

ANNUAL COMPREHENSE FINANCIAL REPORT
CITY OF SOUTH EL MONTE, CALIFORNIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2024

Prepared by:
Finance Department

	<u>Page Number</u>
<u>Introductory Section:</u>	1
Letter of Transmittal	2
Organization Chart	18
Directory of City Officials	19
Certificate of Achievement for Excellence in Financial Reporting (GFOA)	20
 <u>Financial Section:</u>	 21
Independent Auditor’s Report	22
Management’s Discussion and Analysis (Unaudited)	25
Basic Financial Statements:	36
Government-wide Financial Statements:	
Statement of Net Position	37
Statement of Activities	38
Fund Financial Statements:	
Balance Sheet - Governmental Funds	39
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	40
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	41
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	42
Statement of Fiduciary Net Position - Fiduciary Funds	43
Statement of Changes in Fiduciary Net Position - Fiduciary Funds	44
Notes to the Basic Financial Statements	45
 <u>Required Supplementary Information (Unaudited):</u>	 84
Schedule of the Proportionate Share of the Net Pension Liability and Contributions	85
Schedule of Changes in the Total OPEB Liability and Related Ratios	87
Budget to Actual – General Fund	88
Budget to Actual – Grants Fund	89
Budget to Actual – Safe Clean Water Program Fund	90
Budget to Actual – Housing Successor Fund	91
Note to Required Supplementary Information	92
 <u>Supplementary Information:</u>	 93
Description of Nonmajor Governmental Funds	94
Combining Balance Sheet - Nonmajor Governmental Funds	97
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds	103

	<u>Page Number</u>
<u>Supplementary Information (Continued):</u>	
Budget to Actual – Gas Tax Special Revenue Fund	109
Budget to Actual – Older American Act Special Revenue Fund	110
Budget to Actual – Road Maintenance and Rehabilitation Special Revenue Fund	111
Budget to Actual – Rosemead Maintenance District Special Revenue Fund	112
Budget to Actual – Hayward Maintenance District Special Revenue Fund	113
Budget to Actual – Air Quality Management District Special Revenue Fund	114
Budget to Actual – Cable PEG Special Revenue Fund	115
Budget to Actual – In Lieu Fees Special Revenue Fund	116
Budget to Actual – DOE Grant Special Revenue Fund	117
Budget to Actual – State COPS Grant Special Revenue Fund	118
Budget to Actual – Used Oil Recycling Grant Special Revenue Fund	119
Budget to Actual – Beverage Container Recycling Special Revenue Fund	120
Budget to Actual – Homelessness Initiative Special Revenue Fund	121
Budget to Actual – Measure M Local Return Special Revenue Fund	122
Budget to Actual – Prop C Local Return Special Revenue Fund	123
Budget to Actual – Community Development Block Grant Special Revenue Fund	124
Budget to Actual – HSIP Special Revenue Fund	125
Budget to Actual – Prop A Park Bond Grant Special Revenue Fund	126
Budget to Actual – TDA Special Revenue Fund	127
Budget to Actual – Prop A Local Return Special Revenue Fund	128
Budget to Actual – Measure R Local Return Special Revenue Fund	129
Budget to Actual – Sewer Assessment Special Revenue Fund	130
Budget to Actual – State Deferred Loan Program Special Revenue Fund	131
Budget to Actual – CalHome Grant Special Revenue Fund	132
Budget to Actual – Begin Program Grant Special Revenue Fund	133
Budget to Actual – PHLA Special Revenue Fund	134
Budget to Actual – CalHome Reuse Special Revenue Fund	135
Budget to Actual – Begin Reuse Special Revenue Fund	136
Budget to Actual – Federal Grants Special Revenue Fund	137
Budget to Actual – Capital Improvement Capital Project Fund	138
<u>Statistical Section:</u>	139
Table of Contents	140
<u>Financial Trends:</u>	
Net Position by Component – Last Ten Fiscal Years	141
Changes in Net Position by Component – Last Ten Fiscal Years	142
Fund Balances of Governmental Funds – Last Ten Fiscal Years	143
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	144

	<u>Page Number</u>
<u>Statistical Section (Continued):</u>	
Revenue Capacity:	
Governmental Activities Tax Revenues by Source – Last Ten Fiscal Years	145
Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years	146
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	147
Principal Property Taxpayers – Current Year and Ten Years Ago	148
Debt Capacity:	
Direct and Overlapping Debt	149
Demographic and Economic Information:	
Demographic and Economic Statistics – Last Ten Fiscal Years	150
Principal Employers – Current Year and Ten Years Ago	151
Operating Information:	
Full Time Equivalent City Employees by Function/Program – Last Ten Fiscal Years	152
Operating Indicators by Function/Program – Last Ten Fiscal Years	153
Capital Asset by Function – Last Ten Fiscal Years	155
Top 25 Sales Tax Producers – Current and Ten Years Ago	156

INTRODUCTORY

SECTION



CITY OF SOUTH EL MONTE

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



March 31, 2025

Honorable Gloria Olmos, Mayor
Honorable Members of the Council of the City of South El Monte
Citizens and Stakeholders of the City of South El Monte

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, 2024. 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, 2024 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, 2024 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

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. All funds of the City are appropriated on an annual basis. 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

For Infrastructure Investments, or Capital Improvements, the City drafts a 5-year Capital Improvement Plan to better plan, coordinate, and track its capital improvement activities. This effort included forecasting out any anticipated funding sources, such as grants, allocations from federal, state, or county that can be applied towards capital improvements, and estimating any match that may be required from the General Fund. In general, the City follows its General Plan when applying for grants or allocating internal resources towards a capital improvement project.

For governmental service levels and capacity, the City drafts a 5-year operational plan when adopting its annual budget, by forecasting out all costs of all funds of the City five years, and reviewing and discussing the level of fund balance remaining in each of those funds over those five years. When applicable, the City also discusses the level of fund balance reserve that may be appropriate to

provide adequate level of government services to its citizens during an economic downturn or pandemic. However, overall, the direction or means to achieve those ends are guided and decided by a public process within the framework identified below.

City Council

The City Council is committed to improving the overall quality of life in the City of South El Monte by delivering exceptional public services, preserving and enhancing the City's economic well-being, and making South El Monte a desirable and a safe City to live in, work, and raise a family. The City Council serves as the elected legislative and policy-making body of the City of South El Monte, enacting all laws and directing any actions necessary to provide for the general welfare of the community through appropriate programs, services, and activities. The City Council reviews and adopts the operating budget, holds public hearing to solicit advice, and hears feedback from the public. The City Council authorizes contracts, approves agreements with other government agencies, and appoints City commissions and committees.

City Council - Goals and Objectives

Participate in goal setting, prioritization, and provide direction to the City Manager, including:

- Infrastructure Development
- Economic Development
- Transportation/Traffic
- Public Safety/Emergency Preparedness
- Housing/Homelessness/Quality of Life
- Sustainability/Resilience/Budget Management
- Community Services

Identify key initiatives and projects that align with the City Council's goals and priorities, to address the needs of the community.

City Manager

The City Manager's Office is committed to providing ongoing quality municipal services and to promoting the overall safety, health, and general well-being of the community through the teamwork of the City Council, Commissions, City Staff, and the public. Serving under the direction of the City Council, the City Manager is responsible for making recommendations to the council concerning programs & policies and developing methods to ensure the effective and efficient operation of city services. The City Manager's Office coordinates & administers the implementation of policies, procedures and ordinances that will provide for the sustainable, managed growth of the city.

City Manager - Goals and Objectives

- Administer and manage the implementation of City Council's goals.
- Monitor and coordinate the departmental progress towards City Council's goals.
- Advocate the City's position on pertinent Federal and State legislation in line with City Council's goals.
- Coordinate the public safety initiatives and responses by building teamwork between the Los Angeles County Sheriff Department, City of South El Monte Code Enforcement Officers, and the City of South El Monte Public Safety Officers.

- Work jointly with the City Attorney's Office to carry out the City Council's goals.
- Promote clear, transparent, timely, and accurate communication to achieve City Council's goals in an efficient and effective manner.

City Attorney

The City Attorney's Office strives to provide excellent and ethical legal advice, effective legal representation, and other quality legal services for the City Council, City officers, and City employees in order that they may lawfully attain the City Council's goals. The City Attorney is appointed by the City Council as the City's official legal advisor. As the role requires a vast amount of knowledge, skill, and expertise, the City has awarded the City Attorney's contract to Olivarez Madruga Law Organization, LLP, a law firm that specializes in representing municipal cities.

City Attorney - Goals and Objectives

Provide timely and effective legal advice, including:

- Drafting numerous ordinances to ensure the City complies with State mandates
- Make recommendations for liability prevention based on claims received
- Advise City departments regarding best practices in personnel matters
- Provide training on Brown Act and Public Records Act upon request
- Facilitate and assist housing programs and initiatives
- Facilitate programs with the potential to end the cycle of homelessness

Human Resources & Risk Management

The Human Resources & Risk Management Department is responsible for benefit administration, workers' compensation, employee/labor relations, classification, recruitment and selection, and training and development, including all safety programs. The Department provides support to all departments in hiring and retaining talented people who are motivated and driven to provide a high quality of service. The Human Resources & Risk Management Department maintains the integrity of the workforce. It is designated to balance the concerns and operational activities of both the employer and the employees, to provide direction and advice regarding best practices, and to provide support to employees to assist them in the performance of their work.

Human Resources & Risk Management – Goals and Objectives

- Continue to enhance the Recruitment & Selection Personnel Process.
- Update the outdated Personnel Rules Handbook in collaboration with an outside Consulting Firm retained to provide Policy Services.
- Foster more collaborative work in Training, Organizational Development & Risk Management projects with CJPIA.
- Subscribe to, and Affiliate with more Local, Regional & National Human Resource, Risk Management & Employment Law Organizations, Events and Programs.
- Standardize the Performance Evaluation Process for all part time, probationary, and full-time employees proactively managing timely, annual evaluations in collaboration with Department Heads.
- Conduct Union Negotiations to a successful end, for the period 2024 through 2027.
- Continue to perform competently in, and in compliance within the Federal Transportation Authority's Drug & Alcohol Program.

- Enhance the newly introduced Health & Wellness Program for the City.
- Continue to meaningfully contribute to, and participate in any/all trifacta activities which co-join Human Resources, the City Administration in general & the South El Monte Community at large.
- Continue enhancement of any-all risk management tasks, duties, and responsibilities.
- Enhance any/all HR engagement with workers comp related operations.

Human Resources & Risk Management – Accomplishments

- Structured a formal Employees Onboarding & Offboarding Structure, despite a skeleton crew.
- Updated & reconciled an outdated Benefits System for all City Employees
- Successfully submitted an Annual Audit Report to & obtained a clean audit opinion as a Grantee to the Federal Transportation Authority’s Drug & Alcohol Program.
- NEOGOV system for recruitment & selection went live, successfully streamlining processes.
- Resurrected a comprehensive Training Program which are been dormant, complying with all State Mandated Trainings for the year & introducing Leadership Development Programs.
- Completed a major citywide Employee Relations Investigation inhouse, which despite having been conducted by a costly external investigator, was left suspended for almost a year.
- Took ownership of all risk management responsibilities from the City Clerk and commenced maintenance of all current City exposures.
- Stabilized any/all disabilities and 3rd party administrative work.

Sheriff

Under California Government Code Section 51301, the City has the authority to contract with the County for public safety services. Contracting for law enforcement services in Los Angeles County dates back to 1954. Currently, 42 cities contract with the County of Los Angeles Sheriff’s Department, representing almost half of the 88 Los Angeles cities. Under the contract, the Sheriff serves as the Chief of Police of the City and performs those functions at the direction of the City. Each year, the City requests the number of safety personnel to serve is requested by the City according to its contract with the County. Designated deputies of the Sheriff’s Temple Station oversee the safety of South El Monte community members.

Sheriff – Goals and Objectives

- Promoting and preserving public order
- Documenting and investigating any criminal activity
- Providing emergency response to all life-threatening incidents
- Preventing crime by community policing with the community it serves
- Ongoing education to citizens with the community with current crime prevention ideas and methods

City Clerk

The City Clerk’s Office is committed to serve and support the Public, City Council, Commissions, and City Staff with a high standard of service in the management, preservation, and accessibility to the official City records and legislative actions; to administer and conduct elections ensuring integrity

to the democratic process; and to provide these services with efficiency and professionalism, with a commitment to open and transparent governance.

The City Clerk's Office is responsible for preservation of, and accessibility to the official City records and legislative actions; to administer and conduct elections ensuring the integrity of the democratic process; provides support to the City Council, City staff and the public in a courteous, timely, and efficient manner.

Duties include:

- Preparing all City Council, and Successor Agency agendas
- Attend meetings and process the legislative actions of the City Council (i.e. minutes, ordinances, resolutions, agreements, contracts, etc.)
- Publication and posting of legal notices in compliance with Ralph M. Brown Act
- Update the City's Conflict of Interest Code
- Administers the citywide records management program
- Administers Oaths of Office to newly elected officials and appointed commission members
- Coordinates the codification of the South El Monte Municipal Code
- Bid Openings
- Maintaining all original deeds and easements
- City Clerk serves as the Filing Officer for the Fair Political Practices Commission (FPPC) and coordinates the filing of all campaign disclosure statements and Statements of Economic Interest (Form 700)
- City Clerk serves as the City's Election Official
- Provides Access to information and public records in compliance with the Public Records Act

In addition, the City Clerk's Department attests, seals, and/or certifies official documents and coordinates document recording with the County Recorder's Office.

City Clerk – Goals and Objectives

- Conduct Elections, including coordinating with the LA County Registrar Records Office, Elections Division.
- Coordinate with LA County for Voter Registration Campaigns at City events to encourage residents, youth, and seniors to get involved in elections and assist them with voter registration.
- Collaborate with Commission Liaisons to the Advancement of Women & Girls, Community Services, Patriotic, and Planning Commissions to ensure transparency, uniformity, and that the Brown Act Requirements are met.
- Ensure that all the agendas are following the same format and contain the correct content and that parliamentary procedures are being followed while conducting meetings.
- Continue providing Zoom Webinars to allow public access to participate either by video or phone.
- Distribution of updated Records Retention Schedule.
- Implementation of going live with the electronic filing of Form 700 using Efile.
- Continue working with the departments on records management/destruction of documents.
- Implementation of Passport Program.

City Clerk – Accomplishments

- Installed additional camera in Council Chambers for enhancing the public’s view while streaming the council meetings, utilizing PEG Funds.
- Continuing to provide Zoom (Webinar) – allowing public access to participate virtually during public comment.
- Purchased tablets for Council for use with new voting system to allow greater transparency.
- Implemented new voting system by utilizing additional feature through CivicClerk’s Board Portal.
- Collaborated with the LA County Registrar Recorders Office/Elections Division to offer a 4-day vote Center at the Community Center for both the March Primary Election and the November Presidential Election as well as our General Municipal Election.
- Executed electronic submission of Public Records Request now available through the city’s website.
- Now offer access to legislative action through a public portal to view ordinances, resolutions, minutes and agenda packets.
- Implemented electronic filing system (Efile) for Form 700s to internal staff.
- The City Clerk’s Office obtained designation for the City to become a Passport Acceptance Facility and is now offering Passport Processing.

Finance

The mission of the Finance Department is to continuously improve financial policies, procedures, and internal controls, to enable the City to act as a fiduciary of public funds, with integrity, honesty and transparency. The Finance Department is responsible for the overall fiscal health of the City. The department oversees and is responsible for the following functions in order to assist the organizational efforts towards achieving the goals set by City Council:

- Annual Budget
- Annual Comprehensive Financial Report (ACFR)
- Cash and Investment Management
- Accounts Receivable / Collection
- Accounts Payable

Finance – Goals and Objectives

- Obtain the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.
- Obtain the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award.
- Continue to assist all departments and divisions of the City with its budgeting, financial reporting, grant management and compliance filings.
- Ensure the City remains compliant with City-Wide Federal, State, County, legal, and contractual compliance filings and matters.
- Recommend, adhere, and enforce officially adopted financial policies and procedures of the City.
- Continue to assist the City to modernize its outdated ordinances where appropriate.
- 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.

Finance – Accomplishments

- Obtained the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for two years in a row.
- Took advantage of the rising interest rates and made a record investment return on City's idle funds.
- Continued to refine the City's five years financial forecast to keep management abreast of where the City is financially headed.
- Collaborated with other departments to draft a City-wide 5-Year Capital Improvement Plan.
- Obtained a clean audit opinion on the 6/30/23 City financial audit.
- Obtained a clean audit opinion on the 6/30/23 MTA audit.
- Obtained a clean audit opinion on the 6/30/23 Elderly Nutrition Program audit.
- Obtained a clean audit opinion on the 6/30/23 Safe Clean Water Program audit.
- Filed the 6/30/23 Single Audit Report in a timely manner.
- Filed the 6/30/23 Cities Financial Transactions Report in a timely manner.
- Filed the 6/30/23 Annual Streets Report in a timely manner.
- Assisted the City to create a 457 Plan Oversight Committee to reduce the fees being charged to its members.
- Successfully implemented Stampli, an accounts payable data entry bot or AI, to improve data entry speed and accuracy, approval routing and vendor invoice archiving.

Community Development

The Community Development Department's mission is to create a safe, beautiful and thriving community. This involves providing core services necessary to maintain strong community ties, safe and quality development, economic vitality, affordable housing, well-planned residential and commercial neighborhoods, and effective transportation planning.

The Community Development Department has the following responsibilities:

- 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 regard to the City's development review process.

The Community Development Department consists of the following divisions:

- Building and Safety Division
- Economic Development Division
- Housing Division
- Planning Division
- Vacant and Abandoned Property Registration

Community Development – Goals and Objectives

- Analyze land use and development proposals from an environmental, zoning, land use, design standpoint, and provide recommendations to the Planning Commission and the City Council.
- Inspect all new construction, additions and tenant improvements to ensure compliance with all zoning standards and building standards.
- Market opportunity sites in the City by attending outreach events, such as the ICSC, and other networking opportunities.
- Complete the selection of a consultant to begin the Cannabis Ordinance application process.
- Prepare updates and administer the General Plan.
- Begin RFP process to select a consultant to prepare the General Plan update.
- Complete the plan check process and issue permits for Popeye’s Chicken at Durfee and Thienes with the goal of opening before the end of the year and development of the Forbes property with a 162,000 square foot mixed-use project, containing 78 units and 8,300 square feet of commercial space.
- Complete the entitlement process for 1127 Santa Anita with the goal of beginning construction by the start of next year.
- Assist residents with the first-time home-buyer program using PLHA and Cal-Home Reuse funds.
- Collaborate with CORE to obtain a grant to develop a heat action plan for the City.
- Begin and complete the RFP process to select a consultant for foreclosure services.
- Use the City’s 4th year PLHA allocation for Rental assistance for up to three months for homeless persons and low-income older adults in South El Monte (i.e., persons below 60% of Area Median Income).
- Continue to assist residents with their housing needs through either temporary rental assistance or home ownership in the City through Federal and State funding.
- Continue to spend the \$150,000 Local Early Action Planning (LEAP) grant for Housing Element implementation, building permit scanning and cloud storage contract.
- Continue to provide excellent customer service and assistance to the public with regard to the City’s development review process.
- Continue to demand that developers provide the highest quality architectural designs for residential, commercial and industrial projects.

Community Development – 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, and completion of the Housing Element. Funding 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 complete and can now be found on-line. The updated code includes a number of code updates, including a reorganization of the code, removal of outdated language, an 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.
- Mye Plaza Mixed Use Project gained approval in January 2022. The project consists of a 106,137 square foot mixed-use project consisting of 73 residential units and 16,800 square

feet of commercial space (8 total commercial units). Grading for this project has begun with completion anticipated for early next year.

- 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 multifamily dwelling units. The project has broken ground and has begun grading with sewer installations beginning shortly.
- Reviewed 114 Pre-application requests ranging from ADA's to remodels to new construction.
- Issued 467 Building Permits.
- Issued 1,991 Business licenses (new and renewals).

Community Services

The mission of the Community Services Department is to serve the community by providing a variety of quality services, programs, recreational activities and special events, which promote healthy lifestyles that enrich the quality of life in South El Monte.

The Parks and Recreation Division oversees a variety of programs such as aquatics, special events, adult and youth sports, recreation facilities, youth programs and more.

The Senior Services Division provides community-based senior programs to enhance the quality of life, independence, and well-being of South El Monte citizens age 55 and older. These services include, but are not limited to, nutrition programs, transportation, educational classes, health screenings, recreation programs, special events, excursions and volunteer opportunities.

Transportation Services Division offers transportation services to residents who are 60 and older or disabled. This service transports participants within city limits and up to 15 miles outside South El Monte for medical appointments. The City of South El Monte's Dial-A-Ride is a shared transportation service that offers curb-to-curb transportation to residents who are 60+ years old or disabled (any age) to ensure they continue to live independently in their community. Services are available Monday through Friday (except major holidays). Riders can use the service to and from any location within the South El Monte City limits and up to 15 miles outside the city limits for medical appointments only. Reservations must be made 24 hours in advance with the transportation dispatcher or assistant. Youth Transportation services are also provided to youth who participate in the City's Community Services Department youth programs.

Community Services – Goals and Objectives

Parks and Recreation

- Continue to strive to deliver the highest level of services to the South El Monte Community with integrity, honesty and respect for all users.
- Improve department programs, systems, and resources to ensure that recreational programs and community services are diverse, equitable, and accessible in development and delivery.
- Adapt marketing and social media communications to include channels and content that are relevant to individuals who are currently not adequately served by the department.
- Promote special events as important facets of a livable community and healthy economy by continuing to take an active role in facilitating and producing community events.
- Execute the Metro Express Lanes Net Toll Re-Investment Program for the I-10 E-Bike Access Project.
- Establish a Pickleball Program.

Transportation & Senior Services

- Complete the transformation of the existing library to a multipurpose room.
- Increase the number of participants in the Elderly Nutrition Program by establishing a culturally competent congregate nutrition site.
- Continue to support and expand the efforts of the Advisory Council on Aging to educate and inform the public regarding programs and services available to disabled adults and older adults.
- Work with community-based organizations and other county departments to identify and maximize available resourced for the elderly.
- Develop new classes, social activities and workshops to increase participation in the afternoons.
- Integrate a training system to enhance knowledge related to the senior population.
- Replacing 2 aging gas vehicles with a new all-electric sedan and a minivan with wheelchair conversion.

Community Services – Accomplishments

Parks and Recreation

- Installed new benches in the T-ball dugouts and 2 ADA Swings at Mary Van Dyke Park.
- Installed outdoor fitness equipment at Mary Van Dyke Park and Civic Center.
- Created a subcommittee for the New Temple Park Multi-Purpose Community Room, Snack Bar and Restrooms Rehabilitation Project.
- Provided \$29,000 in scholarships to students in South El Monte from proceeds raised from the State of the City.
- Partnered with the Junior Clippers Youth Basketball Uniform Grant which sponsored all the uniforms for approximately 220 players.
- Successfully completed the Night Market pilot program which resulted in the conversion of the Summer Concerts to Summer Night Markets.
- Partnered with Cultiva LA to distribute free produce during the City's Night Markets.
- Updated the Facilities Joint Use Agreement with the Valle Lindo School District.
- Implemented the Recreation Management System in the Fall of 2023.
- Hosted a new community event for the youth: Skate Contest.
- Completed the Community Center Dance Room Renovation Project.
- Executed the Implementation-Ready Accelerator Plan through the Healthy South El Monte Leadership Council.

Transportation & Senior Services

- Continue to strive to deliver the highest level of services to the South El Monte Elderly Community with integrity, honesty and respect for all users.
- The Senior Center underwent floor renovations throughout the building.
- Beautified the front lobby to complement the new floor renovations.
- Renewed the agreement with caterer Huntington Culinary to provide premium quality meals to our senior population.
- Extended agreement with Los Angeles County for their Elderly Nutrition Program Services, catering to over 1,500 registered participants.
- Provided over 33,500 meals to seniors through the City's congregate program.
- Provided over 24,500 meals to seniors through the City's home delivered program.
- Offered over 2,094 hours of classes and workshops to 898 unduplicated seniors.

- Extended the Los Angeles County Senior Community Services Employment Program, which provide jobs for the elderly population.
- Renewed the with Rio Memorandum of Understanding with Rio Hondo College for the operation of continuing education classes at the Senior Center.
- Provided over 11,000 rides to participants through the City's Dial-A-Ride transportation program.
- Purchased 3 vehicles for the transportation fleet using Federal Transit Administration (FTA) grant funds:
 - 2 EV Vans with the capacity of 5 passengers and a wheelchair with grants.
 - 1 Class C Ford Bus with the capacity of 16 passengers and a wheelchair.
- Extended an agreement with ECOLANE to continue providing efficient transportation services to residents.
- Established a Senior Services Donation account with the purpose of using the funds to offer additional amenities to seniors.

Public Works

The mission of the Public Works Department is to assist the City in carrying out its General Plan, which consists of:

- Retaining existing industrial businesses and providing a business environment that allows existing uses to thrive, and new enterprises to contribute to the healthy industrial base.
- Facilitating and encouraging development of local and regional-serving commercial uses at key sites in the City.
- Creating opportunities for new multi-family housing development to meet the needs of the population.
- Ensuring that the local street system provides safe and efficient travel routes for City residents and the business population.
- Protecting residents and employees of local businesses from natural and human-induced hazards affecting the community.
- Providing adequate parks, open space, and recreation resources for City residents.

Among the many responsibilities that the Public Works Department oversees, the Public Works Department ensures that work within the City conforms to plans-specifications and City standards adopted for:

- Laterals
- Public streets
- Public works contracts
- Sewers
- Sidewalks
- Storm drains
- Street lighting

Other day-to-day responsibilities include:

- Addressing citizen's inquiries and concerns
- Administering consultant contracts
- Coordinating projects for repairs and maintenance and construction activities
- Administering the issuance of permits and inspection for all activities within the public right-of-way
- Communicating with developers, other government agencies, and the general public

The Public Works Department also oversees the activities of various divisions within, which are listed below:

- Engineering
- Code Enforcement / Public Safety
- Street Maintenance
- Building Maintenance
- Landscape Maintenance
- City Vehicles
- Street Safety / Crossing Guards

The Public Works Department also coordinates various grants and allocations from other government agencies to fund public projects, such as for roads, traffic signals, and energy efficiency.

Public Works – Goals and Objectives

- Complete the Merced Avenue Phase I Greenway Project.
- Secure full construction funding for the New Temple Park Community Center multipurpose room and restroom upgrades.
- Continue with the Citywide Pavement Management Program improvements.
- Secure full construction funding for the Civic Center and Interjurisdictional Bike lanes on Santa Anita Avenue.
- Maintain our high standards of public facility maintenance and improvements.
- Remain dedicated to completing Capital Improvement Projects as outlined in the 24/25 budget.

Public Works – Accomplishments

- Completed the installation of new playground equipment and safety surfacing at New Temple Park and Shively Park and safety surfacing at Mary Van Dyke Park. Total project cost: \$0.5m.
- Completed Citywide Pavement Management Program update establishing a 5-year pavement program for a total budget of \$7m. Total project cost: \$0.1m.
- Completed Residential Street Rehabilitation Project including resurfacing 300,000 square feet of residential streets (located southeast of the City including Durfee, Cogswell, Maplefield), paving 3,800 tons of asphalt concrete, reconstructing 25 pedestrian curb ramps, and related accessibility improvements. Total project cost: \$1.1m.
- Started design of City Hall Restroom Facilities Rehabilitation. Anticipated construction completion is 2025. Anticipated project budget: \$0.4m.
- Awarded architectural design contract to construct New Temple Park Multi-Purpose and Community Room, Snack Bar and Restroom Facilities. Anticipated construction completion is 2025. Anticipated project budget: \$1.5m.
- Started construction of traffic signal modifications at 11 signalized intersections Citywide as part of Highway Safety Improvements Program Cycle 9 (federally funded project). Improvements include installation of pedestrian push buttons, pedestrian countdown displays, crosswalks and related improvements. Anticipated construction completion is Fall 2024. Anticipated project budget: \$0.6m.
- Started construction of traffic signal modifications at 2 signalized intersections including Lee Ave & Garvey Ave and Durfee Ave & Peck Rd as part of Highway Safety Improvements Program Cycle 10 (state funded project). Improvements include installation of protected left

turn phasing (including new signal poles), new signal hardware (lenses, back-plates with retroreflective borders, mounting, size and number), new pedestrian countdown signal heads and audible push buttons. Anticipated construction completion is 2025. Anticipated project budget: \$0.5m.

- Started design of Citywide Safe Routes to School Pedestrian Safety Project at 23 locations around schools and major destinations (state funded project). Improvements include installation of pedestrian safety upgrades at signalized intersections and uncontrolled crosswalks including rectangular rapid flashing beacons (RRFBs), pedestrian push buttons, countdown systems, overhead pedestrian signal systems, speed radar feedback signs, pedestrian ramps, signage, crosswalks and striping. Anticipated construction completion is 2025. Anticipated project budget: \$1.7m.
- Completed public outreach and started design of Metro Call for Projects Civic Center and Interjurisdictional Bike lanes on Santa Anita Avenue. Improvements include installation of bicycle and pedestrian mobility improvements including installation of a combination of protected bike lanes (Class IV-cycle track) and bike path (Class II), center medians, continuous ADA pedestrian path of travel including sidewalks, curb ramps, driveways, street furniture (bus shelter, bike racks, trash bins, etc.), bike and pedestrian signage, roadway rehabilitation, striping and related improvements along Santa Anita Avenue and Tyler Avenue. Anticipated construction completion is 2026. Anticipated project budget: \$6.3m.
- Commenced construction of Merced Avenue Phase I Greenway Project. Improvements include roadway resurfacing, reconstruction of concrete curb ramps, sidewalks, curb, and gutter and the installation of decentralized Low Impact Development (LID) and Best Management Practices (BMPs) within the street right-of-way that slow, capture, treat, and infiltrate storm water runoff. Work also includes installation of striping and pavement markings to incorporate bike lanes on Merced Avenue between Rush Street and Lerma Road. Anticipated construction completion is December 2024. Anticipated project budget: \$12.3m.
- Completed construction of Senior Center Flooring Improvements Project. Improvements include removal and disposal of existing flooring and installation of new vinyl flooring at Senior Center. Total project cost: \$0.1m.
- Completed construction of Community Center Basketball Gym Flooring Improvements Project. Improvements include removal and disposal of existing flooring and installation of new basketball gym multi-use resilient wood flooring. Total project cost: \$0.2m.
- Started design of traffic signal modifications at 21 signalized intersections Citywide as part of Highway Safety Improvements Program Cycle 11 (state funded project). Improvements include installation of raised pavement markers, striping, pedestrian crosswalks, and traffic signal adjustments at various signalized intersections. Anticipated construction completion is 2025. Anticipated project budget: \$0.6m.
- Completed Energy-efficient upgrades: Installed energy-efficient lighting fixtures and AC units at the Mini Center, Community Center, and Senior Center. Additionally, heat pump water heaters were installed at New Temple Park and the Senior Center. Total project cost: \$1.8m.
- Received \$2.6m of grant funds through Active Transportation Program (ATP) Cycle 6 for Merced Avenue Phase II Improvements (North of Rush).
- To enhance the aesthetics and community safety of the city, over 4,800 residential and business curb addresses were painted throughout the city. Total project cost: \$0.1 million
- Development of publicly accessible electric vehicle charging stations at the City's Civic Center.
- Collaborated with the Energy Coalition: secured federal funding to install two Level-2 and two DC Fast Chargers at City Hall. Site-host Agreement signed with EVCS to install eight

Level-2 charging stations in the Community Center's rear parking lot, which will include an electric vehicle carshare program. Anticipated project cost \$2.2m.

- Completed parking lot improvements at the Community Center and Mini Center: The project involved asphalt resurfacing and parking lot striping. Total project cost: \$0.3 million.
- Received \$3.2m of grant funds through Clean California Local Grant Projects Cycle 2 for Merced Avenue Phase II Improvements (North of Rush).
- Public Works Maintenance Division responded to a total of 7,313 online GOGov requests which include building maintenance, street potholes or repairs, graffiti removals in public areas, landscaping maintenance, and bulk item debris removal.
- Code Enforcement and Public Safety responded to 750 online GOGov requests which include private property maintenance, illegal construction, and graffiti on private property.
- Code Enforcement and Public Safety Division issued 64 administrative citations and 6,981 parking citations generating a combined \$0.5m in collected bail amounts.
- Engineering Division issued over 300 public right of way encroachment permits and executed over 570 jobsite inspections.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement in Financial Reporting (COA) to cities who apply and qualify to meet the standards of this prestigious award. In order to be awarded a COA, 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 it received this prestigious award two years in a row for the fiscal years ended June 30, 2022 and June 30, 2023. The COA is valid for a period of one year, and the City believes its ACFR for the fiscal year ended June 30, 2024 continues to meet the standards required and will be submitting it to GFOA to determine its eligibility for a third 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.

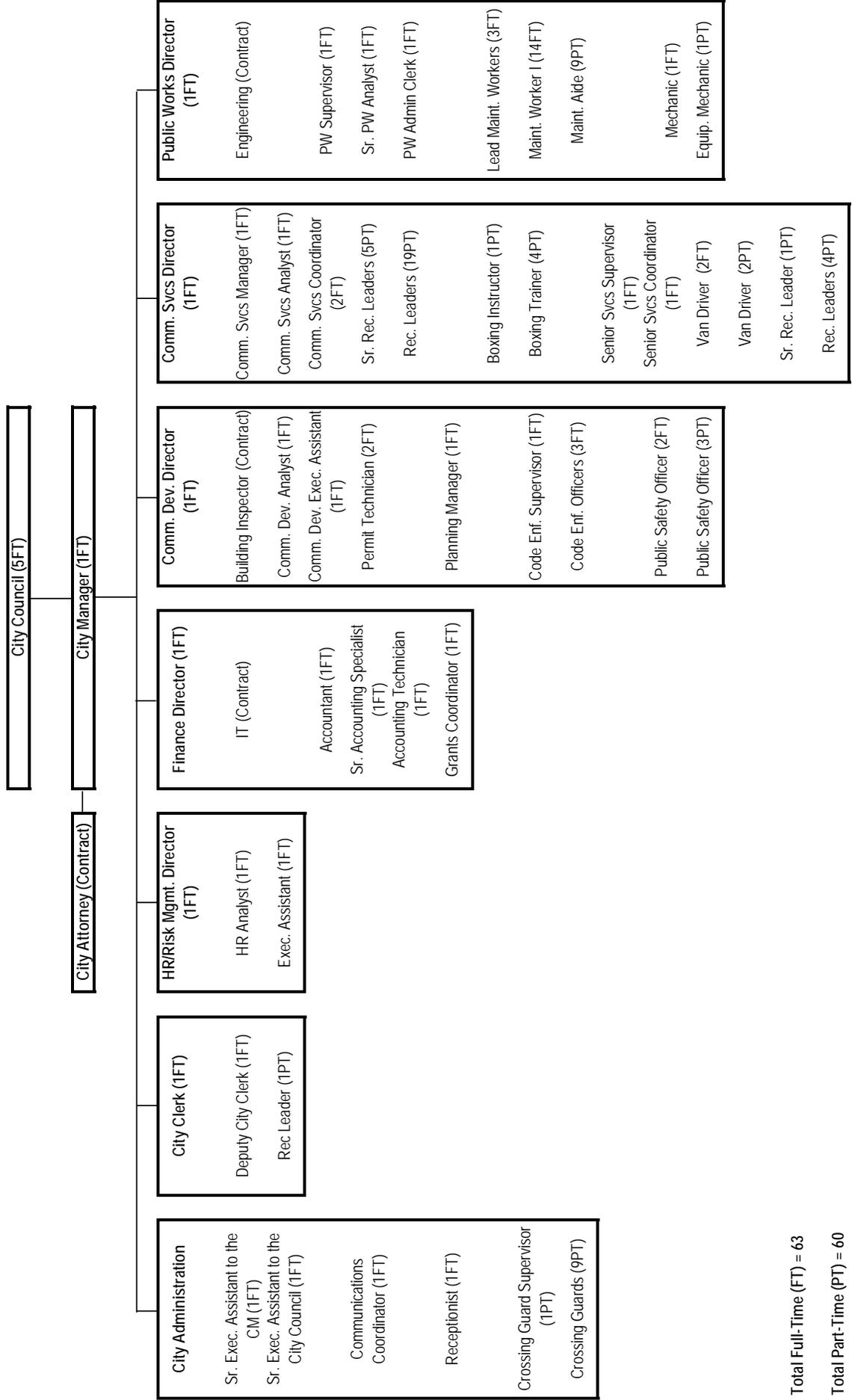
Respectfully submitted,



Rene Salas, City Manager

CITY OF SOUTH EL MONTE

RECOMMENDED ORGANIZATIONAL CHART FY 2023-2024



Total Full-Time (FT) = 63

Total Part-Time (PT) = 60

**CITY OF SOUTH EL MONTE
AS OF JUNE 30, 2024**

CITY COUNCIL

**Gloria Olmos
Mayor**

**Rudy Bojorquez
Mayor Pro Tem**

**Manuel Acosta
Councilmember**

**Richard Angel
Councilmember**

**Hector Delgado
Councilmember**

MANAGEMENT TEAM

**Rene Salas
City Manager**

**Anthony Taylor
City Attorney**

**Sabrina Muhne
Interim City Clerk**

**Iyob Tessema
Director of HR/Risk Management**

**Masami Higa
Director of Finance/Treasurer**

**Guillermo Arreola
Director of Community Development**

**Ariana De La Cruz
Director of Community Services**

**John Poehler
Director of Public Works**



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, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL

SECTION



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

PARTNERS

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

COMMERCIAL ACCOUNTING & TAX SERVICES

8383 WILSHIRE BLVD., SUITE 800
BEVERLY HILLS, CA 90211
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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of South El Monte, California (City) as of and for the fiscal year ended June 30, 2024, 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 as of June 30, 2024, and the respective changes in financial position 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 the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt whether 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 the management's discussion and analysis on pages 25 through 35, the Schedule of the Proportionate Share of Net Pension Liability and Contributions, the Schedule of Changes in the Net OPEB Liability and Related Ratios, Budget to Actual Comparison Schedule for the General Fund, the Budget to Actual Comparison Schedule for the Grants Special Revenue Fund, the Budget to Actual Comparison Schedule for the Safe Clean Water Program Special Revenue Fund, and the Budget to Actual Comparison Schedule for the Housing Successor Special Revenue Fund on pages 81 through 88 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Combining Balance Sheet – Nonmajor governmental funds, the Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds, and the Budget to Actual Comparison Schedules of the Nonmajor governmental Funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining Balance Sheet – Nonmajor governmental funds, the Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds, and the Budget to Actual Comparison Schedules of the Nonmajor governmental Funds are fairly stated, in all material respects in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2025, 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 the 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

Moss, Levy & Hartzheim, LLP
Culver City, California
March 31, 2025

MANAGEMENT'S DISCUSSION

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, 2024.

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, 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 37-38 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 budget to actual schedule has been provided for the governmental funds (see pages 88-91 and pages 109-138).

The basic governmental funds financial statements can be found on pages 39 and 41 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 fiduciary funds financial statements can be found on pages 43-44 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 45 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, 2024 and June 30, 2023. The details of the current year's summary can be found on page 37 of this report.

	Governmental Activities		
	2024	2023	Net Change
ASSETS AND DEFERRED OUTFLOWS			
Current and other assets	\$ 38,410,505	\$ 38,546,686	\$ (136,181)
Capital assets	25,814,103	17,982,478	7,831,625
Total assets	64,224,608	56,529,164	7,695,444
Deferred outflows	7,448,725	13,252,616	(5,803,891)
Total Assets and Deferred Outflows	71,673,333	69,781,780	1,891,553
LIABILITIES AND DEFERRED INFLOWS			
Current liabilities	5,456,802	2,174,529	3,282,273
Long-term liabilities	12,056,256	21,760,662	(9,704,406)
Total liabilities	17,513,058	23,935,191	(6,422,133)
Deferred inflows	6,420,525	2,142,077	4,278,448
Total Liabilities and Deferred Inflows	23,933,583	26,077,268	(2,143,685)
NET POSITION			
Net investment in capital assets	24,261,157	16,280,505	7,980,652
Restricted	18,009,463	19,196,409	(1,186,946)
Unrestricted	5,469,130	8,227,598	(2,758,468)
Total Net Position	\$ 47,739,750	\$ 43,704,512	\$ 4,035,238

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 \$47,739,750 (net position).

The category of the City's net position with the largest balance totaling \$24,261,157 (50.8%) represents resources that are invested in capital assets, net of accumulated depreciation and related debt.

The second largest category of net position, totaling \$18,009,463 (37.7%) represents the City's restricted assets, which are restricted for special revenues.

The last remaining category of net position, totaling \$5,469,130 (11.5%) represents unrestricted net position.

Governmental activities, net position:

- Current and other assets decreased by \$136,181 from the prior fiscal year. As a result of a prior-period adjustment, there was a decrease in restricted cash and investments of \$1,928,082. Other factors were an increase in intergovernmental receivables of \$3,458,943 and a decrease in loans receivables of \$2,136,601.
- Capital assets increased by \$7,831,625 from the prior fiscal year due to a net increase in construction in progress of \$7,413,184, an increase in capital assets being depreciated and amortized of \$1,975,858 offset by depreciation and amortization of \$1,557,417.
- Deferred outflows decreased by \$5,803,891 from the prior fiscal year mainly due to differences between actual contributions and proportionate share of contributions related to pension and other postemployment benefits (OPEB).
- Current liabilities increased by \$3,282,273 from the prior fiscal year mainly due to an increase in payables for construction and law enforcement.
- Long-term liabilities decreased by \$9,704,406 from the prior fiscal year mainly due to a decrease in net pension liability.
- Deferred inflows increased by \$4,278,448 from the prior fiscal year mainly due to change in employer proportion related to pension and OPEB.
- Net investment in capital assets increased by \$7,980,652 due to an increase in capital assets less the liabilities attributable to the capital assets.
- Restricted net position decreased by \$1,186,946 mainly due to net OPEB asset being treated as restricted net position, offset by home loan program receivables restated as a prior period adjustment for CALHOME Grant Fund, Begin Program Fund, and Housing Successor Fund by reducing the receivables by \$1,711,131, \$214,200, and \$211,270 respectively.
- The unrestricted net position decreased by \$2,758,468 from the prior fiscal year mainly due to the current fiscal year's change in net position of \$7,485,257, offset by a decrease in restricted net position of \$1,186,946, an increase in net investment in capital asset of \$7,980,652.

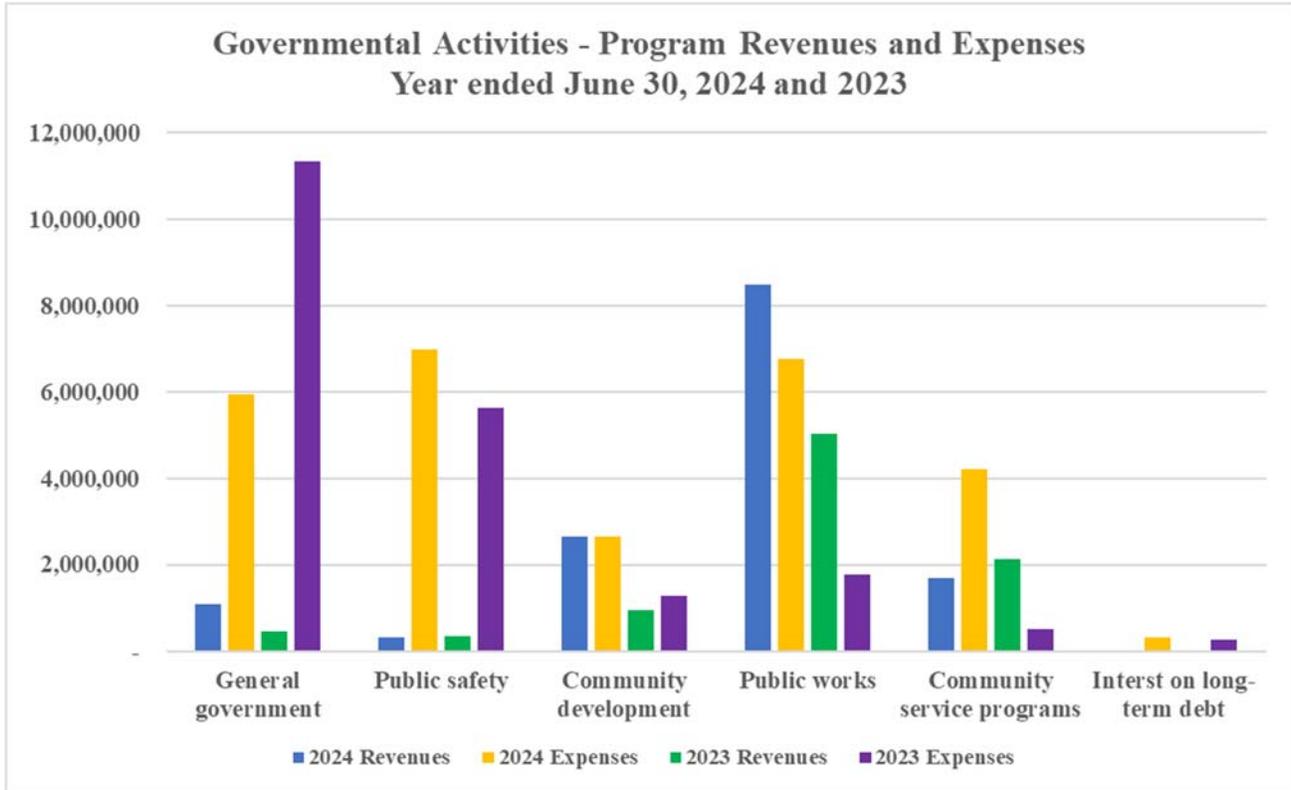
Changes in Net Position

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 38 of this report.

	Governmental Activities		
	2024	2023	Net Change
REVENUES			
Program revenues			
Charges for services	\$ 6,029,449	\$ 2,456,083	\$ 3,573,366
Operating grants and contributions	1,488,392	2,430,399	(942,007)
Capital grants and contributions	6,715,103	4,013,172	2,701,931
General revenues			
Property taxes	5,495,764	4,312,153	1,183,611
Other taxes	12,905,129	12,815,019	90,110
Investment income	1,653,672	238,148	1,415,524
Other	94,853	644,562	(549,709)
Total Revenues	34,382,362	26,909,536	7,472,826
EXPENSES			
Program activities			
General government	\$ 5,945,415	\$ 11,340,415	\$ (5,395,000)
Public safety	6,972,914	5,650,205	1,322,709
Community development	2,649,174	1,278,112	1,371,062
Public works	6,767,359	1,779,204	4,988,155
Community service programs	4,234,875	514,482	3,720,393
Interest on long-term debt	327,368	277,081	50,287
Total Expenses	26,897,105	20,839,499	6,057,606
Change in Net Position	7,485,257	6,070,037	1,415,220
Net Position - Beginning, as restated	40,254,493	37,634,475	2,620,018
Net Position - Ending	\$ 47,739,750	\$ 43,704,512	\$ 4,035,238

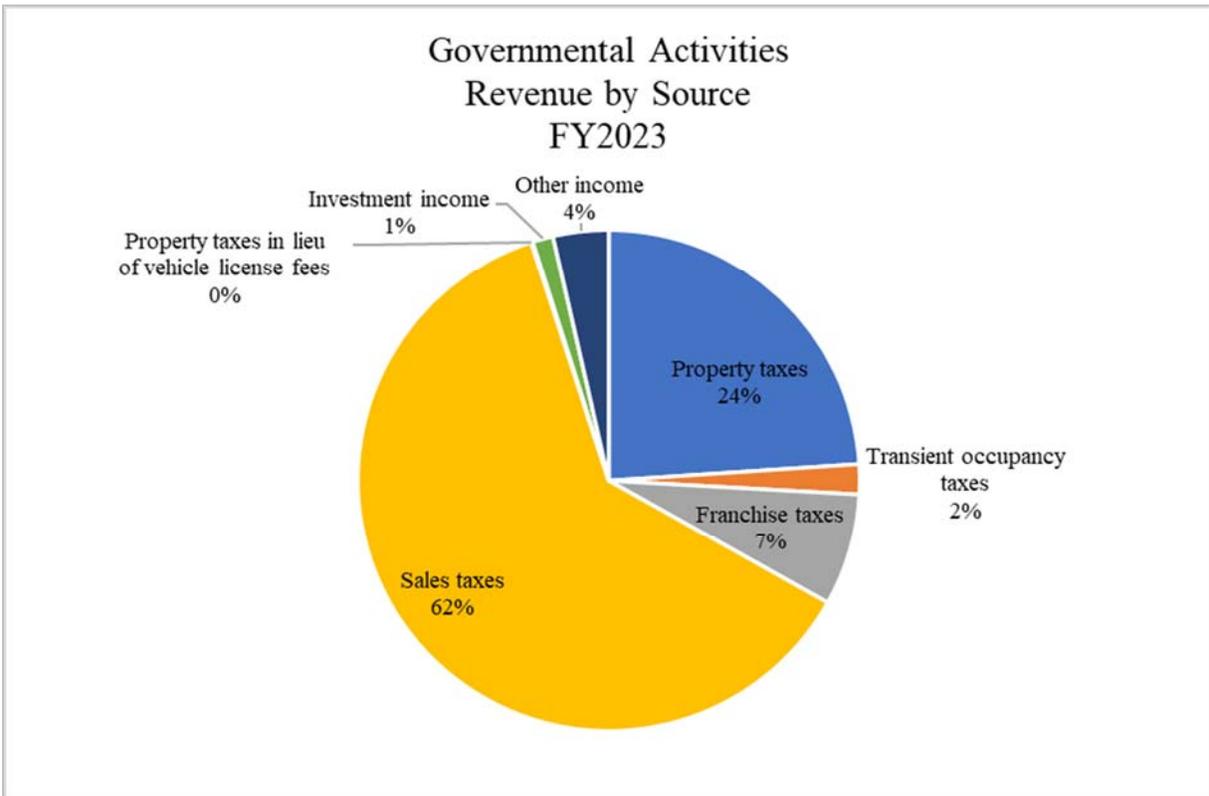
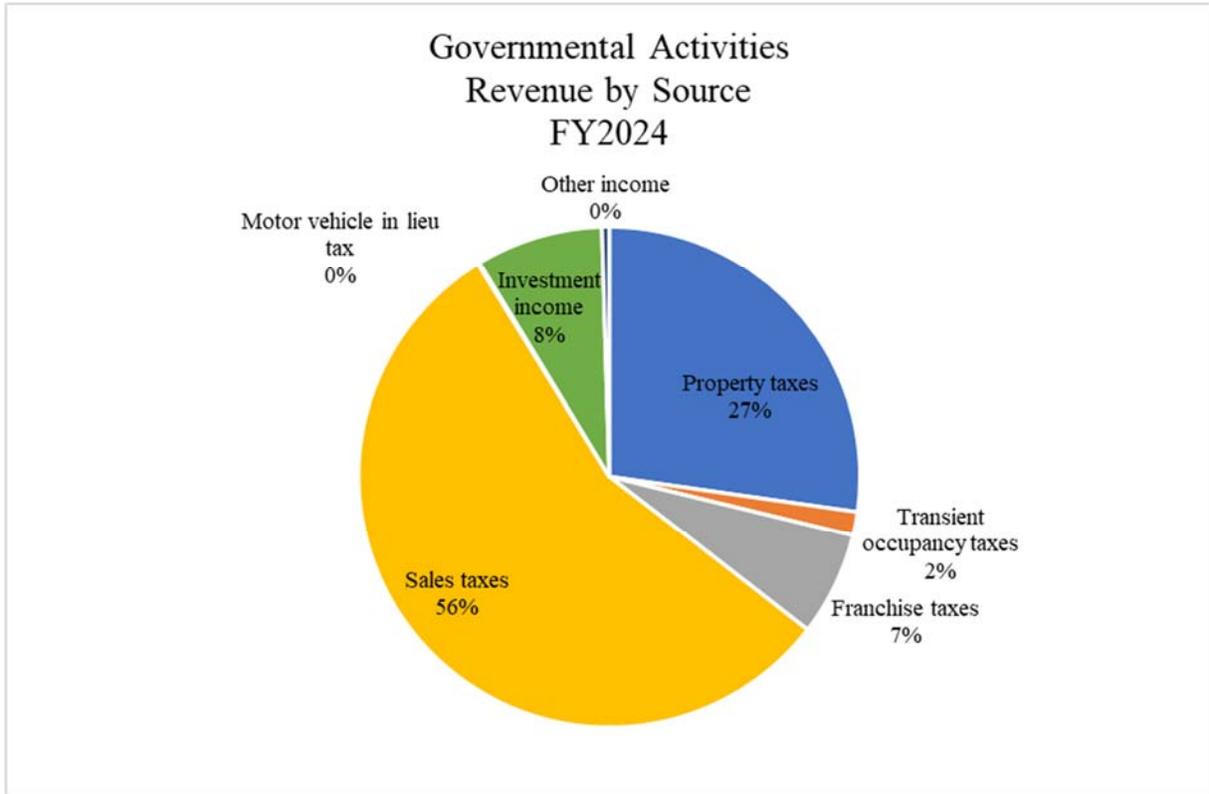
Governmental activities, changes in net position:

Governmental activities' net position increased by \$7,485,257 for the City. The increase in governmental activities is higher by \$1,415,220 as compared to the prior fiscal year's increase in the City's net position of \$6,070,037.



Governmental activities consist of the following departments and divisions:

<u>(1) General Government</u>	<u>(2) Public Safety</u>	<u>(3) Community Development</u>	<u>(4) Public Works</u>	<u>(5) Community Service</u>
a. City Council	a. Law Enforcement	a. Planning Commission	a. Public Works Admin.	a. Women's Commission
b. City Manager		b. Community Development	b. Public Safety Center	b. Community Services Commission
c. City Attorney		c. Building and Safety	c. City Engineering	c. Patriotic Commission
d. Community Promotion		d. CalHOME Programs	d. School Safety	d. Senior Services
e. Human Resources			e. Environmental Engineering	e. Parks and Recreation
f. Risk Management			f. Waste Management	f. Sports
g. City Clerk			g. Emergency Preparedness	g. Boxing
h. Elections			h. City Hall	h. Special Events
i. Accounting			i. Transportation Yard	i. Fourth of July
j. Information Technology			j. General Utilities	j. Night Markets
k. Animal Control			k. Facility Maintenance	k. Christmas Wish
			l. Landscape Maintenance	
			m. Street Maintenance	
			n. Vehicle Maintenance	
			o. Code Enforcement	
			p. Community Center	
			q. Senior Center	
			r. Mini-Center	
			s. Aquatic Center	
			t. New Temple Park	
			u. Shively Park	
			v. Mary Van Dyke Park	



FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

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

Governmental funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, the 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 \$32,726,789 (see page 39), a decrease of \$2,965,866 including a prior period adjustment from the prior fiscal year. Approximately 52.5% of the total fund balance amount, \$17,178,977, constitutes restricted fund balance, which are amounts that can be spent only for specific purposes stipulated by external resource providers. Approximately 0.1% of the total fund balance amount, \$36,424, constitutes non-spendable fund balance, which are amounts that are not in a spendable form. The remainder of the fund balance amount, \$15,511,388, or 47.4% 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 \$17,376,534 (see page 39). At the end of the current fiscal year, the total fund balance of the General Fund represents 72.2% of the total expenditures of the General Fund for the fiscal year.

The fund balance of the General Fund had a net increase of \$1,088,774 not including a prior period adjustment during the current year. This net increase was primarily due to the following reasons:

- Total General Fund revenues increased by \$4,418,258 from the prior fiscal year, mainly due to various community development projects taking place within the City, such as the Mye Plaza Mixed Use Project consisting of 106,137 square foot mixed-use consisting of 73 residential units and 16,800 square feet of 8 commercial units, and the Starlite Specific Plan, a development of 169 single-family dwelling units and 38 multi-family dwelling units. For example, during the current year, building permit fees increased by \$1.4 million from the prior fiscal year, and development fees increased by 1.2 million from the prior fiscal year.
- Total General Fund expenditures decreased by \$4,113,827 from the prior fiscal year. This net decrease was primarily due to the following reasons:
 - Functional expenditures increased by \$4,969,153 from the prior fiscal year, mainly due to each of the five functional costs increasing approximately \$1.0 million each due to increase in labor cost, professional services, and supplies and equipment due to inflation.
 - Capital outlay cost increased by \$734,893 from the prior fiscal year to address deferred capital improvements.
 - Debt service cost decreased by \$9,817,873 from the prior fiscal year. In the prior fiscal year, the City issued lease revenue bonds to fully fund the unfunded actuarial pension liability.
- Total General Fund other financing sources and uses decreased by \$15,129,572 from the prior fiscal year. This net decrease was primarily due to the following reasons:
 - In the prior fiscal year, the City issued lease revenue bonds of \$9,815,000 to fully fund the unfunded actuarial pension liability.
 - In the prior fiscal year, the General Fund received \$4,921,737 of federal ARPA funds from the Grants Fund, which had been recorded in the Grants Fund in the previous fiscal year (FY2022), to be applied towards the City's Sheriff contract with the Los Angeles County.

The Grants Fund is used to account for non-recurring grant activities that does not have a dedicated fund of its own. Each non-recurring grant is assigned a project number to keep track of its activities independently. As most of the non-recurring grants are competitive reimbursable grants, costs are initially incurred by advances from the General Fund, and repaid as reimbursable grants are received. Any significant changes in activities from the prior fiscal year are usually due to more reimbursable grant funded activities taking place.

The fund balance of the Grants Fund had a net decrease of \$935,577 not including a prior period adjustment during the current fiscal year. The net decrease was primarily due to the following reasons:

- Intergovernmental revenues increased by \$3,729,776 from the prior fiscal year, but capital outlay increased by \$5,909,441 from the prior fiscal year, offset by a transfer in from the Safe Clean Water Program Fund of \$1,330,260.

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

The fund balance of the Safe Clean Water Program Fund had a net decrease of \$841,921 during the current fiscal year. The net decrease was primarily due to the following reasons:

- The Safe Clean Water Program Fund made a transfer out of \$1,330,260 to the Grants Fund to fund Project #407 Merced Avenue Greenway Project, offset by intergovernmental revenues of \$446,673.

The Housing Successor Fund was used to account for the housing activities of the former Redevelopment Agency of the City. On February 1, 2012, the former Redevelopment Agency of the City was dissolved due to the state's passage of AB x1 26. Since fiscal year 2022, there has been no significant activities within this fund, and there are no significant assets or liabilities remaining in the fund. This fund is going to be merged with the General Fund.

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 \$228,907.

For the current fiscal year, the General Fund's total positive variance between the final budgeted estimated revenues and actual revenues was \$3,422,628. The key reasons for these variances are mostly due to higher actual revenues over estimated revenues of \$2,035,361 in licenses and permits and \$717,243 in revenues for use of money and property. The revenues from licensing activities were higher than expected due to more businesses applying and renewing their business licenses post-COVID, and revenues from permitting activities were higher than expected due to more community development project taking place within the City such as the Mye Plaza Mixed Use Project and the Starlite Specific Plan. Revenues from use of money and property were higher than expected due to rising interest rate combined with the City's decision to invest most of its fund in the California Asset Management Program having a weighted average maturity of 60 days and generating approximately 5% return on investments throughout the fiscal year.

For the current fiscal year, the General Fund's total negative variance between the final budgeted amount and the actual amount for expenditures was \$1,666,652. The key reasons for these variances are mostly due to expenditures in excess of appropriations of \$657,916 for general government, \$556,205 for community services, and \$366,900 for public works. The expenditures in general government were higher than expected due to an overall increase in labor cost for cost-of-living adjustment (COLA) and new positions created and filled for positions such as the Director of Human Resources and Risk Management and Human Resources Analyst which did not exist in prior fiscal years. The expenditures in community services were higher than expected due to a similar COLA and new positions created and filled for positions such as the Director of Community Services,

Community Services Manager, and Community Services Analyst, plus increase in part-time positions to host the City's new ten Night Market events throughout the summer. The expenditures in public works were higher than expected due to a similar COLA and three divisions previously budgeted under public safety moved under public works, for code enforcement, public safety, and school safety.

For the current fiscal year, the General Fund's total negative variance between the final budgeted amount and the actual amount for other financing sources and uses was \$1,527,069. The key reason for this variance was the General Fund making transfers to the Department of Energy Fund (DOE) and the Older American Act Fund (OAA) to eliminate the DOE and OAA funds' deficits.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

The City's investment in capital assets for its governmental activities as of June 30, 2024, amounts to \$25,814,103 (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, building, improvements, vehicles, 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 \$9,390,762, or \$7,572,657 higher than the prior fiscal year, due to a net increase in construction in progress of \$7,413,184 and an increase in capital assets being depreciated of \$1,975,858, offset by depreciation and amortization of \$1,557,417.

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

- \$4.9 million invested towards the Merced Green Way Project under construction-in-progress.
- \$1.3 million invested towards Civic Center Facilities Sustainability Upgrade under construction-in-progress.
- \$1.0 million invested towards City-Wide Pavement Rehabilitation Project which was completed in December of 2023.

Additional information on the City's capital assets can be found in Note 5 on page 61 of this report.

Outstanding debt

As of June 30, 2024, the City had pension bonds outstanding in the amount of \$9,065,734. In the prior fiscal year, the City raised \$9,815,000 to fund the City's unfunded pension liability. Additional information on the City's longer-term debt can be found in Note 6 on pages 62-64 of this report.

ECONOMIC FACTORS AND NEW YEAR'S BUDGET AND RATES

These factors were considered in preparing the City's budget for the 2025 fiscal year:

- The City serves a diverse industrial, commercial, and residential customer base. At June 30, 2024, the average unemployment rate of the City was 4.9%, which was higher than the State's average of 4.1%, but lower than the National average of 7.7%.
- Inflationary trends in the region compare unfavorably to national indices.
- The occupancy rate of the City for fiscal 2024 was estimated to be 94.9%.

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.

BASIC FINANCIAL --- STATEMENTS

City of South El Monte
Statement of Net Position
June 30, 2024

	Governmental Activities
ASSETS:	
Cash and investments	\$ 31,018,866
Receivables:	
Accounts	90,318
Taxes	2,398,171
Other receivables	120,540
Intergovernmental	3,915,700
Loans	-
Leases	36,251
Prepaid costs	173
Net OPEB asset	830,486
Capital assets:	
Non-depreciable/amortizable	11,715,544
Depreciable/amortizable, net	14,098,559
TOTAL ASSETS	64,224,608
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred amounts related OPEB plan	343,832
Deferred amounts related to pension plans	7,104,893
TOTAL DEFERRED OUTFLOWS OF RESOURCES	7,448,725
LIABILITIES:	
Accounts payable and accrued expenses	4,816,266
Long-term liabilities:	
Due within one year	625,392
Due in more than one year	10,446,142
Net pension liability	1,625,258
TOTAL LIABILITIES	17,513,058
DEFERRED INFLOWS OF RESOURCES:	
Deferred amounts related to leases	36,964
Deferred amounts related to OPEB plan	1,157,537
Deferred amounts related to pension plans	5,226,024
TOTAL DEFERRED INFLOWS OF RESOURCES	6,420,525
NET POSITION:	
Net investment in capital assets	24,261,157
Restricted for:	
OPEB	830,486
Public works	13,599,026
Public safety	675,007
Community services programs	1,850,159
Housing	1,054,785
Unrestricted	5,469,130
TOTAL NET POSITION	\$ 47,739,750

City of South El Monte
Statement of Activities
For the Fiscal Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position Governmental Activities
Governmental activities:					
General government	\$ 5,945,415	\$ 1,096,796	\$ -	\$ -	\$ (4,848,619)
Public safety	6,972,914	129,397	186,159	-	(6,657,358)
Community development	2,649,174	2,629,589	10,229	-	(9,356)
Public works	6,767,359	807,258	968,197	6,715,103	1,723,199
Community services programs	4,234,875	1,366,409	323,807	-	(2,544,659)
Interest on long-term debt	327,368	-	-	-	(327,368)
Total governmental activities	\$ 26,897,105	\$ 6,029,449	\$ 1,488,392	\$ 6,715,103	(12,664,161)
General revenues:					
Taxes:					
Property taxes					5,495,764
Transient occupancy taxes					309,563
Franchise taxes					1,345,156
Sales taxes					11,226,273
Motor vehicle in lieu tax					24,137
Investment income					1,653,672
Other					94,853
Total general revenues					20,149,418
Change in net position					7,485,257
Net position - beginning					43,704,512
Restatement					(3,450,019)
Net position - beginning, as restated					40,254,493
Net position - ending					\$ 47,739,750

**City of South El Monte
Balance Sheet
Governmental Funds
June 30, 2024**

	Special Revenue Funds					Total Governmental Funds
	General Fund	Grants Fund	Safe Clean Water Program Fund	Housing Successor Fund	Nonmajor Governmental Funds	
ASSETS						
Cash and investments	\$ 31,013,837	\$ -	\$ -	\$ -	\$ 5,029	\$ 31,018,866
Receivables:						
Accounts	-	-	-	90,318	-	90,318
Taxes	2,398,171	-	-	-	-	2,398,171
Other receivables	120,540	-	-	-	-	120,540
Intergovernmental	278,639	3,388,818	-	-	248,243	3,915,700
Leases	36,251	-	-	-	-	36,251
Advances to other funds	-	-	3,515,739	141,899	13,274,207	16,931,845
Prepaids	173	-	-	-	-	173
TOTAL ASSETS	\$ 33,847,611	\$ 3,388,818	\$ 3,515,739	\$ 232,217	\$ 13,527,479	\$ 54,511,864
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ 4,505,624	\$ 236,439	\$ -	\$ -	\$ 74,203	\$ 4,816,266
Advances from other funds	11,928,489	4,293,065	20,051	-	690,240	16,931,845
TOTAL LIABILITIES	16,434,113	4,529,504	20,051	-	764,443	21,748,111
DEFERRED INFLOWS OF RESOURCES:						
Leases	36,964	-	-	-	-	36,964
TOTAL DEFERRED INFLOWS OF RESOURCE:	36,964	-	-	-	-	36,964
FUND BALANCES:						
Nonspendable:						
Leases	36,251	-	-	-	-	36,251
Prepaids	173	-	-	-	-	173
Restricted for:						
Public works	-	-	3,495,688	-	10,103,338	13,599,026
Public safety	-	-	-	-	675,007	675,007
Community services programs	-	-	-	-	1,850,159	1,850,159
Housing	-	-	-	232,217	822,568	1,054,785
Unassigned	17,340,110	(1,140,686)	-	-	(688,036)	15,511,388
TOTAL FUND BALANCES	17,376,534	(1,140,686)	3,495,688	232,217	12,763,036	32,726,789
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 33,847,611	\$ 3,388,818	\$ 3,515,739	\$ 232,217	\$ 13,527,479	\$ 54,511,864

See accompanying notes to basic financial statements.

City of South El Monte
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
June 30, 2024

Fund balances for governmental funds \$ 32,726,789

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/amortized	\$11,715,544	
Capital assets being depreciated/amortized	43,958,095	
Accumulated depreciation/amortization	<u>(29,859,536)</u>	25,814,103

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	(452,854)	
Lease liabilities	(30,469)	
ERCDC Loan payable	(1,522,477)	
Pension bonds	<u>(9,065,734)</u>	(11,071,534)

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	7,104,893	
Deferred inflows of resources	(5,226,024)	
Net pension liability	<u>(1,625,258)</u>	253,611

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	343,832	
Deferred inflows of resources	(1,157,537)	
Net OPEB asset	<u>830,486</u>	<u>16,781</u>

Net position of governmental activities \$ 47,739,750

City of South El Monte
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General Fund	Special Revenue Fund					Total Governmental Funds
		Grants Fund	Safe Clean Water Program Fund	Housing Successor Fund	Nonmajor Governmental Funds	Governmental Funds	
REVENUES:							
Taxes	\$ 17,981,621	\$ -	\$ -	\$ -	\$ -	\$ 325,694	\$ 18,307,315
Licenses and permits	4,596,948	-	-	-	-	-	4,596,948
Fines and forfeitures	42,490	-	-	-	-	-	42,490
Use of money and property	1,169,263	-	137,547	4,147	402,244	-	1,713,201
Charges for services	323,348	-	-	-	650	-	323,998
Special assessments	-	-	-	-	4,492	-	4,492
Intergovernmental	1,382,810	4,361,492	446,673	-	3,131,312	-	9,322,287
Other revenues	59,970	-	-	-	11,658	-	71,628
TOTAL REVENUES	25,556,450	4,361,492	584,220	4,147	3,876,050	-	34,382,359
EXPENDITURES:							
Current:							
General government	5,504,317	-	-	-	-	-	5,504,317
Public safety	6,908,827	-	-	-	-	-	6,908,827
Community development	2,447,566	-	-	-	6,722	-	2,454,288
Public works	4,507,074	257,351	95,881	-	628,745	-	5,489,051
Community services programs	3,026,663	-	-	-	313,351	-	3,340,014
Capital outlay	869,446	6,662,798	-	-	1,858,520	-	9,390,764
Debt service:							
Principal	483,580	-	-	-	-	-	483,580
Interest	327,368	-	-	-	-	-	327,368
TOTAL EXPENDITURES	24,074,841	6,920,149	95,881	-	2,807,338	-	33,898,209
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,481,609	(2,558,657)	488,339	4,147	1,068,712	-	484,150
OTHER FINANCING SOURCES (USES):							
Transfers in	-	1,623,080	-	-	1,983,245	-	3,606,325
Transfer out	(392,835)	-	(1,330,260)	-	(1,883,230)	-	(3,606,325)
TOTAL OTHER FINANCING SOURCES (USES)	(392,835)	1,623,080	(1,330,260)	-	100,015	-	-
NET CHANGE IN FUND BALANCES	1,088,774	(935,577)	(841,921)	4,147	1,168,727	-	484,150
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	17,627,530	(219,964)	4,337,609	439,340	13,508,140	-	35,692,655
Restatement	(1,339,770)	14,855	-	(211,270)	(1,913,831)	-	(3,450,016)
FUND BALANCES (DEFICITS) - BEGINNING OF YEAR, AS RESTATED	16,287,760	(205,109)	4,337,609	228,070	11,594,309	-	32,242,639
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 17,376,534	\$ (1,140,686)	\$ 3,495,688	\$ 232,217	\$ 12,763,036	\$ -	\$ 32,726,789

See accompanying notes to basic financial statements.

City of South El Monte
Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures and Changes in Fund Balances
To the Statement of Activities
For the Fiscal Year Ended June 30, 2024

Net change in fund balances - total governmental funds \$ 484,150

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

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

Cost of assets capitalized	\$9,389,044	
Depreciation/amortization expense	<u>(1,557,417)</u>	7,831,627

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

Principal repayment on long-term debt - Pension bonds	364,782	
Principal repayment on long-term debt - ERCDC Loan	118,798	
Lease liabilities	<u>30,230</u>	513,810

Pension expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, pension expense includes the change in the net pension liability, and related changes in pension amounts for deferred outflows of resources and deferred inflows of resources. (1,374,269)

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 117,749

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

Compensated absences		<u>(87,810)</u>
----------------------	--	-----------------

Change in net position of governmental activities \$ 7,485,257

City of South El Monte
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2024

	Successor Agency Private-purpose Trust Fund <hr/>
ASSETS:	
Cash and investments	\$ 2,170,843
Cash and investments with fiscal agents	<u>2,190,710</u>
TOTAL ASSETS	<u>4,361,553</u>
LIABILITIES:	
Accounts payable and accrued liabilities	278,639
Interest payable	321,459
Bonds payable	
Due within one year	1,380,574
Due in more than one year	<u>19,205,067</u>
TOTAL LIABILITIES	<u>21,185,739</u>
NET POSITION:	
Net position held in trust for Successor Agency	<u><u>\$ (16,824,186)</u></u>

City of South El Monte
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2024

	Successor Agency Private-purpose Trust Fund <u> </u>
ADDITIONS:	
Property tax revenue	\$ 2,290,083
Other income	393,359
Interest income	<u>103,727</u>
TOTAL ADDITIONS	<u>2,787,169</u>
DEDUCTIONS:	
Administrative expenses	258,665
Interest expense	<u>818,099</u>
TOTAL DEDUCTIONS	<u>1,076,764</u>
CHANGE IN NET POSITION	1,710,405
NET POSITION - BEGINNING OF FISCAL YEAR	<u>(18,534,591)</u>
NET POSITION - END OF FISCAL YEAR	<u><u>\$ (16,824,186)</u></u>

NOTES TO THE BASIC

FINANCIAL STATEMENTS

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. The City considers reimbursement grants to be “available” when received within one year after year end. 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 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Fund Classifications (Continued)

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.

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. 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.

F) Upcoming Governmental Accounting Standards Implementation

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.

GASB Statement No. 102

In December 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. Application of this statement is effective for The City's fiscal year ending June 30, 2025.

GASB Statement No. 103

In April 2024, GASB issued Statement No. 103, Financial Reporting Model Improvements. The objective of this statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. Application of this statement is effective for The City's fiscal year ending June 30, 2026.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F) Upcoming Governmental Accounting Standards Implementation (Continued)

GASB Statement No. 104

In September 2024, GASB issued Statement No. 104, Disclosure of Certain Capital Assets. The objective is to enhance the transparency and usefulness of financial statements for state and local governments by requiring separate disclosure of specific types of capital assets. Application of this statement is effective for The City's fiscal year ending June 30, 2026.

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 then are 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

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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D) Capital Assets (Continued)

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.

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 10. 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 assets that applies to future periods 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.

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 assets that applies to future periods 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.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 (a) are 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).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

O) Fund Balance (Continued)

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.

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, 2024 are reported as follows:

	Primary Government	Fiduciary Fund	Total
Cash on hand	\$ 3,208	\$ -	\$ 3,208
Deposits with financial institutions	2,640,458	2,170,843	4,811,301
Investments	28,375,200	2,190,710	30,565,910
Total cash and investments	\$ 31,018,866	\$ 4,361,553	\$35,380,419

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 Certificate of Deposit	2 years	30%	30%
Nonnegotiable Certificate 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 Power Authority Pool	None	None	None
Local Agency Investment Fund (LAIF)	None	None	\$75 million
California Asset Management Program (CAMP)	None	None	None
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.

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

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.

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)	\$ 10,453	\$ -	\$ -	\$ 10,453
California Asset Management Program (CAMP)	17,921,769	-	-	17,921,769
U.S. Government Bonds	6,213,027	997,152	-	7,210,179
Certificate of Deposits	3,190,805	-	-	3,190,805
Money market mutual funds	41,994	-	-	41,994
Money market mutual funds held by bond trustee	2,190,710	-	-	2,190,710
Total	<u>\$ 29,568,758</u>	<u>\$ 997,152</u>	<u>\$ -</u>	<u>\$ 30,565,910</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, 2024	Minimum Legal Rating	AAA	Not Required to be Rated
LAIF	\$ 10,453	\$ -	\$ -	\$ 10,453
CAMP	17,921,769	-	-	17,921,769
U.S. Government Bonds	7,210,179	-	-	7,210,179
Certificate of Deposits	3,190,805	-	-	3,190,805
Money Market Mutual Funds	41,994	-	41,994	-
Money market mutual funds held by bond trustee	2,190,710	-	2,190,710	-
Total	<u>\$ 30,565,910</u>	<u>\$ -</u>	<u>\$ 2,232,704</u>	<u>\$ 28,333,206</u>

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

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 was no investment in any one issuer beyond so stipulated.

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, 2024, 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)

Investment in California Asset Management Program (CAMP)

As of June 30, 2024, the City had \$17,921,769 invested in the California Asset Management Program (CAMP), in which the City is a voluntary participant. CAMP is an investment pool offered by the California Asset Management Trust (the “Trust”). The Trust is a joint powers authority and public agency created by the Declaration of Trust and established under the provisions of the California Joint Exercise of Powers Act for the purpose of exercising the common power of its Participants to invest funds. The investments are limited to investments permitted by California Government Code. The total amount invested by all public agencies in CAMP at June 30, 2024 was \$20.5 billion. A board of five trustees who are officials or employees of public agencies has oversight responsibility for CAMP. The value of the pool shares in CAMP, which may be withdrawn at any time, is determined on an amortized cost basis, which is different from the fair value of the City’s position in the pool. At June 30, 2024 the amortized cost approximated the City’s cost.

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	\$ 7,210,179	\$ 7,210,179	\$ -	\$ -
Certificate of Deposits	3,190,805	3,190,805		
Total investments measured at fair value:	\$ 10,400,984	\$ 10,400,984	\$ -	\$ -
LAIF*	10,453			
CAMP*	17,921,769			
Money Market Mutual Funds*	41,994			
Money market mutual funds held by bond trustee*	2,190,710			
	<u>\$ 30,565,910</u>			

*Not subject to fair value measurement hierarchy.

NOTE 3 - INTERFUND TRANSACTIONS

Interfund Advance Balances

Interfund advance balances as of June 30, 2024 are as follows:

Receivable Fund	Payable Fund	Amount
Safe Clean Water Program Fund	General Fund	3,515,739
Housing Successor Fund	General Fund	141,899
Nonmajor Governmental Funds	General Fund	8,270,851
Nonmajor Governmental Funds	Grants Fund	4,293,065
Nonmajor Governmental Funds	Safe Clean Water Program Fund	20,051
Nonmajor Governmental Funds	Nonmajor Governmental Funds	690,240
		\$ 16,931,845

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 repaid by one another in the normal course of business.

Interfund Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations, re-allocations of special revenues, debt service transfers to pay principal and interest payments on bonds, and other post-employment benefits. All interfund transfers between individual government funds have been eliminated on the government-wide statements. The following schedule briefly summarizes the City’s transfer activity for the fiscal year ended June 30, 2024:

Transfer-in	Transfer-out	Amount
Grants Fund	Safe Clean Water Fund	\$ 1,330,260
	Nonmajor Governmental Funds	292,820
		\$ 1,623,080

Transfer-in	Transfer-out	Amount
Nonmajor Governmental Funds	General Fund	\$ 392,835
	Nonmajor Governmental Funds	\$ 1,590,410
		\$ 1,983,245

NOTE 4 – 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.

At June 30, 2024, the lease receivable and deferred inflows of resources for the above leases were \$36,251 and \$36,964, respectively.

NOTE 5 - CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the fiscal year ended June 30, 2024 is as follows:

	Balance June 30, 2023	Addition	Deletion	Reclass	Balance June 30, 2024
Governmental Activities					
Capital assets, not depreciated/amortized					
Land	\$ 3,126,512	\$ -	\$ -	\$ -	\$ 3,126,512
Construction in Progress	1,175,848	8,491,916	(1,720)	(1,077,012)	8,589,032
Total, not depreciated/amortized	<u>4,302,360</u>	<u>8,491,916</u>	<u>(1,720)</u>	<u>(1,077,012)</u>	<u>11,715,544</u>
Capital assets, being depreciated/amortized					
Buildings and Improvements	17,639,051	256,148	-	12,400	17,907,599
Infrastructure	20,182,605	266,925	-	1,064,612	21,514,142
Vehicles	2,329,229	226,977	-	-	2,556,206
Machinery and Equipment	1,705,797	148,796	-	-	1,854,593
Leased assets - Machinery and Equipment	125,555	-	-	-	125,555
Total capital assets, being depreciated/amortized	<u>41,982,237</u>	<u>898,846</u>	<u>-</u>	<u>1,077,012</u>	<u>43,958,095</u>
Less accumulated depreciation/amortization					
Buildings and Improvements	(13,203,757)	(509,873)	-	-	(13,713,630)
Infrastructure	(12,202,968)	(816,695)	-	-	(13,019,663)
Vehicles	(1,855,794)	(65,755)	-	-	(1,921,549)
Machinery and Equipment	(972,162)	(135,354)	-	-	(1,107,516)
Leased assets - Machinery and Equipment	(67,438)	(29,740)	-	-	(97,178)
Total accumulated depreciation/amortization	<u>(28,302,119)</u>	<u>(1,557,417)</u>	<u>-</u>	<u>-</u>	<u>(29,859,536)</u>
Net capital assets, being depreciated/amortized					
Buildings and Improvements	4,435,294	(253,725)	-	12,400	4,193,969
Infrastructure	7,979,637	(549,770)	-	1,064,612	8,494,479
Vehicles	473,435	161,222	-	-	634,657
Machinery and Equipment	733,635	13,442	-	-	747,077
Leased assets - Machinery and Equipment	58,117	(29,740)	-	-	28,377
Total, depreciated/amortized	<u>13,680,118</u>	<u>(658,571)</u>	<u>-</u>	<u>1,077,012</u>	<u>14,098,559</u>
Governmental activities capital assets, net	<u>\$ 17,982,478</u>	<u>\$ 7,833,345</u>	<u>\$ (1,720)</u>	<u>\$ -</u>	<u>\$ 25,814,103</u>

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

General Government	\$ 110,945
Public Safety	19,008
Public Works	896,648
Community Development	579
Community Services	400,631
Recreation	129,605
Total depreciation/amortization expense	<u>\$ 1,557,417</u>

NOTE 6 - LONG-TERM DEBT

Long-term debt activity for the fiscal year ended June 30, 2024 is as follows:

	Balances June 30, 2023	Additions	Deletions	Balances June 30, 2024	Due Within One Year	Long Term
<u>Governmental activities:</u>						
Lease liabilities	\$ 60,698	\$ -	\$ (30,229)	\$ 30,469	\$ 15,325	15,144
Compensated absences	365,044	179,071	(91,261)	452,854	113,214	339,640
ERCDC loan payable	1,641,275	-	(118,798)	1,522,477	120,033	1,402,444
Pension bonds	9,430,516	-	(364,782)	9,065,734	376,820	8,688,914
Total	<u>\$ 11,497,533</u>	<u>\$ 179,071</u>	<u>\$ (605,070)</u>	<u>\$ 11,071,534</u>	<u>\$ 625,392</u>	<u>\$ 10,446,142</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 Statement No. 87 and, therefore have been recorded at the present value of the future minimum lease payments as of the date of their inception.

The lease 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 \$30,469 on June 30, 2024.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2025	\$ 15,325	\$ 1,523	\$ 16,848
2026	15,144	695	15,839
	<u>\$ 30,469</u>	<u>\$ 2,218</u>	<u>\$ 32,687</u>

The final maturity date is June 9, 2026. In the event of a default, the City must return the copy machine and pay as liquidated damages all amounts due under the lease plus interest from the due date until paid at the rate of 1.5% per month.

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, 2024, the outstanding balance was \$452,854. The current portion is estimated to be 25% of the outstanding balance.

NOTE 6 - LONG-TERM DEBT (CONTINUED)

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, 2024, 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	Principal	Interest	Total
<u>June 30</u>			
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	124,919	10,040	134,959
2030-2034	643,614	31,182	674,796
2035-2036	266,574	3,344	269,918
	<u>\$ 1,522,477</u>	<u>\$ 97,033</u>	<u>\$ 1,619,510</u>

The final maturity date is June 22, 2036. In the event of a default, the ERCDC may bring suit upon the City and be entitled to collect all reasonable costs and expenses of said suit and any appeal therefrom including reasonable attorney's fees.

Private Placement 2022 Lease Agreement

On July 7, 2022, the South El Monte Finance Authority (Lessor) entered into a private placement lease agreement with First Foundation Bank (Assignee) and the City (Lessee) 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:

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Fiscal Year Ending June 30	Principal	Interest	Total
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	429,077	246,912	675,989
2030-2034	2,367,358	1,012,588	3,379,946
2035-2039	2,784,618	595,329	3,379,947
2040-2042	1,901,135	126,833	2,027,968
	<u>\$ 9,065,734</u>	<u>\$ 3,102,073</u>	<u>\$ 12,167,807</u>

The final maturity date is June 1, 2042. In the event of a default, the Lessor at the direction of the Assignee, may proceed to (i) project and enforce the lease by such judicial proceedings as the Lessor or Assignee deem most effectual, (ii) take possession of the leased property and exclude the Lessee from using it until the default is cured, holding the Lessee liable for the lease payments, and (iii) take whatever actions at law or in equity appear necessary of desirable to enforce its rights as the owner of the leased property, including termination of the lease and repossession, reletting, or sale of leased property.

NOTE 7 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Deficit Fund Balance

At June 30, 2024, the following governmental funds had deficit balances: Grants Fund \$(1,140,686), DOE Fund \$(466,374), Homeless Initiative Fund \$(22,614), CDBG Fund \$(171,046), HSIP Fund \$(17,887), and PLHA Fund \$(10,115). These deficits are expected to be remedied with future revenues.

Expenditures in Excess of Appropriations

Expenditures for the fiscal year ended June 30, 2024, exceeded appropriations in the following funds and functions:

NOTE 7 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Fund Name	Appropriations	Expenditures	Excess Over Appropriations
Major governmental funds			
General Fund			
General government	\$ 4,846,401	\$ 5,504,317	\$ (657,916)
Public Safety	6,886,696	6,908,827	(22,131)
Community Development	2,300,489	2,447,566	(147,077)
Public Works	4,140,174	4,507,074	(366,900)
Community services programs	2,470,458	3,026,663	(556,205)
Debt service:			
Principal	364,782	483,580	(118,798)
Interest	305,189	327,368	(22,179)
Grants Fund			
Public works	107,495	257,351	(149,856)
Capital outlay	2,192,362	6,662,798	(4,470,436)
Safe Clean Water Program Fund			
Public works	84,800	95,881	(11,081)
Nonmajor governmental funds			
Gas Tax Fund			
Public works	475,944	475,965	(21)
Road Maintenance and Rehabilitation Fund			
Capital outlay	-	22,924	(22,924)
In Lieu Fees Fund			
Community services programs	-	9,361	(9,361)
DOE Grant			
Public works	-	4,763	(4,763)
Capital outlay	804,219	1,367,228	(563,009)
Beverage Container Recycle			
Community development	6,160	6,722	(562)
Measure M Local Return Fund			
Public works	-	16,196	(16,196)
Prop C Local Return Fund			
Public works	4,500	14,004	(9,504)
Community Development Block Grant			
Capital outlay	-	17,284	(17,284)
HSIP Fund			
Public works	-	11,540	(11,540)
Transportation Development Act Fund			
Public works	-	33,000	(33,000)
Measure R Local Return Fund			
Public works	4,500	57,909	(53,409)
Sewer Assessment Fund			
Public works	-	1,750	(1,750)
Total	<u>\$ 24,994,169</u>	<u>\$ 32,260,069</u>	<u>\$ (7,265,900)</u>

NOTE 8 - 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, 2023, are summarized as follows:

	Miscellaneous		
	Tier I Prior to January 1, 2013	Tier II On or After January 1, 2013	Tier III - PEPR On or After January 1, 2013
Hire date	January 1, 2013	January 1, 2013	January 1, 2013
Benefit formula	2.5%@55	2%@60	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.092% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8%	7%	6.75%
Required employer contribution rates:			
Normal cost rate	14.06%	10.66%	7.68%
Payment of unfunded liability	\$ -	\$ -	\$ -

NOTE 8 - 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, 2024, the City reported a net pension liability for its proportionate share of the net pension liability of all Plans of \$1,625,258. The net pension liability of the Plan is measured as of June 30, 2023, 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, 2022 rolled forward to June 30, 2023 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, 2023 and 2022 measurement dates were 0.03250% and 0.21933%, respectively. This accounted for a decrease of 0.18683% from the previous fiscal year.

For the fiscal year ended June 30, 2024, the City recognized a reduction in pension expense of \$9,077,779. At June 30, 2024, 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	\$ 98,124	\$ -
Differences between Expected and Actual Experience	83,027	(12,879)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	263,144	-
Differences between Actual Contributions vs. Proportionate Share of Contributions	6,251,436	(154,589)
Change in Employer Proportion	-	(5,058,556)
Pension Contributions Made Subsequent to the Measurement Date	409,162	-
	\$ 7,104,893	\$ (5,226,024)

NOTE 8 - PENSION PLAN (CONTINUED)

Contributions (Continued)

\$409,162 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, 2025. 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	\$ 341,053
2025	454,829
2026	666,275
2027	7,551
2028	-
Remaining	-
	\$ 1,469,708

Actuarial Assumptions

For the measurement period ended June 30, 2023 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2022 total pension liability determined in the June 30, 2022 actuarial accounting valuation. The June 30, 2022 total pension liability was based on the following actuarial methods and assumptions:

GASB 68 Accounting Valuation Report from GovInvest

Valuation date	June 30, 2022
Measurement date	June 30, 2023
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 ⁽¹⁾	Derived using CalPERS' Membership Data for all Funds

¹ CalPERS developed the mortality table used based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale MP-2016. For more details on this table, please refer to the 2021 experience study report.

All other actuarial assumptions used in the June 30, 2023 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 8 - 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%
Morrage-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%
	<u>100.00%</u>	

(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 8 - PENSION PLAN (CONTINUED)

Sensitivity 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	\$6,473,632	\$1,625,258	(\$2,365,370)

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, 2024, the City reported no payables due to the pension plan, for outstanding contributions required for the fiscal year ended June 30, 2024.

NOTE 9 - 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.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Benefits Provided (Continued)

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

<u>Retiree Medical Benefits</u>	
Eligibility	If hired before January 1, 2013: Age 50 & 5 years of CalPERS service. If hired on or 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 - \$151/month for 2023 and \$157/month for 2024.
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, 2023 (the census date), the benefit terms covered the following employees:

<u>Category</u>	<u>Count</u>
Inactive employees, spouses, or beneficiaries currently receiving benefit payments	9
Inactive employees entitled to but not yet receiving benefit payments	-
Active employees	55
Total	<u>64</u>

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	0.28% for 19 years, 2.04% thereafter.
Reporting period contributions	\$37,152 (Include implicit subsidy credit.)

Net OPEB Asset

The City's net OPEB liability (asset) was valued as of June 30, 2023, and was used to calculate the net OPEB liability (asset) measured as of June 30, 2023.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions

The total OPEB liability (asset) in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement Date:	June 30, 2023
Discount rate	6.30%
Investment Rate of Return	6.30%
Inflation	2.30%
Healthcare cost trend rates	
Pre-Medicare	7.40%*
Medicare	4.20%*
Salary Increases	2.80%**
Mortality rates	Based on CalPERS' tables

**Trending down to 4.14% over 52 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.

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 is 6.30%.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Long-Term Expected Real Rate of Return

The long-term expected rate of return is determined using the long-term rates of return developed by PFM Asset Management for financial reporting after June 30, 2023.

<u>Asset Class</u>	<u>Moderate</u>
Domestic Equity	39.0%
International Developed Equity	6.0%
Emerging Markets Equity	3.3%
REITs	1.8%
Short-Term Bonds	10.0%
Core Fixed Income	33.5%
High Yield	1.5%
Cash	5.0%
Total	<u>100%</u>
<u>Intermediate-Term (5 Years)</u>	
Expected Return	7.0%
Standard Deviation	8.3%
Return / Standard Deviation	0.84
<u>Long-Term (30 Years)</u>	
Expected Return	6.3%
Standard Deviation	8.3%
Return / Standard Deviation	0.76
 Expected Compound Return	 6.30%

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability (Asset)

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance as of Report Date June 30, 2023	\$ 1,304,026	\$ 1,928,082	\$ (624,056)
Changes for the Fiscal Year:			
Service Cost	76,494		76,494
Interest	85,121		85,121
Changes of Benefit Terms			
Differences Between Expected and Actual Experience	198,522		198,522
Changes of Assumptions	(429,256)		(429,256)
Contributions			
Employer - City's Contributions		13,808	(13,808)
Employer - Implicit Subsidy		23,344	(23,344)
Net Investment Income		109,926	(109,926)
Benefit Payments	(13,808)	(13,808)	
Implicit Subsidy Credit	(23,344)	(23,344)	
Administrative Expense		(9,767)	9,767
Other Miscellaneous Income/(Expense)			
Net Changes	<u>(106,271)</u>	<u>100,159</u>	<u>(206,430)</u>
Balance as of Report Date June 30, 2024	<u>\$ 1,197,755</u>	<u>\$ 2,028,241</u>	<u>\$ (830,486)</u>

Sensitivity of Liabilities (Assets) to Changes in the Discount Rate and Healthcare Cost Trend Rate

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 (asset) would be if they were calculated using a discount rate that is one percentage point lower (5.30%) or one percentage point higher (7.30%) follows:

	1% Decrease 5.30%	Discount Rate 6.30%	1% Increase 7.30%
Net OPEB Liability (Asset)	\$ (689,428)	\$ (830,486)	\$ (950,476)
Increase (Decrease)	141,058		(119,990)
% Change	-17.0%		14.4%

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of Liabilities (Assets) to Changes in the Discount Rate and Healthcare Cost Trend Rate (Continued)

Sensitivity of the total OPEB liability (asset) to changes in the healthcare cost trend rates. The healthcare trend for this valuation started at 7.40% and decreased to 4.14% over 52 years. The total OPEB liability (asset) of the City, as well as what the City's total OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.40%) or one percentage point higher (8.40%) than current healthcare cost trend rates follows:

	1% Decrease 6.40%	Discount Rate 7.40%	1% Increase 8.40%
Net OPEB Liability (Asset)	\$ (890,714)	\$ (830,486)	\$ (761,207)
Increase (Decrease)	(60,228)		69,279
% Change	7.3%		-8.3%

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

For the fiscal year ended June 30, 2024, the City recognized an OPEB expense of \$(73,136). 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 Actual and Expected Experience	\$ 179,248	\$ (271,572)
Changes of Assumptions	111,752	(885,965)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	8,219	-
Contributions Subsequent to the Measurement Date	44,613	-
Total	\$ 343,832	\$ (1,157,537)

\$44,613 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2025. 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
2025	\$ (129,948)
2026	(129,948)
2027	(129,948)
2028	(129,949)
2029	(126,336)
Remaining	(212,189)

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

OPEB Expense and Deferred Inflows and Outflows of Resources Related to OPEB (Continued)

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.

EARSL: 10.3 years

Payable to the OPEB Plan

At June 30, 2024, the City reported no payables due to the OPEB plan, for outstanding contributions required for the fiscal year ended June 30, 2024.

NOTE 10 – INSURANCE

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of South El Monte is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 126 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 California JPIA 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 10 - INSURANCE (CONTINUED)

Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. 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.

For 2023-24 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 of South El Monte 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 of South El Monte participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of South El Monte property is currently insured according to a schedule of covered property submitted by the City of South El Monte to the Authority. City of South El Monte property currently has all-risk property insurance

NOTE 10 - INSURANCE (CONTINUED)

Purchased Insurance (Continued)

protection in the amount of \$36,579,474. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Earthquake and Flood Insurance - The City of South El Monte 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. City of South El Monte property currently has earthquake protection in the amount of \$24,285,371. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance - The City of South El Monte 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 2023-24.

NOTE 11 - 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.

Although the City is not aware of any grants that has been awarded to become disallowed, ongoing major grant funded capital improvement projects are as follows:

- U.S. Department of Housing and Urban Development, Community Development Block Grant, City Hall Restrooms Projects.
- U.S. Department of Transportation, Highway Safety Improvement Program, Lee/Garvey/Durfee/Peck Project.
- U.S. Department of Transportation, Highway Safety Improvement Program, South El Monte Systemic Safety Improvement.
- U.S. Department of Transportation, Measure M Competitive Funds, Civic Center Interjurisdictional Bike Lane Project
- US Department of Housing and Urban Development, Economic Development Initiative, Community Project Funding, and Miscellaneous Grants, Merced Avenue Greenway Implementation Project Phase II.

NOTE 11 - CONTINGENCIES AND COMMITMENTS (CONTINUED)

Under California Government Code Section 51301, the City has the authority to contract with the County for public safety services. Currently, 42 cities contract with the County of Los Angeles Sheriff's Department, representing almost half of the 88 Los Angeles cities. Under the contract, the Sheriff serves as the Chief of Police of the City and performs those functions at the direction of the City. On July 9, 2024, the City adopted Resolution No. 24-198, approving a five-year municipal law enforcement services agreement with the County of Los Angeles for the period July 1, 2024 through June 30, 2029, for public services provided by the Los Angeles County Sheriff's Department and authorizing the City Manager to procure services up to an amount authorized in the City's operating budget.

NOTE 12 - SUCCESSOR AGENCY TO THE SOUTH EL MONTE BUSINESS IMPROVEMENT DISTRICT DISCLOSURES

The assets and liabilities of the South El Monte 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, 2024 were as follows:

	Balance 6/30/2023	Additions	Deductions	Balance 6/30/2024	Due Within One Year
Fiduciary Activities					
2014 Series A	\$ 6,950,000	\$ -	\$ -	\$ 6,950,000	\$ -
2014 Series A Discount	(52,416)	-	14,976	(37,440)	(14,976)
2015 Series A	8,715,000	-	(50,000)	8,665,000	50,000
2015 Series A Premium	164,609	-	(15,620)	148,989	15,620
2015 Series B	2,650,000	-	(625,000)	2,025,000	650,000
2015 Series B Discount	(14,092)	-	6,317	(7,775)	(6,317)
2019 Series A	3,530,000	-	(675,000)	2,855,000	690,000
2019 Deferred Amount on Refunding	(16,886)	-	3,753	(13,133)	(3,753)
	<u>\$21,926,215</u>	<u>\$ -</u>	<u>\$(1,340,574)</u>	<u>\$20,585,641</u>	<u>\$1,380,574</u>

2014A Tax Allocation Refunding Bonds

On July 2, 2014, the Successor Agency to the South El Monte Business 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.

NOTE 12 - SUCCESSOR AGENCY TO THE SOUTH EL MONTE BUSINESS IMPROVEMENT DISTRICT DISCLOSURES (CONTINUED)

Long-term Liabilities (Continued)

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			
Fiscal Year	Principal	Interest	Total
Ending June 30,	Principal	Interest	Total
2025	\$ -	\$ 265,488	\$ 265,488
2026	-	265,488	265,488
2027	-	265,488	265,488
2028	-	265,488	265,488
2029	600,000	255,737	855,737
2030-2034	3,335,000	934,668	4,269,668
2035-2037	3,015,000	210,500	3,225,500
	\$ 6,950,000	\$ 2,462,857	\$ 9,412,857

Interest on the outstanding bonds ranges between 3.250% and 4.130%, with the final maturity on August 1, 2036.

Concurrently with the issuance of the 2014 Bonds, Assured Guaranty Municipal Corp. issued a Bond Insurance Policy, which guarantees the scheduled payment of principal of and interest on the 2014 Bonds.

2015 Tax Allocation Refunding Bonds, Series A and B

On May 13, 2015, the Successor Agency to the South El Monte Business 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.

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:

NOTE 12 - SUCCESSOR AGENCY TO THE SOUTH EL MONTE BUSINESS IMPROVEMENT DISTRICT DISCLOSURES (CONTINUED)

Long-term Liabilities (Continued)

2015 Series A			
Fiscal Year			
Ending June 30,	Principal	Interest	Total
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	840,000	315,725	1,155,725
2030-2034	4,670,000	1,086,462	5,756,462
2035-2036	2,180,000	110,250	2,290,250
	\$8,665,000	\$2,926,656	\$11,591,656

Interest on the outstanding bonds ranges between 2.625% and 3.800%, with the final maturity on August 1, 2035.

2015 Series B			
Fiscal Year			
Ending June 30,	Principal	Interest	Total
2025	\$ 650,000	\$ 67,187	\$ 717,187
2026	675,000	41,500	716,500
2027	700,000	14,000	714,000
	\$2,025,000	\$122,687	\$2,147,687

Interest on the outstanding bonds ranges between 3.750% and 4.000%, with the final maturity on August 1, 2026.

Concurrently with the issuance of the 2015 Bonds, Assured Guaranty Municipal Corp. issued a Bond Insurance Policy, which guarantees the scheduled payment of principal of and interest on the 2015 Bonds.

2019 Subordinate Taxable Tax Allocation Refunding Bonds

On September 26, 2019, the Successor Agency to the South El Monte Business 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.

NOTE 12 - SUCCESSOR AGENCY TO THE SOUTH EL MONTE BUSINESS IMPROVEMENT DISTRICT DISCLOSURES (CONTINUED)

Long-term Liabilities (Continued)

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			
Fiscal Year			
<u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>\$2,855,000</u>	<u>\$ 139,863</u>	<u>\$2,994,863</u>

Interest on the outstanding bonds ranges between 2.200% and 2.500%, with the final maturity on August 1, 2027.

Concurrently with the issuance of the 2019 Bonds, Assured Guaranty Municipal Corp. issued a Bond Insurance Policy, which guarantees the scheduled payment of principal of and interest on the 2019 Bonds.

NOTE 13 – RESTATEMENT OF NET POSITION AND FUND BALANCES

During the current fiscal year, the City recorded restatements to properly record fund balances in the General Fund, Grants Fund, Safe Clean Water Program Fund, Housing Successor Fund, and Nonmajor Governmental Funds. The restatement of restricted cash and investments was recorded to eliminate restricted cash and investment held by a Section 115 OPEB Trust. The restatement of loan receivables was recorded to record allowance for all loan receivables deemed to be forgivable within 30 years. The restatements of accounts payables and accrued expenses were recorded to properly reflect correct outstanding balances at fiscal year-end.

Government-Wide

Fund	Net position as previously stated	Restatement of cash and investments	Restatement of loan receivables	Restatement of payables and accrued expenses	Net position as restated
Governmental Activities	\$ 43,704,512	\$ (1,928,082)	\$ (2,136,601)	\$ 614,664	\$ 40,254,493

Governmental Fund

Fund	Fund balance as previously stated	Restatement of cash and investments	Restatement of loan receivables	Restatement of payables and accrued expenses	Fund balance as restated
General Fund	\$ 17,627,530	\$ (1,928,082)	\$ -	\$ 588,312	\$ 16,287,760
Grants Fund	(219,964)	-	-	14,855	(205,109)
Safe Clean Water Program Fund	4,337,609	-	-	-	4,337,609
Housing Successor Fund	439,340	-	(211,270)	-	228,070
Nonmajor Governmental Funds					
State Deferred Loan Program	20,203	-	-	11,500	31,703
CalHOME Grant Fund	1,746,906	-	(1,711,131)	-	35,775
Begin Program Fund	214,200	-	(214,200)	-	-
Other Nonmajor Governmental Funds	11,526,831	-	-	-	11,526,831
	13,508,140	-	(1,925,331)	11,500	11,594,309
Total governmental funds	<u>\$ 35,692,655</u>	<u>\$ (1,928,082)</u>	<u>\$ (2,136,601)</u>	<u>\$ 614,667</u>	<u>\$ 32,242,639</u>

NOTE 14 - SUBSEQUENT EVENTS

In November 2024, the voters of the City of South El Monte passed Measure SEM, a quarter percent sales tax measure, expected to generate approximately \$1.6 million annually starting April 1, 2025.

In February 2025, the City received \$468,421 from FEMA, through CalOES, to reimburse the City for costs incurred to respond to the COVID Pandemic between March 2020 through December 2021.

REQUIRED SUPPLEMENTARY

INFORMATION (UNAUDITED)

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of the Proportionate Share of Net Pension Liability and Contributions
For the Fiscal Year Ended June 30, 2024

Fiscal Year Ended	Last 10 Year									
	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	June 30, 2024
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	June 30, 2023
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%	0.01303%
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	\$ 1,625,258
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	\$ 3,359,837
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%	48.37%
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%	95.47%
Plan's proportionate share of aggregate employer contributions	\$ 512,700	\$ 639,714	\$ 670,946	\$ 755,365	\$ 813,902	\$ 913,613	\$ 989,023	\$ 1,038,407	\$ 1,246,839	\$ 1,422,725

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of the Proportionate Share of the Net Pension Liability and Contributions (Continued)
For the Fiscal Year Ended June 30, 2024

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	June 30, 2024
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	June 30, 2023
Actuarially determined contribution	\$ 422,541	\$ 473,701	\$ 643,085	\$ 511,152	\$ 572,837	\$ 673,881	\$ 776,018	\$ 875,540	\$ 977,443	\$ 1,063,680
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	9,906,816
Contribution deficiency (excess)	\$ -	\$ -	\$ (2,623)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,843,136)
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	3,359,837
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%	294.86%

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of Changes in the Total OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2024

Fiscal Year Ended	Last 10 Years*									
	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024			
Measurement period	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024		
Total beginning OPEB liability	\$ 1,488,214	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082	\$ 1,191,974	\$ 1,304,026			
Changes for the year:										
Service cost	75,958	78,142	70,946	133,079	158,457	74,447	76,494			
Interest	54,928	58,076	67,155	53,995	50,660	78,281	85,121			
Difference between expected and actual experience	-	(7,307)	(290,662)	(4,504)	(174,289)	(10,804)	198,522			
Changes in assumptions	-	153,632	13,089	177,995	(733,419)	(1,983)	(429,256)			
Employer contributions	-	-	-	-	-	-	-			
Employer benefit payments	(12,162)	(15,424)	(15,986)	(12,372)	(12,134)	(12,198)	(13,808)			
Implicit subsidy credit	(30,311)	(31,390)	(40,380)	(36,629)	(25,383)	(15,691)	(23,344)			
Net changes	88,413	235,729	(195,838)	311,564	(736,108)	112,052	(106,271)			
Total ending OPEB liability (a)	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082	\$ 1,191,974	\$ 1,304,026	\$ 1,197,755			
Total beginning plan fiduciary net position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,928,082			
Changes for the year:										
Net investment income	-	-	-	-	-	-	-			
Employer contributions	12,162	15,424	15,986	12,372	12,134	1,940,280	13,808			
Employer implicit subsidy	30,311	31,390	40,380	36,629	25,383	15,691	23,344			
Benefit payments	(12,162)	(15,424)	(15,986)	(12,372)	(12,134)	(12,198)	(13,808)			
Implicit subsidy credit	(30,311)	(31,390)	(40,380)	(36,629)	(25,383)	(15,691)	(23,344)			
Administrative expense	-	-	-	-	-	-	(9,767)			
Net changes	-	-	-	-	-	1,928,082	100,159			
Total ending plan fiduciary net position (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,928,082	\$ 2,028,241			
Net ending OPEB liability (a) - (b)	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082	\$ 1,191,974	\$ (624,056)	\$ (830,486)			
Covered payroll	\$ 1,992,079	\$ 2,046,861	\$ 2,783,335	\$ 2,991,252	\$ 2,944,722	\$ 3,155,304	\$ 3,243,653			
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	147.9%	169.3%			
Net OPEB asset as a percentage of covered payroll	79.1%	88.5%	58.1%	64.5%	40.5%	-19.8%	-25.6%			

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

City of South El Monte
Required Supplementary Information (Unaudited)
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - General Fund
June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES:				
Taxes	\$ 17,555,784	\$ 17,555,784	\$ 17,981,621	\$ 425,837
Licenses and permits	2,561,587	2,561,587	4,596,948	2,035,361
Fines and forfeitures	183,110	183,110	42,490	(140,620)
Use of money and property	452,020	452,020	1,169,263	717,243
Charges for services	431,900	431,900	323,348	(108,552)
Intergovernmental	946,300	946,300	1,382,810	436,510
Other revenues	3,121	3,121	59,970	56,849
TOTAL REVENUES	22,133,822	22,133,822	25,556,450	3,422,628
EXPENDITURES:				
Current:				
General government	4,841,401	4,846,401	5,504,317	(657,916)
Public safety	6,886,696	6,886,696	6,908,827	(22,131)
Community development	2,300,489	2,300,489	2,447,566	(147,077)
Public works	4,140,174	4,140,174	4,507,074	(366,900)
Community services programs	2,470,458	2,470,458	3,026,663	(556,205)
Capital outlay	1,094,000	1,094,000	869,446	224,554
Debt service:				
Principal	364,782	364,782	483,580	(118,798)
Interest	305,189	305,189	327,368	(22,179)
TOTAL EXPENDITURES	22,403,189	22,408,189	24,074,841	(1,666,652)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(269,367)	(274,367)	1,481,609	1,755,976
OTHER FINANCING SOURCES (USES):				
Transfers in	1,134,234	1,134,234	-	(1,134,234)
Transfers out	-	-	(392,835)	(392,835)
TOTAL OTHER FINANCING SOURCES (USES)	1,134,234	1,134,234	(392,835)	(1,527,069)
NET CHANGE IN FUND BALANCE	864,867	859,867	1,088,774	228,907
FUND BALANCES - BEGINNING OF FISCAL YEAR				
	17,627,530	17,627,530	17,627,530	-
Restatement	(1,339,770)	(1,339,770)	(1,339,770)	-
FUND BALANCES - BEGINNING OF FISCAL YEAR, AS RESTATED	16,287,760	16,287,760	16,287,760	-
FUND BALANCES - END OF FISCAL YEAR	\$ 17,152,627	\$ 17,147,627	\$ 17,376,534	\$ 228,907

See note to required supplementary information.

City of South El Monte
Required Supplementary Information (Unaudited)
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Grants Fund
June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,254,678	\$ 1,254,678	\$ 4,361,492	\$ 3,106,814
TOTAL REVENUES	1,254,678	1,254,678	4,361,492	3,106,814
EXPENDITURES:				
Current:				
Public works	107,495	107,495	257,351	(149,856)
Capital outlay	2,192,362	2,192,362	6,662,798	(4,470,436)
TOTAL EXPENDITURES	2,299,857	2,299,857	6,920,149	(4,620,292)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,045,179)	(1,045,179)	(2,558,657)	(1,513,478)
OTHER FINANCING SOURCES (USES):				
Transfers in	1,045,179	1,045,179	1,623,080	577,901
TOTAL OTHER FINANCING SOURCES (USES)	1,045,179	1,045,179	1,623,080	577,901
NET CHANGE IN FUND BALANCE	-	-	(935,577)	(935,577)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR				
Restatement	(219,964)	(219,964)	(219,964)	-
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	14,855	14,855	14,855	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	(205,109)	(205,109)	(205,109)	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ (205,109)	\$ (205,109)	\$ (1,140,686)	\$ (935,577)

See note to required supplementary information.

City of South El Monte
Required Supplementary Information (Unaudited)
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Safe Clean Water Program Fund
June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 137,547	\$ 137,547
Intergovernmental	459,000	459,000	446,673	(12,327)
TOTAL REVENUES	459,000	459,000	584,220	125,220
EXPENDITURES:				
Current:				
Public works	84,800	84,800	95,881	(11,081)
TOTAL EXPENDITURES	84,800	84,800	95,881	(11,081)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	374,200	374,200	488,339	114,139
OTHER FINANCING SOURCES (USES):				
Transfers in	24,982	24,982	-	(24,982)
Transfers out	-	-	(1,330,260)	(1,330,260)
TOTAL OTHER FINANCING SOURCES (USES)	24,982	24,982	(1,330,260)	(1,355,242)
NET CHANGE IN FUND BALANCE	399,182	399,182	(841,921)	(1,241,103)
FUND BALANCES - BEGINNING OF FISCAL YEAR	4,337,609	4,337,609	4,337,609	-
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 4,736,791</u>	<u>\$ 4,736,791</u>	<u>\$ 3,495,688</u>	<u>\$ (1,241,103)</u>

See note to required supplementary information.

City of South El Monte
Required Supplementary Information (Unaudited)
Statement of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Housing Successor Fund
June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 4,147	\$ 4,147
TOTAL REVENUES	-	-	4,147	4,147
EXPENDITURES:				
Current:				
Community services programs	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	4,147	4,147
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	4,147	4,147
FUND BALANCES - BEGINNING OF FISCAL YEAR	439,340	439,340	439,340	
Restatement	(211,270)	(211,270)	(211,270)	-
FUND BALANCES - BEGINNING OF FISCAL YEAR, AS RESTATED	228,070	228,070	228,070	-
FUND BALANCES - END OF FISCAL YEAR	\$ 228,070	\$ 228,070	\$ 232,217	\$ 4,147

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.

Per resolution 20-44 adopted on May 12, 2020, section 2 (A-C):

A. General Fund Reserves – The City shall maintain General Fund Reserves (Unassigned Fund Balance) at a minimum of 25% and a maximum of 100% of General Fund expenditures. The minimum reserve level corresponds to the approximate value of three months of operating expenditures.

B. Annual Budget Adoption – The annual budget shall be adopted by the City Council by June 30 of each fiscal year and include proposed expenditures and the means of financing them for all active funds. The annual budget shall provide for the general operations of the City and, as appropriate, its near-term and long-term goals and objectives. To the best of the City’s abilities, recurring revenues shall be applied towards recurring expenditures and non-recurring revenues will be applied toward non-recurring expenditures.

C. Appropriations and Budget Authority – The City Council shall approve the budget and any amendments to it throughout the fiscal year. The adopted expenditures budget, or “appropriations”, shall include transfers out as needed. Actual expenditures shall not exceed appropriations at the fund level. The City Manager is authorized to make budget allocations within funds. Only City Council is authorized to amend the budget at the fund level.

SUPPLEMENTARY

INFORMATION

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 DOE Fund was historically used to account for unusual and infrequent grants not tracked in any other special revenue funds. This was previously named as Miscellaneous Grant Fund.
- **State COPS Grant Fund** – The State Community Oriented Policing Services (COPS) Fund account is for AB3999 funds for law enforcement.

Special Revenue Funds (Continued)

- 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.
- 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.

Special Revenue Funds (Continued)

- 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 recycle the funds returned from the CalHome Grant programs.
- Begin Reuse Fund – The Begin Reuse Fund is used to recycle the funds returned from the City’s Begin Program.
- Federal Grants Fund – This fund is used to account for federal grants not accounted in other special revenue funds.

Capital Projects Fund

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

City of South El Monte
 Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2024

	Special Revenue Funds						
	Gas Tax Fund	Older American Act Fund	RMIRA Fund	Rosemead Maintenance District	Hayward Maintenance District	Air Quality Management District	
ASSETS							
Cash and investments	\$ -	\$ 5,029	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:							
Intergovernmental	45,870	25,508	87,885	140	7	-	-
Advances to other funds	-	-	771,317	13,503	24,619	65,731	-
TOTAL ASSETS	<u>\$ 45,870</u>	<u>\$ 30,537</u>	<u>\$ 859,202</u>	<u>\$ 13,643</u>	<u>\$ 24,626</u>	<u>\$ 65,731</u>	<u>\$ 65,731</u>
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advances from other funds	45,870	30,537	-	-	-	-	-
TOTAL LIABILITIES	<u>45,870</u>	<u>30,537</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES:							
Restricted	-	-	859,202	13,643	24,626	65,731	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>-</u>	<u>-</u>	<u>859,202</u>	<u>13,643</u>	<u>24,626</u>	<u>65,731</u>	<u>65,731</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 45,870</u>	<u>\$ 30,537</u>	<u>\$ 859,202</u>	<u>\$ 13,643</u>	<u>\$ 24,626</u>	<u>\$ 65,731</u>	<u>\$ 65,731</u>

(Continued)

City of South El Monte
 Combining Balance Sheet
 Nonmajor Governmental Funds (Continued)
 June 30, 2024

	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	
ASSETS							
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:							
Intergovernmental	-	-	-	-	-	-	-
Advances to other funds	90,946	457,302	-	675,007	2,392	22,188	
TOTAL ASSETS	<u>\$ 90,946</u>	<u>\$ 457,302</u>	<u>\$ -</u>	<u>\$ 675,007</u>	<u>\$ 2,392</u>	<u>\$ 22,188</u>	
LIABILITIES AND FUND BALANCES							
LIABILITIES:							
Accounts payable and accrued expenses	\$ -	\$ -	\$ 56,316	\$ -	\$ -	\$ -	\$ -
Advances from other funds	-	-	410,058	-	-	-	-
TOTAL LIABILITIES	-	-	466,374	-	-	-	-
FUND BALANCES:							
Restricted	90,946	457,302	-	675,007	2,392	22,188	
Unassigned	-	-	(466,374)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>90,946</u>	<u>457,302</u>	<u>(466,374)</u>	<u>675,007</u>	<u>2,392</u>	<u>22,188</u>	
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 90,946</u>	<u>\$ 457,302</u>	<u>\$ -</u>	<u>\$ 675,007</u>	<u>\$ 2,392</u>	<u>\$ 22,188</u>	(Continued)

City of South El Monte
 Combining Balance Sheet
 Nonmajor Governmental Funds (Continued)
 June 30, 2024

	Special Revenue Funds					
	Homelessness Initiative Fund	Measure M Local Return Fund	Prop C Local Return Fund	CDBG Fund	HSIP Fund	Prop A Park Bond Grant Fund
ASSETS						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:						
Intergovernmental	-	28,977	33,979	-	-	-
Advances to other funds	-	1,535,176	1,951,339	-	-	18,085
TOTAL ASSETS	\$ -	\$ 1,564,153	\$ 1,985,318	\$ -	\$ -	\$ 18,085
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ 17,887	\$ -
Advances from other funds	22,614	-	-	171,046	-	-
TOTAL LIABILITIES	22,614	-	-	171,046	17,887	-
FUND BALANCES:						
Restricted	-	1,564,153	1,985,318	-	-	18,085
Unassigned	(22,614)	-	-	(171,046)	(17,887)	-
TOTAL FUND BALANCES (DEFICITS)	(22,614)	1,564,153	1,985,318	(171,046)	(17,887)	18,085
TOTAL LIABILITIES AND FUND BALANCES						
\$ -	\$ 1,564,153	\$ 1,985,318	\$ -	\$ -	\$ -	\$ 18,085

(Continued)

City of South El Monte
 Combining Balance Sheet
 Nonmajor Governmental Funds (Continued)
 June 30, 2024

	Special Revenue Funds					
	TDA Fund	Prop A Local Return Fund	Measure R Local Return Fund	Sewer Assessment Fund	State Deferred Loan Program Fund	CalHOME Grant Fund
ASSETS						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:						
Intergovernmental	-	-	25,559	318	-	-
Advances to other funds	-	1,392,857	1,464,144	3,967,033	32,673	36,870
TOTAL ASSETS	<u>\$ -</u>	<u>\$ 1,392,857</u>	<u>\$ 1,489,703</u>	<u>\$ 3,967,351</u>	<u>\$ 32,673</u>	<u>\$ 36,870</u>
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advances from other funds	-	-	-	-	-	-
TOTAL LIABILITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND BALANCES:						
Restricted	-	1,392,857	1,489,703	3,967,351	32,673	36,870
Unassigned	-	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	<u>\$ -</u>	<u>\$ 1,392,857</u>	<u>\$ 1,489,703</u>	<u>\$ 3,967,351</u>	<u>\$ 32,673</u>	<u>\$ 36,870</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ 1,392,857</u>	<u>\$ 1,489,703</u>	<u>\$ 3,967,351</u>	<u>\$ 32,673</u>	<u>\$ 36,870</u>

(Continued)

City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2024

	Special Revenue Funds				Capital Projects Fund	
	Begin Program Fund	PLHA Fund	CalHOME Reuse Fund	Begin Reuse Fund	Federal Grants Fund	Capital Improvement Fund
ASSETS						
Cash and investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Receivables:						
Intergovernmental	-	-	689,061	-	-	-
Advances to other funds	-	-	-	63,964	-	-
TOTAL ASSETS	\$ -	\$ -	\$ 689,061	\$ 63,964	\$ -	\$ -
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advances from other funds	-	10,115	-	-	-	-
TOTAL LIABILITIES	-	10,115	-	-	-	-
FUND BALANCES:						
Restricted	-	-	689,061	63,964	-	-
Unassigned	-	(10,115)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	-	(10,115)	689,061	63,964	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ 689,061	\$ 63,964	\$ -	\$ -

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2024**

	Total Non-Major Governmental Funds
ASSETS	
Cash and investments	\$ 5,029
Receivables:	
Intergovernmental	248,243
Advances to other funds	13,274,207
TOTAL ASSETS	\$ 13,527,479
LIABILITIES AND FUND BALANCES	
LIABILITIES:	
Accounts payable and accrued expenses	74,203
Advances from other funds	690,240
TOTAL LIABILITIES	764,443
FUND BALANCES:	
Restricted	13,451,072
Unassigned	(688,036)
TOTAL FUND BALANCES (DEFICITS)	12,763,036
TOTAL LIABILITIES AND FUND BALANCES	\$ 13,527,479 (Concluded)

City of South El Monte
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds						
	Gas Tax Fund	Older American Act Fund	RMRA Fund	Rosemead Maintenance District	Hayward Maintenance District	Air Quality Management District	
REVENUES:							
Taxes	\$ -	\$ -	\$ -	\$ 1,285	\$ 66	\$ -	
Use of money and property	-	-	46,092	380	730	2,091	
Charges for services	-	-	-	-	-	-	
Special assessments	-	-	-	-	-	-	
Intergovernmental	532,941	323,807	541,799	-	-	19,630	
Other revenues	-	-	-	-	-	-	
TOTAL REVENUES	532,941	323,807	587,891	1,665	796	21,721	
EXPENDITURES:							
Current:							
Community development	-	-	-	-	-	-	
Public works	475,965	-	-	-	-	-	
Community services programs	-	263,814	-	-	-	-	
Capital outlay	-	-	22,924	-	-	-	35,600
TOTAL EXPENDITURES	475,965	263,814	22,924	-	-	-	35,600
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	56,976	59,993	564,967	1,665	796	(13,879)	
OTHER FINANCING SOURCES (USES):							
Transfers in	70,671	91,391	-	-	-	-	
Transfers out	-	-	(991,814)	-	-	-	
TOTAL OTHER FINANCING SOURCES (USES)	70,671	91,391	(991,814)	-	-	-	-
NET CHANGE IN FUND BALANCE	127,647	151,384	(426,847)	1,665	796	(13,879)	
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	(127,647)	(151,384)	1,286,049	11,978	23,830	79,610	
Restatements	-	-	-	-	-	-	
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	(127,647)	(151,384)	1,286,049	11,978	23,830	79,610	
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ -	\$ -	\$ 859,202	\$ 13,643	\$ 24,626	\$ 65,731	(Continued)

City of South El Monte
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	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	
REVENUES:							
Taxes	-	-	-	-	-	-	-
Use of money and property	2,656	13,720	-	17,282	-	-	759
Charges for services	-	-	-	-	-	-	-
Special assessments	-	-	-	186,159	10,230	-	-
Intergovernmental	-	-	-	-	-	-	-
Other revenues	8,522	-	-	-	-	-	-
TOTAL REVENUES	11,178	13,720	-	203,441	10,230	-	759
EXPENDITURES:							
Current:							
Community development	-	-	-	-	-	-	6,722
Public works	8,613	-	4,763	-	5,005	-	-
Community services programs	-	9,361	-	-	-	-	-
Capital outlay	-	-	1,367,228	-	-	-	-
TOTAL EXPENDITURES	8,613	9,361	1,371,991	-	5,005	-	6,722
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,565	4,359	(1,371,991)	203,441	5,225	(5,963)	-
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	1,037,625	-	-	-	-
Transfers out	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	1,037,625	-	-	-	-
NET CHANGE IN FUND BALANCE	2,565	4,359	(334,366)	203,441	5,225	(5,963)	-
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	88,381	452,943	(132,008)	471,566	(2,833)	-	28,151
Restatements	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	88,381	452,943	(132,008)	471,566	(2,833)	-	28,151
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	90,946	457,302	(466,374)	675,007	2,392	-	22,188

(Continued)

City of South El Monte
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds						
	Homelessness Initiative Fund	Measure M Local Return Fund	Prop C Local Return Fund	CDBG Fund	HSIP Fund	Prop A Park Bond Grant Fund	
REVENUES:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	44,458	51,930	-	-	-	537
Charges for services	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Intergovernmental	10,800	366,252	432,592	102,987	49,591	-	-
Other revenues	-	-	-	-	-	-	-
TOTAL REVENUES	10,800	410,710	484,522	102,987	49,591	537	537
EXPENDITURES:							
Current:							
Community development	-	-	-	-	-	-	-
Public works	-	16,196	14,004	-	11,540	-	-
Community services programs	-	-	-	-	-	-	-
Capital outlay	-	-	-	17,284	415,484	-	-
TOTAL EXPENDITURES	-	16,196	14,004	17,284	427,024	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,800	394,514	470,518	85,703	(377,433)	537	537
OTHER FINANCING SOURCES (USES):							
Transfers in	-	(246,830)	(2,839)	(163,842)	715,497	-	-
Transfers out	-	(246,830)	(2,839)	(163,842)	715,497	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(493,660)	(5,678)	(327,684)	148,000	-	-
NET CHANGE IN FUND BALANCE	10,800	147,684	467,679	(78,139)	338,064	537	537
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	(33,414)	1,416,469	1,517,639	(92,907)	(355,951)	17,548	17,548
Restatements	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	(33,414)	1,416,469	1,517,639	(92,907)	(355,951)	17,548	17,548
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ (22,614)	\$ 1,564,153	\$ 1,985,318	\$ (171,046)	\$ (17,887)	\$ 18,085	(Continued)

City of South El Monte
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	TDA Fund	Special Revenue Funds						CalHOME Grant Fund
		Prop A Local Return Fund	Measure R Local Return Fund	Sewer Assessment Fund	State Deferred Loan Program Fund			
REVENUES:								
Taxes	\$ -	\$ -	\$ 324,343	\$ -	\$ -	\$ -	\$ -	-
Use of money and property	-	39,719	39,799	117,662	970	-	-	1,095
Charges for services	-	650	-	-	-	-	-	-
Special assessments	-	-	-	4,492	-	-	-	-
Intergovernmental	33,000	521,524	-	-	-	-	-	-
Other revenues	-	3,136	-	-	-	-	-	-
TOTAL REVENUES	33,000	565,029	364,142	122,154	970	-	-	1,095
EXPENDITURES:								
Current:								
Community development	-	-	-	-	-	-	-	-
Public works	33,000	-	57,909	1,750	-	-	-	-
Community services programs	-	40,176	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	33,000	40,176	57,909	1,750	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	524,853	306,233	120,404	970	-	-	1,095
OTHER FINANCING SOURCES (USES):								
Transfers in	(24,073)	(379,250)	-	-	-	-	-	-
Transfers out	-	-	(11,582)	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(24,073)	(379,250)	(11,582)	-	-	-	-	-
NET CHANGE IN FUND BALANCE	(24,073)	145,603	294,651	120,404	970	-	-	1,095
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	24,073	1,247,254	1,195,052	3,846,947	20,203	-	-	1,746,906
Restatements	-	-	-	-	11,500	-	-	(1,711,131)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	24,073	1,247,254	1,195,052	3,846,947	31,703	-	-	35,775
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	-	\$ 1,392,857	\$ 1,489,703	\$ 3,967,351	\$ 32,673	\$ -	\$ -	\$ 36,870

(Continued)

City of South El Monte
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	Special Revenue Funds					Capital Projects Fund	
	Begin Program Fund	PLHA Fund	CalHOME Reuse Fund	Begin Reuse Fund	Federal Grants Fund	Capital Improvement Fund	Capital Projects Fund
REVENUES:							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	21,400	964	-	-	-
Charges for services	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	-	-
TOTAL REVENUES	-	-	21,400	964	-	-	-
EXPENDITURES:							
Current:							
Community development	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Community services programs	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	21,400	964	-	-	-
OTHER FINANCING SOURCES (USES):							
Transfers in	-	-	(63,000)	63,000	5,061	-	-
Transfers out	-	-	(63,000)	63,000	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(41,600)	63,964	5,061	-	-
NET CHANGE IN FUND BALANCE	-	-	730,661	-	(5,061)	-	-
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	214,200	(10,115)	730,661	-	(5,061)	-	-
Restatements	(214,200)	-	-	-	-	-	-
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	-	(10,115)	730,661	-	(5,061)	-	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	-	(10,115)	689,061	63,964	\$ -	\$ -	\$ -

City of South El Monte
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2024

	Total NonMajor Governmental Funds
REVENUES:	
Taxes	\$ 325,694
Use of money and property	402,244
Charges for services	650
Special assessments	4,492
Intergovernmental	3,131,312
Other revenues	11,658
TOTAL REVENUES	3,876,050
EXPENDITURES:	
Current:	
Community development	6,722
Public works	628,745
Community services programs	313,351
Capital outlay	1,858,520
TOTAL EXPENDITURES	2,807,338
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,068,712
OTHER FINANCING SOURCES (USES):	
Transfers in	1,983,245
Transfers out	(1,883,230)
TOTAL OTHER FINANCING SOURCES (USES)	100,015
NET CHANGE IN FUND BALANCE	1,168,727
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	13,508,140
Restatements	(1,913,831)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	11,594,309
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 12,763,036
	(Concluded)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Gas Tax Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	486,272	486,272	532,941	46,669
TOTAL REVENUES	486,272	486,272	532,941	46,669
EXPENDITURES:				
Current:				
Public works	475,944	475,944	475,965	(21)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	475,944	475,944	475,965	(21)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	10,328	10,328	56,976	46,648
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	70,671	70,671
TOTAL OTHER FINANCING SOURCES (USES)	-	-	70,671	70,671
NET CHANGE IN FUND BALANCE	10,328	10,328	127,647	117,319
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	(127,647)	(127,647)	(127,647)	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ (117,319)	\$ (117,319)	\$ -	\$ 117,319

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Older American Act Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 405,342	\$ 405,342	\$ 323,807	\$ (81,535)
TOTAL REVENUES	<u>405,342</u>	<u>405,342</u>	<u>323,807</u>	<u>(81,535)</u>
EXPENDITURES:				
Current:				
Community services programs	<u>268,492</u>	<u>268,492</u>	<u>263,814</u>	<u>4,678</u>
TOTAL EXPENDITURES	<u>268,492</u>	<u>268,492</u>	<u>263,814</u>	<u>4,678</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>136,850</u>	<u>136,850</u>	<u>59,993</u>	<u>(76,857)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	91,391	91,391
Transfers out	<u>(139,848)</u>	<u>(139,848)</u>	<u>-</u>	<u>139,848</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(139,848)</u>	<u>(139,848)</u>	<u>91,391</u>	<u>231,239</u>
NET CHANGE IN FUND BALANCE	(2,998)	(2,998)	151,384	154,382
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>(151,384)</u>	<u>(151,384)</u>	<u>(151,384)</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ (154,382)</u>	<u>\$ (154,382)</u>	<u>\$ -</u>	<u>\$ 154,382</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
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 46,092	\$ 46,092
Intergovernmental	424,014	424,014	541,799	117,785
TOTAL REVENUES	424,014	424,014	587,891	163,877
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	22,924	(22,924)
TOTAL EXPENDITURES	-	-	22,924	(22,924)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	424,014	424,014	564,967	140,953
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	(418,765)	(418,765)	(991,814)	(573,049)
TOTAL OTHER FINANCING SOURCES (USES)	(418,765)	(418,765)	(991,814)	(573,049)
NET CHANGE IN FUND BALANCE	5,249	5,249	(426,847)	(432,096)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	1,286,049	1,286,049	1,286,049	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 1,291,298	\$ 1,291,298	\$ 859,202	\$ (432,096)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Rosemead Maintenance District Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 380	\$ 380
Taxes	728	728	1,285	557
TOTAL REVENUES	<u>728</u>	<u>728</u>	<u>1,665</u>	<u>937</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>728</u>	<u>728</u>	<u>1,665</u>	<u>937</u>
NET CHANGE IN FUND BALANCE	728	728	1,665	937
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>11,978</u>	<u>11,978</u>	<u>11,978</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ 12,706</u>	<u>\$ 12,706</u>	<u>\$ 13,643</u>	<u>\$ 937</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Hayward Maintenance District Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 730	\$ 730
Taxes	42	42	66	24
TOTAL REVENUES	<u>42</u>	<u>42</u>	<u>796</u>	<u>754</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>42</u>	<u>42</u>	<u>796</u>	<u>754</u>
NET CHANGE IN FUND BALANCE	42	42	796	754
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>23,830</u>	<u>23,830</u>	<u>23,830</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ 23,872</u>	<u>\$ 23,872</u>	<u>\$ 24,626</u>	<u>\$ 754</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
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 2,091	\$ 2,091
Intergovernmental	14,306	14,306	19,630	5,324
TOTAL REVENUES	<u>14,306</u>	<u>14,306</u>	<u>21,721</u>	<u>7,415</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	68,000	68,000	35,600	32,400
TOTAL EXPENDITURES	<u>68,000</u>	<u>68,000</u>	<u>35,600</u>	<u>32,400</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(53,694)</u>	<u>(53,694)</u>	<u>(13,879)</u>	<u>39,815</u>
NET CHANGE IN FUND BALANCE	(53,694)	(53,694)	(13,879)	39,815
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>79,610</u>	<u>79,610</u>	<u>79,610</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ 25,916</u>	<u>\$ 25,916</u>	<u>\$ 65,731</u>	<u>\$ 39,815</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Cable PEG Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 2,656	\$ 2,656
Other revenues	11,444	11,444	8,522	(2,922)
TOTAL REVENUES	<u>11,444</u>	<u>11,444</u>	<u>11,178</u>	<u>(266)</u>
EXPENDITURES:				
Current:				
Public works	40,000	40,000	8,613	31,387
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>40,000</u>	<u>40,000</u>	<u>8,613</u>	<u>31,387</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(28,556)</u>	<u>(28,556)</u>	<u>2,565</u>	<u>31,121</u>
NET CHANGE IN FUND BALANCE	(28,556)	(28,556)	2,565	31,121
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>88,381</u>	<u>88,381</u>	<u>88,381</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ 59,825</u>	<u>\$ 59,825</u>	<u>\$ 90,946</u>	<u>\$ 31,121</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - In Lieu Fees Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 13,720	\$ 13,720
Charges for services	52,020	52,020	-	(52,020)
TOTAL REVENUES	52,020	52,020	13,720	(38,300)
EXPENDITURES:				
Current:				
Community services programs	-	-	9,361	(9,361)
Capital outlay	200,000	200,000	-	200,000
TOTAL EXPENDITURES	200,000	200,000	9,361	190,639
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(147,980)	(147,980)	4,359	152,339
NET CHANGE IN FUND BALANCE	(147,980)	(147,980)	4,359	152,339
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	452,943	452,943	452,943	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 304,963	\$ 304,963	\$ 457,302	\$ 152,339

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - DOE Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	552,653	552,653	-	(552,653)
TOTAL REVENUES	<u>552,653</u>	<u>552,653</u>	<u>-</u>	<u>(552,653)</u>
EXPENDITURES:				
Current:				
Public works	-	-	4,763	(4,763)
Capital outlay	804,219	804,219	1,367,228	(563,009)
TOTAL EXPENDITURES	<u>804,219</u>	<u>804,219</u>	<u>1,371,991</u>	<u>(567,772)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(251,566)</u>	<u>(251,566)</u>	<u>(1,371,991)</u>	<u>(1,120,425)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	299,155	299,155	1,037,625	738,470
TOTAL OTHER FINANCING SOURCES (USES)	<u>299,155</u>	<u>299,155</u>	<u>1,037,625</u>	<u>738,470</u>
NET CHANGE IN FUND BALANCE	47,589	47,589	(334,366)	(381,955)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>(132,008)</u>	<u>(132,008)</u>	<u>(132,008)</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ (84,419)</u>	<u>\$ (84,419)</u>	<u>\$ (466,374)</u>	<u>\$ (381,955)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - State COPS Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 17,282	\$ 17,282
Intergovernmental	100,000	100,000	186,159	86,159
TOTAL REVENUES	<u>100,000</u>	<u>100,000</u>	<u>203,441</u>	<u>103,441</u>
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>100,000</u>	<u>100,000</u>	<u>203,441</u>	<u>103,441</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(100,000)	(100,000)	-	100,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCE	-	-	203,441	203,441
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>471,566</u>	<u>471,566</u>	<u>471,566</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ 471,566</u>	<u>\$ 471,566</u>	<u>\$ 675,007</u>	<u>\$ 203,441</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
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	6,564	6,564	10,230	3,666
TOTAL REVENUES	6,564	6,564	10,230	3,666
EXPENDITURES:				
Current:				
Public works	6,564	6,564	5,005	1,559
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	6,564	6,564	5,005	1,559
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	5,225	5,225
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	5,225	5,225
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	(2,833)	(2,833)	(2,833)	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ (2,833)	\$ (2,833)	\$ 2,392	\$ 5,225

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Beverage Container Recycling Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 759	\$ 759
Intergovernmental	6,160	6,160	-	(6,160)
TOTAL REVENUES	6,160	6,160	759	(5,401)
EXPENDITURES:				
Current:				
Community development	6,160	6,160	6,722	(562)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	6,160	6,160	6,722	(562)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(5,963)	(5,963)
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	(5,963)	(5,963)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	28,151	28,151	28,151	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 28,151	\$ 28,151	\$ 22,188	\$ (5,963)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Homeless Initiative Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	10,800	10,800
TOTAL REVENUES	-	-	10,800	10,800
EXPENDITURES:				
Current:				
Community services programs	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	10,800	10,800
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	10,800	10,800
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	(33,414)	(33,414)	(33,414)	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ (33,414)	\$ (33,414)	\$ (22,614)	\$ 10,800

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Measure M Local Return Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 44,458	\$ 44,458
Intergovernmental	400,771	400,771	366,252	(34,519)
TOTAL REVENUES	400,771	400,771	410,710	9,939
EXPENDITURES:				
Current:				
Public works	-	-	16,196	(16,196)
Community services programs	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	16,196	(16,196)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	400,771	400,771	394,514	(6,257)
OTHER FINANCING SOURCES (USES):				
Transfers out	(769,037)	(769,037)	(246,830)	522,207
TOTAL OTHER FINANCING SOURCES (USES)	(769,037)	(769,037)	(246,830)	522,207
NET CHANGE IN FUND BALANCE	(368,266)	(368,266)	147,684	515,950
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	1,416,469	1,416,469	1,416,469	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 1,048,203	\$ 1,048,203	\$ 1,564,153	\$ 515,950

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Prop C Local Return Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 51,930	\$ 51,930
Intergovernmental	471,495	471,495	432,592	(38,903)
TOTAL REVENUES	471,495	471,495	484,522	13,027
EXPENDITURES:				
Current:				
Public works	4,500	4,500	14,004	(9,504)
Community services programs	-	-	-	-
Capital outlay	25,000	25,000	-	25,000
TOTAL EXPENDITURES	29,500	29,500	14,004	15,496
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	441,995	441,995	470,518	28,523
OTHER FINANCING SOURCES (USES):				
Transfers out	(56,542)	(56,542)	(2,839)	53,703
TOTAL OTHER FINANCING SOURCES (USES)	(56,542)	(56,542)	(2,839)	53,703
NET CHANGE IN FUND BALANCE	385,453	385,453	467,679	82,226
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	1,517,639	1,517,639	1,517,639	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 1,903,092	\$ 1,903,092	\$ 1,985,318	\$ 82,226

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Community Development Block Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 341,700	\$ 341,700	\$ 102,987	\$ (238,713)
TOTAL REVENUES	<u>341,700</u>	<u>341,700</u>	<u>102,987</u>	<u>(238,713)</u>
EXPENDITURES:				
Current:				
Community development	-	-	-	-
Capital outlay	-	-	17,284	(17,284)
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>17,284</u>	<u>(17,284)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>341,700</u>	<u>341,700</u>	<u>85,703</u>	<u>(255,997)</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(189,828)	(189,828)	(163,842)	25,986
TOTAL OTHER FINANCING SOURCES (USES)	<u>(189,828)</u>	<u>(189,828)</u>	<u>(163,842)</u>	<u>25,986</u>
NET CHANGE IN FUND BALANCE	151,872	151,872	(78,139)	(230,011)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>(92,907)</u>	<u>(92,907)</u>	<u>(92,907)</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ 58,965</u>	<u>\$ 58,965</u>	<u>\$ (171,046)</u>	<u>\$ (230,011)</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - HSIP Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,954,300	\$ 1,954,300	\$ 49,591	\$ (1,904,709)
TOTAL REVENUES	<u>1,954,300</u>	<u>1,954,300</u>	<u>49,591</u>	<u>(1,904,709)</u>
EXPENDITURES:				
Current:				
Public works	-	-	11,540	(11,540)
Capital outlay	<u>1,954,300</u>	<u>1,954,300</u>	<u>415,484</u>	<u>1,538,816</u>
TOTAL EXPENDITURES	<u>1,954,300</u>	<u>1,954,300</u>	<u>427,024</u>	<u>1,527,276</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(377,433)</u>	<u>(377,433)</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	715,497	715,497
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>715,497</u>	<u>715,497</u>
NET CHANGE IN FUND BALANCE	-	-	338,064	338,064
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>(355,951)</u>	<u>(355,951)</u>	<u>(355,951)</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ (355,951)</u>	<u>\$ (355,951)</u>	<u>\$ (17,887)</u>	<u>\$ 338,064</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
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 537	\$ 537
Intergovernmental	200,000	200,000	-	(200,000)
TOTAL REVENUES	200,000	200,000	537	(199,463)
EXPENDITURES:				
Current:				
Community services programs	-	-	-	-
Capital outlay	200,000	200,000	-	200,000
TOTAL EXPENDITURES	200,000	200,000	-	200,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	537	537
NET CHANGE IN FUND BALANCE	-	-	537	537
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	17,548	17,548	17,548	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 17,548	\$ 17,548	\$ 18,085	\$ 537

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - TDA Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	33,000	33,000
TOTAL REVENUES	-	-	33,000	33,000
EXPENDITURES:				
Current:				
Public works	-	-	33,000	(33,000)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	33,000	(33,000)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(24,073)	(24,073)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(24,073)	(24,073)
NET CHANGE IN FUND BALANCE	-	-	(24,073)	(24,073)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	24,073	24,073	24,073	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 24,073	\$ 24,073	\$ -	\$ (24,073)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Prop A Local Return Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 39,719	\$ 39,719
Charges for services	2,100	2,100	650	(1,450)
Intergovernmental	568,426	568,426	521,524	(46,902)
Other revenues	-	-	3,136	3,136
TOTAL REVENUES	570,526	570,526	565,029	(5,497)
EXPENDITURES:				
Current:				
Community services programs	72,500	72,500	40,176	32,324
Capital outlay	180,600	180,600	-	180,600
TOTAL EXPENDITURES	253,100	253,100	40,176	212,924
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	317,426	317,426	524,853	207,427
OTHER FINANCING SOURCES (USES):				
Transfers out	(500,126)	(500,126)	(379,250)	120,876
TOTAL OTHER FINANCING SOURCES (USES)	(500,126)	(500,126)	(379,250)	120,876
NET CHANGE IN FUND BALANCE	(182,700)	(182,700)	145,603	328,303
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	1,247,254	1,247,254	1,247,254	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 1,064,554	\$ 1,064,554	\$ 1,392,857	\$ 328,303

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Measure R Local Return Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 39,799	\$ 39,799
Intergovernmental	353,621	353,621	324,343	(29,278)
TOTAL REVENUES	353,621	353,621	364,142	10,521
EXPENDITURES:				
Current:				
Public works	4,500	4,500	57,909	(53,409)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	4,500	4,500	57,909	(53,409)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	349,121	349,121	306,233	(42,888)
OTHER FINANCING SOURCES (USES):				
Transfers out	(279,440)	(279,440)	(11,582)	267,858
TOTAL OTHER FINANCING SOURCES (USES)	(279,440)	(279,440)	(11,582)	267,858
NET CHANGE IN FUND BALANCE	69,681	69,681	294,651	224,970
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	1,195,052	1,195,052	1,195,052	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 1,264,733	\$ 1,264,733	\$ 1,489,703	\$ 224,970

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Sewer Assessment Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 117,662	\$ 117,662
Special assessments	405,756	405,756	4,492	(401,264)
TOTAL REVENUES	<u>405,756</u>	<u>405,756</u>	<u>122,154</u>	<u>(283,602)</u>
EXPENDITURES:				
Current:				
Public works	-	-	1,750	(1,750)
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>1,750</u>	<u>(1,750)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>405,756</u>	<u>405,756</u>	<u>120,404</u>	<u>(285,352)</u>
NET CHANGE IN FUND BALANCE	405,756	405,756	120,404	(285,352)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	<u>3,846,947</u>	<u>3,846,947</u>	<u>3,846,947</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ 4,252,703</u>	<u>\$ 4,252,703</u>	<u>\$ 3,967,351</u>	<u>\$ (285,352)</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
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 970	\$ 970
TOTAL REVENUES	-	-	970	970
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	970	970
NET CHANGE IN FUND BALANCE	-	-	970	970
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	31,703	31,703	31,703	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ 31,703</u>	<u>\$ 31,703</u>	<u>\$ 32,673</u>	<u>\$ 970</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - CalHome Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,095	\$ 1,095
Intergovernmental	-	-	-	-
TOTAL REVENUES	-	-	1,095	1,095
EXPENDITURES:				
Current:				
Community development	1,000,000	1,000,000	-	1,000,000
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	1,000,000	1,000,000	-	1,000,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,000,000)	(1,000,000)	1,095	1,001,095
NET CHANGE IN FUND BALANCE	(1,000,000)	(1,000,000)	1,095	1,001,095
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	35,775	35,775	35,775	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ (964,225)</u>	<u>\$ (964,225)</u>	<u>\$ 36,870</u>	<u>\$ 1,001,095</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Begin Program Grant Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

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

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - PLHA Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Current:				
Community services programs	195,582	195,582	-	195,582
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	195,582	195,582	-	195,582
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(195,582)	(195,582)	-	195,582
NET CHANGE IN FUND BALANCE	(195,582)	(195,582)	-	195,582
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	(10,115)	(10,115)	(10,115)	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ (205,697)</u>	<u>\$ (205,697)</u>	<u>\$ (10,115)</u>	<u>\$ 195,582</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - CalHome Reuse Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 21,400	\$ 21,400
Other Revenues	-	-	-	-
TOTAL REVENUES	-	-	21,400	21,400
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	21,400	21,400
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	(63,000)	(63,000)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(63,000)	(63,000)
NET CHANGE IN FUND BALANCE	-	-	(41,600)	(41,600)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	730,661	730,661	730,661	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ 730,661	\$ 730,661	\$ 689,061	\$ (41,600)

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Begin Reuse Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 964	\$ 964
Other Revenues	-	-	-	-
TOTAL REVENUES	-	-	964	964
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	964	964
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	63,000	63,000
TOTAL OTHER FINANCING SOURCES (USES)	-	-	63,000	63,000
NET CHANGE IN FUND BALANCE	-	-	63,964	63,964
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR, AS RESTATED	-	-	-	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ -	\$ -	\$ 63,964	\$ 63,964

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Federal Grants Special Revenue Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Other Revenues	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	5,061	5,061
TOTAL OTHER FINANCING SOURCES (USES)	-	-	5,061	5,061
NET CHANGE IN FUND BALANCE	-	-	5,061	5,061
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	(5,061)	(5,061)	(5,061)	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	<u>\$ (5,061)</u>	<u>\$ (5,061)</u>	<u>\$ -</u>	<u>\$ 5,061</u>

City of South El Monte
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget to Actual - Capital Improvement Capital Project Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
Other Revenues	-	-	-	-
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES (DEFICITS) - END OF FISCAL YEAR	\$ -	\$ -	\$ -	\$ -

STATISTICAL

SECTION

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.

	<u>Page Numbers</u>
Contents	
<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.	141 - 144
<u>Revenue Capacity</u> - These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	145 - 148
<u>Debt Capacity</u> - These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's financial activities take place.	149
<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.	150 - 151
<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.	152 - 156

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)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Primary government										
Governmental activities										
Net Investment in capital assets	\$ 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	\$ 24,261,157
Restricted	6,153,607	6,784,907	6,270,483	11,639,911	12,767,932	14,656,475	16,729,055	21,420,259	19,196,409	18,009,463
Unrestricted	451,982	(373,525)	(1,360,693)	(3,319,192)	(2,421,175)	(3,573,319)	(4,109,027)	236,441	8,227,598	5,469,130
Total primary government net position	\$ 19,032,793	\$ 18,838,586	\$ 20,301,329	\$ 25,157,111	\$ 26,625,963	\$ 26,468,877	\$ 27,908,382	\$ 37,634,475	\$ 43,704,512	\$ 47,739,750

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)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Primary government										
Governmental activities										
Revenues										
Charges for services	\$ 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	\$ 6,029,449
Operating contributions and grants	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	1,488,392
Capital contributions and grants	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	6,715,103
Property taxes	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	5,495,764
Transient occupancy taxes	218,994	212,323	229,111	191,636	288,383	236,442	268,482	212,705	349,528	309,563
Franchise taxes	799,754	813,819	809,243	798,954	890,867	973,919	1,050,379	1,138,428	1,305,558	1,345,156
Sales taxes	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	11,226,273
Motor vehicle in lieu tax	9,273	8,409	2,222,849	2,343,267	2,481,572	2,638,576	2,776,579	1,481,767	20,160	24,137
Investment income	20,067	17,615	48,567	76,073	91,983	140,950	46,753	21,643	238,148	1,653,672
Other	15,782	32,139	486,779	200,367	139,308	503,180	226,633	398,825	644,562	94,853
Total revenues	17,784,730	15,924,019	17,915,158	17,575,263	19,099,230	19,997,486	22,717,679	34,528,474	26,909,536	34,382,362
Expenses										
General government	\$ 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	\$ 5,945,415
Public safety	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	6,972,914
Public works/utilities	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	2,649,174
Community development	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	6,767,359
Community service programs	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	4,234,875
Interest on long-term debt	18,657	15,498	12,611	55,544	31,816	31,503	20,119	24,427	277,081	327,368
Total expenses	16,152,598	16,118,226	16,452,415	20,885,858	17,828,245	20,154,572	21,278,174	24,802,381	20,839,499	26,897,105
Total primary government change in net position	\$ 1,632,132	\$ (194,207)	\$ 1,462,743	\$ (3,310,595)	\$ 1,270,985	\$ (157,086)	\$ 1,439,505	\$ 9,726,093	\$ 6,070,037	\$ 7,485,257
Beginning net position	\$ 22,764,392	\$ 19,032,793	\$ 18,838,586	\$ 20,301,329	\$ 25,157,111	\$ 26,625,963	\$ 26,468,877	\$ 27,908,382	\$ 37,634,475	\$ 43,704,512
Change in net position	1,632,132	(194,207)	1,462,743	(3,310,595)	1,270,985	(157,086)	1,439,505	9,726,093	6,070,037	7,485,257
Prior period adjustments*	(5,363,731)	-	-	8,166,377	197,867	-	-	-	-	(3,450,019)
Ending net position	\$ 19,032,793	\$ 18,838,586	\$ 20,301,329	\$ 25,157,111	\$ 26,625,963	\$ 26,468,877	\$ 27,908,382	\$ 37,634,475	\$ 43,704,512	\$ 47,739,750

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

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.

2024: 1.) \$1,928,082 Restatement of restricted cash and investment; 2.) \$2,136,601 Restatement of loan receivables; and 3.) \$614,664 Restatement of payables and accrued expenses.

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GASB 54 Fund Balance Classification										
General Fund										
Nonspendable	\$ 84,543	\$ 20,593	\$ 40,061	\$ 88,354	\$ 2,810,805	\$ 13,500	\$ 25,284	\$ 157,994	\$ 91,186	\$ 36,424
Unassigned	4,493,275	3,896,625	4,340,398	4,331,914	3,150,408	6,385,767	7,282,147	9,783,275	17,536,344	17,340,110
Total General Fund	\$ 4,577,818	\$ 3,917,218	\$ 4,380,459	\$ 4,420,268	\$ 5,961,213	\$ 6,399,267	\$ 7,307,431	\$ 9,941,269	\$ 17,627,530	\$ 17,376,534
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ 314	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted										
Special revenue funds	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	17,178,977
Capital projects funds	1,318,950	990,992	946,044	557,950	875,039	893,065	1,025,418	1,026,815	-	-
Unassigned	(195,367)	(127,015)	(2,392)	(40,452)	(673,445)	(897,513)	(1,729,183)	-	(1,131,284)	(1,828,722)
Total all other governmental funds	\$ 6,162,493	\$ 6,831,228	\$ 6,343,662	\$ 11,257,630	\$ 12,015,244	\$ 13,782,900	\$ 14,999,872	\$ 21,420,259	\$ 18,065,125	\$ 15,350,255
Total Governmental Funds	\$ 10,740,311	\$ 10,748,446	\$ 10,724,121	\$ 15,677,898	\$ 17,976,457	\$ 20,182,167	\$ 22,307,303	\$ 31,361,528	\$ 35,692,655	\$ 32,726,789

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 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	\$ 18,307,315
Licenses and permits	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	4,596,948
Fines and forfeitures	294,895	261,638	323,515	253,925	284,632	201,387	134,735	184,977	18,593	42,490
Use of money and property	64,302	66,272	95,378	149,481	91,983	140,950	99,283	82,098	293,313	1,713,201
Charges for services	311,631	320,021	375,632	319,879	462,348	334,822	440,572	321,814	399,573	323,998
Special assessments	385,485	396,826	393,400	394,238	388,551	384,570	383,564	392,343	392,650	4,492
Intergovernmental	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	9,322,287
Other revenues	15,782	32,140	486,780	190,233	235,015	503,180	226,634	398,825	251,201	71,628
Total revenues	17,688,109	17,055,187	18,076,267	17,364,052	19,441,059	19,997,486	22,717,678	34,457,459	26,909,534	34,382,359
Expenditures										
General government	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	5,512,930
Public safety	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	6,908,827
Community development	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	2,454,288
Public works	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	5,480,438
Community service programs	2,670,677	2,943,887	2,824,169	3,283,754	2,633,939	2,676,693	1,673,127	6,178,765	2,771,051	3,340,014
Capital outlay	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	9,390,764
Debt service - principal*	63,054	59,960	56,598	148,623	175,585	179,855	149,444	148,281	117,662	483,580
Debt service - interest*	18,657	15,498	12,611	55,544	31,816	31,503	20,119	24,427	17,297	327,368
Total expenditures	16,544,812	18,915,806	18,538,942	19,384,354	17,340,367	17,791,776	20,592,542	25,403,234	21,899,545	33,898,209
Other financing sources (uses):										
Proceeds from long-term debt	-	-	-	-	-	-	-	-	-	-
Cost of issuance	-	-	-	-	-	-	-	-	9,815,000	-
Principal repayment	-	-	-	-	-	-	-	-	(221,556)	-
Interest payment	-	-	-	-	-	-	-	-	(384,484)	-
Pension funding	-	-	-	-	-	-	-	-	(294,378)	-
Transfers-in	1,597,739	2,734,569	3,132,356	551,989	29,701	-	-	-	(9,593,444)	-
Transfers-out	(1,597,739)	(2,734,569)	(3,132,356)	(551,989)	(29,701)	-	-	-	5,214,190	3,606,325
Proceeds from loan	-	1,868,754	438,350	-	-	-	-	-	(5,214,190)	(3,606,325)
Total other financing sources (uses)	-	1,868,754	438,350	-	-	-	-	-	(678,862)	-
Excess (deficiency)	\$ 1,143,297	\$ 8,135	\$ (24,325)	\$ (2,020,302)	\$ 2,100,692	\$ 2,205,710	\$ 2,125,136	\$ 9,054,225	\$ 4,331,127	\$ 484,150
Beginning fund balance	\$ 8,785,095	\$ 10,740,311	\$ 10,748,446	\$ 10,724,121	\$ 15,677,898	\$ 17,976,457	\$ 20,182,167	\$ 22,307,303	\$ 31,361,528	\$ 35,692,655
Change in fund balance	1,143,297	8,135	(24,325)	(2,020,302)	2,100,692	2,205,710	2,125,136	9,054,225	4,331,127	484,150
Prior period adjustments**	811,919			6,974,079	197,867					(3,450,016)
Ending fund balance	\$ 10,740,311	\$ 10,748,446	\$ 10,724,121	\$ 15,677,898	\$ 17,976,457	\$ 20,182,167	\$ 22,307,303	\$ 31,361,528	\$ 35,692,655	\$ 32,726,789
* Ratio of total debt service to noncapital expenditures:										
Total debt service	\$ 81,711	\$ 75,458	\$ 69,209	\$ 204,167	\$ 207,401	\$ 211,358	\$ 169,563	\$ 172,708	\$ 134,959	\$ 810,948
Noncapital expenditures	\$ 14,909,839	\$ 15,283,597	\$ 14,858,430	\$ 18,579,574	\$ 16,096,998	\$ 17,070,972	\$ 19,130,510	\$ 23,259,507	\$ 20,081,440	\$ 24,507,445
Ratio of total debt service to noncapital expenditures	0.55%	0.49%	0.47%	1.10%	1.29%	1.24%	0.89%	0.74%	0.67%	3.31%
** 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.										
2024: 1. \$(1,928,082) Restatement of restricted cash and investment; 2. \$(2,136,601) Restatement of loan receivables; and 3. \$614,667 Restatement of payables and accrued expenses.										

City of South El Monte
Table 5 - Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Primary government										
Governmental activities										
Revenues										
Taxes										
Property taxes	\$ 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	\$ 5,495,794
Transient occupancy taxes	218,994	212,323	229,111	191,636	288,383	236,442	268,482	212,705	349,528	309,563
Franchise taxes	799,754	813,819	809,243	798,954	890,867	973,919	1,050,379	1,138,427	1,305,558	1,345,156
Sales taxes	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	11,226,273
Motor vehicle in lieu tax	9,273	8,409	2,222,849	2,343,267	2,481,572	2,638,576	2,776,579	1,481,767	20,160	24,137
Total tax revenues	\$ 10,566,366	\$ 10,319,735	\$ 11,065,399	\$ 11,088,637	\$ 12,242,601	\$ 12,889,006	\$ 13,697,499	\$ 16,834,620	\$ 17,127,172	\$ 18,400,923

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

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property	Total Secured Property	Utility	Total		Total Direct Tax Rate
							Unsecured	Total	
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	6.936%
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	6.931%
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	6.926%
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	6.907%
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	6.919%
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	6.907%
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	6.903%
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	6.899%
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	6.892%
2023-24	1,175,135,741	291,065,430	1,445,550,253	92,681,131	3,004,432,555	-	217,501,587	3,221,934,142	6.885%

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 2014-15 - 2023-24 Combined Tax Rolls.

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

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
Basic Levy ¹	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	0.11822	0.14642	0.14682	0.14616	0.14580	0.10803	0.07513	0.07989	0.09066	0.08848
El Monte Union High School	0.08418	0.09155	0.08469	0.08243	0.08793	0.10969	0.09294	0.07651	0.06750	0.06905
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	0.09347
Pasadena Community College District	0.01032	0.00872	0.00885	0.00819	0.00767	0.00721	0.00554	0.00899	0.00869	0.02510
Rio Hondo Community College District	0.02821	0.02712	0.02808	0.02748	0.02554	0.02571	0.01361	0.01526	0.01535	0.02182
Total Direct & Overlapping² Tax Rates	1.24443	1.27731	1.27194	1.31546	1.32578	1.30554	1.24557	1.28340	1.27931	1.30141
City's Share of 1% Levy Per Prop 13 ³	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667	0.06667
Voter Approved City Debt Rate										
Redevelopment Rate ⁴										
Total Direct Rate ⁵	0.06936	0.06931	0.06926	0.06907	0.06919	0.06907	0.06903	0.06899	0.06892	0.06885

Notes:

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

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

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

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

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

Data Source: HdL Coren & Cone, Los Angeles County Assessor 2014-15 - 2023/24 Tax Rate Table.

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

Taxpayer	2024			2015		
	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	\$ 49,747,372	1	1.54%	\$ 25,778,351	1	1.35%
GWL DIRECT 11077 RUSH LLC	47,300,000	2	1.47%			
OUT OF THE SHELL LLC	30,410,634	3	0.94%			
VACCO INDUSTRIES	25,150,259	4	0.78%	12,186,659	6	0.64%
RAKSHA H AND HARSHAD O SHAH	20,586,865	5	0.64%			
AMRO FABRICATING CORPORATION	19,665,543	6	0.61%			
HIEU INVESTMENTS LLC	18,903,225	7	0.59%			
K AND K PROPERTIES	18,334,648	8	0.57%			
PRIME FRIT EL MONTE LLC	17,717,066	9	0.55%			
ART WEISS INC	17,247,330	10	0.54%	13,559,143	3	0.71%
M AND T COMPANY LLC				14,357,122	2	0.75%
WHITTIER NARROWS BUSINESS PARK				12,787,214	4	0.67%
OWEN BROS ENTERPRISES				12,758,308	5	0.67%
GREATER EL MONTE CALMED INVESTMENT LP				10,916,996	7	0.57%
SEL HOMES LLC				10,358,761	8	0.54%
PRIMESTOR SOUTH EL MONTE LLC				10,127,243	9	0.53%
MARK J FREITAG TRUST				9,980,604	10	0.52%
Total Taxable Assessed Value Other Largest Taxpayers	\$ 265,062,942		8.23%	\$ 132,810,401		6.96%
Total Taxable Assessed Value Other Taxpayers.....	\$ 2,956,871,200		91.77%	\$ 1,775,053,112		93.04%
Total Taxable Assessed Value All Taxpayers.....	\$ 3,221,934,142		100.00%	\$ 1,907,863,513		100.00%

Data Source: HdL Coren & Cone, Los Angeles County Assessor 2014-15 and 2023-24 Combined Tax Rolls and the SBE Non-Unitary Tax Roll.

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

<u>2023-24 Assessed Valuation:</u> \$3,221,934,142			
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Metropolitan Water District	Total Debt 6/30/24	% Applicable (1)	City's Share of Debt 6/30/24
Rio Hondo Community College District	\$ 18,210,000	0.083 %	\$ 15,114
El Monte Union High School District	164,769,080	6.237	10,276,648
El Monte School District	258,981,162	16.597	42,983,103
Mountain View School District	123,960,081	13.818	17,128,804
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	68,300,000	23.402	15,983,566
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$ 2,479,229,730	0.161 %	\$ 3,991,560
Los Angeles County Superintendent of Schools Certificates of Participation	2,857,300	0.161	4,600
El Monte Union High School District General Fund Obligations	9,645,000	16.597	1,600,781
City of South El Monte General Fund Obligations	9,065,734	100.000	9,065,734
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>			
	\$ 20,495,000	100.000 %	\$ 20,495,000
TOTAL DIRECT DEBT			
TOTAL OVERLAPPING DEBT			
COMBINED TOTAL DEBT			
	\$		\$ 121,544,910 (2)

(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 lease obligations.

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.68%
Total Direct Debt (\$9,065,734)	0.28%
Combined Total Debt	3.77%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,774,726,976)

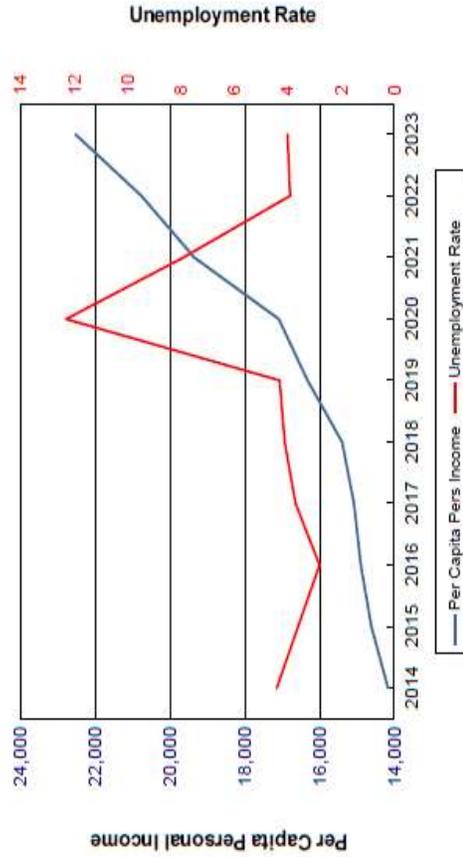
Total Overlapping Tax Increment Debt	1.15%
--	-------

Data Source: California Municipal Statistics, Inc.

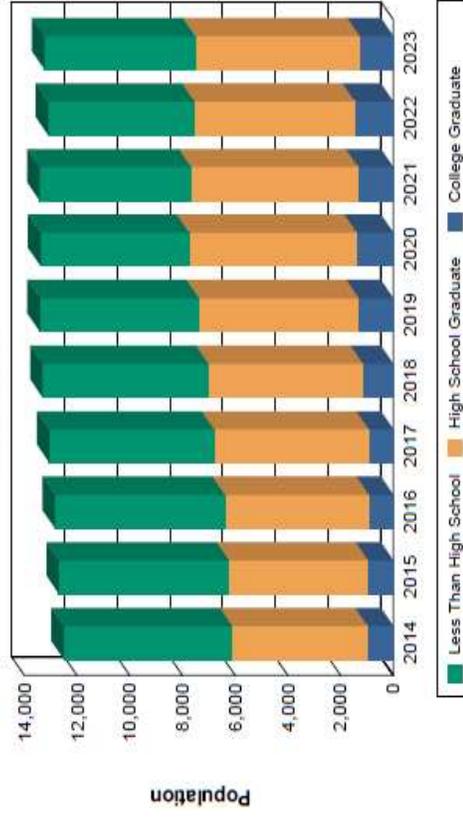
City of South El Monte
 Table 10 - Demographic and Economic Statistics
 Last Ten Fiscal Years

Calendar Year	Population	(in thousands)	Personal Income	Median Age	Rate
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%
2023	19,441	438,150	22,537	37.4	4.00%

Personal Income and Unemployment



Education Level Attained for Population 25 and Over



Source Data: HdL Coren & Conce:

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

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

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

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

Employer	2024			2015		
	Employees*	% of Total City Employment	Rank	Employees*	% of Total City Employment	Rank
INTERNATIONAL MEDICATION SYSTEMS LIMITED	889	10.46%	1			
VACCO INDUSTRIES	435	5.12%	2	426	5.13%	1
GREATER EL MONTE COMMUNITY HOSPITAL	330	3.88%	3	385	4.64%	2
LAWRENCE EQUIPMENT, INC.	106	1.25%	4	270	3.25%	3
LEADER INDUSTRIES	99	1.16%	5	134	1.61%	5
CRANEVEYOR CORP	87	1.02%	6	75	0.90%	10
AMRO FABRICATING CORPORATION	85	1.00%	7	137	1.65%	4
TED LEVINE DRUM CO	82	0.96%	8	101	1.22%	8
MARSHALLS #1057	76	0.89%	9			
9D8 SEWING, INC	68	0.80%	10			
COAST APPLIANCE PARTS CO				123	1.48%	6
SUPERIOR GROCERS #104				120	1.45%	7
EL MONTE SUPERSTORE				100	1.20%	9
Total	2,257	26.55%		1,871	22.54%	

Total Employment**

8,500

100.00%

Sources:

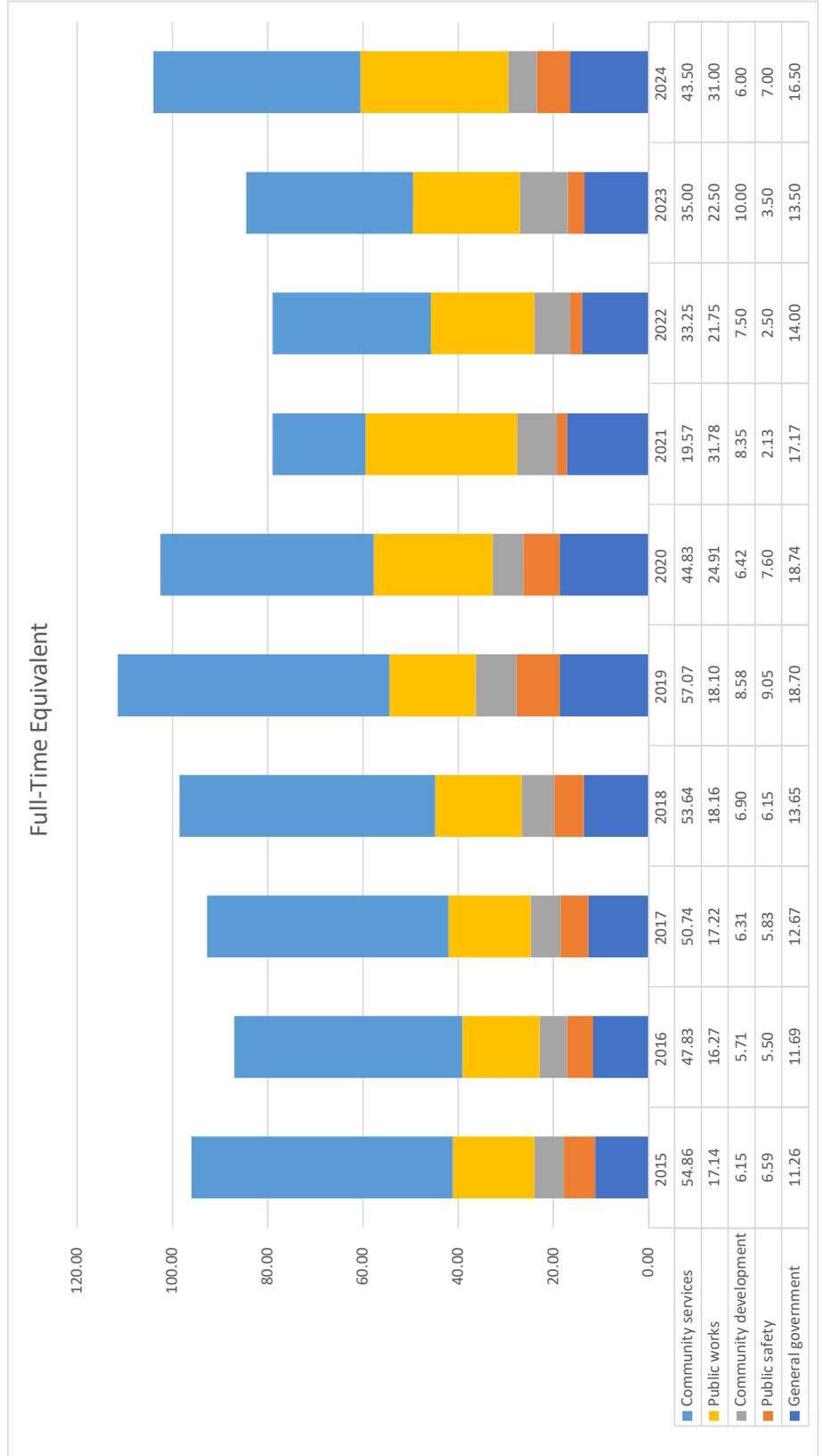
* HdL Business License Data

** 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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government	11.26	11.69	12.67	13.65	18.70	18.74	17.17	14.00	13.50	16.50
Public safety	6.59	5.50	5.83	6.15	9.05	7.60	2.13	2.50	3.50	7.00
Community development	6.15	5.71	6.31	6.90	8.58	6.42	8.35	7.50	10.00	6.00
Public works	17.14	16.27	17.22	18.16	18.10	24.91	31.78	21.75	22.50	31.00
Community services	54.86	47.83	50.74	53.64	57.07	44.83	19.57	33.25	35.00	43.50
	96.00	87.00	92.75	98.50	111.50	102.50	79.00	79.00	84.50	104.00

* 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	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GENERAL GOVERNMENT										
SALES OF PUBLICATIONS	85	80	111	81	91	37	18	18	13	17
RENTS	33	39	40	34	37	31	35	32	26	41
PASSPORTS*	0	0	0	0	0	0	0	0	0	35
	118	119	151	115	128	68	53	50	39	93
COMMUNITY DEVELOPMENT										
BUSINESS LICENSE										
Acupressure Establishment	0	0	0	0	0	0	0	0	0	1
Advertising Billboard	0	0	0	0	0	0	0	1	7	8
Apartments-5 Or More	45	46	46	47	46	47	47	48	20	28
Bingo Game-charitable	1	1	1	1	1	1	1	0	2	2
Carnival/Circus/Traveling Show	0	0	0	0	0	0	1	0	0	0
Contractor-inside Registration	37	39	40	43	51	51	58	58	49	67
Contractors-outside	0	3	1	5	6	4	5	5	157	232
Exempt	0	0	0	0	0	2	3	3	0	0
Food Establishment	93	93	94	95	100	99	101	100	43	56
Gardener-outside	1	1	1	1	1	0	0	0	0	1
Gun Dealer	1	1	1	1	1	1	0	0	0	0
Health Club/Spa	0	0	0	0	0	0	0	1	3	5
Home Occupation	10	13	16	18	19	26	32	36	21	30
Import/export Registration	39	42	46	48	48	49	46	43	42	41
Janitorial-Outside	0	0	0	0	0	0	0	0	4	3
Kennel	1	1	1	1	1	1	1	1	1	1
Manufacturing Registration	170	174	185	190	205	211	183	184	159	188
Massage Parlor	2	2	2	2	2	1	1	1	1	1
Massage Technician	0	5	7	10	13	4	0	0	0	0
Motels	3	3	3	3	3	3	4	3	3	3
Other Registration	82	83	84	88	88	95	105	110	139	172
Peddler-retail Veh.-Out of City	3	3	3	3	7	4	4	4	5	5
Peddler-whole/Retail in City	0	0	0	0	0	0	0	0	1	2
Pharmacies	0	0	0	0	0	0	0	0	1	1
Private School	0	1	1	1	1	1	1	1	2	3
Professional-registration	68	76	82	90	104	103	95	97	79	83
Public Eating - No Alcohol Sales	17	17	18	18	16	17	15	20	11	14
Public Eating W/alcohol/dance & Ent.	2	2	2	2	2	2	2	2	2	2
Public Eating With Alcohol Sales	13	16	15	17	16	17	18	18	10	14
Public Eating-all Other	2	2	2	2	3	3	3	4	9	14
Rentals-apartments	71	72	68	71	85	84	83	79	34	62
Rentals-boarding Houses	5	5	5	5	4	4	5	6	3	6
Rentals-condominiums	2	2	2	2	5	4	4	5	3	8
Rentals-duplexes	91	92	96	96	100	90	85	87	29	38
Rentals-single Family Dwelling	258	261	264	266	278	280	280	281	110	174
Rentals-townhouses	0	0	0	0	1	1	1	1	0	0
Rentals-triplexes	18	18	18	18	17	16	17	18	7	19
Repair Svcs - Registration	66	68	74	79	74	78	74	73	74	88
Retail Registration	84	94	101	111	129	142	147	154	149	179
Salvage Collector-Out of City	0	0	0	0	0	0	0	0	2	2
Sewing/garment-registration	49	63	69	81	79	71	61	61	42	38
Solicitation-Commercial	0	0	0	0	0	0	0	0	1	0
Swap Meet	0	0	0	0	0	1	1	1	0	0
Warehouse-registration	42	50	52	73	81	83	85	90	84	129
Waste Collector	3	3	2	2	2	3	2	2	2	3
Wholesale Registration	216	239	251	275	313	344	340	348	324	387
	1,495	1,591	1,653	1,765	1,902	1,943	1,911	1,946	1,635	2,110

Table 13 - Operating Indicators by Function / Program (Continued)

Last Ten Fiscal Years

PUBLIC WORKS

BUILDING PERMITS	517	383	334	328	351	363	376	319	549	669
DEVELOPMENT FEES	13	6	13	5	13	12	15	12	2	2
ELECTRICAL PERMITS	148	145	137	135	143	126	152	92	141	167
ENCROACHMENT PERMIT	42	136	152	109	137	140	138	134	163	200
FINES AND FORFEITURES	24	31	29	12	25	3	9	11	12	10
FORECLOSURE REGISTRATION	57	46	31	20	22	21	11	8	17	10
GRADING PERMIT	9	5	13	7	15	9	5	12	7	14
HOME FRCLSURE PRCSSG FEE	49	45	30	17	20	21	11	8	16	8
INDUSTRIAL WASTE PERMIT	191	193	207	194	180	170	150	175	173	22
MECHANICAL PERMITS	76	70	64	68	57	70	74	50	69	88
PENALTY	137	175	175	167	45	3	0	0	0	0
PLANNING FEES	71	78	86	67	69	64	61	97	107	132
PLUMBING PERMITS	114	69	91	76	75	78	79	58	99	120
PUBLIC WORKS PERMIT	160	139	127	143	79	98	75	104	17	87
SEWER PERMIT	29	11	15	20	11	11	24	16	17	40
STORAGE OF PERMIT-P.MAINT	45	39	47	33	32	18	32	16	8	0
STRONG MOTION PERMIT	46	19	19	8	23	26	26	14	7	0
	1,728	1,590	1,570	1,409	1,297	1,233	1,238	1,126	1,404	1,569

COMMUNITY SERVICES

BASKETBALL	363	385	450	405	338	250	85	310	391	332
BOXING REGISTRATION	715	924	835	924	1,034	776	0	578	1,139	1,428
BUS PASS	374	379	327	324	326	127	7	25	67	21
CHEERLEADING	555	798	852	0	0	0	0	0	0	0
CHILD SVC-EXTENDED DAY CR	429	636	568	603	542	350	0	121	171	144
CHRISTMAS TOY DR DONATION	127	127	132	139	134	116	119	129	96	91
CI-CONG. MEALS DONATIONS	55	59	50	55	152	99	40	43	46	58
CI-COUNTY PRN CONG.	13	13	14	16	16	20	20	18	14	20
CII-COUNTY PRN HOMEBOUND	21	28	29	28	30	25	33	26	18	16
CII-HOMEBOUND DONATIONS	21	24	22	27	59	32	21	20	30	51
DONATION-PATRIOTIC COMM.	5	7	5	7	0	0	0	2	0	0
EXCURSION-PARKS & REC	1	54	49	0	0	0	0	0	0	0
EXCURSION-SENIOR CENTER	9	11	13	25	75	65	0	61	1	0
EZ BUS PASSES	122	92	79	59	67	38	9	11	13	13
FACILITY RESERVATIONS	28	29	213	240	189	156	25	117	194	198
FARMERS MARKET	0	0	0	0	0	0	0	0	3	0
FOLKLORICO	32	8	0	0	0	0	0	1	0	0
FOOTHILL PASSES	16	12	13	30	63	18	3	0	1	0
RECREAT'N PROG.FUNDRAISER	0	282	50	0	0	0	0	0	0	0
RECREATION FEE	924	1,755	959	866	594	177	152	251	581	986
RECREATION SWIMMING	130	91	203	98	93	68	10	103	0	0
RECREATIONAL CLASSES	0	0	0	0	0	0	0	1	0	0
SPECIAL EVENTS	54	93	87	130	83	195	0	80	17	269
SWIM LESSONS	538	799	869	762	715	579	342	1,234	1,407	742
SWIM TEAM	34	21	46	69	43	25	22	9	0	0
TAEKWONDO	155	87	1	28	104	67	0	1	0	0
TAP & BALLET	93	11	0	0	0	0	0	0	0	0
T-BALL	190	189	197	183	138	127	70	130	85	112
ZUMBA	214	183	175	88	41	26	0	75	9	0
	5,218	7,097	6,238	5,106	4,836	3,336	958	3,346	4,283	4,481

* New City Clerk service.

City of South El Monte
 Table 14 - Capital Asset by Function
 Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General government										
City Hall	1	1	1	1	1	1	1	1	1	1
Solar System	0	0	4	4	4	4	4	4	4	4
Public safety										
Public Safety Center	1	1	1	1	1	1	1	1	1	1
Public works										
Roads (miles)	38	38	38	38	38	38	38	38	38	38
Street Lights	1082	1082	1082	1082	1082	1082	1082	1082	1082	1082
Sidewalks (miles)	66	66	66	66	66	66	66	66	66	66
Sewer Line (miles)	47	47	47	47	47	47	47	47	47	47
City Yard	2	2	2	2	2	2	2	2	2	2
Bus Shelter	25	25	25	25	25	25	25	25	25	25
Public Restrooms	11	11	11	11	11	11	11	11	11	11
Community services										
Community Center / Senior Center	1	1	1	1	1	1	1	1	1	1
Mini Center	1	1	1	1	1	1	1	1	1	1
City Owned Parks (acreage)	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77	1.77
Baseball / Softball Fields	8	8	8	8	8	8	8	8	8	8
Basketball Courts	9	9	9	9	9	9	9	9	9	9
Aquatic Center Pool	2	2	2	2	2	2	2	2	2	2
Gymnasium	1	1	1	1	1	1	1	1	1	1
Boxing Gym	1	1	1	1	1	1	1	1	1	1
Skate Park	1	1	1	1	1	1	1	1	1	1

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

Calendar Year 2014
Top 25 Sales Tax Producers

Business Name	Business Category
168 Ace Lumber Supply	Building Materials
2010 Office Furniture	Office Supplies/Furniture
Arco	Service Stations
Asia Building Supply	Contractors
Cardinal Paint & Powder	Light Industrial/Printers
Chevron	Service Stations
DDC Electric Supply	Service Stations
El Monte Ornamental Supply	Plumbing/Electrical Supplies
Exquisite Cabinet & Counter Top	Contractors
Greencastle Cabinetry	Contractors
KB Stone & Cabinet	Contractors
Lawrence Equipment	Food Service Equip./Supplies
Leader Industries	Trailers/Auto Parts
Marshalls	Family Apparel
McDonald's	Quick-Service Restaurants
Premium Autos	Used Automotive Dealers
Quartz Max	Contractors
Shell	Service Stations
Shell	Service Stations
Smardan Supply Co	Plumbing/Electrical Supplies
South El Monte Arco	Service Stations
Southeast Concrete Products	Contractors
Superior Grocers	Grocery Stores
Tyler Stone	Contractors
USA Gas	Service Stations

Percent of Calendar Year Total Paid By Top 25 Accounts = 43.70%

Data Source:

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

Business Name	Business Category
168 Ace Lumber Supply	Building Materials
2010 Office Furniture	Office Supplies/Furniture
Arco AMI PM	Service Stations
Cardinal Paint & Powder	Light Industrial/Printers
DDC Electric Supply	Plumbing/Electrical Supplies
El Monte Gas N Save	Service Stations
El Monte Green Petroleum	Service Stations
El Monte Ornamental Supply	Contractors
FleetPride	Trailers/Auto Parts
Garvey Mart & Service	Service Stations
Greencastle Cabinetry	Contractors
Industrial Pipe & Steel	Heavy Industrial
LBC Lighting	Plumbing/Electrical Supplies
Leader Industries	Trailers/Auto Parts
Marshalls	Family Apparel
McDonalds	Quick-Service Restaurants
Mikes Shell	Service Stations
Mobil	Service Stations
Quartz Max	Contractors
Santa Anita Chevron	Service Stations
Shell	Service Stations
Smardan Supply Co	Plumbing/Electrical Supplies
Southeast Concrete Products	Contractors
Superior Grocers	Grocery Stores
USA Gas	Service Stations

Percent of Calendar Year Total Paid By Top 25 Accounts = 44.82%