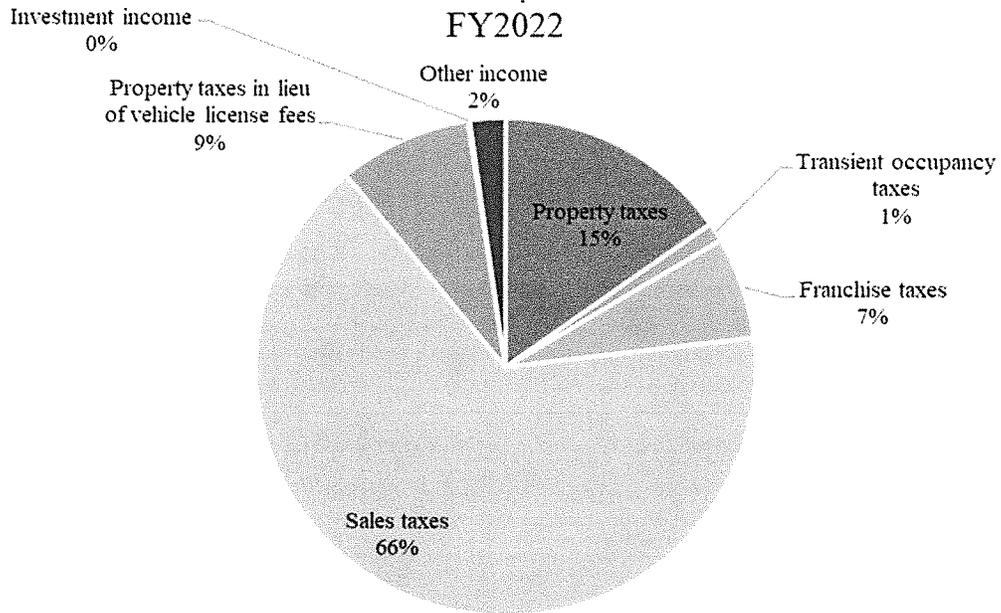
Governmental activities consist of the following departments and divisions:

- |  |  |  |   |   |
|--|--|--|---|---|
| <p><b><u>(1) General Government</u></b></p> <ul style="list-style-type: none"> <li>a. City Council</li> <li>b. City Administration</li> <li>c. City Attorney</li> <li>d. Community Promotion</li> <li>e. Human Resources</li> <li>f. Risk Management</li> <li>g. City Clerk</li> <li>h. Elections</li> <li>i. Accounting</li> <li>j. Business License</li> <li>k. Information Technology</li> <li>l. Animal Control</li> </ul> | <p><b><u>(2) Public Safety</u></b></p> <ul style="list-style-type: none"> <li>a. Public Safety Center</li> <li>b. Law Enforcement</li> <li>c. School Safety</li> </ul> | <p><b><u>(3) Community Development</u></b></p> <ul style="list-style-type: none"> <li>a. Planning Commission</li> <li>b. Community Development</li> <li>c. Building and Safety</li> <li>d. Code Enforcement</li> </ul> | <p><b><u>(4) Public Works</u></b></p> <ul style="list-style-type: none"> <li>a. Administration</li> <li>b. City Engineering</li> <li>c. Environmental Engineering</li> <li>d. Waste Management</li> <li>e. Emergency Services</li> <li>f. City Hall</li> <li>g. Public Safety Center</li> <li>h. Maintenance Yard</li> <li>i. General Utilities</li> <li>j. Facility Maintenance</li> <li>k. Landscape Maintenance</li> <li>l. Street Maintenance</li> <li>m. Vehicle Maintenance</li> <li>n. Street Lighting</li> <li>o. Capital Improvement Proj.</li> <li>p. Community Center</li> <li>q. Senior Center</li> <li>r. Mini-Center</li> <li>s. Aquatics</li> <li>t. New Temple Park</li> <li>u. Shively Park</li> <li>v. Mary Van Dyke Park</li> <li>w. Beverage Container Recycling Grant</li> </ul> | <p><b><u>(5) Community Service</u></b></p> <ul style="list-style-type: none"> <li>a. Community Services Commission</li> <li>b. Senior Services</li> <li>c. Parks and Recreation</li> <li>d. Youth Sports</li> <li>e. Boxing</li> <li>f. Special Events</li> <li>g. Fourth of July</li> <li>h. Concerts in the Park</li> <li>i. Christmas Wish</li> <li>j. Women's Commission</li> <li>k. Paratransit Services</li> <li>l. CalHOME Programs</li> </ul> |
|--|--|--|---|---|

Governmental Activities  
Revenue by Source  
FY2023



Governmental Activities  
Revenue by Source  
FY2022



## **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 non-spendable, 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 combined ending fund balances of \$35,692,655 (see page 16), an increase of \$4,331,127 from the prior fiscal year. Approximately 53.8% of the total fund balance amount, \$19,196,409, constitutes restricted fund balance, which are amounts that can be spent only for specific purposes stipulated by external resource providers. Approximately 0.3% of the total fund balance amount, \$91,186, constitutes non-spendable fund balance, which are amounts that are not in a spendable form. The remainder of the fund balance amount, \$16,405,060, or 46.0% 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 \$17,627,530 (see page 16). At the end of the current fiscal year, the total fund balance of the General Fund represents 99.6% of the total expenditures of the General Fund for the fiscal year.

## **GENERAL FUND AND BUDGETARY HIGHLIGHTS**

For the current fiscal year, the General Fund's total positive variance between the final budgeted amounts and the actual amount of change in fund balance was \$2,882,693. The key reasons for this variance were due to higher actual revenues than projected of \$2,885,946.

For the current fiscal year, the General Fund's total positive variance between the final budgeted estimated revenues and actual revenues was \$2,885,946. The key reasons for these variances are mostly due to higher actual revenues over estimated revenues of \$1,548,661 in taxes and \$979,423 in intergovernmental revenues.

For the current fiscal year, the General Fund's total positive variance between the final budgeted amount and the actual amount for expenditures was \$1,526,804. The key reason for this variance is mostly due to excess appropriations of \$708,184 for public works, \$511,447 for capital outlay, and \$345,949 for public safety.

For the current fiscal year, the General Fund's total negative variance between the final budgeted amounts and the actual amount for other financing sources and uses were \$1,530,057. The key reasons for these variances are mostly due to the City issuing pension bonds to fully fund its unfunded actuarial liability of \$9,593,444, cost of issuance of \$221,556, and the City's first debt service payment on the pension bonds of \$384,484 in principal and \$294,378 in interest.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

### ***Capital assets***

The City's investment in capital assets for its governmental activities as of June 30, 2023, amounts to \$16,280,505 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, building, improvements, machinery and equipment, lease equipment, and infrastructure such as roads. The total increase in the City's investment in capital assets for the current fiscal year was \$185,718 from prior year due to a net decrease in construction in progress of \$1,244,680 and an increase in capital assets being depreciated of \$3,062,785 offset by depreciation amortization of \$1,632,388.

There were no significant construction commitments outstanding as of June 30, 2023.

Additional information on the City's capital assets can be found in Note 7 on page 38 of this report.

### ***Outstanding debt***

As of June 30, 2023, the City had pension bonds outstanding in the amount of \$9,430,516. Additional information on the City's longer-term debt can be found in Note 8 on pages 39-41 of this report.

## **ECONOMIC FACTORS AND NEW YEAR'S BUDGET AND RATES**

These factors were considered in preparing the City's budget for the 2023 fiscal year.

The City serves a diverse industrial, commercial, and residential customer base. At June 30, 2023, the average unemployment rate of the City was 5.2%, which was higher than the State's average of 4.0%, and higher than the National average of 3.6%.

Inflationary trends in the region compare unfavorably to national indices.

The occupancy rate of the City for fiscal 2023 was estimated to be 95.7%.

## **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

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# STATEMENTS

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**City of South El Monte**  
**Statement of Net Position**  
**June 30, 2023**

	Governmental Activities
<b>ASSETS:</b>	
Cash and investments	\$ 30,891,186
Restricted cash and investments	1,928,082
Receivables:	
Accounts	203,233
Taxes	2,172,851
Other receivables	42,734
Intergovernmental	456,757
Loans	2,136,601
Leases	54,938
Prepaid costs	36,248
Capital assets:	
Non-depreciable assets	4,302,360
Depreciable assets, net of accumulated depreciation	13,622,001
Right to use leased assets, net of accumulated amortization	58,117
Net OPEB asset	624,056
<b>TOTAL ASSETS</b>	<b>56,529,164</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>	
Deferred amounts related OPEB plan	174,310
Deferred amounts related to pension plans	13,078,306
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>13,252,616</b>
<b>LIABILITIES:</b>	
Accounts payable and accrued expenses	2,174,529
Long-term liabilities:	
Due within one year	605,310
Due in more than one year	10,892,223
Net pension liability	10,263,129
<b>TOTAL LIABILITIES</b>	<b>23,935,191</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Deferred amounts related to leases	55,446
Deferred amounts related to OPEB plan	899,334
Deferred amounts related to pension plans	1,187,297
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>2,142,077</b>
<b>NET POSITION:</b>	
Net investment in capital assets	16,280,505
Restricted for:	
Public works/utilities	15,074,891
Public safety	471,566
Community services programs	470,491
Community development	28,151
Housing	3,151,310
Unrestricted	8,227,598
<b>TOTAL NET POSITION</b>	<b>\$ 43,704,512</b>

**City of South El Monte  
Statement of Activities  
June 30, 2023**

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	\$ 11,340,415	\$ 454,095	\$ -	\$ -	\$ (10,886,320)
Public safety	5,650,205	138,964	212,576	-	(5,298,665)
Community development	1,278,112	154,212	809,198	(12,233)	(326,935)
Public works	1,779,204	-	1,007,130	4,025,405	3,253,331
Community services programs	514,482	1,708,812	401,495	-	1,595,825
Interest on long-term debt	277,081	-	-	-	(277,081)
<b>Total governmental activities</b>	<b><u>\$ 20,839,499</u></b>	<b><u>\$ 2,456,083</u></b>	<b><u>\$ 2,430,399</u></b>	<b><u>\$ 4,013,172</u></b>	<b><u>(11,939,845)</u></b>
General revenues:					
Taxes:					
Property taxes					4,312,153
Transient occupancy taxes					349,528
Franchise taxes					1,305,558
Sales taxes					11,139,773
Motor vehicle in lieu tax					20,160
Investment income					238,148
Other					<u>644,562</u>
Total general revenues					<u>18,009,882</u>
Change in net position					6,070,037
Net position - beginning					<u>37,634,475</u>
Net position - ending					<u><u>\$ 43,704,512</u></u>

**City of South El Monte  
Balance Sheet  
Governmental Funds  
June 30, 2023**

	Special Revenue Funds					Total Governmental Funds
	General Fund	Grants Fund	Safe Clean Water Program Fund	Housing Successor Fund	Nonmajor Governmental Funds	
<b>ASSETS</b>						
Cash and investments	\$ 30,886,157	\$ -	\$ -	\$ -	\$ 5,029	\$ 30,891,186
Restricted cash and investments	1,928,082	-	-	-	-	1,928,082
Receivables:						
Accounts	-	-	-	94,860	108,373	203,233
Taxes	2,172,851	-	-	-	-	2,172,851
Other receivables	42,734	-	-	-	-	42,734
Intergovernmental	413,334	-	-	-	43,423	456,757
Loans	-	-	-	211,270	1,925,331	2,136,601
Leases	54,938	-	-	-	-	54,938
Advances to other funds	-	-	4,337,609	133,210	12,451,609	16,922,428
Prepays	36,248	-	-	-	-	36,248
<b>TOTAL ASSETS</b>	<b>\$ 35,534,344</b>	<b>\$ -</b>	<b>\$ 4,337,609</b>	<b>\$ 439,340</b>	<b>\$ 14,533,765</b>	<b>\$ 54,845,058</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Accounts payable and accrued expenses	\$ 2,145,040	\$ 14,855	\$ -	\$ -	\$ 14,634	\$ 2,174,529
Advances from other funds	15,706,328	205,109	-	-	1,010,991	16,922,428
<b>TOTAL LIABILITIES</b>	<b>17,851,368</b>	<b>219,964</b>	<b>-</b>	<b>-</b>	<b>1,025,625</b>	<b>19,096,957</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Leases	55,446	-	-	-	-	55,446
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>55,446</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,446</b>
<b>FUND BALANCES:</b>						
Nonspendable	91,186	-	-	-	-	91,186
Restricted for:						
Public works/utilities	-	-	4,337,609	-	10,737,282	15,074,891
Public safety	-	-	-	-	470,491	470,491
Community services programs	-	-	-	-	28,151	28,151
Community development	-	-	-	-	2,711,970	2,711,970
Housing	-	-	-	439,340	471,566	910,906
Unassigned	17,536,344	(219,964)	-	-	(911,320)	16,405,060
<b>TOTAL FUND BALANCES</b>	<b>17,627,530</b>	<b>(219,964)</b>	<b>4,337,609</b>	<b>439,340</b>	<b>13,508,140</b>	<b>35,692,655</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 35,534,344</b>	<b>\$ -</b>	<b>\$ 4,337,609</b>	<b>\$ 439,340</b>	<b>\$ 14,533,765</b>	<b>\$ 54,845,058</b>

City of South El Monte  
**Reconciliation of the Governmental Funds Balance Sheet  
 To the Statement of Net Position  
 June 30, 2023**

Fund balances for governmental funds		\$ 35,692,655
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	\$ 4,302,360	
Capital assets being depreciated	41,856,682	
Accumulated depreciation	<u>(28,234,681)</u>	17,924,361
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>(67,438)</u>	58,117
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	(365,044)	
Lease liabilities	(60,698)	
ERCDC Loan payable	(1,641,275)	
Pension bonds	<u>(9,430,516)</u>	(11,497,533)
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	13,078,306	
Deferred inflows of resources	(1,187,297)	
Net pension liability	<u>(10,263,129)</u>	1,627,880
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	174,310	
Deferred inflows of resources	(899,334)	
Net OPEB asset	<u>624,056</u>	<u>(100,968)</u>
Net position of governmental activities		<u>\$ 43,704,512</u>

**City of South El Monte**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2023**

	Special Revenue Fund					Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Grants Fund	Water Program Fund	Housing Successor Fund	Safe Clean		
<b>REVENUES:</b>							
Taxes	\$ 17,470,276	-	-	\$ -	-	\$ 349,647	\$ 17,819,923
Licenses and permits	1,528,967	-	-	-	-	-	1,528,967
Fines and forfeitures	18,593	-	-	-	-	-	18,593
Use of money and property	222,235	9,660	16,632	485	-	44,301	293,313
Charges for services	398,410	-	-	-	-	1,163	399,573
Special assessments	-	-	-	-	-	392,650	392,650
Intergovernmental	1,265,023	631,716	447,371	-	-	3,861,204	6,205,314
Other revenues	234,688	-	-	-	-	16,513	251,201
	<u>21,138,192</u>	<u>641,376</u>	<u>464,003</u>	<u>485</u>	<u>-</u>	<u>4,665,478</u>	<u>26,909,534</u>
<b>TOTAL REVENUES</b>							
<b>EXPENDITURES:</b>							
<b>Current:</b>							
General government	4,653,511	-	-	-	-	25,131	4,678,642
Public safety	5,794,959	-	-	-	-	-	5,794,959
Community development	1,730,884	-	-	-	-	92,412	1,823,296
Public works/utilities	3,152,958	373,390	97,383	-	-	1,254,802	4,878,533
Community services programs	2,092,982	-	-	-	-	678,069	2,771,051
Capital outlay	134,553	753,357	29,773	-	-	900,422	1,818,105
Debt service:							
Principal	10,095,590	-	-	-	-	-	10,095,590
Interest and fiscal charges	533,231	-	-	-	-	-	533,231
	<u>28,188,668</u>	<u>1,126,747</u>	<u>127,156</u>	<u>-</u>	<u>-</u>	<u>2,950,836</u>	<u>32,393,407</u>
<b>TOTAL EXPENDITURES</b>							
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>							
	<u>(7,050,476)</u>	<u>(485,371)</u>	<u>336,847</u>	<u>485</u>	<u>-</u>	<u>1,714,642</u>	<u>(5,483,873)</u>
<b>OTHER FINANCING SOURCES (USES):</b>							
Proceeds from issuance of long-term debt	9,815,000	-	-	-	-	-	9,815,000
Transfers in	4,921,737	-	-	-	-	292,453	5,214,190
Transfer out	-	(3,894,923)	(292,452)	-	-	(1,026,815)	(5,214,190)
	<u>14,736,737</u>	<u>(3,894,923)</u>	<u>(292,452)</u>	<u>-</u>	<u>-</u>	<u>(734,362)</u>	<u>9,815,000</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>							
<b>NET CHANGE IN FUND BALANCES</b>							
	7,686,261	(4,380,294)	44,395	485	-	980,280	4,331,127
<b>FUND BALANCES - BEGINNING OF FISCAL YEAR</b>							
	9,941,269	4,160,330	4,293,214	438,855	-	12,527,860	31,361,528
<b>FUND BALANCES - END OF FISCAL YEAR</b>							
	<u>\$ 17,627,530</u>	<u>\$ (219,964)</u>	<u>\$ 4,337,609</u>	<u>\$ 439,340</u>	<u>\$ -</u>	<u>\$ 13,508,140</u>	<u>\$ 35,692,655</u>

**City of South El Monte**  
**Reconciliation of the Governmental Funds Statement of**  
**Revenues, Expenditures and Changes in Fund Balances**  
**To the Statement of Activities**  
**June 30, 2023**

Net change in fund balances - total governmental funds		\$ 4,331,127
<p>Amounts reported for governmental activities in the Statement of Activities are different because:</p>		
<p>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:</p>		
Cost of assets capitalized		\$1,818,103
Amortization expense		(33,719)
Depreciation expense		<u>(1,632,387)</u>
		151,997
<p>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.</p>		
		(71,015)
<p>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.</p>		
Pension bonds issued		(9,815,000)
Principal repayment on long-term debt - Pension bonds		384,484
Principal repayment on long-term debt - ERCDC Loan		117,663
Lease liabilities		<u>33,070</u>
		(9,279,783)
<p>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.</p>		
		11,039,658
<p>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</p>		
		(34,114)
<p>Some expenses reported in the Statement of Activities utilize current financial resources but are not expensed in the Statement of Activities until due.</p>		
Compensated absences		<u>(67,833)</u>
Change in net position of governmental activities		<u><u>\$ 6,070,037</u></u>

**City of South El Monte**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2023**

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	Successor Agency Private-purpose Trust Fund
<b>ASSETS:</b>	
Cash and investments	\$ 2,020,815
Cash and investments with fiscal agents	<u>2,087,247</u>
<b>TOTAL ASSETS</b>	<u>4,108,062</u>
<b>LIABILITIES:</b>	
Accounts payable and accrued liabilities	413,334
Interest payable	303,104
Bonds payable	
Due within one year	(9,425)
Due in more than one year	<u>21,935,640</u>
<b>TOTAL LIABILITIES</b>	<u>22,642,653</u>
<b>NET POSITION:</b>	
Net position held in trust for Successor Agency	<u><u>\$ (18,534,591)</u></u>

**City of South El Monte**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**For the Fiscal Year Ended June 30, 2023**

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	Successor Agency Private-purpose Trust Fund
ADDITIONS:	
Property tax revenue	\$ 2,164,099
Interest income	<u>61,485</u>
TOTAL ADDITIONS	<u>2,225,584</u>
DEDUCTIONS:	
Administrative expenses	415,509
Interest expense	<u>787,426</u>
TOTAL DEDUCTIONS	<u>1,202,935</u>
CHANGE IN NET POSITION	1,022,649
NET POSITION - BEGINNING OF FISCAL YEAR	<u>(19,557,240)</u>
NET POSITION - END OF FISCAL YEAR	<u><u>\$ (18,534,591)</u></u>

NOTES TO THE BASIC  

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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 fiscal year-end, taxpayer assessed taxes, and earnings on investments. The City considers sales tax revenues to be "available" when received within 60 days after fiscal 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 New Governmental Accounting Standards Board (GASB) Pronouncements**

GASB Statement No. 91

In May 2019, GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. Application of this statement is effective for the City's fiscal year ending June 30, 2023.

GASB Statement No. 94

In March 2020, GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Application of this statement is effective for the City's fiscal year ending June 30, 2023.

GASB Statement No. 96

In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. Application of this statement is effective for The City's fiscal year ending June 30, 2023.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E) Implementation of New Governmental Accounting Standards Board (GASB) Pronouncements (Continued)**

GASB Statement No. 99

In April 2022, GASB issued Statement No. 99, Omnibus 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. Application of this statement is effective for The City's fiscal year ending June 30, 2023.

**F) Upcoming Governmental Accounting Standards Implementation**

GASB Statement No. 100

In June 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Application of this statement is effective for The City's fiscal year ending June 30, 2024.

GASB Statement No. 101

In June 2022, GASB issued Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Application of this statement is effective for The City's fiscal year ending June 30, 2025.

**G) 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 fiscal year-end.

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

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**H) 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*.

**I) 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.

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J) 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.

**K) 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 fiscal year received. Adverse claims experience result in the payment of additional deposits and such deposits, if any, are recorded as insurance expenditures when paid.

**L) 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 a 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)**

**L) 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.

**M) 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)**

**N) 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.

**O) 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).

*Assigned Fund Balance* – includes amounts that are subject to a purpose constraint that represents an intended use established by the City's highest level of decision-making authority, or by their designated body or official. The purpose of the assignment must be narrower than the purpose of the General Fund, and in funds other than the general fund, assigned fund balance represents the residual amount of fund balance.

*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)**

**P) 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.

**Q) 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.

**R) 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, 2023 are reported as follows:

	Primary Government	Fiduciary Fund
Cash on hand	\$ 3,208	\$ -
Deposits with financial institutions	10,494,705	2,020,815
Investments	22,321,355	2,087,247
Total cash and investments	\$ 32,819,268	\$ 4,108,062

**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)	\$ 1,330,390	\$ -	\$ -	\$ 1,330,390
U.S. Government Bonds	5,918,850	6,039,340	982,617	12,940,807
Certificate of Deposits		3,123,188		3,123,188
Money Market Mutual Funds	2,998,888			2,998,888
Restricted investments held by Trust for OPEB	1,928,082			1,928,082
Total	<u>\$ 12,176,210</u>	<u>\$ 9,162,528</u>	<u>\$ 982,617</u>	<u>\$ 22,321,355</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 fiscal year-end for each investment type:

Investment Type	Total as of June 30, 2023	Minimum Legal Rating	AAA	Not Required to be Rated
Local Agency Investment Fund (LAIF)	\$ 1,330,390	\$ -	\$ -	\$ 1,330,390
U.S. Government Bonds	12,940,807			12,940,807
Certificate of Deposits	3,123,188			3,123,188
Money Market Mutual Funds	2,998,888		2,998,888	-
Restricted investments held by Trust for OPEB	1,928,082			1,928,082
Total	<u>\$ 22,321,355</u>	<u>\$ -</u>	<u>\$ 2,998,888</u>	<u>\$ 19,322,467</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, 2023.

***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, 2023, 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.

Investment Type	Amount	Fair Value Hierarchy Category		
		Level 1	Level 2	Level 3
U.S. Government Bonds	\$ 12,940,807	\$ 12,940,807	\$ -	\$ -
Certificate of Deposits	3,123,188	3,123,188		
Restricted investments held by Trust for OPEB	1,928,082		1,928,082	
Total	<u>\$ 17,992,077</u>	<u>\$ 16,063,995</u>	<u>\$ 1,928,082</u>	<u>\$ -</u>
LAIF*	\$ 1,330,390			
Money Market Mutual Funds*	2,998,888			
	<u>\$ 4,329,278</u>			

\*Note subject to fair value measurement hierarchy.

The City's has the following fair value measurements as of June 30, 2023:

**NOTE 3 - INTERFUND TRANSACTIONS**

**Interfund Advance Balances**

Interfund advances balances as of June 30, 2023 are as follows:

Receivable Fund	Payable Fund	Amount
Safe Clean Water Program Fund	General Fund	\$ 4,337,609
Housing Successor Fund	General Fund	133,210
Nonmajor Governmental Funds	General Fund	11,235,509
Nonmajor Governmental Funds	Nonmajor Governmental Funds	1,010,991
Nonmajor Governmental Funds	Grants Fund	205,109
		<u>\$ 16,922,428</u>

Interfund advances 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.

**NOTE 3 - INTERFUND TRANSACTIONS (CONTINUED)**

**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, the Grants Fund transferred a total of \$3,894,923 to the General Fund and the Nonmajor Governmental Funds transferred a total of \$1,026,814 to the General Fund to reimburse the General Fund for expenditures incurred by the General Fund on their behalf. Also, the Safe Clean Water Program Fund transferred a total of \$292,452 to the Nonmajor Governmental Funds to reimburse the Nonmajor Governmental Funds for revenues incorrectly recorded into the Safe Clean Water Program on its behalf.

Transfer In	Transfer Out	Amount
General fund	Grants Fund	\$ 3,894,923
	Nonmajor Governmental Funds	1,026,814
		\$ 4,921,737
Transfer In	Transfer Out	Amount
Nonmajor Governmental Funds	Safe Clean Water Program Fund	\$ 292,452
		\$ 292,452

**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, 2023 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 – 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 December 1, 2011, the City entered into lease agreement with Akitoi Learning Center (Akitoi) which expired on August 31, 2018. On September 12, 2017, the City entered into a new lease agreement with Akitoi which expired on August 31, 2023. 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 rent would increase 5% each year from \$2,010 to \$2,443.

At June 30, 2023, the lease receivable and deferred inflows of resources for the above leases were \$54,938 and \$55,446, respectively.

**NOTE 6 – RIGHT TO USE ASSET**

The City has recorded two right to use leased assets. The asset is a right to use asset for equipment. The related lease payable is discussed in Note 8. The right to use lease asset is amortized on a straight-line basis over the terms of the related leases.

Right to use asset activity for the Authority for the fiscal year ended June 30, 2023, was as follows:

	Balance July 1, 2022	Additions	Deletions	Balance June 30, 2023
Right to use asset				
Machinery and Equipment	\$ 125,555	\$ -	\$ -	\$ 125,555
Total right to use asset	125,555			125,555
Less accumulated amortization	(33,719)	(33,719)		(67,438)
Total right to use asset, net	\$ 91,836	\$ (33,719)	\$ -	\$ 58,117

**NOTE 7 - CAPITAL ASSETS AND DEPRECIATION**

Capital asset activity for the year ended June 30, 2023 is as follows:

	Balance June 30, 2022	Addition	Deletion	Reclass	Balance June 30, 2023
<b>Governmental Activities</b>					
Capital assets, not being depreciated					
Land	\$ 3,126,512	\$ -	\$ -	\$ -	\$ 3,126,512
Construction in Progress	2,420,528	933,402		(2,178,082)	1,175,848
Total capital assets, not being depreciated	<u>5,547,040</u>	<u>933,402</u>	<u>-</u>	<u>(2,178,082)</u>	<u>4,302,360</u>
Capital assets, being depreciated					
Buildings and Improvements	17,496,132	142,919			17,639,051
Infrastructure	17,932,222	72,301		2,178,082	20,182,605
Vehicles	2,183,676	145,553			2,329,229
Machinery & Equipment	1,181,867	523,930			1,705,797
Total capital assets being depreciated	<u>38,793,897</u>	<u>884,703</u>	<u>-</u>	<u>2,178,082</u>	<u>41,856,682</u>
Less accumulated depreciation					
Buildings and Improvements	(12,654,369)	(549,388)			(13,203,757)
Infrastructure	(11,254,056)	(948,912)			(12,202,968)
Vehicles	(1,806,205)	(49,589)			(1,855,794)
Machinery & Equipment	(887,664)	(84,498)			(972,162)
Total accumulated depreciation	<u>(26,602,294)</u>	<u>(1,632,387)</u>	<u>-</u>	<u>-</u>	<u>(28,234,681)</u>
Net capital assets, being depreciated					
Buildings and Improvements	4,841,763	(406,469)			4,435,294
Infrastructure	6,678,166	(876,611)			5,801,555
Vehicles	377,471	95,964			473,435
Machinery & Equipment	294,203	439,432			733,635
Total capital assets being depreciated, net	<u>12,191,603</u>	<u>(747,684)</u>	<u>-</u>	<u>-</u>	<u>11,443,919</u>
Governmental activities capital assets, net	<u>\$ 17,738,643</u>	<u>\$ 185,718</u>	<u>\$ -</u>	<u>\$ (2,178,082)</u>	<u>\$ 17,924,361</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	\$ 97,331
Public Safety	26,820
Public Works	1,001,272
Community Development	5,003
Community Services	413,355
Recreation	88,607
Total depreciation expense	<u>\$ 1,632,388</u>

**NOTE 8 - LONG-TERM DEBT**

Long-term debt activity for the year ended June 30, 2023 is as follows:

	Balances			Balances		
	June 30, 2022	Additions	Deletions	June 30, 2023	Due Within One Year	Long Term
<u>Governmental activities:</u>						
Lease liabilities	\$ 93,768	\$ -	\$ (33,070)	\$ 60,698	\$ 30,469	30,229
Compensated absences	297,210	142,137	(74,303)	365,044	91,261	273,783
ERCDC loan payable	1,758,938	-	(117,663)	1,641,275	118,798	1,522,477
Pension bonds	-	9,815,000	(384,484)	9,430,516	364,782	9,065,734
Total	<u>\$ 2,149,916</u>	<u>\$ 9,957,137</u>	<u>\$ (609,520)</u>	<u>\$ 11,497,533</u>	<u>\$ 605,310</u>	<u>\$ 10,892,223</u>

**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 \$15,131 on June 30, 2023.

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 \$42,986 on June 30, 2023.

**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, 2023, were as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	\$ 30,228	\$ 2,668	\$ 32,896
2025	15,325	1,523	16,848
2026	15,145	695	15,840
	<u>\$ 60,698</u>	<u>\$ 4,886</u>	<u>\$ 65,584</u>

**Compensated Absences**

The City's policies relating to employee leave benefits are described in Note 1, item J. This liability will be paid in future years from future resources primarily from the General Fund. As of June 30, 2023, the outstanding balance was \$365,044.

**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, 2023, 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:

Fiscal Year Ending June 30	Principal	Interest	Total
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	123,649	11,310	134,959
2029-2033	637,226	37,570	674,796
2034-2036	397,881	996	398,877
	<u>\$ 1,641,275</u>	<u>\$ 107,194</u>	<u>\$ 1,748,469</u>

**NOTE 8 - LONG-TERM DEBT (CONTINUED)**

**Private Placement 2022 Lease Agreement**

On July 7, 2022, the South El Monte Finance Authority entered into a private placement lease agreement with First Foundation Bank and the City to raise \$9,815,000 at a fixed interest rate of 3.30 percent. The cost of issuance was \$221,556. The net proceeds of \$9,593,444 was used to fund the City's unfunded pension liability.

The loan from First Foundation Bank is payable from the General Fund. Interest is payable semiannually on June 1 and December 1 of each year, commencing December 1, 2022. Principal payments are due on June 1 of each year, beginning with June 1, 2023. The annual debt service requirements to maturity are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2024	\$ 364,782	\$ 311,207	\$ 675,989
2025	376,820	299,169	675,989
2026	389,255	286,734	675,989
2027	402,101	273,889	675,990
2028	415,370	260,619	675,989
2029-2033	2,291,731	1,088,215	3,379,946
2034-2038	2,695,661	684,286	3,379,947
2039-2042	2,494,796	209,161	2,703,957
	<u>\$ 9,430,516</u>	<u>\$ 3,413,280</u>	<u>\$ 12,843,796</u>

**NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Deficit Fund Balance**

At June 30, 2022, the following governmental funds had deficit balance: Grants Fund (\$219,964), Gas Tax Fund (\$127,647), Older American Act Fund (\$151,384), DOE Fund (\$132,008), Used Oil Recycling Grant Fund (\$2,833), Homelessness Initiative Fund (\$33,414), CDBG Fund (\$92,907), HSIP Fund (\$355,951), PLHA Fund (\$10,115) and Federal Grants Fund (\$5,061). These deficits are expected to be remedied with future revenues or transfers.

**NOTE 9 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)**

**Expenditures in Excess of Appropriations**

Expenditures for the fiscal year ended June 30, 2023, exceeded appropriations in the following funds and functions:

Fund Name	Appropriations	Expenditures	Excess Over Appropriations
<b>Major governmental funds</b>			
General Fund			
General government	4,367,089	4,653,886	(286,797)
Community services programs	1,754,406	2,092,982	(338,576)
Grants Fund			
Public works	150,000	373,392	(223,392)
Safe Clean Water Program Fund			
Public works	-	97,382	(97,382)
<b>Nonmajor governmental funds</b>			
Gas Tax Fund			
Public works	735,380	1,032,942	(297,562)
Older American Act Fund			
Community services programs	268,500	329,359	(60,859)
Road Maintenance and Rehabilitation Fund			
Public works	-	19,241	(19,241)
Cable PEG Fund			
General government	-	25,131	(25,131)
In Lieu Fees Fund			
Capital outlay	-	23,004	(23,004)
Used Oil Recycling Grant Fund			
Public works	-	1,165	(1,165)
Beverage Container Recycling Grant Fund			
Community development	-	1,935	(1,935)
Measure M Local Return Fund			
Public works	-	22,411	(22,411)
Prop C Local Return Fund			
Public works	4,500	34,345	(29,845)
Community services programs	-	1,892	(1,892)
CDBG Fund			
Community development	-	90,477	(90,477)
HSIP Fund			
Public works	-	374	(374)
Prop A Local Return Fund			
Community services programs	227,331	329,354	(102,023)
Capital outlay	-	19,365	(19,365)
Measure R Local Return Fund			
Public works	4,500	144,336	(139,836)
PLHA Fund			
Community services programs	-	5,070	(5,070)
Total	<u>236,331</u>	<u>650,724</u>	<u>(414,393)</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, 2022, are summarized as follows:

	Miscellaneous		
	Tier I Prior to <u>January 1, 2013</u>	Tier II On or After <u>January 1, 2013</u>	Tier III - PEPR On or After <u>January 1, 2013</u>
Hire date			
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 rate	8%	7%	6.75%
Required employer contribution rates:			
Normal cost rate	12.21%	9.12%	7.47%
Payment of unfunded liability	0	0	0

**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, 2023, the City reported a net pension liability for its proportionate share of the net pension liability of all Plans of \$10,263,129. The net pension liability of the Plan is measured as of June 30, 2022, 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, 2021 rolled forward to June 30, 2022 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, 2022 and 2021 measurement dates were 0.21933% and 0.30186%, respectively. This accounted for a decrease of 0.08253% from the previous fiscal year.

For the fiscal year ended June 30, 2023, the City recognized a reduction in pension expense of \$11,039,658. At June 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 1,051,672	\$ -
Differences between Expected and Actual Experience	206,104	138,039
Differences between Projected and Actual Investment Earnings	1,879,933	-
Differences between Employer's Contributions and Proportionate Share of Contributions	-	316,260
Change in Employer's Proportion	33,781	732,998
Pension Contributions Made Subsequent to Measurement Date	9,906,816	-
	\$ 13,078,306	\$ 1,187,297

**NOTE 10 - PENSION PLAN (CONTINUED)**

**Contributions (Continued)**

\$9,906,816 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 fiscal year ended June 30, 2024. 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
2024	\$ 365,093
2025	307,003
2026	162,264
2027	1,149,831
2028	-
Thereafter	-
	\$ 1,984,191

**Actuarial Assumptions**

For the measurement period ended June 30, 2022 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2021 total pension liability determined in the June 30, 2021 actuarial accounting valuation. The June 30, 2021 total pension liability was based on the following actuarial methods and assumptions:

Valuation date	June 30, 2021
Measurement date	June 30, 2022
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Salary increased	Varied by Entry Age and Service
Mortality rate table <sup>(1)</sup>	Derived using CalPERS' Membership Data for all Funds

<sup>1</sup> 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 2021 experience study report.

All other actuarial assumptions used in the June 30, 2021 valuation use the results of the 2021 CalPERS Experience Study and Review of Actuarial Assumptions, 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 November 2021, the CalPERS Board of Administration adopted new investment portfolios as well as several changes to actuarial assumptions. For PERF C, these changes were implemented in the June 30, 2021, actuarial valuations for funding purposes. Included in these changes were assumptions for inflation, the discount rate, and administrative expenses, as well as demographic assumptions including changes to mortality rates. The inflation assumption was reduced from 2.50 percent to 2.30 percent, the administrative expense assumption was reduced from 0.15 percent to 0.10 percent, and the discount rate was reduced from 7.00 percent to 6.80 percent. As a result, for financial reporting purposes, the discount rate for the PERF C was lowered from 7.15 percent to 6.90 percent in Fiscal Year 2021-22.

**Discount Rate**

See Change in Assumptions above.

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

Asset Class (1)	Assumed Asset Allocation	Real Return (1, 2)
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-based Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	100.00%	

(1) An expected price inflation of 2.30% used for this period.

(2) Figures are based on the 2021-22 Asset Liability Management study

**NOTE 10 - PENSION PLAN (CONTINUED)**

**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% (5.90%)	Current Discount Rate (6.90%)	Discount Rate +1% (7.90%)
Plan's Net Pension Liability	\$14,938,910	\$10,263,129	\$6,416,122

**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, 2023, the City reported no payables due to the pension plan, for outstanding contributions required for the fiscal year ended June 30, 2023.

**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 (\$149 for 2022, and \$151 for 2023).

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

Retiree Medical Benefits

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 - \$149/month for 2022 and \$151/month for 2023.
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, 2022 (the census date), the benefit terms covered the following employees:

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

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Contributions**

In the current fiscal year, the City fully funded its OPEB plan. The City currently does not plan on contributing more as the plan currently has a significant net OPEB asset.

Contribution rate	0.00% until a net OPEB liability exists
Reporting period contributions	\$1,955,971 (Include implicit subsidy)

**Net OPEB Asset**

The City's net OPEB liability (asset) was valued as of June 30, 2021, and was used to calculate the net OPEB liability (asset) measured as of June 30, 2022.

**Actuarial Assumptions**

The total OPEB liability (asset) in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date:	June 30, 2022
Discount rate	6.25%
Investment Rate of Return	6.25%
Inflation	2.30%
Healthcare cost trend rates	
Pre-Medicare	6.50%*
Medicare	5.50%*
Salary Increases	2.80%**
Mortality rates	Based on CalPERS tables

*\*Trending down to 4.04% over 54 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, dated November 17, 2021.
- 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 total OPEB liability.

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Discount Rate**

GASB Statement No.75 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the Trust set aside to pay benefits, if the plan sponsor makes regular contributions to the Trust such that the assets are not depleted at any point in the future. If the Plans' actuary determines that contributions are not sufficient to keep the Trust funded, a blend of the long-term rate of return and the yield or index rate for 20- year, tax-exempt municipal bonds will be used for the periods when the Trust funds are not sufficient to cover benefit payments. Based on this requirement, and with the approval of the plan sponsor, the discount rate used to measure the total OPEB liability (asset) is 6.25%.

**Changes in the Total OPEB Liability (Asset)**

	Increase (Decrease)	
	<u>Total OPEB Liability (Asset)</u>	
Balance as of Report Date June 30, 2022	\$	1,191,974
Changes for the Year:		
Service Cost		74,447
Interest		78,281
Differences Between Expected and Actual Experience		(10,804)
Changes of Assumptions		(1,983)
Contributions		
Employer - City's Contributions		(1,940,280)
Employer - Implicit Subsidy		(15,691)
Benefit Payments		-
Implicit Subsidy Credit		-
Net Changes		<u>(1,816,030)</u>
Balance as of Report Date June 30, 2023	\$	<u>(624,056)</u>

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

	1% Decrease <u>(5.25%)</u>	Discount Rate <u>(6.25%)</u>	1% Increase <u>(7.25%)</u>
Net OPEB Liability (Asset)	\$ (460,361)	\$ (624,056)	\$ (762,961)
Increase (Decrease)	163,695		(138,905)
% Change	-26.20%		22.30%

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Changes in the Total OPEB Liability (Continued)**

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The healthcare trend for this valuation started at 6.50% and decreased to 4.04% over 54 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 (5.50%) or one percentage point higher (7.50%) than current healthcare cost trend rates follows:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Net OPEB Liability (Asset)	\$ (804,229)	\$ (624,056)	\$ (402,109)
Increase (Decrease)	(180,173)		221,947
% Change	28.90%		-35.60%

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

For the fiscal year ended June 30, 2023, the City recognized an OPEB expense of \$71,266. 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	\$ -	\$ (321.872)
Changes of assumptions	137.158	(577.462)
Contributions subsequent to measurement date	37.152	-
	\$ 174.310	\$ (899.334)

\$37,152 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 fiscal year ended June 30, 2024.

**NOTE 11 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

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

Fiscal Year Ending June 30:	Deferred Outflows/ (Inflows) of Resources
2024	\$ (103,971)
2025	(109,601)
2026	(109,601)
2027	(109,601)
2028	(109,601)
Thereafter	(219,801)

**Expected Average Remaining Service Lives (EARSL)**

The effects on the total OPEB liability of (1) changes of economic and demographic assumptions or of other inputs and (2) differences between expected and actual experience are required to be included in the 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 follows. Note, however, that for calculation purposes, we use 1 when calculating amortizations if the EARSL is less than 1 year. The expected average remaining service lives (EARSL) for the current period was 9.3 years.

**Payable to the OPEB Plan**

At June 30, 2023, the City reported no payables due to the OPEB plan, for outstanding contributions required for the fiscal year ended June 30, 2023.

**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 123 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.

**NOTE 12 – INSURANCE (CONTINUED)**

**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 2022-23 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 2022-23.

**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 fiscal year ended June 30, 2023 were as follows:

	Balance 6/30/2022	Additions	Deductions	Balance 6/30/2023	Due Within One Year
Fiduciary Activities					
2014 Series A	6,950,000	-	-	6,950,000	-
2014 Series A Discount	(67,392)	-	14,976	(52,416)	(14,976)
2015 Series A	8,760,000	-	(45,000)	8,715,000	50,000
2015 Series A Premium	180,229	-	(15,620)	164,609	15,620
2015 Series B	3,260,000	-	(610,000)	2,650,000	625,000
2015 Series B Discount	(20,409)	-	6,317	(14,092)	(6,317)
2019 Series A	4,195,000	-	(665,000)	3,530,000	(675,000)
	<u>\$ 23,257,428</u>	<u>\$ -</u>	<u>\$ (1,314,327)</u>	<u>\$ 21,943,101</u>	<u>\$ (5,673)</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:

2014 Series A			
Year Ending June 30,	Principal	Interest	Total
2024	\$ -	\$ 265,488	\$ 265,488
2025	-	265,488	265,488
2026	-	265,488	265,488
2027	-	265,488	265,488
2028	-	265,488	265,488
2029-2033	3,220,000	1,055,506	4,275,506
2034-2037	3,730,000	345,400	4,075,400
	<u>6,950,000</u>	<u>2,728,346</u>	<u>9,678,346</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
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	820,000	342,188	1,162,188
2029-2033	4,500,000	1,267,938	5,767,938
2034-2036	3,190,000	244,500	3,434,500
	\$8,715,000	\$3,286,745	\$12,001,745

2015 Series B			
Year Ending June 30,	Principal	Interest	Total
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
	\$2,650,000	\$212,999	\$2,862,999

**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:

Series 2019			
Year Ending June 30,	Principal	Interest	Total
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
2028	740,000	9,250	749,250
	<u>\$3,530,000</u>	<u>\$214,294</u>	<u>\$3,744,294</u>

**NOTE 15 – CORONAVIRUS PANDEMIC**

The worldwide pandemic that is the coronavirus continues to impact every aspect of society. The Fiscal Year 2022-23 financial statements include the impacts to revenue and expenditures from the economic and organizational response to the coronavirus. The FY 2023-24 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. 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 2023-24. 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 January 24, 2024, 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 Year*									
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	June 30, 2023
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	June 30, 2022
Plan's proportion of the net pension liability	0.06946%	0.08104%	0.07911%	0.07792%	0.07888%	0.08040%	0.08141%	0.10598%	0.08885%
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	\$ 10,263,129
Plan's covered -employee payroll	\$ 2,082,997	\$ 2,360,098	\$ 2,560,239	\$ 2,473,404	\$ 2,308,132	\$ 2,886,967	\$ 2,997,621	\$ 3,124,279	\$ 3,375,669
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%	304.03%
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%	70.08%
Plan's proportionate share of aggregate employer contributor	\$ 512,700	\$ 639,714	\$ 670,946	\$ 755,365	\$ 813,902	\$ 913,613	\$ 989,023	\$ 1,038,407	\$ 1,246,839

\* Fiscal year 2015 was the first year of implementation, therefore nine years are shown.

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

	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	June 30, 2023	
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	June 30, 2022	
Actuarially determined contributi	\$ 422,541	\$ 473,701	\$ 643,085	\$ 511,152	\$ 572,837	\$ 673,881	\$ 776,018	\$ 875,540	\$ 977,443	
Contribution in relation to the actuarially determined contribution	422,541	473,701	645,707	511,152	572,837	673,881	776,018	875,540	977,443	
Contribution deficiency (excess)	\$ -	\$ -	\$ (2,623)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	2,082,997	2,360,098	2,560,239	2,473,404	2,308,132	2,886,967	2,997,621	3,124,279	3,375,669	
Contributions as a percentage of covered-employee payroll	20.29%	20.07%	25.22%	20.67%	24.82%	23.34%	25.89%	28.02%	28.96%	

\* Fiscal year 2015 was the first year of implementation, therefore nine years are shown.

***Notes to Schedule***

**Change in Benefit Terms:** The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a Golden Handshakes).

**Change in Assumptions:** In the 2016 valuation, the accounting discount rate was reduced from 7.65 percent to 7.15 percent.

In 2023, the accounting discount rate was reduced from 7.15 percent to 6.90 percent.

**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	June 30, 2023
Measurement period	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022
Total beginning OPEB liability	\$ 1,488,214	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082	\$ 1,191,974
Changes for the year:						
Service cost	75,958	78,142	70,946	133,079	158,457	74,447
Interest	54,928	58,076	67,155	53,995	50,660	78,281
Difference between expected and actual e:	-	(7,307)	(290,662)	(4,504)	(174,289)	(10,804)
Changes in assumptions	-	153,632	13,089	177,995	(733,419)	(1,983)
Employer contributions	-	-	-	-	-	(1,940,280)
Employer 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)	(15,691)
Net changes	88,413	235,729	(195,838)	311,564	(736,108)	(1,816,030)
Total ending OPEB liability (a)	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082	\$ 1,191,974	\$ (624,056)
Total beginning plan fiduciary net position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Changes for the year:						
Contribution - employer	12,162	15,424	15,986	12,372	12,134	12,198
Expected benefit payments	(12,162)	(15,424)	(15,986)	(12,372)	(12,134)	(12,198)
Net changes	-	-	-	-	-	-
Total ending plan fiduciary net position (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net ending OPEB liability (a) - (b)	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082	\$ 1,191,974	\$ (624,056)
Covered payroll	\$ 1,992,079	\$ 2,046,861	\$ 2,783,335	\$ 2,991,252	\$ 2,944,722	\$ 3,155,304
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	147.86%
Net OPEB asset as a percentage of covered payroll	79.1%	88.5%	58.1%	64.5%	40.5%	-19.8%

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

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

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**Notes to Schedule:**

Valuation Date: June 30, 2021

Assumptions Used: Entry Age Method used for Actuarial Cost Method  
Level Percentage of Payroll and Direct Rate Smoothing  
3.8 Years Remaining Amortization Period  
Inflation Assumed at 2.30%  
Investment Rate of Returns set at 6.90%  
CalPERS mortality table based on CalPERS' experience and includes 15 years of projected ongoing mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.

**City of South El Monte**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES:</b>				
Taxes	\$ 15,921,615	\$ 15,921,615	\$ 17,470,276	\$ 1,548,661
Licenses and permits	1,446,258	1,446,258	1,528,967	82,709
Fines and forfeitures	179,520	179,520	18,593	(160,927)
Use of money and property	57,120	57,120	222,235	165,115
Charges for services	362,133	362,133	398,410	36,277
Intergovernmental	285,600	285,600	1,265,023	979,423
Other revenues	-	-	234,688	234,688
<b>TOTAL REVENUES</b>	<b>18,252,246</b>	<b>18,252,246</b>	<b>21,138,192</b>	<b>2,885,946</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	4,367,089	4,367,089	4,653,511	(286,422)
Public safety	6,140,908	6,140,908	5,794,959	345,949
Community development	2,011,065	2,011,065	1,730,884	280,181
Public works/utilities	3,861,142	3,861,142	3,152,958	708,184
Community services programs	1,754,406	1,754,406	2,092,982	(338,576)
Capital outlay	646,000	646,000	134,553	511,447
<b>Debt service:</b>				
Principal	441,000	441,000	10,095,590	(9,654,590)
Interest	-	-	533,231	(533,231)
<b>TOTAL EXPENDITURES</b>	<b>19,221,610</b>	<b>19,221,610</b>	<b>28,188,668</b>	<b>(8,967,058)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(969,364)</b>	<b>(969,364)</b>	<b>(7,050,476)</b>	<b>(6,081,112)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Proceeds from long-term debt	-	-	9,815,000	9,815,000
Transfers in	5,772,932	5,772,932	4,921,737	(851,195)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>5,772,932</b>	<b>5,772,932</b>	<b>14,736,737</b>	<b>8,963,805</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>4,803,568</b>	<b>4,803,568</b>	<b>7,686,261</b>	<b>2,882,693</b>
<b>FUND BALANCE - BEGINNING OF FISCAL YEAR</b>	<b>9,941,269</b>	<b>9,941,269</b>	<b>9,941,269</b>	<b>-</b>
<b>FUND BALANCE - END OF FISCAL YEAR</b>	<b>\$ 14,744,837</b>	<b>\$ 14,744,837</b>	<b>\$ 17,627,530</b>	<b>\$ 2,882,693</b>

See note to required supplementary information.

**City of South El Monte**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule**  
**Grants Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 9,660	\$ 9,660
Intergovernmental	3,063,244	3,063,244	631,716	(2,431,528)
<b>TOTAL REVENUES</b>	<b>3,063,244</b>	<b>3,063,244</b>	<b>641,376</b>	<b>(2,421,868)</b>
<b>EXPENDITURES:</b>				
Current:				
Public works/utilities	150,000	150,000	373,390	(223,390)
Capital outlay	2,913,244	2,913,244	753,357	2,159,887
<b>TOTAL EXPENDITURES</b>	<b>3,063,244</b>	<b>3,063,244</b>	<b>1,126,747</b>	<b>1,936,497</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>(485,371)</b>	<b>(485,371)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(4,921,738)	(4,921,738)	(3,894,923)	1,026,815
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(4,921,738)</b>	<b>(4,921,738)</b>	<b>(3,894,923)</b>	<b>1,026,815</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(4,921,738)</b>	<b>(4,921,738)</b>	<b>(4,380,294)</b>	<b>541,444</b>
<b>FUND BALANCE - BEGINNING OF FISCAL YEAR</b>	<b>4,160,330</b>	<b>4,160,330</b>	<b>4,160,330</b>	<b>-</b>
<b>FUND BALANCE - END OF FISCAL YEAR</b>	<b>\$ (761,408)</b>	<b>\$ (761,408)</b>	<b>\$ (219,964)</b>	<b>\$ 541,444</b>

See note to required supplementary information.

**City of South El Monte**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule**  
**Safe Clean Water Program Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 16,632	\$ 16,632
Intergovernmental	450,000	450,000	447,371	(2,629)
<b>TOTAL REVENUES</b>	<b>450,000</b>	<b>450,000</b>	<b>464,003</b>	<b>14,003</b>
<b>EXPENDITURES:</b>				
Current:				
Public works/utilities	-	-	97,383	(97,383)
Capital outlay	450,000	450,000	29,773	420,227
<b>TOTAL EXPENDITURES</b>	<b>450,000</b>	<b>450,000</b>	<b>127,156</b>	<b>322,844</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>336,847</b>	<b>336,847</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(137,758)	(137,758)	(292,452)	(154,694)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(137,758)</b>	<b>(137,758)</b>	<b>(292,452)</b>	<b>(154,694)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(137,758)</b>	<b>(137,758)</b>	<b>44,395</b>	<b>182,153</b>
<b>FUND BALANCE - BEGINNING OF FISCAL YEAR</b>	<b>4,293,214</b>	<b>4,293,214</b>	<b>4,293,214</b>	<b>-</b>
<b>FUND BALANCE - END OF FISCAL YEAR</b>	<b>\$ 4,155,456</b>	<b>\$ 4,155,456</b>	<b>\$ 4,337,609</b>	<b>\$ 182,153</b>

See note to required supplementary information.

**City of South El Monte**  
**Required Supplementary Information (Unaudited)**  
**Budgetary Comparison Schedule**  
**Housing Successor Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 500	\$ 500	\$ 485	\$ (15)
TOTAL REVENUES	500	500	485	(15)
EXPENDITURES:				
Current:				
Community services programs	10,000	10,000	-	10,000
TOTAL EXPENDITURES	10,000	10,000	-	10,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(9,500)	(9,500)	485	9,985
NET CHANGE IN FUND BALANCE	(9,500)	(9,500)	485	9,985
FUND BALANCE - BEGINNING OF FISCAL YEAR	438,855	438,855	438,855	-
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 429,355</u>	<u>\$ 429,355</u>	<u>\$ 439,340</u>	<u>\$ 9,985</u>

See note to required supplementary information.

***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.

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**SUPPLEMENTARY**  

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**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.
- **In Lieu Fee Fund** – The 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 City of South El Monte was awarded a grant by the U.S. Department of Energy for autonomous building controls retrofit, whereas as a project partner, to deploy, test, and validate the performance of an autonomous building platform and utilize a digital twin model in concurrence with the installation of energy efficiency measure in three municipal buildings. The DOE Grant Fund was created to independently track the activities of this grant.

**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.
- 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  
Year Ended June 30, 2023

	Special Revenue Funds					
	Gas Tax Fund	Older American Act Fund	RMRA Fund	Rosemead Maintenance District	Hayward Maintenance District	Air Quality Management District
<b>ASSETS</b>						
Cash and investments	\$ -	\$ 5,029	\$ -	\$ -	\$ -	\$ -
Receivables:						
Accounts	-	51,219	39,394	287	8	6,560
Intergovernmental	43,423	-	-	-	-	-
Loans	-	-	-	-	-	-
Advances to other funds	-	-	1,246,655	11,691	23,822	73,050
<b>TOTAL ASSETS</b>	<b>\$ 43,423</b>	<b>\$ 56,248</b>	<b>\$ 1,286,049</b>	<b>\$ 11,978</b>	<b>\$ 23,830</b>	<b>\$ 79,610</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Accounts payable and accrued expense:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advances from other funds	171,070	207,632	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>171,070</b>	<b>207,632</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES:</b>						
Restricted	-	-	1,286,049	11,978	23,830	79,610
Unassigned	(127,647)	(151,384)	-	-	-	-
<b>TOTAL FUND BALANCES</b>	<b>(127,647)</b>	<b>(151,384)</b>	<b>1,286,049</b>	<b>11,978</b>	<b>23,830</b>	<b>79,610</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 43,423</b>	<b>\$ 56,248</b>	<b>\$ 1,286,049</b>	<b>\$ 11,978</b>	<b>\$ 23,830</b>	<b>\$ 79,610</b>

(Continued)

City of South El Monte  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2023

		Special Revenue Funds					
Cable PEG Fund	In Lieu Fees Fund	DOE Fund	State COPS Grant Fund	Used Oil Recycling Grant Fund	Beverage Container Recycling Grant Fund		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
3,098	-	-	-	-	-		
-	-	-	-	-	-		
85,283	452,943	-	471,566	-	28,151		
<u>\$ 88,381</u>	<u>\$ 452,943</u>	<u>\$ -</u>	<u>\$ 471,566</u>	<u>\$ -</u>	<u>\$ 28,151</u>		
ASSETS							
Cash and investments							
Receivables:							
Accounts							
Intergovernmental							
Loans							
Advances to other funds							
<u>TOTAL ASSETS</u>							
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts payable and accrued expenses							
Advances from other funds							
<u>TOTAL LIABILITIES</u>							
FUND BALANCES:							
Restricted							
Unassigned							
<u>TOTAL FUND BALANCES</u>							
<u>\$ 88,381</u>	<u>\$ 452,943</u>	<u>\$ -</u>	<u>\$ 471,566</u>	<u>\$ -</u>	<u>\$ 28,151</u>		
TOTAL LIABILITIES AND FUND BALANCES							
<u>\$ 88,381</u>							

(Continued)

City of South El Monte  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2023

	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
<b>ASSETS</b>						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:						
Accounts	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Advances to other funds	-	1,416,469	1,517,639	-	-	17,548
<b>TOTAL ASSETS</b>	<b>\$ -</b>	<b>\$ 1,416,469</b>	<b>\$ 1,517,639</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,548</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advances from other funds	33,414	-	-	92,907	355,951	-
<b>TOTAL LIABILITIES</b>	<b>33,414</b>	<b>-</b>	<b>-</b>	<b>92,907</b>	<b>355,951</b>	<b>-</b>
<b>FUND BALANCES:</b>						
Restricted	-	1,416,469	1,517,639	-	-	17,548
Unassigned	(33,414)	-	-	(92,907)	(355,951)	-
<b>TOTAL FUND BALANCES</b>	<b>(33,414)</b>	<b>1,416,469</b>	<b>1,517,639</b>	<b>(92,907)</b>	<b>(355,951)</b>	<b>17,548</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 1,416,469</b>	<b>\$ 1,517,639</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,548</b>

(Continued)

City of South El Monte  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 Year Ended June 30, 2023

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
-	-	-	7,807	-	-	Cash and investments
-	-	-	-	-	-	Receivables:
-	-	-	-	-	-	Accounts
-	-	-	-	-	-	Taxes
-	-	-	-	-	-	Other receivables
-	-	-	-	-	-	Intergovernmental
-	-	-	-	-	1,711,131	Loans
24,073	1,159,287	1,195,052	3,839,140	31,703	35,775	Advance to other funds
<u>\$ 24,073</u>	<u>\$ 1,159,287</u>	<u>\$ 1,195,052</u>	<u>\$ 3,846,947</u>	<u>\$ 31,703</u>	<u>\$ 1,746,906</u>	TOTAL ASSETS
LIABILITIES AND FUND BALANCES						
\$ -	\$ 3,134	\$ -	\$ -	\$ 11,500	\$ -	LIABILITIES:
-	-	-	-	-	-	Accounts payable and accrued expenses
-	-	-	-	-	-	Advance from other funds
-	3,134	-	-	11,500	-	TOTAL LIABILITIES
24,073	1,156,153	1,195,052	3,846,947	20,203	1,746,906	FUND BALANCES:
24,073	1,156,153	1,195,052	3,846,947	20,203	1,746,906	Restricted
<u>\$ 24,073</u>	<u>\$ 1,159,287</u>	<u>\$ 1,195,052</u>	<u>\$ 3,846,947</u>	<u>\$ 31,703</u>	<u>\$ 1,746,906</u>	TOTAL LIABILITIES AND FUND BALANCES

**City of South El Monte  
Combining Balance Sheet  
Nonmajor Governmental Funds  
Year Ended June 30, 2023**

	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		
<b>ASSETS</b>							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,029
Receivables:							
Accounts	-	-	-	-	-	-	108,373
Intergovernmental	-	-	-	-	-	-	43,423
Loans	214,200	-	-	-	-	-	1,925,331
Advances to other funds	-	-	730,661	-	-	-	12,451,609
<b>TOTAL ASSETS</b>	<b>\$ 214,200</b>	<b>\$ -</b>	<b>\$ 730,661</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,533,765</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>LIABILITIES:</b>							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	14,634
Advances from other funds	-	10,115	-	5,061	-	-	1,010,991
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>10,115</b>	<b>-</b>	<b>5,061</b>	<b>-</b>	<b>-</b>	<b>1,025,625</b>
<b>FUND BALANCES:</b>							
Restricted	214,200	-	730,661	-	-	-	14,419,460
Unassigned	-	(10,115)	-	(5,061)	-	-	(911,320)
<b>TOTAL FUND BALANCES</b>	<b>214,200</b>	<b>(10,115)</b>	<b>730,661</b>	<b>(5,061)</b>	<b>-</b>	<b>-</b>	<b>13,508,140</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 214,200</b>	<b>\$ -</b>	<b>\$ 730,661</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,533,765</b>
							(Concluded)

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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	\$ -	\$ -	\$ -	\$ 1,451	\$ 68	\$ -
Use of money and property	1,130	-	4,724	41	88	222
Charges for services	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Intergovernmental	497,905	306,798	445,714	-	-	32,967
Other revenues	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>499,035</b>	<b>306,798</b>	<b>450,438</b>	<b>1,492</b>	<b>156</b>	<b>33,189</b>
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Public works/utilities	1,032,942	-	19,241	-	-	-
Community services programs	-	329,359	-	-	-	-
Capital outlay	86,335	-	63,373	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>1,119,277</b>	<b>329,359</b>	<b>82,614</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(620,242)</b>	<b>(22,561)</b>	<b>367,824</b>	<b>1,492</b>	<b>156</b>	<b>33,189</b>
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(620,242)</b>	<b>(22,561)</b>	<b>367,824</b>	<b>1,492</b>	<b>156</b>	<b>33,189</b>
<b>FUND BALANCES - BEGINNING OF FISCAL YEAR</b>	<b>492,595</b>	<b>(128,823)</b>	<b>918,225</b>	<b>10,486</b>	<b>23,674</b>	<b>46,421</b>
<b>FUND BALANCES - END OF FISCAL YEAR</b>	<b>\$ (127,647)</b>	<b>\$ (151,384)</b>	<b>\$ 1,286,049</b>	<b>\$ 11,978</b>	<b>\$ 23,830</b>	<b>\$ 79,610</b>

(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:	
356	1,743	-	1,442	-	107	Taxes	
-	-	-	-	-	-	Use of money and property	
-	-	-	-	-	-	Charges for services	
-	-	-	-	-	-	Special assessments	
-	-	-	165,271	5,000	-	Intergovernmental	
16,513	-	-	-	-	-	Other revenues	
16,869	1,743	-	166,713	5,000	107	TOTAL REVENUES	
25,131	-	-	-	-	-	EXPENDITURES:	
-	-	-	-	-	-	Current:	
-	-	-	-	-	1,935	General government	
-	-	-	-	1,165	-	Community development	
-	-	-	-	-	-	Public works/utilities	
-	-	-	-	-	-	Community services programs	
-	23,004	71,215	-	-	-	Capital outlay	
25,131	23,004	71,215	-	1,165	1,935	TOTAL EXPENDITURES	
(8,262)	(21,261)	(71,215)	166,713	3,835	(1,828)	EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	
-	-	-	-	-	-	OTHER FINANCING SOURCES (USES):	
-	-	-	-	-	-	Transfers in	
-	-	-	-	-	-	Transfers out	
-	-	-	-	-	-	TOTAL OTHER FINANCING SOURCES (USES)	
(8,262)	(21,261)	(71,215)	166,713	3,835	(1,828)	NET CHANGE IN FUND BALANCE	
96,643	474,204	(60,793)	304,853	(6,668)	29,979	FUND BALANCES - BEGINNING OF FISCAL YEAR	
\$ 88,381	\$ 452,943	\$ (132,008)	\$ 471,566	\$ (2,833)	\$ 28,151	FUND BALANCES - END OF FISCAL 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					Prop A Park Bond Grant Fund
	Homelessness Initiative Fund	Measure M Local Return Fund	Prop C Local Return Fund	CDBG Fund	HSP Fund	
<b>REVENUES:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	4,573	5,112	-	-	66
Charges for services	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Intergovernmental	-	393,807	464,304	76,767	815,721	-
Other revenues	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>-</b>	<b>398,380</b>	<b>469,416</b>	<b>76,767</b>	<b>815,721</b>	<b>66</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	-	-	-
Community development	-	-	-	90,477	-	-
Public works/utilities	-	22,411	34,345	-	374	-
Community services programs	12,396	-	1,892	-	-	-
Capital outlay	-	-	101,292	-	531,670	-
<b>TOTAL EXPENDITURES</b>	<b>12,396</b>	<b>22,411</b>	<b>137,529</b>	<b>90,477</b>	<b>532,044</b>	<b>-</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(12,396)</b>	<b>375,969</b>	<b>331,887</b>	<b>(13,710)</b>	<b>283,677</b>	<b>66</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	292,453	-
Transfers out	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>292,453</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(12,396)</b>	<b>375,969</b>	<b>331,887</b>	<b>(13,710)</b>	<b>576,130</b>	<b>66</b>
<b>FUND BALANCES - BEGINNING OF FISCAL YEAR</b>	<b>(21,018)</b>	<b>1,040,500</b>	<b>1,185,752</b>	<b>(79,197)</b>	<b>(932,081)</b>	<b>17,482</b>
<b>FUND BALANCES - END OF FISCAL YEAR</b>	<b>\$ (33,414)</b>	<b>\$ 1,416,469</b>	<b>\$ 1,517,639</b>	<b>\$ (92,907)</b>	<b>\$ (355,951)</b>	<b>\$ 17,548</b>

(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	Sever Assessment Fund	State Deferred Loan Program Fund	CalHOME Grant Fund		
\$ -	\$ -	\$ 348,128	\$ -	\$ -	\$ -	REVENUES:	
96	4,120	4,163	13,531	118	135	Taxes	
-	1,163	-	-	-	-	Use of money and property	
-	-	-	392,650	-	-	Charges for services	
-	559,759	-	-	-	-	Special assessments	
-	-	-	-	-	-	Intergovernmental	
-	-	-	-	-	-	Other revenues	
96	565,042	352,291	406,181	118	135	TOTAL REVENUES	
-	-	-	-	-	-	EXPENDITURES:	
-	-	-	-	-	-	Current:	
-	-	-	-	-	-	General government	
-	-	-	-	-	-	Community development	
-	-	144,336	-	-	-	Public works/utilities	
-	329,352	-	-	-	-	Community services programs	
-	19,366	4,167	-	-	-	Capital outlay	
-	348,718	148,503	-	-	-	TOTAL EXPENDITURES	
96	216,324	203,788	406,181	118	135	EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	
-	-	-	-	-	-	OTHER FINANCING SOURCES (USES):	
-	-	-	-	-	-	Transfers in	
-	-	-	-	-	-	Transfers out	
-	-	-	-	-	-	TOTAL OTHER FINANCING SOURCES (USES)	
96	216,324	203,788	406,181	118	135	NET CHANGE IN FUND BALANCE	
23,977	1,030,930	991,264	3,440,766	20,085	1,746,771	FUND BALANCES - BEGINNING OF FISCAL YEAR	
\$ 24,073	\$ 1,247,254	\$ 1,195,052	\$ 3,846,947	\$ 20,203	\$ 1,746,906	FUND BALANCES - END OF FISCAL 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			Capital Projects Fund	Total	
	Begin Program Fund	PLHA Fund	CalHOME Reuse Fund	Federal Grants Fund	Capital Improvement Fund	NonMajor Governmental Funds
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 349,647
Use of money and property	-	-	2,534	-	-	44,301
Charges for services	-	-	-	-	-	1,163
Special assessments	-	-	-	-	-	392,650
Intergovernmental	-	-	94,697	2,494	-	3,861,204
Other revenues	-	-	-	-	-	16,513
<b>TOTAL REVENUES</b>	<b>-</b>	<b>-</b>	<b>97,231</b>	<b>2,494</b>	<b>-</b>	<b>4,665,478</b>
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	25,131
Community development	-	-	-	-	-	92,412
Public works/utilities	-	-	-	-	-	1,254,814
Community services programs	-	5,070	-	-	-	678,069
Capital outlay	-	-	-	-	-	900,422
<b>TOTAL EXPENDITURES</b>	<b>-</b>	<b>5,070</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,950,848</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>(5,070)</b>	<b>97,231</b>	<b>2,494</b>	<b>-</b>	<b>1,714,630</b>
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	292,453
Transfers out	-	-	-	-	(1,026,815)	(1,026,815)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,026,815)</b>	<b>(734,362)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>-</b>	<b>(5,070)</b>	<b>97,231</b>	<b>2,494</b>	<b>(1,026,815)</b>	<b>980,268</b>
FUND BALANCES - BEGINNING OF FISCAL YEAR	214,200	(5,045)	633,430	(7,555)	1,026,815	12,527,872
FUND BALANCES - END OF FISCAL YEAR	\$ 214,200	\$ (10,115)	\$ 730,661	\$ (5,061)	\$ -	\$ 13,508,140

(Concluded)

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Gas Tax Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 1,130	\$ 1,130
Intergovernmental	476,737	476,737	497,905	21,168
<b>TOTAL REVENUES</b>	<b>476,737</b>	<b>476,737</b>	<b>499,035</b>	<b>22,298</b>
<b>EXPENDITURES:</b>				
Current:				
Public works	735,380	735,380	1,032,942	(297,562)
Capital outlay	230,000	230,000	86,336	143,664
<b>TOTAL EXPENDITURES</b>	<b>965,380</b>	<b>965,380</b>	<b>1,119,278</b>	<b>(153,898)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(488,643)</b>	<b>(488,643)</b>	<b>(620,243)</b>	<b>(131,600)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(488,643)</b>	<b>(488,643)</b>	<b>(620,243)</b>	<b>(131,600)</b>
<b>FUND BALANCE - BEGINNING OF FISCAL YEAR</b>	<b>492,594</b>	<b>492,594</b>	<b>492,594</b>	<b>-</b>
<b>FUND BALANCE - END OF FISCAL YEAR</b>	<b>\$ 3,951</b>	<b>\$ 3,951</b>	<b>\$ (127,649)</b>	<b>\$ (131,600)</b>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Older American Act Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 523,000	\$ 523,000	\$ 306,798	\$ (216,202)
TOTAL REVENUES	<u>523,000</u>	<u>523,000</u>	<u>306,798</u>	<u>(216,202)</u>
EXPENDITURES:				
Current:				
Community services programs	268,500	268,500	329,359	(60,859)
TOTAL EXPENDITURES	<u>268,500</u>	<u>268,500</u>	<u>329,359</u>	<u>(60,859)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>254,500</u>	<u>254,500</u>	<u>(22,561)</u>	<u>(277,061)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(117,540)	(117,540)	-	117,540
TOTAL OTHER FINANCING SOURCES (USES)	<u>(117,540)</u>	<u>(117,540)</u>	<u>-</u>	<u>117,540</u>
NET CHANGE IN FUND BALANCE	136,960	136,960	(22,561)	(159,521)
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>(128,823)</u>	<u>(128,823)</u>	<u>(128,823)</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 8,137</u>	<u>\$ 8,137</u>	<u>\$ (151,384)</u>	<u>\$ (159,521)</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Rosemead Maintenance District Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 41	\$ 41
Taxes	714	714	1,451	737
TOTAL REVENUES	714	714	1,492	778
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	714	714	1,492	778
NET CHANGE IN FUND BALANCE	714	714	1,492	778
FUND BALANCE - BEGINNING OF FISCAL YEAR	10,485	10,485	10,485	-
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 11,199</u>	<u>\$ 11,199</u>	<u>\$ 11,977</u>	<u>\$ 778</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Road Maintenance and Rehabilitation Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 4,820	\$ 4,820
Intergovernmental	415,700	415,700	445,714	30,014
TOTAL REVENUES	<u>415,700</u>	<u>415,700</u>	<u>450,534</u>	<u>34,834</u>
EXPENDITURES:				
Current:				
Public works	-	-	19,241	(19,241)
Capital outlay	415,700	415,700	63,373	352,327
TOTAL EXPENDITURES	<u>415,700</u>	<u>415,700</u>	<u>82,614</u>	<u>333,086</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>367,920</u>	<u>367,920</u>
NET CHANGE IN FUND BALANCE	-	-	367,920	367,920
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>918,226</u>	<u>918,226</u>	<u>918,226</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 918,226</u>	<u>\$ 918,226</u>	<u>\$ 1,286,146</u>	<u>\$ 367,920</u>

City of South El Monte  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Hayward Maintenance District Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 88	\$ 88
Taxes	41	41	68	27
TOTAL REVENUES	<u>41</u>	<u>41</u>	<u>156</u>	<u>115</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>41</u>	<u>41</u>	<u>156</u>	<u>115</u>
NET CHANGE IN FUND BALANCE	41	41	156	115
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>23,674</u>	<u>23,674</u>	<u>23,674</u>	-
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 23,715</u>	<u>\$ 23,715</u>	<u>\$ 23,830</u>	<u>\$ 115</u>

City of South El Monte  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Air Quality Management District Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 222	\$ 222
Intergovernmental	14,025	14,025	32,967	18,942
TOTAL REVENUES	<u>14,025</u>	<u>14,025</u>	<u>33,189</u>	<u>19,164</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	68,000	68,000	-	68,000
TOTAL EXPENDITURES	<u>68,000</u>	<u>68,000</u>	<u>-</u>	<u>68,000</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(53,975)</u>	<u>(53,975)</u>	<u>33,189</u>	<u>87,164</u>
NET CHANGE IN FUND BALANCE	(53,975)	(53,975)	33,189	87,164
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>46,421</u>	<u>46,421</u>	<u>46,421</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u><u>\$ (7,554)</u></u>	<u><u>\$ (7,554)</u></u>	<u><u>\$ 79,610</u></u>	<u><u>\$ 87,164</u></u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Cable PEG Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 356	\$ 356
Other revenues	11,220	11,220	16,513	5,293
<b>TOTAL REVENUES</b>	<b>11,220</b>	<b>11,220</b>	<b>16,869</b>	<b>5,649</b>
<b>EXPENDITURES:</b>				
<b>Current:</b>				
General government	-	-	25,131	(25,131)
Capital outlay	15,000	15,000	-	15,000
<b>TOTAL EXPENDITURES</b>	<b>15,000</b>	<b>15,000</b>	<b>25,131</b>	<b>(10,131)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,780)</b>	<b>(3,780)</b>	<b>(8,262)</b>	<b>(4,482)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(3,780)</b>	<b>(3,780)</b>	<b>(8,262)</b>	<b>(4,482)</b>
<b>FUND BALANCE - BEGINNING OF FISCAL YEAR</b>	<b>96,643</b>	<b>96,643</b>	<b>96,643</b>	<b>-</b>
<b>FUND BALANCE - END OF FISCAL YEAR</b>	<b>\$ 92,863</b>	<b>\$ 92,863</b>	<b>\$ 88,381</b>	<b>\$ (4,482)</b>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - In Lieu Fees Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,743	\$ 1,743
Charges for services	51,000	51,000	-	(51,000)
TOTAL REVENUES	51,000	51,000	1,743	(49,257)
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	23,004	(23,004)
TOTAL EXPENDITURES	-	-	23,004	(23,004)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	51,000	51,000	(21,261)	(72,261)
NET CHANGE IN FUND BALANCE	51,000	51,000	(21,261)	(72,261)
FUND BALANCE - BEGINNING OF FISCAL YEAR	474,203	474,203	474,203	-
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 525,203</u>	<u>\$ 525,203</u>	<u>\$ 452,942</u>	<u>\$ (72,261)</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - DOE Grant Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	216,182	216,182	-	(216,182)
TOTAL REVENUES	216,182	216,182	-	(216,182)
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	241,625	241,625	71,215	170,410
TOTAL EXPENDITURES	241,625	241,625	71,215	170,410
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(25,443)	(25,443)	(71,215)	(45,772)
OTHER FINANCING SOURCES (USES):				
Transfers in	25,443	25,443	-	(25,443)
TOTAL OTHER FINANCING SOURCES (USES)	25,443	25,443	-	(25,443)
NET CHANGE IN FUND BALANCE	-	-	(71,215)	(71,215)
FUND BALANCE - BEGINNING OF FISCAL YEAR	(60,793)	(60,793)	(60,793)	-
FUND BALANCE - END OF FISCAL YEAR	<u>\$ (60,793)</u>	<u>\$ (60,793)</u>	<u>\$ (132,008)</u>	<u>\$ (71,215)</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - State COPS Grant Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,442	\$ 1,442
Intergovernmental	100,000	100,000	165,271	65,271
TOTAL REVENUES	100,000	100,000	166,713	66,713
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	100,000	100,000	166,713	66,713
OTHER FINANCING SOURCES (USES):				
Transfers out	(100,000)	(100,000)	-	100,000
TOTAL OTHER FINANCING SOURCES (USES)	(100,000)	(100,000)	-	100,000
NET CHANGE IN FUND BALANCE	-	-	166,713	166,713
FUND BALANCE - BEGINNING OF FISCAL YEAR	304,853	304,853	304,853	-
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 304,853</u>	<u>\$ 304,853</u>	<u>\$ 471,566</u>	<u>\$ 166,713</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Used Oil Recycling Grant Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,564	6,564	5,000	(1,564)
TOTAL REVENUES	<u>6,564</u>	<u>6,564</u>	<u>5,000</u>	<u>(1,564)</u>
EXPENDITURES:				
Current:				
Public works	-	-	1,165	(1,165)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>1,165</u>	<u>(1,165)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>6,564</u>	<u>6,564</u>	<u>3,835</u>	<u>(2,729)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(6,564)	(6,564)	-	6,564
TOTAL OTHER FINANCING SOURCES (USES)	<u>(6,564)</u>	<u>(6,564)</u>	<u>-</u>	<u>6,564</u>
NET CHANGE IN FUND BALANCE	-	-	3,835	3,835
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>(6,668)</u>	<u>(6,668)</u>	<u>(6,668)</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ (6,668)</u>	<u>\$ (6,668)</u>	<u>\$ (2,833)</u>	<u>\$ 3,835</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Beverage Container Recycling Grant Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 108	\$ 108
Intergovernmental	6,160	6,160	-	(6,160)
TOTAL REVENUES	6,160	6,160	108	(6,052)
EXPENDITURES:				
Current:				
Community development	-	-	1,935	(1,935)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	1,935	(1,935)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,160	6,160	(1,827)	(7,987)
OTHER FINANCING SOURCES (USES):				
Transfers out	(6,160)	(6,160)	-	6,160
TOTAL OTHER FINANCING SOURCES (USES)	(6,160)	(6,160)	-	6,160
NET CHANGE IN FUND BALANCE	-	-	(1,827)	(1,827)
FUND BALANCE - BEGINNING OF FISCAL YEAR	29,978	29,978	29,978	-
FUND BALANCE - END OF FISCAL YEAR	\$ 29,978	\$ 29,978	\$ 28,151	\$ (1,827)

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Homeless Initiative Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	260,000	260,000	-	(260,000)
TOTAL REVENUES	260,000	260,000	-	(260,000)
EXPENDITURES:				
Current:				
Community services programs	100,000	100,000	12,396	87,604
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	100,000	100,000	12,396	87,604
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	160,000	160,000	(12,396)	(172,396)
OTHER FINANCING SOURCES (USES):				
Transfers out	(125,000)	(125,000)	-	125,000
TOTAL OTHER FINANCING SOURCES (USES)	(125,000)	(125,000)	-	125,000
NET CHANGE IN FUND BALANCE	35,000	35,000	(12,396)	(47,396)
FUND BALANCE - BEGINNING OF FISCAL YEAR	(21,019)	(21,019)	(21,019)	-
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 13,981</u>	<u>\$ 13,981</u>	<u>\$ (33,415)</u>	<u>\$ (47,396)</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Measure M Local Return Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 4,572	\$ 4,572
Intergovernmental	366,313	366,313	393,807	27,494
TOTAL REVENUES	<u>366,313</u>	<u>366,313</u>	<u>398,379</u>	<u>32,066</u>
EXPENDITURES:				
Current:				
Public works	-	-	22,411	(22,411)
Community services programs	-	-	-	-
Capital outlay	778,430	778,430	-	778,430
TOTAL EXPENDITURES	<u>778,430</u>	<u>778,430</u>	<u>22,411</u>	<u>756,019</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(412,117)</u>	<u>(412,117)</u>	<u>375,968</u>	<u>788,085</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(15,000)	(15,000)	-	15,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>
NET CHANGE IN FUND BALANCE	(427,117)	(427,117)	375,968	803,085
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>1,040,499</u>	<u>1,040,499</u>	<u>1,040,499</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 613,382</u>	<u>\$ 613,382</u>	<u>\$ 1,416,467</u>	<u>\$ 803,085</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Prop C Local Return Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 5,112	\$ 5,112
Intergovernmental	430,956	430,956	464,304	33,348
TOTAL REVENUES	430,956	430,956	469,416	38,460
EXPENDITURES:				
Current:				
Public works	4,500	4,500	34,345	(29,845)
Community services programs	-	-	1,892	(1,892)
Capital outlay	379,719	379,719	101,292	278,427
TOTAL EXPENDITURES	384,219	384,219	137,529	246,690
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	46,737	46,737	331,887	285,150
OTHER FINANCING SOURCES (USES):				
Transfers out	(2,615)	(2,615)	-	2,615
TOTAL OTHER FINANCING SOURCES (USES)	(2,615)	(2,615)	-	2,615
NET CHANGE IN FUND BALANCE	44,122	44,122	331,887	287,765
FUND BALANCE - BEGINNING OF FISCAL YEAR	1,185,752	1,185,752	1,185,752	-
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 1,229,874</u>	<u>\$ 1,229,874</u>	<u>\$ 1,517,639</u>	<u>\$ 287,765</u>

City of South El Monte  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Community Development Block Grant Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 335,000	\$ 335,000	\$ 76,767	\$ (258,233)
TOTAL REVENUES	<u>335,000</u>	<u>335,000</u>	<u>76,767</u>	<u>(258,233)</u>
EXPENDITURES:				
Current:				
Community development	-	-	90,477	(90,477)
Capital outlay	159,710	159,710	-	159,710
TOTAL EXPENDITURES	<u>159,710</u>	<u>159,710</u>	<u>90,477</u>	<u>69,233</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>175,290</u>	<u>175,290</u>	<u>(13,710)</u>	<u>(189,000)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(89,000)	(89,000)	-	89,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(89,000)</u>	<u>(89,000)</u>	<u>-</u>	<u>89,000</u>
NET CHANGE IN FUND BALANCE	86,290	86,290	(13,710)	(100,000)
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>(79,197)</u>	<u>(79,197)</u>	<u>(79,197)</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 7,093</u>	<u>\$ 7,093</u>	<u>\$ (92,907)</u>	<u>\$ (100,000)</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - HSIP Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,842,952	\$ 1,842,952	\$ 815,721	\$ (1,027,231)
TOTAL REVENUES	<u>1,842,952</u>	<u>1,842,952</u>	<u>815,721</u>	<u>(1,027,231)</u>
EXPENDITURES:				
Current:				
Public works	-	-	374	(374)
Capital outlay	1,842,952	1,842,952	531,670	1,311,282
TOTAL EXPENDITURES	<u>1,842,952</u>	<u>1,842,952</u>	<u>532,044</u>	<u>1,310,908</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>283,677</u>	<u>283,677</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	292,453	292,453
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>292,453</u>	<u>292,453</u>
NET CHANGE IN FUND BALANCE	-	-	576,130	576,130
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>(932,082)</u>	<u>(932,082)</u>	<u>(932,082)</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ (932,082)</u>	<u>\$ (932,082)</u>	<u>\$ (355,952)</u>	<u>\$ 576,130</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Prop A Park Bond Grant Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 60	\$ 60	\$ 66	\$ 6
TOTAL REVENUES	<u>60</u>	<u>60</u>	<u>66</u>	<u>6</u>
EXPENDITURES:				
Current:				
Community services programs	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>60</u>	<u>60</u>	<u>66</u>	<u>6</u>
NET CHANGE IN FUND BALANCE	60	60	66	6
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>17,482</u>	<u>17,482</u>	<u>17,482</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 17,542</u>	<u>\$ 17,542</u>	<u>\$ 17,548</u>	<u>\$ 6</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - TDA Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 500	\$ 500	\$ -	\$ (500)
TOTAL REVENUES	500	500	-	(500)
EXPENDITURES:				
Current:				
Community services programs	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	500	500	-	(500)
NET CHANGE IN FUND BALANCE	500	500	-	(500)
FUND BALANCE - BEGINNING OF FISCAL YEAR	23,977	23,977	23,977	-
FUND BALANCE - END OF FISCAL YEAR	\$ 24,477	\$ 24,477	\$ 23,977	\$ (500)

City of South El Monte  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Prop A Local Return Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 4,120	\$ 4,120
Charges for services	6,763	6,763	1,163	(5,600)
Intergovernmental	519,554	519,554	559,759	40,205
<b>TOTAL REVENUES</b>	<b>526,317</b>	<b>526,317</b>	<b>565,042</b>	<b>38,725</b>
<b>EXPENDITURES:</b>				
Current:				
Community services programs	227,331	227,331	329,352	(102,021)
Capital outlay	-	-	19,366	(19,366)
<b>TOTAL EXPENDITURES</b>	<b>227,331</b>	<b>227,331</b>	<b>348,718</b>	<b>(121,387)</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>298,986</b>	<b>298,986</b>	<b>216,324</b>	<b>(82,662)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(107,000)	(107,000)	-	107,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(107,000)</b>	<b>(107,000)</b>	<b>-</b>	<b>107,000</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>191,986</b>	<b>191,986</b>	<b>216,324</b>	<b>24,338</b>
<b>FUND BALANCE - BEGINNING OF FISCAL YEAR</b>	<b>1,030,930</b>	<b>1,030,930</b>	<b>1,030,930</b>	<b>-</b>
<b>FUND BALANCE - END OF FISCAL YEAR</b>	<b>\$ 1,222,916</b>	<b>\$ 1,222,916</b>	<b>\$ 1,247,254</b>	<b>\$ 24,338</b>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual -Measure R Local Return Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 4,164	\$ 4,164
Intergovernmental	323,217	323,217	348,128	24,911
TOTAL REVENUES	<u>323,217</u>	<u>323,217</u>	<u>352,292</u>	<u>29,075</u>
EXPENDITURES:				
Current:				
Public works	4,500	4,500	144,336	(139,836)
Capital outlay	143,159	143,159	4,167	138,992
TOTAL EXPENDITURES	<u>147,659</u>	<u>147,659</u>	<u>148,503</u>	<u>(844)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>175,558</u>	<u>175,558</u>	<u>203,789</u>	<u>28,231</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(170,000)	(170,000)	-	170,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(170,000)</u>	<u>(170,000)</u>	<u>-</u>	<u>170,000</u>
NET CHANGE IN FUND BALANCE	5,558	5,558	203,789	198,231
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>991,262</u>	<u>991,262</u>	<u>991,262</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 996,820</u>	<u>\$ 996,820</u>	<u>\$ 1,195,051</u>	<u>\$ 198,231</u>

City of South El Monte  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Sewer Assessment Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 13,531	\$ 13,531
Special assessments	397,800	397,800	392,650	(5,150)
TOTAL REVENUES	<u>397,800</u>	<u>397,800</u>	<u>406,181</u>	<u>8,381</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>397,800</u>	<u>397,800</u>	<u>406,181</u>	<u>8,381</u>
NET CHANGE IN FUND BALANCE	397,800	397,800	406,181	8,381
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>3,440,766</u>	<u>3,440,766</u>	<u>3,440,766</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 3,838,566</u>	<u>\$ 3,838,566</u>	<u>\$ 3,846,947</u>	<u>\$ 8,381</u>

City of South El Monte  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - State Deferred Loan Program Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 100	\$ 100	\$ 118	\$ 18
TOTAL REVENUES	<u>100</u>	<u>100</u>	<u>118</u>	<u>18</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>100</u>	<u>100</u>	<u>118</u>	<u>18</u>
NET CHANGE IN FUND BALANCE	100	100	118	18
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>20,085</u>	<u>20,085</u>	<u>20,085</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 20,185</u>	<u>\$ 20,185</u>	<u>\$ 20,203</u>	<u>\$ 18</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - CalHome Grant Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 135	\$ 135
Intergovernmental	1,000,000	1,000,000	-	(1,000,000)
TOTAL REVENUES	<u>1,000,000</u>	<u>1,000,000</u>	<u>135</u>	<u>(999,865)</u>
EXPENDITURES:				
Current:				
General government	100,000	100,000	-	100,000
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>900,000</u>	<u>900,000</u>	<u>135</u>	<u>(899,865)</u>
NET CHANGE IN FUND BALANCE	900,000	900,000	135	(899,865)
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>1,746,771</u>	<u>1,746,771</u>	<u>1,746,771</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 2,646,771</u>	<u>\$ 2,646,771</u>	<u>\$ 1,746,906</u>	<u>\$ (899,865)</u>

City of South El Monte  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - Begin Program Grant Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 100	\$ 100	\$ -	\$ (100)
TOTAL REVENUES	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>100</u>	<u>100</u>	<u>-</u>	<u>(100)</u>
NET CHANGE IN FUND BALANCE	100	100	-	(100)
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>214,200</u>	<u>214,200</u>	<u>214,200</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u>\$ 214,300</u>	<u>\$ 214,300</u>	<u>\$ 214,200</u>	<u>\$ (100)</u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - PLHA Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:				
Current:				
Community services programs	5,070	5,070	5,070	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>5,070</u>	<u>5,070</u>	<u>5,070</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(5,070)</u>	<u>(5,070)</u>	<u>(5,070)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(5,070)	(5,070)	(5,070)	-
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>(5,045)</u>	<u>(5,045)</u>	<u>(5,045)</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u><u>\$ (10,115)</u></u>	<u><u>\$ (10,115)</u></u>	<u><u>\$ (10,115)</u></u>	<u><u>\$ -</u></u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual - CalHome Reuse Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 2,534	\$ 534
Other Revenues	-	-	94,698	94,698
TOTAL REVENUES	<u>2,000</u>	<u>2,000</u>	<u>97,232</u>	<u>95,232</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,000</u>	<u>2,000</u>	<u>97,232</u>	<u>95,232</u>
NET CHANGE IN FUND BALANCE	2,000	2,000	97,232	95,232
FUND BALANCE - BEGINNING OF FISCAL YEAR	<u>633,430</u>	<u>633,430</u>	<u>633,430</u>	<u>-</u>
FUND BALANCE - END OF FISCAL YEAR	<u><u>\$ 635,430</u></u>	<u><u>\$ 635,430</u></u>	<u><u>\$ 730,662</u></u>	<u><u>\$ 95,232</u></u>

**City of South El Monte**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget to Actual -Federal Grants Special Revenue Fund**  
**Year Ended June 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 2,000	\$ 2,000	\$ 2,494	\$ 494
Intergovernmental	-	-	-	-
TOTAL REVENUES	<u>2,000</u>	<u>2,000</u>	<u>2,494</u>	<u>494</u>
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>2,000</u>	<u>2,000</u>	<u>2,494</u>	<u>494</u>
NET CHANGE IN FUND BALANCE	2,000	2,000	2,494	494
FUND BALANCE - BEGINNING OF YEAR, as restated	<u>(7,555)</u>	<u>(7,555)</u>	<u>(7,555)</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ (5,555)</u>	<u>\$ (5,555)</u>	<u>\$ (5,061)</u>	<u>\$ 494</u>

STATISTICAL  

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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.

<b>Contents</b>	<b><u>Pages</u></b>
<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.	112 – 115
<u>Revenue Capacity</u> - These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	116 - 119
<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.	120
<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.	121 - 122
<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.	123 - 127

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>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>	<u>2023</u>
<b>Primary government</b>										
<b>Governmental activities</b>										
Net Investment in capital assets	\$ 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	\$ 16,280,505
Restricted	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	19,105,308
Unrestricted	6,676,035	451,982	(373,525)	(1,360,693)	(3,319,192)	(2,421,175)	(3,573,319)	(4,109,027)	236,441	8,318,699
<b>Total primary government net position</b>	<b>\$22,764,392</b>	<b>\$19,032,793</b>	<b>\$18,838,586</b>	<b>\$20,301,329</b>	<b>\$25,157,111</b>	<b>\$26,625,963</b>	<b>\$26,468,877</b>	<b>\$27,908,382</b>	<b>\$37,634,475</b>	<b>\$43,704,512</b>

Data Source: City of South El Monte Finance Department

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Primary government</b>										
<b>Governmental activities</b>										
<b>Revenues</b>										
Charges for services	\$ 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	\$ 2,456,083
Operating contributions and grants	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	2,430,399
Capital contributions and grants	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	4,013,172
Property taxes	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	4,312,153
Property taxes, Redevelopment Agency	-	-	-	-	-	-	-	-	-	-
Transient occupancy taxes	213,613	218,994	212,323	229,111	191,636	288,383	236,442	268,482	212,705	349,528
Franchise taxes	753,131	799,754	813,819	809,243	798,954	890,867	973,919	1,050,379	1,138,428	1,305,558
Sales taxes	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	11,139,773
Motor vehicle in lieu tax	9,600	9,273	8,409	2,222,849	2,343,267	2,481,572	2,638,576	2,776,579	1,481,767	20,160
Investment income	18,273	20,067	17,615	48,567	76,073	91,983	140,950	46,753	21,643	238,148
Other	27,148	15,782	32,139	486,779	200,367	139,308	503,180	226,633	398,825	644,562
<b>Total revenues</b>	<b>16,885,249</b>	<b>17,784,730</b>	<b>15,924,019</b>	<b>17,915,158</b>	<b>17,575,263</b>	<b>19,099,230</b>	<b>19,997,486</b>	<b>22,717,679</b>	<b>34,528,474</b>	<b>26,909,536</b>
<b>Expenses</b>										
General government	\$ 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	\$ 11,340,415
Public safety	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	5,650,205
Public works	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	1,779,204
Community development	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	1,278,112
Community service programs	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	514,482
Pass-throughs	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	20,465	18,657	15,498	12,611	55,544	31,816	31,503	20,119	24,427	277,081
<b>Total expenses</b>	<b>14,567,688</b>	<b>16,152,598</b>	<b>16,118,226</b>	<b>16,452,415</b>	<b>20,885,858</b>	<b>17,828,245</b>	<b>20,154,572</b>	<b>21,278,174</b>	<b>24,802,381</b>	<b>20,839,499</b>
<b>Total primary government change in net position</b>	<b>\$ 2,317,561</b>	<b>\$ 1,632,132</b>	<b>\$ (194,207)</b>	<b>\$ 1,462,743</b>	<b>\$ (3,310,595)</b>	<b>\$ 1,270,985</b>	<b>\$ (157,086)</b>	<b>\$ 1,439,505</b>	<b>\$ 9,726,093</b>	<b>\$ 6,070,037</b>
<b>Beginning net position</b>	<b>\$20,446,831</b>	<b>\$22,764,392</b>	<b>\$19,032,793</b>	<b>\$18,838,586</b>	<b>\$20,301,329</b>	<b>\$25,157,111</b>	<b>\$26,625,963</b>	<b>\$26,468,877</b>	<b>\$27,908,382</b>	<b>\$37,634,475</b>
<b>Change in net position</b>	<b>2,317,561</b>	<b>1,632,132</b>	<b>(194,207)</b>	<b>1,462,743</b>	<b>(3,310,595)</b>	<b>1,270,985</b>	<b>(157,086)</b>	<b>1,439,505</b>	<b>9,726,093</b>	<b>6,070,037</b>
<b>Prior period adjustments *</b>	<b>-</b>	<b>(5,363,731)</b>	<b>-</b>	<b>-</b>	<b>8,166,377</b>	<b>197,867</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending net position</b>	<b>\$22,764,392</b>	<b>\$19,032,793</b>	<b>\$18,838,586</b>	<b>\$20,301,329</b>	<b>\$25,157,111</b>	<b>\$26,625,963</b>	<b>\$26,468,877</b>	<b>\$27,908,382</b>	<b>\$37,634,475</b>	<b>\$43,704,512</b>

\* 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.

Data Source: City of South El Monte Finance Department

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>GASB 54 Fund Balance Classification</b>										
<b>General Fund</b>										
Nonspendable	\$ 42,005	\$ 84,543	\$ 20,593	\$ 40,061	\$ 88,354	\$ 2,810,805	\$ 13,500	\$ 25,284	\$ 157,994	\$ 91,186
Committed	538,968	-	-	-	-	-	-	-	-	-
Unassigned	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	16,405,060
<b>Total General Fund</b>	<b>\$ 5,153,220</b>	<b>\$ 4,577,818</b>	<b>\$ 3,917,218</b>	<b>\$ 4,380,459</b>	<b>\$ 4,420,268</b>	<b>\$ 5,961,213</b>	<b>\$ 6,399,267</b>	<b>\$ 7,307,431</b>	<b>\$ 9,941,269</b>	<b>\$16,496,246</b>
<b>All other governmental funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ 314	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted										
Special revenue funds	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	19,196,409
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	(223,231)	(195,367)	(127,015)	(2,392)	(40,452)	(673,445)	(897,513)	(1,729,183)	-	-
<b>Total all other governmental funds</b>	<b>\$ 3,631,875</b>	<b>\$ 6,162,493</b>	<b>\$ 6,831,228</b>	<b>\$ 6,343,662</b>	<b>\$11,257,630</b>	<b>\$12,015,244</b>	<b>\$13,782,900</b>	<b>\$14,999,872</b>	<b>\$21,420,259</b>	<b>\$19,196,409</b>
<b>Total Governmental Funds</b>	<b>\$ 8,785,095</b>	<b>\$10,740,311</b>	<b>\$10,748,446</b>	<b>\$10,724,121</b>	<b>\$15,677,898</b>	<b>\$17,976,457</b>	<b>\$20,182,167</b>	<b>\$22,307,303</b>	<b>\$31,361,528</b>	<b>\$35,692,655</b>

Data Source: City of South El Monte Finance Department

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Revenues</b>										
Taxes	\$ 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	\$ 17,819,923
Licenses and permits	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	1,528,967
Fines and forfeitures	302,830	294,895	261,638	323,515	253,925	284,632	201,387	134,735	184,977	18,593
Use of money and property	64,143	64,302	66,272	95,378	149,481	91,983	140,950	99,283	82,098	293,313
Charges for services	326,592	311,631	320,021	375,632	319,879	462,348	334,822	440,572	321,814	399,573
Special assessments	377,661	385,485	396,826	393,400	394,238	388,551	384,570	383,564	392,343	392,650
Intergovernmental	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	6,205,314
Other revenues	30,402	15,782	32,140	486,780	190,233	235,015	503,180	226,634	398,825	251,201
<b>Total revenues</b>	<b>16,566,699</b>	<b>17,688,109</b>	<b>17,055,187</b>	<b>18,076,267</b>	<b>17,364,052</b>	<b>19,441,059</b>	<b>19,997,486</b>	<b>22,717,678</b>	<b>34,457,459</b>	<b>26,909,534</b>
<b>Expenditures</b>										
General government	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	4,678,642
Public safety	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	5,794,959
Community development	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	1,823,296
Public works	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	4,878,533
Community service programs	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	2,771,053
Capital outlay	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	1,818,105
Debt service - principal	60,052	63,054	59,960	56,598	148,623	175,585	179,855	149,444	148,281	10,095,590
Debt service - interest	20,465	18,657	15,498	12,611	55,544	31,816	31,503	20,119	24,427	533,231
<b>Total expenditures</b>	<b>14,648,035</b>	<b>16,544,812</b>	<b>18,915,806</b>	<b>18,538,942</b>	<b>19,384,354</b>	<b>17,340,367</b>	<b>17,791,776</b>	<b>20,592,542</b>	<b>25,403,234</b>	<b>32,393,407</b>
<b>Other financing sources (uses):</b>										
Proceeds from long-term debt	-	-	-	-	-	-	-	-	-	9,815,000
Transfers-in	596,425	1,597,739	2,734,569	3,132,356	551,989	29,701	-	=	-	5,214,190
Transfers-out	(596,425)	(1,597,739)	(2,734,569)	(3,132,356)	(551,989)	(29,701)	-	-	-	(5,214,190)
Proceeds from loan	-	-	1,868,754	438,350	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>1,868,754</b>	<b>438,350</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,815,000</b>
<b>Excess (deficiency)</b>	<b>\$ 1,918,664</b>	<b>\$ 1,143,297</b>	<b>\$ 8,135</b>	<b>\$ (24,325)</b>	<b>\$ (2,020,302)</b>	<b>\$ 2,100,692</b>	<b>\$ 2,205,710</b>	<b>\$ 2,125,136</b>	<b>\$ 9,054,225</b>	<b>\$ 4,331,127</b>
<b>Beginning fund balance</b>	<b>\$ 6,866,431</b>	<b>\$ 8,785,095</b>	<b>\$10,740,311</b>	<b>\$10,748,446</b>	<b>\$10,724,121</b>	<b>\$15,677,898</b>	<b>\$17,976,457</b>	<b>\$20,182,167</b>	<b>\$22,307,303</b>	<b>\$31,361,528</b>
<b>Change in fund balance</b>	<b>1,918,664</b>	<b>1,143,297</b>	<b>8,135</b>	<b>(24,325)</b>	<b>(2,020,302)</b>	<b>2,100,692</b>	<b>2,205,710</b>	<b>2,125,136</b>	<b>9,054,225</b>	<b>4,331,127</b>
<b>Prior period adjustments*</b>	<b>-</b>	<b>811,919</b>	<b>-</b>	<b>-</b>	<b>6,974,079</b>	<b>197,867</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Ending fund balance</b>	<b>\$ 8,785,095</b>	<b>\$10,740,311</b>	<b>\$10,748,446</b>	<b>\$10,724,121</b>	<b>\$15,677,898</b>	<b>\$17,976,457</b>	<b>\$20,182,167</b>	<b>\$22,307,303</b>	<b>\$31,361,528</b>	<b>\$35,692,655</b>

Data Source: City of South El Monte Finance Department

\* Prior-period adjustments were made for the following reasons:  
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)**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Primary government</b>										
<b>Governmental activities</b>										
<b>Revenues</b>										
<b>Taxes</b>										
Property taxes	\$ 2,815,222	\$ 2,972,604	\$ 2,955,711	\$ 873,635	\$ 896,332	\$ 1,035,976	\$ 1,696,431	\$ 1,114,424	\$ 2,632,024	\$ 4,312,153
Transient occupancy taxes	213,613	218,994	212,323	229,111	191,636	288,383	236,442	268,482	212,705	349,528
Franchise taxes	753,131	799,754	813,819	809,243	798,954	890,867	973,919	1,050,379	1,138,427	1,305,558
Sales taxes	6,428,562	6,565,741	6,329,473	6,930,561	6,858,448	7,545,803	7,343,638	8,487,635	11,369,697	11,139,773
Motor vehicle in lieu tax	9,600	9,273	8,409	2,222,849	2,343,267	2,481,572	2,638,576	2,776,579	1,481,767	20,160
<b>Total tax revenues</b>	<b>\$10,220,128</b>	<b>\$10,566,366</b>	<b>\$10,319,735</b>	<b>\$11,065,399</b>	<b>\$11,088,637</b>	<b>\$12,242,601</b>	<b>\$12,889,006</b>	<b>\$13,697,499</b>	<b>\$16,834,620</b>	<b>\$17,127,172</b>

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

<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Other Property</b>	<b>Total Secured Property</b>	<b>Utility</b>	<b>Unsecured</b>	<b>Total</b>	<b>Total Direct Tax Rate</b>
2013-14	\$ 596,778,569	\$ 186,287,535	\$ 879,208,903	\$ 63,143,183	\$ 1,725,418,190	\$ -	\$ 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	-	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	-	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	-	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	-	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	-	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	-	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	-	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	-	176,998,817	2,772,447,817	6.90%
2022-23	1,065,904,647	283,319,267	1,347,062,704	78,888,971	2,775,175,589	-	195,781,236	2,970,956,825	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.

Data Source: Hdl, Coren & Cone, Los Angeles County Assessor 2013/14 - 2022/23 Combined Tax Rolls

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

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Basic Levy <sup>1</sup>	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
El Monte City School District	0.12735	0.11822	0.14642	0.14682	0.14616	0.14580	0.10803	0.07513	0.07989	0.09066
El Monte Union High School	0.09799	0.08418	0.09155	0.08469	0.08243	0.08793	0.10969	0.09294	0.07651	0.06750
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Mountain View School District	-	-	-	-	0.04770	0.05534	0.05140	0.05485	0.09925	0.09362
Pasadena Community College District	0.01899	0.01032	0.00872	0.00885	0.00819	0.00767	0.00721	0.00554	0.00899	0.00869
Rio Hondo Community College District	0.02892	0.02821	0.02712	0.02808	0.02748	0.02554	0.02571	0.01361	0.01526	0.01535
<b>Total Direct &amp; Overlapping<sup>2</sup> Tax Rates</b>	<b>1.27676</b>	<b>1.24443</b>	<b>1.27731</b>	<b>1.27194</b>	<b>1.31546</b>	<b>1.32578</b>	<b>1.30554</b>	<b>1.24557</b>	<b>1.28340</b>	<b>1.27931</b>
City's Share of 1% Levy Per Prop 13 <sup>3</sup>	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667
<b>Voicer Approved City Debt Rate</b>										
<b>Redevelopment Rate<sup>4</sup></b>										
<b>Total Direct Rate<sup>5</sup></b>	<b>0.06942</b>	<b>0.06936</b>	<b>0.06931</b>	<b>0.06926</b>	<b>0.06907</b>	<b>0.06919</b>	<b>0.06907</b>	<b>0.06903</b>	<b>0.06899</b>	<b>0.06892</b>

**Notes:**

<sup>1</sup>In 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.

<sup>2</sup>Overlapping 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.

<sup>3</sup>City'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.

<sup>4</sup>Redevelopment 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.

<sup>5</sup>Total 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.

Data Source: Hdl, Coren & Cone, Los Angeles County Assessor 2013/14 - 2022/23 Tax Rate Table

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

Taxpayer	2023			2014		
	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	\$ 43,712,004	1	1.47%	\$ 21,960,196	1	1.19%
OUT OF THE SHELL LLC	27,425,342	2	0.92%			
VACCO INDUSTRIES	21,838,648	3	0.74%	11,814,488	7	0.64%
RUSH STREET LLC	21,450,928	4	0.72%			
HIEU INVESTMENTS LLC	18,532,576	5	0.62%			
K AND K PROPERTIES	17,975,148	6	0.61%			
PRIME FRIT EL MONTE LLC	17,369,673	7	0.58%			
ART WEISS INC	16,909,164	8	0.57%	13,497,891	5	0.73%
ROSEMEAD HOLDING LLC	16,727,998	9	0.56%			
KENNETH J KAY COTRUSTEE ET AL CALIFORNIA T C	16,188,870	10	0.54%			
GROUP				16,707,317	2	0.91%
OWEN BROS ENTERPRISES				14,420,066	3	0.78%
M AND T COMPANY LLC				13,957,493	4	0.76%
WHITTIER NARROWS BUSINESS PARK				12,729,426	6	0.69%
FALLON RAMBEAU PROPERTIES LLC				11,399,544	8	0.62%
GREATER EL MONTE CALMED INVESTMENT LP SEL				11,096,221	9	0.60%
HOMES LLC				10,311,946	10	0.56%
Total Taxable Assessed Value	\$ 218,130,351		7.34%	\$ 137,894,588		7.50%
Other Largest Taxpayers						
Total Taxable Assessed Value	\$ 2,752,826,474		92.66%	\$ 1,701,069,939		92.50%
Other Taxpayers.....						
Total Taxable Assessed Value	\$ 2,970,956,825		100.00%	\$ 1,838,964,527		100.00%
All Taxpayers.....						

Data Source: Hdl, Coren & Cone, Los Angeles County Assessor 2021/22 and 2012/13 Combined Tax Rolls and the SBE Non Unitary Tax Roll

**City of South El Monte**  
**Table 9 – Direct and Overlapping Debt**  
**Current Year**

2022-23 Assessed Valuation: \$2,970,956,825

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/23	% Applicable (1)	City's Share of Debt 6/30/23
Metropolitan Water District	\$ 19,215,000	0.082 %	\$ 15,756
Rio Hondo Community College District	170,234,080	6.071	10,334,911
El Monte Union High School District	233,302,715	16.206	37,809,038
El Monte School District	118,766,628	13.424	15,943,232
Mountain View School District	70,070,000	22.825	15,993,478
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$ 80,096,415</b>
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$ 2,601,551,282	0.157 %	\$ 4,084,436
Los Angeles County Superintendent of Schools Certificates of Participation	3,403,487	0.157	5,343
El Monte Union High School District General Fund Obligations	9,905,000	16.206	1,605,204
<b>City of South El Monte General Fund Obligation Bonds</b>	<b>9,430,516</b>	<b>100.000</b>	<b>9,430,516</b>
Los Angeles County Sanitation District No. 15 Authority	795,080	3.515	27,947
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>\$ 15,153,446</b>
 <u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>	 \$ 21,845,000	 100.000 %	 \$ 21,845,000
 <b>TOTAL DIRECT DEBT</b>			 <b>\$ 9,430,516</b>
<b>TOTAL OVERLAPPING DEBT</b>			<b>\$ 107,664,345</b>
 <b>COMBINED TOTAL DEBT</b>			 <b>\$ 117,094,861 (2)</b>

- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2022-23 Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....	2.70%
<b>Total Direct Debt (\$9,430,516).....</b>	<b>0.32%</b>
Combined Total Debt.....	3.94%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,572,201,801)

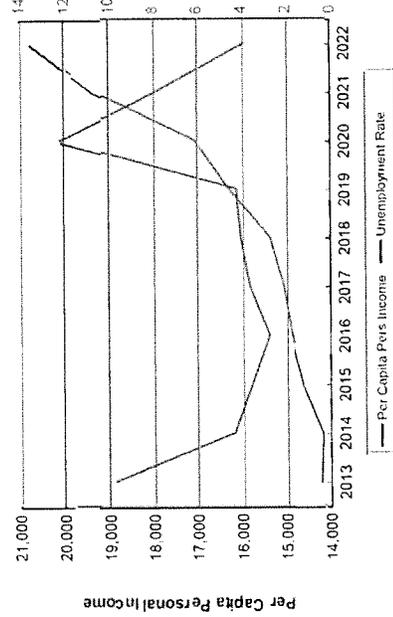
Total Overlapping Tax Increment Debt.....	1.39%
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Data Source: Hdl, Coren & Cone

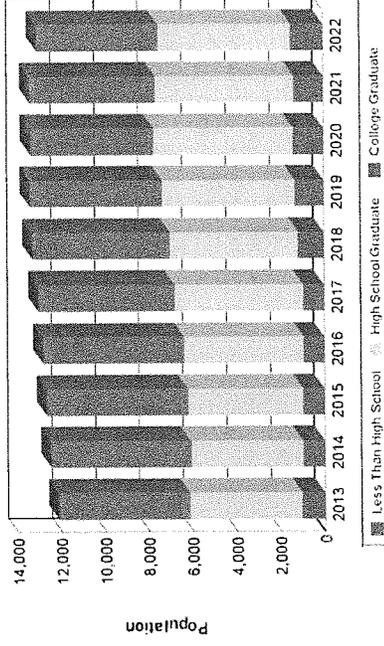
**City of South El Monte  
Table 10 – Demographic and Economic Statistics  
Last Ten Fiscal Years  
(Accrual Basis of Accounting)**

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Unemployment Rate
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%
2022	19,461	404,215	20,770	35.8	3.90%

**Personal Income and Unemployment**



**Education Level Attained for Population 25 and Over**



Notes and Data Sources:

Hdl, Coren & Cone

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 Year Ago**

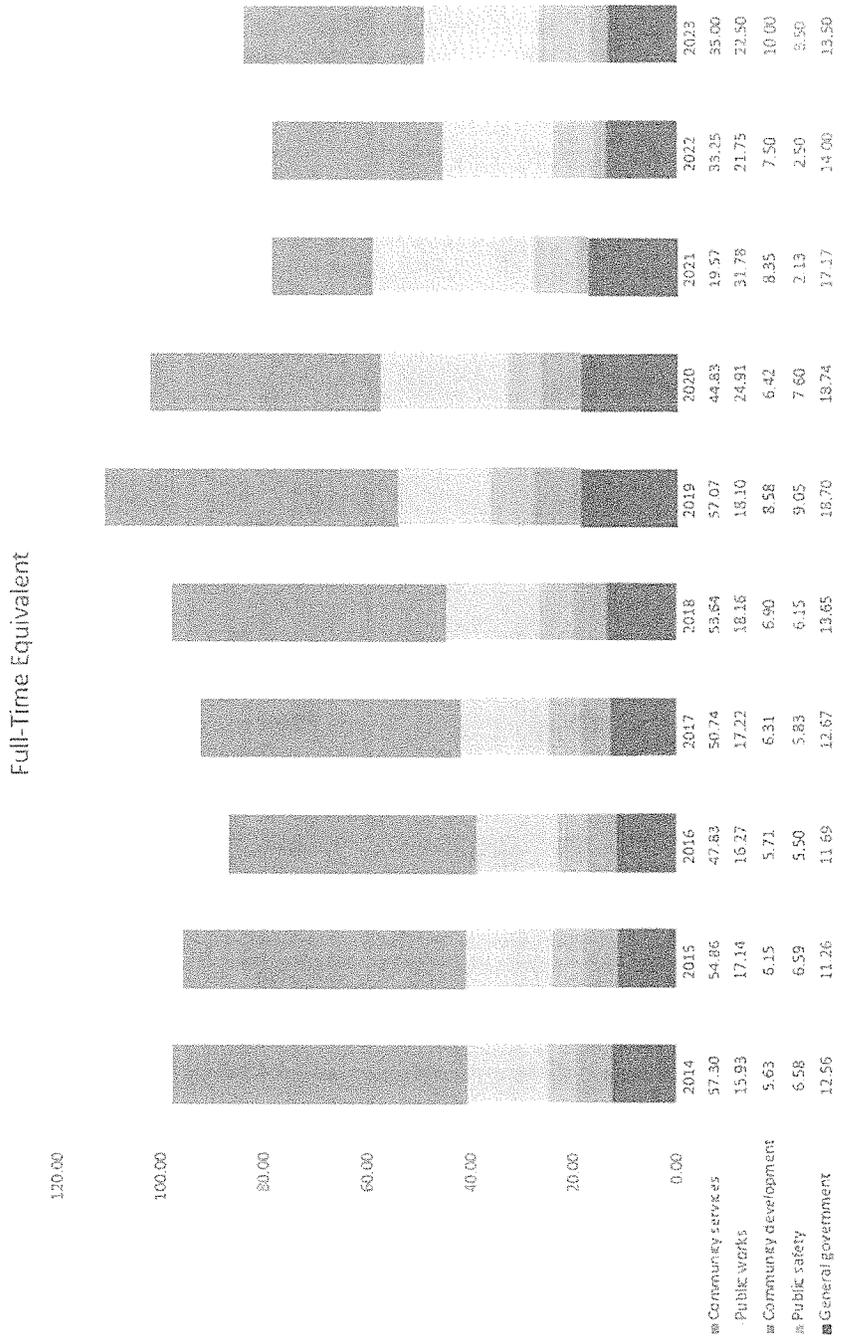
Employer	2023			2014		
	Employees	% of Total City Employment	Rank	Employees	% of Total City Employment	Rank
INTERNATIONAL MEDICATION SYSTEMS	480	5.65%	1			
VACCO INDUSTRIES	430	5.06%	2	396	4.71%	1
GREATER EL MONTE COMMUNITY HOSPITAL	345	4.06%	3	385	4.58%	2
LA WRENCE EQUIPMENT INC	322	3.79%	4	250	2.98%	3
ALUM A COAT	85	1.00%	5			
TED LEVINE DRUM CO	85	1.00%	6	97	1.15%	8
CRANEVEYOR CORP	84	0.99%	7	75	0.89%	9
AMRO FABRICATING CORPORATION	80	0.94%	8	152	1.81%	4
9D8 SEWING	78	0.92%	9			
MARCHALLS #1057	75	0.88%	10			
SUPERIOR GROCERS #104				116	1.38%	5
LEADER INDUSTRIES				112	1.33%	6
EL MONTE SUPERSTORE				100	1.19%	7
PROMOTIONAL DESIGN CONCEPTS				71	0.85%	10
SIERRA LANDSCAPE DEVELOPMENT INC						
<b>Total</b>	<b>2,064</b>	<b>24.28%</b>		<b>1,754</b>	<b>20.88%</b>	
<b>Total Employment</b>	<b>8,500</b>	<b>100.00%</b>		<b>8,400</b>	<b>100.00%</b>	

Sources:  
HdL Business License Data  
State of California Employment Development Department

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

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General government</b>	12.56	11.26	11.69	12.67	13.65	18.70	18.74	17.17	14.00	13.50
<b>Public safety</b>	6.58	6.59	5.50	5.83	6.15	9.05	7.60	2.13	2.50	3.50
<b>Community development</b>	5.63	6.15	5.71	6.31	6.90	8.58	6.42	8.35	7.50	10.00
<b>Public works</b>	15.93	17.14	16.27	17.22	18.16	18.10	24.91	31.78	21.75	22.50
<b>Community services</b>	57.30	54.86	47.83	50.74	53.64	57.07	44.83	19.57	33.25	35.00
<b>Total</b>	<b>98.00</b>	<b>96.00</b>	<b>87.00</b>	<b>92.75</b>	<b>98.50</b>	<b>111.50</b>	<b>102.50</b>	<b>79.00</b>	<b>79.00</b>	<b>84.50</b>

\* 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	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>GENERAL GOVERNMENT</b>										
SALES OF PUBLICATIONS	71	85	80	111	81	91	37	18	18	13
RENTS	37	33	39	40	34	37	31	35	32	26
<b>PUBLIC SAFETY</b>										
<b>BUSINESS LICENSE</b>										
Advertising Billboard	0	0	0	0	0	0	0	0	1	7
Apartments-5 Or More	44	45	46	46	47	46	47	47	48	20
Bingo Game-charitable	1	1	1	1	1	1	1	1	0	2
Carnival/Circus/Traveling Show	0	0	0	0	0	0	0	1	0	0
Contractor-inside Registration	34	37	39	40	43	51	51	58	58	49
Contractors-outside	0	0	3	1	5	6	4	5	5	157
Exempt	0	0	0	0	0	0	2	3	3	0
Food Establishment	92	93	93	94	95	100	99	101	100	43
Gardener-outside	1	1	1	1	1	1	0	0	0	0
Gun Dealer	1	1	1	1	1	1	1	0	0	0
Health Club/Spa	0	0	0	0	0	0	0	0	1	3
Home Occupation	8	10	13	16	18	19	26	32	36	21
Import/export Registration	37	39	42	46	48	48	49	46	43	42
Janitorial-Outside	0	0	0	0	0	0	0	0	0	4
Kennel	1	1	1	1	1	1	1	1	1	1
Manufacturing Registration	163	170	174	185	190	205	211	183	184	159
Massage Parlor	1	2	2	2	2	2	1	1	1	1
Massage Technician	0	0	5	7	10	13	4	0	0	0
Motels	3	3	3	3	3	3	3	4	3	0
Other Registration	70	82	83	84	88	88	95	105	110	139
Peddler-retail Veh.-Out of City	3	3	3	3	3	7	4	4	4	5
Peddler-whole/Retail in City	0	0	0	0	0	0	0	0	0	1
Pharmacies	0	0	0	0	0	0	0	0	0	1
Private School	0	0	1	1	1	1	1	1	1	2
Professional-registration	68	68	76	82	90	104	103	95	97	79
Public Eating - No Alcohol Sales	15	17	17	18	18	16	17	15	20	11
Public Eating W/alcohol/dance & Ent.	2	2	2	2	2	2	2	2	2	2
Public Eating With Alcohol Sales	13	13	16	15	17	16	17	18	18	10
Public Eating-all Other	2	2	2	2	2	3	3	3	4	9
Rentals-apartments	72	71	72	68	71	85	84	83	79	34
Rentals-boarding Houses	5	5	5	5	5	4	4	5	6	3
Rentals-condominiums	2	2	2	2	2	5	4	4	5	3
Rentals-duplexes	89	91	92	96	96	100	90	85	87	29
Rentals-single Family Dwelling	255	258	261	264	266	278	280	280	281	110
Rentals-townhouses	0	0	0	0	0	1	1	1	1	0
Rentals-triplexes	18	18	18	18	18	17	16	17	18	7
Repair Svcs - Registration	57	66	68	74	79	74	78	74	73	74
Retail Registration	77	84	94	101	111	129	142	147	154	149
Salvage Collector-Out of City	0	0	0	0	0	0	0	0	0	2
Sewing/garment-registration	41	49	63	69	81	79	71	61	61	42
Solicitation-Commercial	0	0	0	0	0	0	0	0	0	1
Swap Meet	0	0	0	0	0	0	1	1	1	0
Warehouse-registration	37	42	50	52	73	81	83	85	90	84
Waste Collector	3	3	3	2	2	2	3	2	2	2
Wholesale Registration	199	216	239	251	275	313	344	340	348	324
TOW FEES	15	12	12	12	13	2	1	10	9	9
PARKING PERMITS	0	0	0	0	10	6	1	8	1	1

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

FUNCTION	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>PUBLIC WORKS</b>										
BUILDING PERMITS	405	517	383	334	328	351	363	376	319	549
DEVELOPMENT FEES	8	13	6	13	5	13	12	15	12	2
ELECTRICAL PERMITS	185	148	145	137	135	143	126	152	92	141
ENCROACHMENT PERMIT	1	42	136	152	109	137	140	138	134	163
FINES AND FORFEITURES	29	24	31	29	12	25	3	9	11	12
FORECLOSURE REGISTRATION	51	57	46	31	20	22	21	11	8	17
GRADING PERMIT	8	9	5	13	7	15	9	5	12	7
HOME FRCLSURE PRCSNG FEE	47	49	45	30	17	20	21	11	8	16
INDUSTRIAL WASTE PERMIT	207	191	193	207	194	180	170	150	175	173
MECHANICAL PERMITS	106	76	70	64	68	57	70	74	50	69
PENALTY	320	137	175	175	167	45	3	0	0	0
PLANNING FEES	103	71	78	86	67	69	64	61	97	107
PLUMBING PERMITS	137	114	69	91	76	75	78	79	58	99
PUBLIC WORKS PERMIT	158	160	139	127	143	79	98	75	104	17
SEWER PERMIT	33	29	11	15	20	11	11	24	16	17
STORAGE OF PERMIT-P.MAINT	62	45	39	47	33	32	18	32	16	8
STRONG MOTION PERMIT	54	46	19	19	8	23	26	26	14	7
<b>COMMUNITY SERVICES</b>										
BASKETBALL	281	363	385	450	405	338	250	85	310	391
BOXING REGISTRATION	416	715	924	835	924	1,034	776	0	578	1,139
BUS PASS-HANDICAPPED	56	32	28	28	24	23	6	0	1	3
BUS PASS-SENIORS	263	228	219	209	234	225	97	7	24	64
BUS PASS-STUDENTS	98	114	132	90	66	78	24	0	0	0
CHEERLEADING	82	555	798	852	0	0	0	0	0	0
CHILD SVC-EXTENDED DAY CR	312	429	636	568	603	542	350	0	121	171
CHRISTMAS TOY DR DONATION	121	127	127	132	139	134	116	119	129	96
CI-CONG. MEALS DONATIONS	57	55	59	50	55	152	99	40	43	46
CI-COUNTY PRN CONG.	20	13	13	14	16	16	20	20	18	14
CII-COUNTY PRN HOMEBOUND	27	21	28	29	28	30	25	33	26	18
CII-HOMEBOUND DONATIONS	19	21	24	22	27	59	32	21	20	30
DONATION-PATRIOTIC COMM.	5	5	7	5	7	0	0	0	2	0
EXCURSION-PARKS & REC	25	1	54	49	0	0	0	0	0	0
EXCURSION-SENIOR CENTER	25	9	11	13	25	75	65	0	61	1
EZ BUS PASSES	134	122	92	79	59	67	38	9	11	13
FACILITY RESERVATIONS	60	28	29	213	240	189	156	25	117	194
FARMERS MARKET	0	0	0	0	0	0	0	0	0	3
FOLKLORICO	3	32	8	0	0	0	0	0	1	0
FOOTHILL PASSES	21	16	12	13	30	63	18	3	0	1
RECREAT'N PROG.FUNDRAISER	25	0	282	50	0	0	0	0	0	0
RECREATION FEE	511	924	1,755	959	866	594	177	152	251	581
RECREATION SWIMMING	110	130	91	203	98	93	68	10	103	0
RECREATIONAL CLASSES	4	0	0	0	0	0	0	0	1	0
SPECIAL EVENTS	62	54	93	87	130	83	195	0	80	17
SWIM LESSONS	629	538	799	869	762	715	579	342	1,234	1,407
SWIM TEAM	50	34	21	46	69	43	25	22	9	0
TAEKWONDO	100	155	87	1	28	104	67	0	1	0
TAP & BALLET	77	93	11	0	0	0	0	0	0	0
T-BALL	153	190	189	197	183	138	127	70	130	85
ZUMBA	246	214	183	175	88	41	26	0	75	9

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

	2014*	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>General government</b>										
City Hall	1	1	1	1	1	1	1	1	1	1
Solar System	0	0	0	4	4	4	4	4	4	4
<b>Public safety</b>										
Public Safety Center	1	1	1	1	1	1	1	1	1	1
<b>Public works</b>										
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
<b>Community services</b>										
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 Calendar Year 2022**

<b>Business Name</b>	<b>Business Category</b>
2010 Office Furniture	Office Supplies/Furniture
Ace Lumber & Supply	Building Materials
Arco	Service Stations
Asia Building Supply	Contractors
Chevron	Service Stations
DDC Electric Supply	Plumbing/Electrical Supplies
El Monte Ornamental Supply	Contractors
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
Thompson Industrial Supply	Heavy Industrial
Tyler Stone	Contractors
USA Gas	Service Stations

**Top 25 Sales Tax Producers**  
**For Calendar Year 2013**

<b>Business Name</b>	<b>Business Category</b>
2010 Office Furniture	Office Supplies/Furniture
Ace Lumber & Supply	Building Materials
Arco AM PM	Service Stations
C1P Solutions	Business Services
Cardinal Paint & Powder	Light Industrial/Printers
Caspian Sea Petroleum	Service Stations
DDC Electric Supply	Plumbing/Electrical Supplies
El Monte Gas N Save	Service Stations
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
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

Data Source:

Percent of Calendar Year Total Paid By Top 25 Accounts = 45.37%

Percent of Calendar Year Total Paid By Top 25 Accounts = 46.49%

Hdl, Coren & Cone, State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies