

ANNUAL COMPREHENSIVE FINANCIAL REPORT
CITY OF SOUTH EL MONTE, CALIFORNIA
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Prepared by:
Finance Department

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INTRODUCTORY

SECTION



CITY OF SOUTH EL MONTE

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January 29, 2026

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, 2025. This report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation rests with the City. These financial statements have been designed and presented in a manner that enhances your understanding of the City's financial position and activities.

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

The City of South El Monte's financial statements have been audited by the independent certified public accounting firm of Vasquez & Company, LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of South El Monte for the fiscal year ended June 30, 2025 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, 2025 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

- Spruce up the City’s Health & Wellness Program.
- Working with an outside consultant (LEXIPOL); Finalize, and Present to City Council for adoption an “Updated Personnel Rules” Resolution.
- Continue to effectively & efficiently track Employee Performance through timely Evaluations & a transparent Merit System.
- Enhance Leave Management Systems
 - Streamline leave of absence policies and tracking systems for FMLA, CFRA, and other protected leaves, ensuring ADA/FEHA compliance and improved return-to-work transitions.
- Improve Recruitment & Retention
 - Develop targeted recruitment strategies for hard-to-fill and critical positions.
 - Launch internship, apprenticeship, or fellowship programs to build future pipelines.

- Implement exit interview programs and turnover analysis to inform retention strategies.
- Increase the diversity of candidate pools through inclusive hiring practices.
- Modernize HR Technology
 - Upgrade or fully implement Human Resources Information Systems (HRIS) for better data accuracy and workflow automation.
 - Integrate applicant tracking, onboarding, evaluations, benefits, and payroll systems for seamless data sharing.
 - Develop internal HR dashboards for data-driven decision-making and KPI tracking.
- Ensure Compliance & Risk Management
 - Review and update personnel policies to reflect new legislation (e.g., SB 616, ADA, CFRA, Cal/OSHA).
 - Deliver mandated trainings (e.g., AB 1825 sexual harassment prevention, workplace violence prevention & IIPP).
 - Perform regular audits of employee files, I-9s, and safety documentation for compliance.
- Enhance Training & Development
 - Develop and deliver a comprehensive training calendar covering leadership, supervision, technical skills, and soft skills.
 - Establish onboarding and off boarding programs with standardized learning paths.
 - Launch a learning management system (LMS) to track and assign required trainings.
- Optimize Leave & Benefits Administration
 - Improve leave tracking and ensure compliance with FMLA, CFRA, and other protected leaves.
 - Host annual open enrollment fairs and provide benefits education sessions.
 - Evaluate and recommend benefits plan changes based on cost, usage, and employee feedback.
- Create a More Strategic HR Function
 - Transition HR from a transactional to a strategic business partner model.
 - Participate in cross-departmental initiatives and strategic planning processes.
 - Use workforce analytics to predict staffing needs, turnover, and engagement trends.

Human Resources & Risk Management – Accomplishments

- Formally restructured & reinforced New Employees Onboarding, as well as the Off boarding of Separating Employees.
- Converted existing Benefits System into newly introduced EMPOWER platform for all City Employees.
- Successfully submitted yet another Annual Audit Report as a Grantee to the Federal Transportation Authority’s Drug & Alcohol Program.
- Successfully negotiated 3-year employment contracts with the Local Union for both SEMEA & SEMEMTA Bargaining Units.
- Effectively utilized the NEOGOV system to streamline our Recruitment & Selection Process.
- Enhanced our Training & Employee Development Program in collaboration with CJPIA & other independent consultants for customized training.
- Effectively resolved various Risk Management Claims against the City.
- Efficiently collaborated with our Third-Party Administrator to manage an increasing flow of Short- & Long-Term Disability Claims.

- Civil Service Reform or Compliance
 - Implemented updates to Civil Service Rules & Regulations, ensuring compliance with evolving state laws and case precedents. Conducted employee and manager trainings on new rules and processes.
- HR Policy & Employee Handbook Updates
 - Reviewed and updated the City's Personnel Policies and Employee Handbook to reflect recent legislative changes, emerging HR best practices, and organizational values.
- Labor Relations & Grievance Management
 - Successfully managed and resolved various union grievances. Built stronger communication pathways between management and labor groups.
- Employee Engagement & Satisfaction Survey
 - Conducted a City-wide employee engagement survey. Analyzed results and created action plans with department heads to improve morale, communication, and workplace culture.
- Emergency Preparedness Training for Staff
 - Collaborated with Emergency Services and Risk Management to train employees on disaster preparedness, workplace violence prevention, harassment prevention training, CPR training, continuity of operations, and safety procedures in line with public sector mandates.
- Internship, Apprenticeship, or Youth Employment Program
 - Developed and managed a public-sector internship or youth employment program to promote local career pathways and expose high school/college students to civic careers.
- Safety & Wellness Program Expansion
 - Launched a robust employee wellness initiative, including mental health support, fitness challenges, ergonomic assessments, and flu shot clinics to promote holistic employee well-being.
- Improved Performance Evaluation Process
 - Redesigned and implemented a more effective and consistent annual performance review process, including manager training, feedback tools, and goal-setting templates.
- Public Records Act Compliance for HR Files
 - Reviewed and organized personnel files and employment records to ensure full compliance with the California Public Records Act (PRA), enhancing transparency and legal compliance.
- Implemented E-Verify or Enhanced I-9 Compliance Audits
 - Strengthened legal compliance by rolling out E-Verify for new hires or conducting internal audits to ensure all I-9 documentation is current, complete, and compliant.

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

- Collaborate with Commission Liaisons to the Advancement of Women & Girls, Community Services, Patriotic, and Planning Commissions to ensure all Agendas are meeting the Brown Act Requirements.
- 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.
- Implementation of a Records Center.
- Implementation of Public Portal for Form 700 E-file.
- Continue working with the departments on records management/destruction of documents.
- Update the Council Chamber Equipment.

City Clerk – Accomplishments

- Continuing to provide Zoom (Webinar) – allowing public access to participate virtually during public comment.
- Continue working with the departments on records management/destruction of documents.
- Updated voting system by utilizing additional feature through CivicClerk’s Board Portal.
- 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.
- Updated City Records Retention Schedule.
- Collaborate with Commission Liaisons to ensure transparency, uniformity, and that the Brown Act Requirements are met.
- Continue to provide Passport Services.

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

- Continue to receive 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 for the first time.
- 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.
- 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.
- Continue to assist in the oversight of the City's outsourced IT functions.
- Use AI in safe, secure, and responsible manner to improve the Finance Department's productivity and efficiency (ChatGPT, Adobe AI, Microsoft Copilot, etc.)
- Conduct an Infrastructure Valuation in accordance with GASB 34 & 51, to record its historical values on the City's books.

Finance – Accomplishments

- Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for three years in a row.
- Received the first Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2025 from the Government Finance Officers Association.
- 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 6/30/24 Financial Statements audit.
- Obtained a clean audit opinion on the 6/30/24 MTA audit.
- Obtained a clean audit opinion on the 6/30/24 Elderly Nutrition Program audit.
- Filed the 6/30/24 Single Audit Report on a timely manner.
- Filed the 6/30/24 Cities Financial Transactions Report on a timely manner.
- Filed the 6/30/24 Annual Streets Report on a timely manner.
- Collaborated with all departments to prepare and post the City's first Digital Budget Book on-line:
 - Submitted the FY24-25 Digital Budget Book for the GFOA's Distinguished Budget Presentation Award, but was unsuccessful, and received review comments for areas of improvements.
- Preparing an improved FY25-26 Digital Budget Book to be submitted.
- Assisted the City to modernize its Purchasing Ordinance and Purchasing Manual.
- Assisted the City to update its Medical Opt-Out Benefit.
- Assisted the City to adopt COLAs for non-represented employees.
- Assisted the City to place the Delinquent Trash Serve Fee and Sewer Service Fee assessments on the tax roll.
- Outsourced the Transient Occupancy Tax (TOT) management and collection to HdL for better oversight:

- Previously, customers were filling out TOT tax returns manually and paying over the counter.
- Presently customers are filling out TOT tax returns on-line and paying on-line.

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 with an emphasis on the 2028 Los Angeles Olympics.
- Launch an online interface to promote for sale and vacant commercial properties.
- Identify top performing businesses within the City and establish working relationships to promote growth
- Update the Building and Construction section of the Municipal Code in accordance with California Building Code updates.
- Launch online solar panel submittal portal to streamline permitting process per state mandate
- Select a consultant to prepare the General Plan update.
- Complete the plan check process and issue permits for In-N-Out with the goal of opening before the end of year 2026 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 825 Lexington Gallatin 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.
- Use the City's 5th 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 promote the sale of affordable housing units for the KB Home Development
- Continue implementation of the Housing Element, complete building permit scanning, and cloud storage of building plans.
- Continue to provide excellent customer service and assistance to the Public with regards 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

- Housing Allocation: Acceptance of funds from the Los Angeles County Development Authority for the Permanent Local Housing Allocation Program to address unmet housing needs and homelessness.
- Approval of Housing Funds Allocation: Resolution No. 25-022 approves the allocation of \$103,037 from the Los Angeles County Development Authority (LACDA) for the Permanent Local Housing Allocation Program to address unmet housing needs and assist persons experiencing homelessness.
- Application for CalHome Program Funding: Resolution No. 25-024 authorizes the City to apply for \$2,525,000 in CalHome Program funding to support the Owner-Occupied Rehabilitation Program and First-Time Homebuyer Program, providing financial assistance to low- and very low-income households.
- Launched online webpage dedicated to applicants for affordable housing units at the Starlite Development.
- Implemented new website integrated Looplink interface that provides available (for lease and for sale) commercial sites within the City.
- 2024 Housing Element Annual Progress Report, summarizing the city's progress in implementing housing goals, policies, and programs, approved by the State Department of Housing and Community Development.
- Assisted the Planning Commission with the approval of 259,985 square feet of new industrial development and 26,842 square feet of new retail/commercial development.
- Within a month, staff facilitated the approval of a new In-N-Out Restaurant.
- Expediently processed applications to fill vacant sites with national retail tenants
- Issued 2,014 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

- Implement a Career & Resource Fair for our community.
- Deploy a new recreation management software to better serve our community's needs.
- Reinstate Deputy Day, a day to recognize and support the essential work of law enforcement, in partnership with our local school districts.
- Optimize existing Clean Mobility Initiatives to promote a sustainable South El Monte Community.
- Have our recreation team be involved in the California Parks & Recreation Society (CPRS) by participating as part of our designated district board representing South El Monte.
- Oversee the Flags of Valor, a program where our community members can honor active, veteran, and fallen military personnel.
- Accredit an in-house staff member to train and certify lifeguard recruits.

Transportation & Senior Services

- Establish and implement a Transportation Policy and Transportation Employee Manual.
- Continue successful partnership with CalFresh to offers goods and services to our seniors.
- Maintain strong partnerships with community organizations to ensure the continued success of essential programs and services.
- Form an agreement with a care management provider to place a dedicated, in-person social worker at the senior center.

Communications

- Integrate new technologies and launch targeted campaigns to inform the community of key initiatives, programs, and events.
- Encourage public participation in civic activities, decision-making, and local initiatives.
- Be more involved with the California Association of Public Information Officials by attending more trainings and events.
- Develop and maintain an efficient emergency communication plan to ensure timely updated during crises.

Community Services – Accomplishments

Parks and Recreation

- Executed an agreement between the City and the San Gabriel Valley Council of Governments (SGVCOG) to implement the Metro Express Lanes I-10 E-Bike Access Project.
- Introduced a pickleball program, giving residents the chance to enjoy this dynamic sport on our newly renovated multi-use court.
- Building improvement/renovations:
 - Basketball Gym Flooring
 - Outdoor Basketball Court Asphalt
 - Aquatic Center Pool Replastering
- Secured sponsorships for CultivaLA Night Market Produce Stands offering free produce to the community.
- Updated City Facility Reservation Policy to reflect additional criteria for non-profit organizations to qualify for a facility fee waiver.
- Established The Harvard Latino Leadership Academy as a permanent educational academy to strengthen the leadership development of young students.
- Updated boxing regulations and added new boxing show dates to our event calendar.
- With growing attendance, we have relocated several of our community events to larger venues to accommodate participants.
- Achieved record-breaking enrollment in our Summer Day Camp.
- Implemented two new events to promote solutions toward greater gender equality, The Women’s Empowerment Brunch and the Community Bike Ride to Celebrate Women & Girls.
- Expanding our youth programming participant age groups to include infants and toddlers.
- Trained and certified internal staff to conduct fitness and recreation classes, eliminating the need for outsourced instructors.

Transportation & Senior Services

- Completed the transformation of the existing library at the Senior Center to a multi-purpose lounge.
- Added a new event, The Rodeo Dance, and implemented new building enhancements due to the additional funding from the newly established Senior Services Donation account.
- Increased our sheriff’s department team engagement by conducting safety workshops and crime prevention presentations.
- Surpassed participant targets in the elderly nutrition program by reaching full capacity.

- Established a partnership with CalFresh to provided goods and services to our senior participants.
- Increased the number of active members to 1,855 using our online Senior Center Management system, My Senior.
- Purchased two vehicles to add to our transportation fleet using Proposition A and the Los Angeles County Metropolitan Transportation Authority (LACMTA):
 - One Chrysler Minivan
 - One Tesla Model Y EV
- Senior Center was renovated with new flooring, furniture, blinds, and an overall new aesthetic.
- Established two social groups, Folklorico Dancing and Lovely Ladies in Red, to engage and connect our active and social participants.
- Provided over 35,000 meals to seniors through the City’s congregate program.
- Provided over 25,000 meals to seniors through the City’s home delivery program.
- Established a new afternoon programming schedule to increase the participation of our elderly community in our programs.
- Senior Services staff participated in multiple conferences and training sessions to improve program offerings and service quality.
- Staff actively supported and contributed to the ongoing efforts of the Advisory Council to educate and inform the public about available programs and services for older adults, with a focus on expanding outreach and awareness initiatives.

Communications

- Implemented new marketing and social media content such as video highlights and custom graphic design materials to establish an identity among the community.
- Implemented the use of mass email communication to notify our participants and community of upcoming events and programs.
- Integrated the use of new technology such as drone video content to showcase our community events and capital improvement projects.
- Initiate the re-design of the City’s website to enhance accessibility, improve user experience, and serve as a central hub for City news and updates, keeping residents informed in real time.

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 2 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 FY 25/26 budget.
- Continue the implementation of the Annual Citywide Street Striping Program.
- Continue the implementation of the Annual Tree Maintenance Program.

Public Works – Accomplishments

- Residential Street Rehabilitation Project – Completed the resurfacing of 300,000 square feet of residential streets (located southeast of the City including Rush Klingerman and Floradale), paving 3,800 tons of asphalt concrete, reconstructing 25 pedestrian curb ramps, and related accessibility improvements. Total project cost: \$2.1m.
- City Hall Restroom Facilities Rehabilitation Project – Completed design and awarded a construction contract. Anticipated construction completion is 2025. Anticipated project budget: \$0.64m.
- New Temple Park Multi-Purpose and Community Room, Snack Bar and Restroom Facilities – Architect completed soil report and building design for the proposed project. Anticipated construction completion is 2026. Anticipated project budget: \$1.5m.
- Highway Safety Improvements Program Cycle 9 – Design and award of construction contract completed. Started construction of traffic signal modifications at 11 signalized intersections Citywide as part of (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.
- Highway Safety Improvements Program Cycle 10 – Construction of traffic signal modifications at 2 signalized intersections including Lee Ave & Garvey Ave and Durfee Ave & Peck Rd as part of (state funded project) is nearly completed. 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 third quarter of 2025. Anticipated project budget: \$0.5m.
- ATP Cycle 5 Citywide Safe Route to School Pedestrian Safety Project – Designed completed and construction contract awarded. Project involves schools and major destinations (state funded project) at 23 locations. Additionally, 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 third quarter of 2025. Anticipated project budget: \$1.7m.
- Civic Center and Interjurisdictional Bike lanes on Santa Anita Avenue Project – Completed public outreach and started design of Metro Call for Projects. Additional design changes pending approval. Proposed improvements include installation of bicycle and pedestrian mobility improvements, 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. Preliminary or 60% design presentation was conducted at a City Council meeting. Anticipated project budget: \$6.3m.
- Merced Avenue Phase I Greenway Project – Project completed, including design, constructions award and construction of all proposed improvements. Improvements included 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. The infiltration system will capture and treat over 3.3 million gallons of rainwater during the average storm season. The Ribbon Cutting Ceremony occurred March 1, 2025. Anticipated project budget: \$12.3m.

- Highway Safety Improvements Program Cycle 11 Project – Design and award of construction contract completed. Project involves traffic signal modifications at 21 signalized intersections Citywide as part of (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 first quarter of 2026. Anticipated project budget: \$0.6m.
- Energy-efficient upgrades & Monitoring Project – Completed installation of energy-efficient lighting fixtures and HVAC units at the Mini Center, Community Center, and Senior Center. Began monitoring phase of project and grant reimbursement of project close-out. Additionally, completed electrical upgrades and installed new heat pump water heaters at Aquatics Center. Total project cost: \$1.8m.
- Merced Avenue Greenway Phase 2 Project (Active Transportation Plan Cycle 6) – Began design of project which included 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 Fern Avenue (City Limit with El Monte). Preliminary 80% design was conducted at a City Council meeting. Anticipated project budget: \$12.8m
- Electric Vehicle CarShare Program - Collaborated with ActiveSGV and Mobility Development on their implementation of EV CarShare Program by installing and providing space for 3 electric vehicles to be available for anyone one in the San Gabriel Valley area to rent and get around for their commuting needs.
- Electric Vehicle Improvements - Acquired and awarded a contract for the installation of 3 EV Charging Stations for the City fleet at the Transportation Department at a cost of \$31,000. These stations will help the City reduce its carbon footprint and benefit our environment.
- Facility/Tenant Improvement Projects - Senior Center and Community Center Flooring Improvements Project Completed. Completed basketball courts upgrades, including repainting of floor and new backboard installation at New Temple, Shively and Mary Van Dyke parks.
- Mini Center Landscaping Transformation – Conversion of barren dirt areas into a vibrant, water-efficient landscape. Installation of modern drip irrigation systems to minimize evaporation and runoff. Collaboration with the San Gabriel Valley Water Company for funding and expertise. Addition of new plants and trees, including fruitless olive trees, Mexican Bird of Paradise, Palo Verde trees, Strawberry Trees, Yucca, Red and Blue Fountain Grass, and Kangaroo Paw.
- Aquatic Center Pool Replastering Project – Renovated pools for improved safety and usability. Replaced tiles, replastered pools, updated lighting fixtures, and replaced handrails and drain covers. Funded by grants from the California Natural Resources Agency and Community Development Block Grants (CDBG).
- Implementation of SB 1383 – The City partnered with Athens Services to implement food scrap collection and organics recycling, contributing to California’s methane reduction goals. These accomplishments reflect the City of South El Monte's commitment to community

engagement, environmental sustainability, and recognition of individual and collective contributions.

- Clean-Up Week – Athens Services facilitates the collection of bulky items to help residents declutter their homes.
- Community Center and Mini Center Parking Lot Improvement Project – Resurfacing of two city-owned parking lots. Enhancements to safety, functionality, and visual appeal through asphalt resurfacing and parking lot striping.
- Public Works Maintenance Division responded to a total of 7,415 online GoGov requests which include building maintenance, street potholes or repairs, graffiti removals in public areas, landscaping maintenance, and bulk item debris removal.
- Street Striping & Painting Program – Repainted approximately one quarter of the existing pavement marking citywide, including yellow lines, lane lines, stop and stop bars, and other pavement markings to improve safe vehicular travel.
- Sign Maintenance Program – Removed and replacement 665 street and roadway signs citywide, including 45 stop signs to improve vehicular safety.
- Tree Maintenance Program – Trimmed 1,425 street and park trees, citywide, and planted 35 new trees.
- School Bus Drop-off & Pick-up Zones – Reconfigured and upgraded 2 school drop-off and pick-up zones to improve safety and meet increased/changing demands at the two schools.
- Code Enforcement responded to 750 online GoGov requests which include private property maintenance, illegal construction, and graffiti on private property. Additionally, the division handled 1,291 cases and closed 1,192, with only 99 cases remaining open for a closure rate of 92% for the fiscal year.
- Code Enforcement issued 31 administrative citations and illegal construction citations generating a combined \$59,000 in collected fines/fees.
- Public Safety Division issued an estimated 9,015 parking citations generating an estimated \$497,824 in collected bail amounts.
- The Public Safety Division responded to approximately 185 online GoGOV requests and closed approximately 211 GoGOV requests which include commercial vehicles parked in residential areas, inoperable and stolen or abandoned vehicles on City streets and on private property.
- Engineering Division issued over 75 public right of way encroachment permits and executed over 450 jobsite inspections.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of South El Monte for its Annual Comprehensive Financial Report (formerly known as the Comprehensive Annual Financial Report) for the fiscal year ended June 30, 2024. This was the 3rd consecutive year that City of South El Monte has obtained this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and additional requirements and is reviewed by a panel of experts to qualify.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement

Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

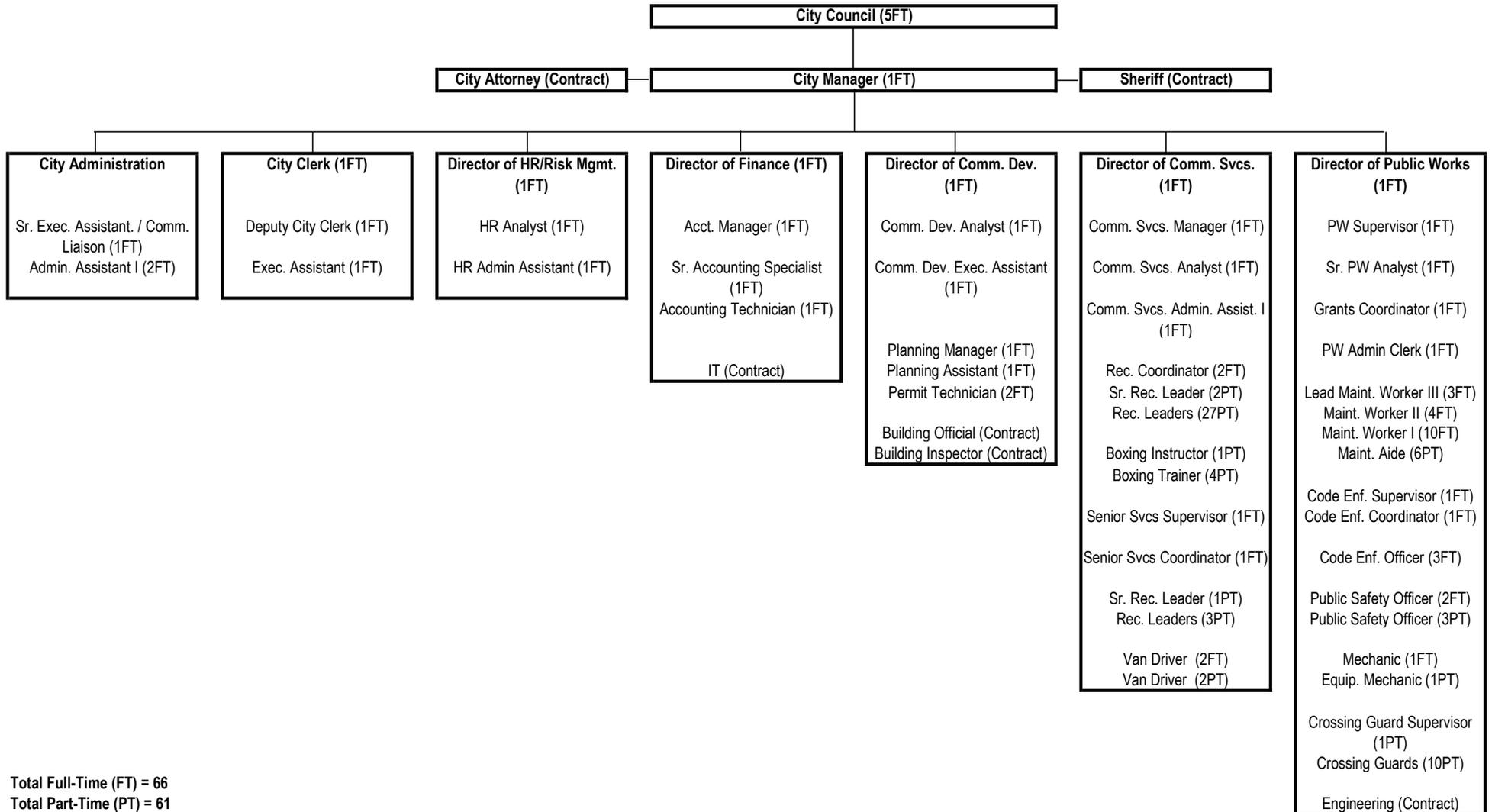
The preparation of this report could not have been accomplished without the dedicated efforts of the entire staff of the Finance Department of the City of El South Monte. I thank the City's independent auditors, Vasquez & Company, LLP, for their technical assistance. I wish to express my appreciation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

Respectfully submitted,

A handwritten signature in black ink, appearing to read "R Salas", written in a cursive style.

Rene Salas, City Manager

**CITY OF SOUTH EL MONTE
ORGANIZATIONAL CHART FY 2024-2025**



Total Full-Time (FT) = 66
Total Part-Time (PT) = 61

**CITY OF SOUTH EL MONTE
AS OF JUNE 30, 2025**

CITY COUNCIL

**Gloria Olmos
Mayor**

**Hector Delgado
Mayor Pro Tem**

**Manuel Acosta
Councilmember**

**Rudy Bojorquez
Councilmember**

**Larry Rodriguez
Councilmember**

MANAGEMENT TEAM

**Rene Salas
City Manager**

**Susie Altamirano
City Attorney**

**Adrian Garcia
City Clerk**

**Masami Higa
Director of Finance/Treasurer**

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

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

**Gerardo Marquez
Director of Community Development**

**Danilo Batson
Interim 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, 2024

Christopher P. Morill

Executive Director/CEO

FINANCIAL

SECTION



Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of South El Monte, California (the City), as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of South El Monte, California, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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.

Emphasis of Matter

Implementation of New Governmental Accounting Standards Board Pronouncements

As discussed in Note 1, the City implemented the provisions of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*, and Statement No. 102, *Certain Risk Disclosures*, during the fiscal year ended June 30, 2025. Our opinion is not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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



Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the proportionate share of the net pension liability and contributions, schedule of changes in net OPEB liability (asset) and related ratios, schedule of OPEB plan contributions, schedule of investment returns, and budgetary comparison schedules for the General Fund, Grants Special Revenue Fund and Safe Clean Water Program Special Revenue Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 29, 2026 on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Vasquez & Company LLP

Glendale, California
January 29, 2026

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, 2025.

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 42-43 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 93-95 and pages 114-141).

The basic governmental funds financial statements can be found on pages 44 and 46 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 OPEB Trust fund and a private purpose trust fund.

The fiduciary funds financial statements can be found on pages 48-49 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 50 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, 2025 and June 30, 2024. The details of the current year's summary can be found on page 42 of this report.

	Governmental Activities		
	2025	2024	Net Change
ASSETS AND DEFERRED OUTFLOWS			
Current and other assets	\$ 36,261,030	\$ 38,410,505	\$ (2,149,475)
Capital assets	35,014,971	25,814,103	9,200,868
Total assets	71,276,001	64,224,608	7,051,393
Deferred outflows	5,077,468	7,448,725	(2,371,257)
Total Assets and Deferred Outflows	76,353,469	71,673,333	4,680,136
LIABILITIES AND DEFERRED INFLOWS			
Current liabilities	3,998,109	5,456,802	(1,458,693)
Long-term liabilities	10,802,707	12,056,256	(1,253,549)
Total liabilities	14,800,816	17,513,058	(2,712,242)
Deferred inflows	4,985,342	6,420,525	(1,435,183)
Total Liabilities and Deferred Inflows	19,786,158	23,933,583	(4,147,425)
NET POSITION			
Net investment in capital assets	33,577,814	24,261,157	9,316,657
Restricted	17,199,162	18,009,463	(810,301)
Unrestricted	5,790,335	5,469,130	321,205
Total Net Position	\$ 56,567,311	\$ 47,739,750	\$ 8,827,561

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 \$56,567,311 (net position).

The category of the City's net position with the largest balance totaling \$33,577,814 (59.4%) represents resources that are invested in capital assets, net of accumulated depreciation and related debt.

The second largest category of net position, totaling \$17,199,162 (30.4%) represents the City's restricted assets, which are restricted for special revenues.

The last remaining category of net position, totaling \$5,790,335 (10.2%) represents unrestricted net position.

Governmental activities, net position:

- Current and other assets decreased by \$2,149,475 from the prior fiscal year mainly due to a \$886,953 decrease in cash and a \$1,354,679 decrease in receivables.
- Capital assets increased by \$9,200,868 from the prior fiscal year due to a net increase in construction in progress of \$9,316,772, an increase in capital assets being depreciated and amortized of \$1,563,117 offset by depreciation and amortization of \$1,679,021.
- Deferred outflows decreased by \$2,371,257 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 decreased by \$1,458,693 from the prior fiscal year mainly due to a decrease in payables for construction and law enforcement.
- Long-term liabilities decreased by \$1,253,294 from the prior fiscal year mainly due to a decrease in net pension liability.
- Deferred inflows decreased by \$1,435,183 from the prior fiscal year mainly due to change in employer proportion related to pension.
- Net investment in capital assets increased by \$9,316,657 due to an increase in capital assets less the liabilities attributable to the capital assets.
- Restricted net position decreased by \$810,301 mainly due to a decrease net position restricted for public works programs.
- The unrestricted net position increased by \$321,205 from the prior fiscal year mainly due to the current fiscal year's change in net position of \$8,827,561, offset by an increase in net investment in capital asset of \$9,316,657, offset by a decrease in restricted net position of \$810,301.

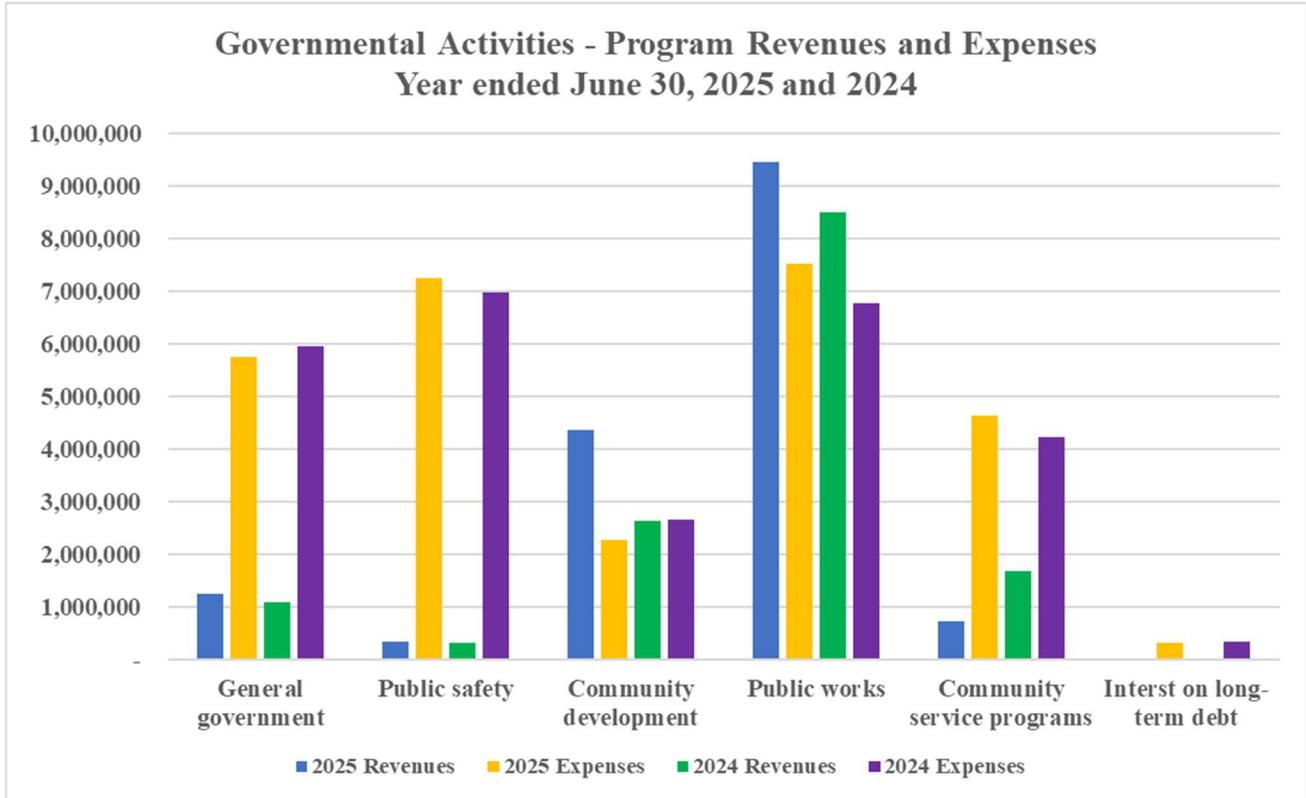
Changes in Net Position

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 43 of this report.

	Governmental Activities		
	2025	2024	Net Change
REVENUES			
Program revenues			
Charges for services	\$ 5,863,709	\$ 6,029,449	\$ (165,740)
Operating grants and contributions	1,981,109	1,488,392	492,717
Capital grants and contributions	8,282,691	6,715,103	1,567,588
General revenues			
Sales taxes	11,500,510	11,226,273	274,237
Property taxes	5,857,115	5,495,764	361,351
Other taxes	1,706,903	1,678,856	28,047
Investment income	1,184,757	1,653,672	(468,915)
Other	193,785	94,853	98,932
Total Revenues	36,570,579	34,382,362	2,188,217
EXPENSES			
Program activities			
General government	5,749,551	5,945,415	(195,864)
Public safety	7,251,613	6,972,914	278,699
Community development	2,273,430	2,649,174	(375,744)
Public works	7,523,823	6,767,359	756,464
Community service programs	4,630,506	4,234,875	395,631
Interest on long-term debt	314,095	327,368	(13,273)
Total Expenses	27,743,018	26,897,105	845,913
Change in Net Position	8,827,561	7,485,257	1,342,304
Net Position - Beginning	47,739,750	40,254,493	7,485,257
Net Position - Ending	\$ 56,567,311	\$ 47,739,750	\$ 8,827,561

Governmental activities, changes in net position:

Governmental activities' net position increased by \$8,827,561 for the City. The increase in governmental activities is higher by \$1,342,304 as compared to the prior fiscal year's increase in the City's net position of \$7,487,257. For both fiscal years, net position increased primarily due to capital grants and contributions for major road constructions projects taking place, such as the Merced Avenue Greenway Project.



Governmental activities consist of the following departments and divisions:

(1) General Government

- a. City Council
- b. City Manager
- c. City Attorney
- d. Community Promotion
- e. Human Resources
- f. Risk Management
- g. City Clerk
- h. Elections
- i. Accounting
- j. Information Technology
- k. Animal Control

(2) Public Safety

- a. Law Enforcement

(3) Community Development

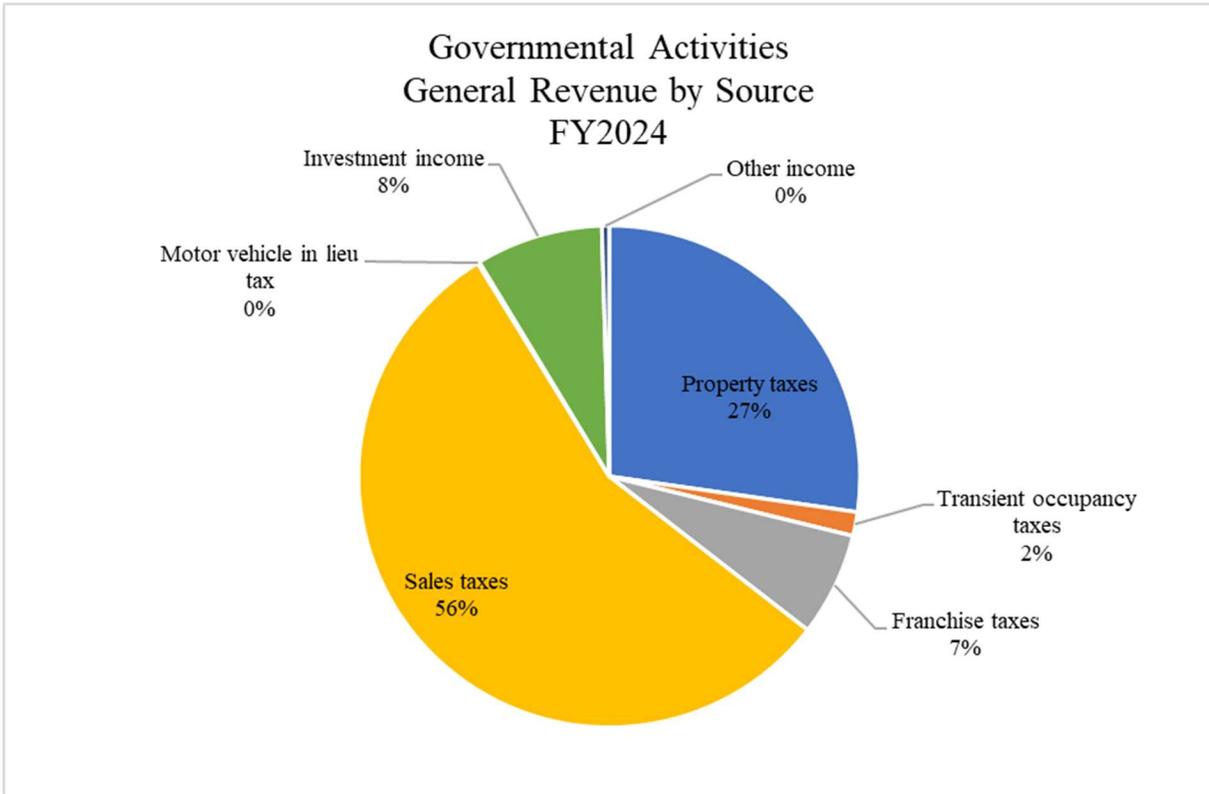
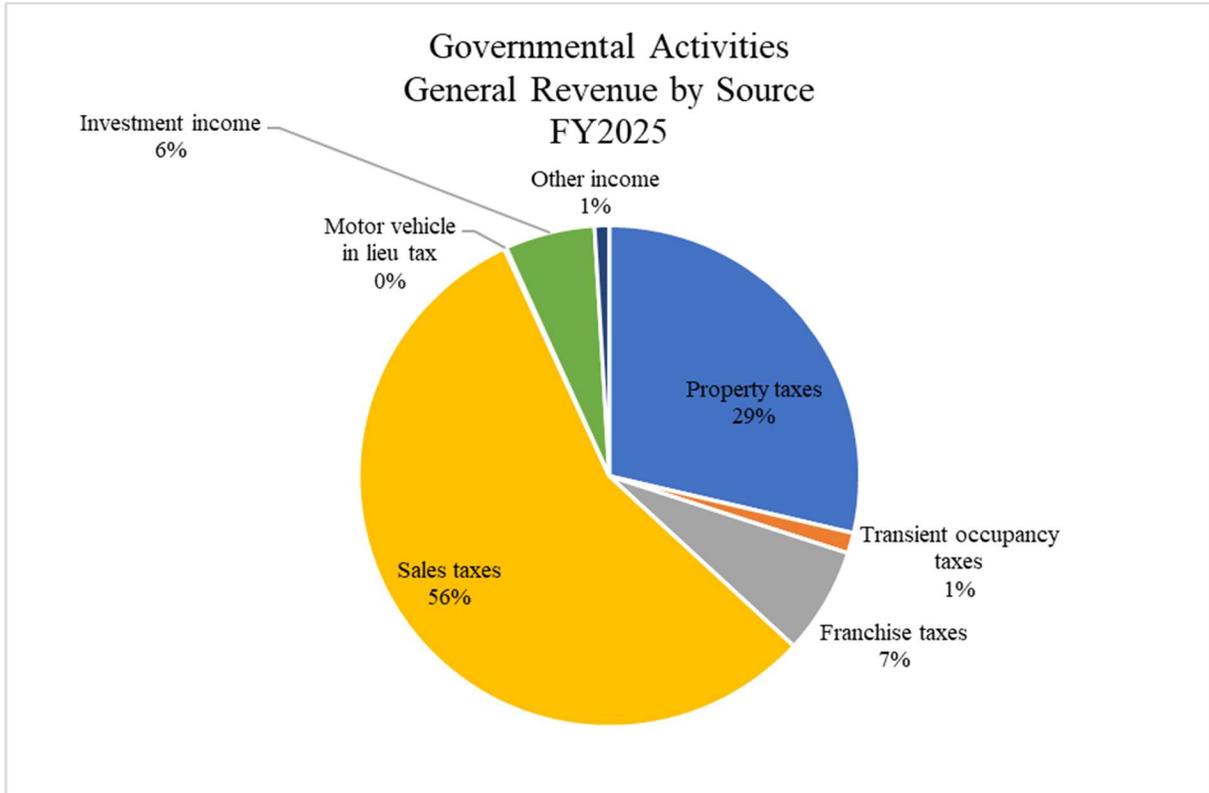
- a. Planning Commission
- b. Community Development
- c. Building and Safety
- d. CalHOME Programs

(4) Public Works

- a. Public Works Admin.
- b. Public Safety Center
- c. City Engineering
- d. School Safety
- e. Environmental Engineering
- f. Waste Management
- g. Emergency Preparedness
- h. City Hall
- i. Transportation Yard
- j. General Utilities
- k. Facility Maintenance
- 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

(5) Community Service

- a. Women's Commission
- b. Community Services Commission
- c. Patriotic Commission
- d. Senior Services
- e. Parks and Recreation
- f. Sports
- g. Boxing
- h. Special Events
- i. Fourth of July
- j. Night Markets
- k. Christmas Wish
- l. Flags of Valor



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 \$32,013,342 (see page 44), a decrease of \$713,447. Approximately 50.8% of the total fund balance amount, \$16,263,096, 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, \$23,000, constitutes non-spendable fund balance, which are amounts that are not in a spendable form. The remainder of the fund balance amount, \$15,727,246, or 49.1% 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 \$18,046,617 (see page 44). At the end of the current fiscal year, the total fund balance of the General Fund represents 71.1% of the total expenditures of the General Fund for the fiscal year.

The fund balance of the General Fund had a net increase of \$670,083 during the current fiscal year. This net increase was primarily due to the following reasons:

- Total revenues decreased by \$636,724 from the prior fiscal year, mainly due to decrease in revenues from use of money and property.
- Total expenditures increased by \$1,293,512 from the prior fiscal year, mainly due to labor cost increase across all functions.
- Total other financing sources and uses increased by \$1,511,545 from the prior fiscal year, mainly due to reimbursement transfers in from Nonmajor Governmental Funds for administrative costs.
- As a result, net surplus decreased by \$418,691 from prior fiscal year.

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 \$193,449 during the current fiscal year. The net decrease was primarily due to the following reasons:

- Intergovernmental revenues increased by \$313,615 from the prior fiscal year, mainly due to the receipt and accrual of reimbursement grants.
- Total expenditures increased by \$2,013,890 from the prior fiscal year, mainly due to the completion of the Merced Greenway Project South.
- Total other financing sources increased by \$2,442,403 from the prior fiscal year, mainly due to transfers in from Nonmajor Governmental Funds to provide resources for capital projects.
- As a result, net deficit decreased by \$742,128 from prior fiscal year.

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 \$1,705,881 during the current year. The net decrease was primarily due to the following reason:

- The Safe Clean Water Program Fund made transfer out of \$2,194,155 to the Grants Fund to fund the Merced Avenue Greenway Project, offset by intergovernmental revenues of \$442,770.

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 \$1,126,514.

For the current fiscal year, the General Fund's total positive variance between the final budgeted estimated revenues and actual revenues was \$2,976,876. The key reasons for these variances are mostly due to higher actual revenues over estimated revenues of \$1,774,502 in licenses and permits and \$768,331 in revenues from taxes. The revenues from licensing activities were higher than expected due to more businesses applying and renewing their business licenses, 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.

For the current fiscal year, the General Fund's total negative variance between the final budgeted amount and the actual amount for expenditures was \$1,555,909. The key reasons for these variances are mostly due to expenditures in excess of appropriations of \$696,654 for general government and \$800,137 for community services programs. The expenditures in general government were higher than expected due to an increase in cost of professional services and an overall increase in medical insurance cost. The expenditures in community services programs were higher than expected due to an overall increase in labor cost including medical insurance cost.

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 \$294,453. The key reason for this variance was the General Fund receiving less reimbursement transfers in from other governmental funds than expected.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets

The City's investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$35,014,971 (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 \$9,200,868, or \$1,369,243 higher than the prior fiscal year, due to a net increase in construction in progress of \$9,316,772 and an increase in capital assets being depreciated of \$1,563,117, offset by depreciation and amortization of \$1,679,021.

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

- \$5.2 million invested towards the Merced Green Way Project (South) under construction-in-progress.
- \$2.0 million invested towards City-Wide Pavement Rehabilitation Project under construction-in-progress.
- \$0.7 million invested towards the Merced Green Way Project (North) under construction-in-progress.
- \$0.6 million invested towards the Swimming Pool Replastering Project placed into service.
- \$0.5 million invested towards Various Parks Improvement Project placed into service.

- \$0.4 million invested towards Lee/Garvey Durfee/Peck Intersection Project under construction-in-progress.
- \$0.3 million invested towards Safe Routes to Schools Project under construction-in-progress.

Additional information on the City's capital assets can be found in Note 5 on page 65 of this report.

Outstanding debt

As of June 30, 2025, the City had pension bonds outstanding in the amount of \$8,688,914. In July 2022, 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 66-68 of this report.

ECONOMIC FACTORS AND NEW YEAR'S BUDGET AND RATES

These factors were considered in preparing the City's budget for the 2026 fiscal year:

- The City serves a diverse industrial, commercial, and residential customer base. At June 30, 2025, the average unemployment rate of the City was 5.6%, which was higher than the State's average of 5.4%, and higher than the National average of 4.1%.
- Inflationary trends in the region compare unfavorably to national indices.
- The occupancy rate of the City for fiscal 2025 was estimated to be 95.1%.

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, 2025

	Governmental Activities
ASSETS:	
Cash and investments	\$ 30,131,914
Receivables:	
Accounts	85,775
Taxes	2,555,242
Other receivables	11,663
Intergovernmental	2,501,105
Leases	16,265
Prepaid costs	23,000
Net OPEB asset	936,066
Capital assets:	
Non-depreciable/amortizable	20,008,548
Depreciable/amortizable, net	15,006,423
TOTAL ASSETS	71,276,001
DEFERRED OUTFLOWS OF RESOURCES:	
Deferred amounts related OPEB plan	300,816
Deferred amounts related to pension plans	4,776,652
TOTAL DEFERRED OUTFLOWS OF RESOURCES	5,077,468
LIABILITIES:	
Accounts payable and accrued expenses	3,295,357
Long-term liabilities:	
Due within one year	702,752
Due in more than one year	10,112,217
Net pension liability	690,490
TOTAL LIABILITIES	14,800,816
DEFERRED INFLOWS OF RESOURCES:	
Deferred amounts related to leases	16,265
Deferred amounts related to OPEB plan	1,042,455
Deferred amounts related to pension plans	3,926,622
TOTAL DEFERRED INFLOWS OF RESOURCES	4,985,342
NET POSITION:	
Net investment in capital assets	33,577,814
Restricted for:	
OPEB	936,066
Public works	12,066,248
Public safety	797,611
Community services programs	2,542,192
Housing	857,045
Unrestricted	5,790,335
TOTAL NET POSITION	\$ 56,567,311

City of South El Monte
Statement of Activities
For the Fiscal Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 5,749,551	\$ 1,239,377	\$ -	\$ -	\$ (4,510,174)
Public safety	7,251,613	152,487	194,663	-	(6,904,463)
Community development	2,273,430	3,994,046	376,929	-	2,097,545
Public works	7,523,823	233,220	962,201	8,255,811	1,927,409
Community services programs	4,630,506	244,579	447,316	26,880	(3,911,731)
Interest on long-term debt	314,095	-	-	-	(314,095)
Total governmental activities	\$ 27,743,018	\$ 5,863,709	\$ 1,981,109	\$ 8,282,691	(11,615,509)

General revenues:

Taxes:

Property taxes	5,857,115
Transient occupancy taxes	269,697
Franchise taxes	1,406,404
Sales taxes	11,500,510
Motor vehicle in lieu tax	30,802
Investment income	1,184,757
Other	193,785

Total general revenues 20,443,070

Change in net position 8,827,561

Net position - beginning 47,739,750

Net position - ending \$ 56,567,311

**City of South El Monte
Balance Sheet
Governmental Funds
June 30, 2025**

	Special Revenue Funds				
	General Fund	Grants Fund	Safe Clean Water Program Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 7,149,040	\$ -	\$ 5,050,247	\$ 17,932,627	\$ 30,131,914
Receivables:					
Accounts	-	-	-	85,775	85,775
Taxes	2,555,242	-	-	-	2,555,242
Other receivables	11,663	-	-	-	11,663
Intergovernmental	411,637	1,677,239	-	412,229	2,501,105
Leases	16,265	-	-	-	16,265
Due from other funds	10,609,221	-	-	556,946	11,166,167
Prepays	23,000	-	-	-	23,000
TOTAL ASSETS	\$ 20,776,068	\$ 1,677,239	\$ 5,050,247	\$ 18,987,577	\$ 46,491,131
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES:					
Accounts payable and accrued expenses	\$ 2,713,186	\$ 507,968	\$ -	\$ 74,203	\$ 3,295,357
Due to other funds	-	2,503,406	3,260,440	5,402,321	11,166,167
TOTAL LIABILITIES	2,713,186	3,011,374	3,260,440	5,476,524	14,461,524
DEFERRED INFLOWS OF RESOURCES:					
Leases	16,265	-	-	-	16,265
TOTAL DEFERRED INFLOWS OF RESOURCES	16,265	-	-	-	16,265
FUND BALANCES:					
Nonspendable:					
Prepays	23,000	-	-	-	23,000
Restricted for:					
General government	-	-	-	105,190	105,190
Public works	-	-	1,789,807	10,171,251	11,961,058
Public safety	-	-	-	797,611	797,611
Community services programs	-	-	-	2,542,192	2,542,192
Housing	-	-	-	857,045	857,045
Unassigned	18,023,617	(1,334,135)	-	(962,236)	15,727,246
TOTAL FUND BALANCES	18,046,617	(1,334,135)	1,789,807	13,511,053	32,013,342
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 20,776,068	\$ 1,677,239	\$ 5,050,247	\$ 18,987,577	\$ 46,491,131

City of South El Monte
Reconciliation of the Governmental Funds Balance Sheet
To the Statement of Net Position
June 30, 2025

Fund balances for governmental funds		\$ 32,013,342
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental fund financial statements.</p>		
Capital assets not being depreciated/amortized	\$ 20,008,548	
Capital assets being depreciated/amortized	46,491,628	
Accumulated depreciation/amortization	<u>(31,485,205)</u>	35,014,971
<p>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:</p>		
Compensated absences	(708,467)	
Lease liabilities	(15,144)	
ERCDC Loan payable	(1,402,444)	
Pension bonds	<u>(8,688,914)</u>	(10,814,969)
<p>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.</p>		
Deferred outflows of resources	4,776,652	
Deferred inflows of resources	(3,926,622)	
Net pension liability	<u>(690,490)</u>	159,540
<p>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.</p>		
Deferred outflows of resources	300,816	
Deferred inflows of resources	(1,042,455)	
Net OPEB asset	<u>936,066</u>	<u>194,427</u>
Net position of governmental activities		<u><u>\$ 56,567,311</u></u>

City of South El Monte
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025

	General Fund	Special Revenue Fund			Nonmajor Governmental Funds	Total Governmental Funds
		Grants Fund	Safe Clean Water Program Fund	Housing Successor Fund		
REVENUES:						
Taxes	\$ 18,501,176	\$ -	\$ -		\$ 318,800	\$ 18,819,976
Licenses and permits	3,369,037	-	-		-	3,369,037
Fines and forfeitures	19,866	-	-		-	19,866
Use of money and property	691,262	-	122,945		442,705	1,256,912
Charges for services	434,982	-	-		857,613	1,292,595
Special assessments	-	-	-		373,660	373,660
Intergovernmental	1,738,629	4,675,107	442,770		4,388,243	11,244,749
Other revenues	164,774	-	-		29,010	193,784
TOTAL REVENUES	24,919,726	4,675,107	565,715		6,410,031	36,570,579
EXPENDITURES:						
Current:						
General government	5,630,255	-	-		1,300	5,631,555
Public safety	7,227,454	-	-		-	7,227,454
Community development	2,232,447	-	-		17,114	2,249,561
Public works	5,388,092	6,614	77,441		1,002,663	6,474,810
Community services programs	3,511,493	-	-		498,316	4,009,809
Capital outlay	567,664	8,927,425	-		1,384,800	10,879,889
Debt service:						
Principal	496,853	-	-		-	496,853
Interest	314,095	-	-		-	314,095
TOTAL EXPENDITURES	25,368,353	8,934,039	77,441		2,904,193	37,284,026
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(448,627)	(4,258,932)	488,274		3,505,838	(713,447)
OTHER FINANCING SOURCES (USES):						
Transfers in	1,118,710	4,065,483	-		30,246	5,214,439
Transfer out	-	-	(2,194,155)		(3,020,284)	(5,214,439)
TOTAL OTHER FINANCING SOURCES (USES)	1,118,710	4,065,483	(2,194,155)		(2,990,038)	-
NET CHANGE IN FUND BALANCES	670,083	(193,449)	(1,705,881)		515,800	(713,447)
FUND BALANCES (DEFICITS), 6/30/2024, as previously reported	17,376,534	(1,140,686)	3,495,688	232,217	12,763,036	32,726,789
Change within financial reporting entity (major to nonmajor fund)	-	-	-	(232,217)	232,217	-
FUND BALANCES (DEFICITS), 6/30/2024, as adjusted or restated	17,376,534	(1,140,686)	3,495,688	-	12,995,253	32,726,789
FUND BALANCES (DEFICITS), 6/30/2025	\$ 18,046,617	\$ (1,334,135)	\$ 1,789,807		\$ 13,511,053	\$ 32,013,342

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, 2025

Net change in fund balances - total governmental funds \$ (713,447)

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	\$10,879,889	
Depreciation/amortization expense	<u>(1,679,021)</u>	9,200,868

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 - 2022 Lease Agreement	376,820	
Principal repayment on long-term debt - ERCDC Loan	120,033	
Lease liabilities	<u>15,325</u>	512,178

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.

(94,071)

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

177,646

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>(255,613)</u>
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Change in net position of governmental activities \$ 8,827,561

City of South El Monte
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	OPEB Trust Fund	Successor Agency Private-Purpose Trust Fund
ASSETS:		
Cash	\$ -	\$ 2,495,147
Investments		
Money market funds	78,654	2,101,285
Mutual funds - equity	1,187,580	-
Mutual funds - fixed income	1,176,445	-
	2,442,679	4,596,432
DEFERRED OUTFLOWS OF RESOURCES		
Deferred loss on refunding	-	9,381
	-	9,381
LIABILITIES:		
Due to City of South El Monte	-	411,637
Interest payable	-	304,430
Bonds payable		
Due within one year	-	1,429,186
Due in more than one year	-	17,785,261
	-	19,930,514
FIDUCIARY NET POSITION:		
Restricted for OPEB	2,442,679	-
Unrestricted	-	(15,324,701)
	2,442,679	(15,324,701)
TOTAL FIDUCIARY NET POSITION	\$ 2,442,679	\$ (15,324,701)

City of South El Monte
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2025

	<u>OPEB Trust Fund</u>	<u>Successor Agency Private-Purpose Trust Fund</u>
ADDITIONS:		
Property tax revenue	\$ -	\$ 2,285,045
Employer contributions	48,589	-
Investment income, net of interest expense	<u>241,601</u>	<u>90,900</u>
 TOTAL ADDITIONS	 <u>290,190</u>	 <u>2,375,945</u>
DEDUCTIONS:		
Administrative expenses	12,758	132,997
Benefit payments	48,589	-
Interest expense	<u>-</u>	<u>743,463</u>
 TOTAL DEDUCTIONS	 <u>61,347</u>	 <u>876,460</u>
 CHANGE IN FIDUCIARY NET POSITION	 228,843	 1,499,485
 FIDUCIARY NET POSITION - BEGINNING OF FISCAL YEAR	 <u>2,213,836</u>	 <u>(16,824,186)</u>
 FIDUCIARY NET POSITION - END OF FISCAL YEAR	 <u><u>\$ 2,442,679</u></u>	 <u><u>\$ (15,324,701)</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:

- Other Postemployment Benefits (OPEB) Trust fund – Used to account for the assets, contributions, administration expenses, and benefit payments related to the City’s OPEB plan.
- 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 OPEB trust fund and private-purpose trust fund are accounted for using the economic resources measurement focus and accrual basis of accounting. OPEB trust fund is used to account for the assets, contributions, administration expenses, and benefit payments related to the City's OPEB plan. 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 government-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.

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

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 was effective for the City's fiscal year ending June 30, 2025 and the City implemented it accordingly.

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 was effective for the City's fiscal year ending June 30, 2025 and the City implemented it accordingly.

F) Upcoming Governmental Accounting Standards Implementation

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.

GASB Statement No. 104

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this statement is to provide users of government financial statements with essential information about certain types of capital assets. Application of this statement is effective for the City's fiscal year ending June 30, 2026.

GASB Statement No. 105

In December 2025, GASB issued Statement No. 105, *Subsequent Events*. The objective of this statement is to improve the financial requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. Application of this statement is effective for the City's fiscal year ending June 30, 2026.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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
Lease asset – machinery and equipment	5 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 City recognizes liability for compensated absences for leave that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability includes salary-related benefits, where applicable. 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 net 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 pension and OPEB plans resulting from changes in assumptions and difference between expected and actual experience. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with pension and OPEB through the plans.
- Deferred outflows from pension resulting from difference between projected and actual earnings on plan investments. These amounts are amortized over five years.

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 to pension and OPEB plans for differences between expected and actual experience and changes in assumptions. 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 and OPEB through the plans.
- 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 OPEB 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) Pension

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 Plan’s 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 net OPEB liability (asset), 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, 2025 are reported as follows:

	Primary Government	Fiduciary Fund	Total
Cash on hand	\$ 3,208	\$ -	\$ 3,208
Deposits with financial institutions	3,230,488	2,495,147	5,725,635
Investments	26,898,217	4,543,964	31,442,181
Total cash and investments	<u>\$ 30,131,913</u>	<u>\$ 7,039,111</u>	<u>\$37,171,024</u>

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)	\$ 10,940	\$ -	\$ -	\$ 10,940
California Asset Management Program (CAMP)	25,869,124	-	-	25,869,124
U.S. Government Bonds	1,018,153	-	-	1,018,153
Money market mutual funds held by OPEB trustee	2,442,679	-	-	2,442,679
Money market mutual funds held by bond trustee	2,101,285	-	-	2,101,285
Total	<u>\$ 31,442,181</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,442,181</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	\$ 10,940	\$ -	\$ -	\$ 10,940
CAMP	25,869,124	-	-	25,869,124
U.S. Government Bonds	1,018,153	-	-	1,018,153
Money market mutual funds held by OPEB trustee	2,442,679	-	-	2,442,679
Money market mutual funds held by bond trustee	2,101,285	-	2,101,285	-
Total	<u>\$ 31,442,181</u>	<u>\$ -</u>	<u>\$ 2,101,285</u>	<u>\$ 29,340,896</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, 2025, 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, 2025, the City had \$25,869,124 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, 2025 was \$22.8 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, 2025 the amortized cost approximated the City’s cost.

Fair Value Measurement

The City categorizes its fair value measurement 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	\$ 1,018,153	\$ -	\$ 1,018,153	\$ -
Money market mutual funds held by OPEB trustee	2,442,679	2,442,679	-	-
Money market mutual funds held by bond trustee	2,101,285	2,101,285	-	-
Total investments measured at fair value:	\$ 5,562,117	\$ 4,543,964	\$ 1,018,153	\$ -
Not subject to fair value measurement hierarchy:				
LAIF	10,940			
CAMP	25,869,124			
	<u>\$ 31,442,181</u>			

NOTE 3 - INTERFUND TRANSACTIONS

Due To/Due From Other Funds

Due to/due from other funds as of June 30, 2025 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Grants Fund	\$ 2,503,406
General Fund	Safe Clean Water Program Fund	3,260,440
General Fund	Nonmajor Governmental Funds	4,845,375
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>556,946</u>
		<u><u>\$ 11,166,167</u></u>

Interfund due to / due from 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, 2025:

<u>Transfers-in</u>	<u>Transfers-out</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 1,118,710
Grants Fund	Safe Clean Water Program Fund	2,194,155
Grants Fund	Nonmajor Governmental Funds	1,871,328
Nonmajor Governmental Funds	Nonmajor Governmental Funds	<u>30,246</u>
		<u><u>\$ 5,214,439</u></u>

NOTE 4 – LEASE RECEIVABLE

On December 16, 1965, the City entered into a ground lease with the United States Postal Service (USPS) for the use of City-owned property located at 10452 Rush Street to serve as a parking lot for the USPS facility. The lease agreement has been renewed and modified over the years to reflect changes in terms, including rental rates and duration. Under the current ground lease, USPS pays the City an annual rent of \$17,582 payable in equal installments at the end of each calendar month over the term July 1, 2022 through June 30, 2026. At June 30, 2025, the lease receivable and deferred inflows of resources for the USPS ground lease were each recorded at \$16,265.

City of South El Monte
Notes to Basic Financial Statements
June 30, 2025

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2025 is as follows:

	Balance June 30, 2024	Addition	Adjustment	Reclass	Balance June 30, 2025
Governmental Activities					
Capital assets, not depreciated/amortized					
Land	\$ 3,126,512	\$ -	\$ -	\$ -	\$ 3,126,512
Construction in Progress	8,589,032	9,316,772	-	(1,023,768)	16,882,036
Total, not depreciated/amortized	<u>11,715,544</u>	<u>9,316,772</u>	<u>-</u>	<u>(1,023,768)</u>	<u>20,008,548</u>
Capital assets, being depreciated/amortized					
Buildings and Improvements	17,907,599	383,350	-	309,155	18,600,104
Infrastructure	21,514,142	140,897	-	654,522	22,309,561
Vehicles	2,556,206	895,386	-	-	3,451,592
Machinery and Equipment	1,854,593	143,484	-	60,091	2,058,168
Lease assets - Machinery and Equipment	125,555	-	(53,352)	-	72,203
Total capital assets, being depreciated/amortized	<u>43,958,095</u>	<u>1,563,117</u>	<u>(53,352)</u>	<u>1,023,768</u>	<u>46,491,628</u>
Less accumulated depreciation/amortization					
Buildings and Improvements	(13,713,630)	(519,054)	-	-	(14,232,684)
Infrastructure	(13,019,663)	(887,963)	-	-	(13,907,626)
Vehicles	(1,921,549)	(102,856)	-	-	(2,024,405)
Machinery and Equipment	(1,107,516)	(154,539)	-	-	(1,262,055)
Lease assets - Machinery and Equipment	(97,178)	(14,609)	53,352	-	(58,435)
Total accumulated depreciation/amortization	<u>(29,859,536)</u>	<u>(1,679,021)</u>	<u>53,352</u>	<u>-</u>	<u>(31,485,205)</u>
Net capital assets, being depreciated/amortized					
Buildings and Improvements	4,193,969	(135,704)	-	309,155	4,367,420
Infrastructure	8,494,479	(747,066)	-	654,522	8,401,935
Vehicles	634,657	792,530	-	-	1,427,187
Machinery and Equipment	747,077	(11,055)	-	60,091	796,113
Lease assets - Machinery and Equipment	28,377	(14,609)	-	-	13,768
Total, depreciated/amortized	<u>14,098,559</u>	<u>(115,904)</u>	<u>-</u>	<u>1,023,768</u>	<u>15,006,423</u>
Governmental activities capital assets, net	<u>\$ 25,814,103</u>	<u>\$ 9,200,868</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,014,971</u>

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

General Government	\$ 90,410
Public Safety	17,675
Public Works	997,020
Community Development	578
Community Services	573,338
Total depreciation/amortization expense	<u>\$ 1,679,021</u>

NOTE 6 - LONG-TERM DEBT

Long-term debt activity for the fiscal year ended June 30, 2025 is as follows:

	Balances June 30, 2024	Additions	Deletions	Balances June 30, 2025	Due Within One Year	Long Term
Governmental activities:						
Lease liabilities	\$ 30,469	\$ -	\$ (15,325)	\$ 15,144	\$ 15,144	\$ -
Compensated absences	452,854	361,846	(106,233)	708,467	177,117	531,350
ERCDC loan payable	1,522,477	-	(120,033)	1,402,444	121,236	1,281,208
2022 Lease agreement	9,065,734	-	(376,820)	8,688,914	389,255	8,299,659
Total	<u>\$ 11,071,534</u>	<u>\$ 361,846</u>	<u>\$ (618,411)</u>	<u>\$ 10,814,969</u>	<u>\$ 702,752</u>	<u>\$ 10,112,217</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.

Xerox Copiers – City Buildings

On June 9, 2021, the City entered into copier lease with Xerox with a monthly payment of \$1,404 for the period June 9, 2021 through June 8, 2026. The lease liability was measured at a discount rate of 5%, which is the stated rate in the lease agreement. As of June 30, 2025, the City had a right to use asset with a net book value of \$13,768.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
2026	<u>\$ 15,144</u>	<u>\$ 695</u>	<u>\$ 15,839</u>

The final maturity date is June 8, 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.

NOTE 6 - LONG-TERM DEBT (CONTINUED)

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, 2025, the outstanding balance was \$708,467. The current portion is estimated to be 25% of the outstanding balance.

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 \$2,307,104. The loan matures over 20 years with an interest rate of 1.00%.

The annual payment requirements are as follows:

Fiscal Year Ending	Principal	Interest	Total
<u>June 30</u>			
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	126,171	8,788	134,959
2031-2035	650,066	24,729	674,795
2036	133,951	1,008	134,959
	<u>\$ 1,402,444</u>	<u>\$ 82,106</u>	<u>\$ 1,484,550</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.

NOTE 6 - LONG-TERM DEBT (CONTINUED)

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:

Fiscal Year Ending	Principal	Interest	Total
<u>June 30</u>	<u> </u>	<u> </u>	<u> </u>
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	443,237	232,752	675,989
2031-2035	2,445,481	934,466	3,379,947
2036-2040	2,876,510	503,437	3,379,947
2041-2042	1,287,883	64,095	1,351,978
	<u>\$ 8,688,914</u>	<u>\$ 2,802,904</u>	<u>\$ 11,491,818</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, 2025, the following governmental funds had deficit balances: Grants Fund \$(1,334,135), Older American Act Fund \$(113,001), DOE Fund \$(594,573), Homeless Initiative Fund \$(22,614), CDBG Fund \$(171,046), HSIP Fund \$(17,887), TDA Fund \$(33,000), and PLHA Fund \$(10,115). These deficits are expected to be remedied with future revenues.

NOTE 7 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Expenditures in Excess of Appropriations

Expenditures for the fiscal year ended June 30, 2025, exceeded appropriations in the following funds:

Fund Name	Appropriations	Expenditures	Excess Over Appropriations
Major governmental funds			
General Fund	\$ 23,812,444	\$ 25,368,353	\$ (1,555,909)
Nonmajor governmental funds			
Gas Tax Fund	473,000	577,242	(104,242)
Older American Act Fund	291,500	377,514	(86,014)
Road Maintenance and Rehabilitation Fund	-	53,540	(53,540)
DOE Grant	-	138,510	(138,510)
Used Oil Recycling Grant Fund	5,500	5,689	(189)
Measure M Local Return Fund	-	338,400	(338,400)
Prop C Local Return Fund	4,500	93,169	(88,669)
Community Development Block Grant	236,552	280,724	(44,172)
Measure R Local Return Fund	4,500	11,683	(7,183)
Total	<u>\$ 24,827,996</u>	<u>\$ 27,244,824</u>	<u>\$ (2,416,828)</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. CalPERS does not issue a stand-alone financial report of the City, but the Plan is included in the CalPERS financial report available to the public at <https://www.calpers.ca.gov/investments/about-investment-office/investment-financial-reports>.

NOTE 8 - PENSION PLAN (CONTINUED)

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 for fiscal year 2025, are summarized as follows:

	Miscellaneous		
	Tier I Prior to January 1, 2013	Tier II On or After January 1, 2013	Tier III - PEPRA On or After January 1, 2013
Hire date			
Benefit formula	2.5%@55	2%@60	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 55	50 - 63	52 - 67
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.092% to 2.418%	1.0% to 2.5%
Required employee contribution rates	8.00%	7.00%	7.75%
Required employer contribution rates:			
Normal cost rate	14.13%	10.71%	7.87%
Payment of unfunded liability	\$ 66,157	\$ 1,234	\$ 4,897

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.

NOTE 8 - PENSION PLAN (CONTINUED)

Contributions (Continued)

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

As of June 30, 2025, the City reported a net pension liability for its proportionate share of the net pension liability of all Plans of \$690,490. The net pension liability of the Plan is measured as of June 30, 2024, 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, 2023 rolled forward to June 30, 2024 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, 2024 and 2023 measurement dates were 0.01428% and 0.03250%, respectively. This accounted for a decrease of 0.01823% from the previous fiscal year.

For the fiscal year ended June 30, 2025, the City recognized pension expense of \$649,138. At June 30, 2025, 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	\$ 17,747	\$ -
Differences between Expected and Actual Experience	59,699	(2,329)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	39,751	-
Differences between Actual Contributions vs. Proportionate Share of Contributions	4,018,780	(788,790)
Change in Employer Proportion	85,608	(3,135,503)
Pension Contributions Made Subsequent to the Measurement Date	555,067	-
	\$ 4,776,652	\$ (3,926,622)

NOTE 8 - PENSION PLAN (CONTINUED)

Contributions (Continued)

\$555,067 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, 2026. 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
2026	\$ 171,745
2027	322,296
2028	(185,455)
2029	(13,623)
2030	-
Remaining	-
	\$ 294,963

Actuarial Assumptions

For the measurement period ended June 30, 2024 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2023 total pension liability determined in the June 30, 2023 actuarial valuation. The June 30, 2024 total pension liability was based on the following actuarial methods and assumptions:

Valuation date	June 30, 2023
Measurement date	June 30, 2024
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)

Discount Rate

The discount rate used to measure total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at statutorily required rates actuarially determined. Based on these assumptions the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of returns (expected returns, net of position plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were recalculated over the next 20 years using a building block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points.

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

Asset Class (1)	Assumed Asset Allocation	Real Return (1, 2)
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity Non-Cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-based Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	<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%	Current Discount Rate	Discount Rate +1%
	5.90%	6.90%	7.90%
Plan's Net Pension Liability	\$5,770,100	\$690,490	(\$3,490,777)

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, 2025, the City reported no payables due to the pension plan, for outstanding contributions required for the fiscal year ended June 30, 2025.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City has a single-employer defined-benefit postemployment healthcare plan (the Plan). Dependents are eligible to enroll, and benefits continue to surviving spouses. The Plan is administered by Public Agency Retirement System (PARS), partnering with U.S. Bank as trustee. The Plan is accounted for using the economic resources measurement focus and the accrual basis of accounting. Contributions are recognized when earned in the year that contributions are required and benefits and refunds are recognized as an expense and liability when due and payable. The Plan is reported as a fiduciary fund by the City and does not issue a separate report. PARS does not issue a stand-alone financial report of the City. The Plan is included in the PARS financial report that is available upon request.

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)

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

Retiree Medical Benefits

Eligibility	If hired before January 1, 2013: Age 50 & 5 years of CalPERS service. If hired 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:

Category	Count
Inactive employees, spouses, or beneficiaries currently receiving benefit payments	9
Active employees	55
Total	64

Contributions

The City makes contributions based on an actuarially determined rate.

Contribution rate	1.59%
Reporting period contributions	\$48,589 (Include implicit subsidy credit.)

Net OPEB Liability (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, 2024.

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, 2024
Discount rate	6.30%
Investment Rate of Return	6.30%
Inflation	2.30%
Healthcare cost trend rates	
Pre-Medicare	6.80%*
Medicare	4.17%*
Salary Increases	2.80%**
Mortality rates	Based on CalPERS' tables

**Trending down to 4.14% over 51 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 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	<u>5.0%</u>
Total	<u><u>100%</u></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 Net OPEB Liability (Asset)

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
	(a)	(b)	(c) = (a) - (b)
Balance as of Report Date June 30, 2024	\$ 1,197,755	\$ 2,028,241	\$ (830,486)
Changes for the Fiscal Year:			
Service Cost	53,798		53,798
Interest	77,442		77,442
Changes of Benefit Terms			
Differences Between Expected and Actual Experience	(6,611)		(6,611)
Contributions			
Employer - City's Contributions		12,181	(12,181)
Employer - Implicit Subsidy		32,432	(32,432)
Net Investment Income		197,273	(197,273)
Benefit Payments	(12,181)	(12,181)	-
Implicit Subsidy Credit	(32,432)	(32,432)	-
Administrative Expense		(11,677)	11,677
Net Changes	<u>80,016</u>	<u>185,596</u>	<u>(105,580)</u>
Balance as of Report Date June 30, 2025	<u>\$ 1,277,771</u>	<u>\$ 2,213,837</u>	<u>\$ (936,066)</u>

Sensitivity of Liabilities (Assets) to Changes in the Discount Rate

The following presents net OPEB liability (asset) of the City, as well as what the City's 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)	\$ (787,565)	\$ (936,066)	\$ (1,062,499)
Increase (Decrease)	148,501		(126,433)
% Change	-15.9%		13.5%

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

The healthcare trend for this valuation started at 6.80% and decreased to 4.14% over 51 years. The net OPEB liability (asset) of the City, as well as what the City's net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are one percentage point lower (5.80%) or one percentage point higher (7.80%) than current healthcare cost trend rates follows:

	1% Decrease 5.80%	Healthcare Cost Trend Rate 6.80%	1% Increase 7.80%
Net OPEB Liability (Asset)	\$ (1,004,547)	\$ (936,066)	\$ (856,895)
Increase (Decrease)	(68,481)		79,171
% Change	7.3%		-8.5%

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

For the fiscal year ended June 30, 2025, the City recognized an OPEB income of \$(129,057). 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	\$ 159,974	\$ (227,518)
Changes of Assumptions	92,253	(765,212)
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	(49,725)
Contributions Subsequent to the Measurement Date	48,589	-
Total	\$ 300,816	\$ (1,042,455)

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

Fiscal Year Ending June 30	Deferred Outflows/ (Inflows) of Resources
2026	\$ (144,563)
2027	(144,563)
2028	(144,564)
2029	(140,948)
2030	(107,860)
Remaining	(107,730)

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, 2025, the City reported no payables due to the OPEB plan, for outstanding contributions required for the fiscal year ended June 30, 2025.

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 Authority began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Primary Self-Insurance Programs of the Authority

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

Primary 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 2024-25, 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.

NOTE 10 - INSURANCE (CONTINUED)

Purchased Insurance

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

Property Insurance - The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. The City property is currently insured according to a schedule of covered property submitted by the City to the Authority. The City property currently has all-risk property insurance protection in the amount of \$39,226,329. 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 purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. The City property currently has earthquake protection in the amount of \$25,499,641. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

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

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2024-25.

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.

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 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, 2025 were as follows:

	Balance 6/30/2024	Additions	Deductions	Balance 6/30/2025	Due Within One Year
2014 Series A	\$ 6,950,000	\$ -	\$ -	\$ 6,950,000	\$ -
2014 Series A Discount	(37,440)	-	14,976	(22,464)	(14,976)
2015 Series A	8,665,000	-	(50,000)	8,615,000	50,000
2015 Series A Premium	148,989	-	(15,620)	133,369	15,620
2015 Series B	2,025,000	-	(650,000)	1,375,000	675,000
2015 Series B Discount	(7,775)	-	6,317	(1,458)	(1,458)
2019 Series A	2,855,000	-	(690,000)	2,165,000	705,000
	<u>\$20,598,774</u>	<u>\$ -</u>	<u>\$(1,384,327)</u>	<u>\$19,214,447</u>	<u>\$1,429,186</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 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			
Ending June 30,	Principal	Interest	Total
2026	\$ -	\$ 265,488	\$ 265,488
2027	-	265,488	265,488
2028	-	265,488	265,488
2029	600,000	255,737	855,737
2030	620,000	235,137	855,137
2031-2035	3,465,000	805,131	4,270,131
2036-2037	2,265,000	104,900	2,369,900
	\$ 6,950,000	\$ 2,197,369	\$ 9,147,369

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 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
2026	\$ 50,000	\$ 357,400	\$ 407,400
2027	55,000	355,825	410,825
2028	820,000	342,187	1,162,187
2029	840,000	315,725	1,155,725
2030	870,000	287,394	1,157,394
2031-2035	4,865,000	881,444	5,746,444
2036	1,115,000	27,875	1,142,875
	\$8,615,000	\$2,567,850	\$11,182,850

Interest on the outstanding bonds ranges between 3.000% and 5.000%, with the final maturity on August 1, 2035.

2015 Series B			
Fiscal Year Ending June 30,	Principal	Interest	Total
2026	\$ 675,000	\$ 41,500	\$ 716,500
2027	700,000	14,000	714,000
	\$1,375,000	\$ 55,500	\$1,430,500

Interest on the outstanding bonds is 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 Ending June 30,	Principal	Interest	Total
2026	\$ 705,000	\$ 43,888	\$ 748,888
2027	720,000	27,140	747,140
2028	740,000	9,250	749,250
	\$2,165,000	\$ 80,278	\$2,245,278

Interest on the outstanding bonds ranges between 2.300% 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 – ADJUSTMENT AND RESTATEMENT OF BEGINNING BALANCES

Changes to or Within the Financial Reporting Entity

The Housing Successor Fund was previously reported as a major fund in the 2024 Annual Comprehensive Financial Report. However, the size and criteria for the current year changed the presentation for the fund. The effect of this change within the financial reporting entity is summarized below in the following table.

	June 30, 2024 As Previously Reported	Adjustment - Housing Successor Fund as nonmajor fund	June 30, 2024 As Restated
Governmental Funds			
Major Funds:			
General Fund	\$ 17,376,534	\$ -	\$ 17,376,534
Grants Fund	(1,140,686)	-	(1,140,686)
Safe Clean Water Program Fund	3,495,688	-	3,495,688
Housing Successor Fund	232,217	(232,217)	-
Nonmajor Funds:			
Other nonmajor funds	12,763,036	232,217	12,995,253
	\$ 32,726,789	\$ -	\$ 32,726,789

NOTE 14 - SUBSEQUENT EVENTS

In preparing the financial statements, the City has evaluated events and transactions for potential recognition or disclosure through January 29, 2026, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that, no subsequent events occurred that require recognition or additional disclosure in the financial statements.

REQUIRED SUPPLEMENTARY

INFORMATION (UNAUDITED)

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

Fiscal Year Ended	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	June 30, 2025
Measurement period	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
Plan's proportion of the net pension liability	0.08104%	0.07911%	0.07792%	0.07888%	0.08040%	0.08141%	0.10598%	0.08885%	0.01303%	0.00569%
Plan's proportionate share of the net pension liability	\$ 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	\$ 690,490
Plan's covered payroll	\$ 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	\$ 4,256,763
Plan's proportionate share of the net pension liability as a percentage of covered payroll	235.70%	267.38%	312.40%	329.32%	285.37%	295.49%	183.46%	304.03%	48.37%	16.22%
Plan's proportionate share of the fiduciary net position as a percentage of the plan's total pension liability	76.88%	72.47%	72.10%	73.76%	72.80%	71.42%	82.16%	70.08%	95.47%	98.17%
Plan's proportionate share of aggregate employer contributions	\$ 639,714	\$ 670,946	\$ 755,365	\$ 813,902	\$ 913,613	\$ 989,023	\$ 1,038,407	\$ 1,246,839	\$ 1,422,725	\$ 1,410,494

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

Fiscal Year Ended	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	June 30, 2025
Actuarially determined contribution	\$ 643,085	\$ 511,152	\$ 572,837	\$ 673,881	\$ 776,018	\$ 875,540	\$ 977,443	\$ 1,063,680	\$ 409,162	\$ 555,067
Contribution in relation to the actuarially determined contribution	645,707	511,152	572,837	673,881	776,018	875,540	977,443	9,906,816	409,162	555,067
Contribution deficiency (excess)	<u>\$ (2,622)</u>	<u>\$ -</u>	<u>\$ (8,843,136)</u>	<u>\$ -</u>	<u>\$ -</u>					
Covered payroll	2,560,239	2,473,404	2,308,132	2,886,967	2,997,621	3,124,279	3,375,669	3,359,837	4,256,763	5,075,491
Contributions as a percentage of covered-employee payroll	25.22%	20.67%	24.82%	23.34%	25.89%	28.02%	28.96%	294.86%	9.61%	10.94%

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of Changes in the Net OPEB Liability (Asset) and Related Ratios
Last Ten Fiscal Years

Fiscal Year Ended	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
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	\$ 1,197,755
Changes for the year:								
Service cost	75,958	78,142	70,946	133,079	158,457	74,447	76,494	53,798
Interest	54,928	58,076	67,155	53,995	50,660	78,281	85,121	77,442
Difference between expected and actual experience	-	(7,307)	(290,662)	(4,504)	(174,289)	(10,804)	198,522	(6,611)
Changes in assumptions	-	153,632	13,089	177,995	(733,419)	(1,983)	(429,256)	-
Employer benefit payments	(12,162)	(15,424)	(15,986)	(12,372)	(12,134)	(12,198)	(13,808)	(12,181)
Implicit subsidy credit	(30,311)	(31,390)	(40,380)	(36,629)	(25,383)	(15,691)	(23,344)	(32,432)
Net changes	88,413	235,729	(195,838)	311,564	(736,108)	112,052	(106,271)	80,016
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	\$ 1,277,771
Total beginning plan fiduciary net position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,928,082	\$ 2,028,241
Changes for the year:								
Net investment income	-	-	-	-	-	-	109,926	197,273
Employer contributions	12,162	15,424	15,986	12,372	12,134	1,940,280	13,808	12,181
Employer implicit subsidy	30,311	31,390	40,380	36,629	25,383	15,691	23,344	32,432
Benefit payments	(12,162)	(15,424)	(15,986)	(12,372)	(12,134)	(12,198)	(13,808)	(12,181)
Implicit subsidy credit	(30,311)	(31,390)	(40,380)	(36,629)	(25,383)	(15,691)	(23,344)	(32,432)
Administrative expense	-	-	-	-	-	-	(9,767)	(11,677)
Net changes	-	-	-	-	-	1,928,082	100,159	185,596
Total ending plan fiduciary net position (b)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,928,082	\$ 2,028,241	\$ 2,213,837
Net ending OPEB liability (asset) (a) - (b)	\$ 1,576,627	\$ 1,812,356	\$ 1,616,518	\$ 1,928,082	\$ 1,191,974	\$ (624,056)	\$ (830,486)	\$ (936,066)
Covered payroll	\$ 1,992,079	\$ 2,046,861	\$ 2,783,335	\$ 2,991,252	\$ 2,944,722	\$ 3,155,304	\$ 3,243,653	\$ 4,302,608
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%	173.3%
Net OPEB liability (asset) as a percentage of covered payroll	79.1%	88.5%	58.1%	64.5%	40.5%	-19.8%	-25.6%	-21.8%

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

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of OPEB Plan Contributions
Last Ten Fiscal Years

Employer Fiscal-Year-End (June 30):	2023	2024	2025
Actuarially Determined Contribution (ADC)	\$ -	\$ 32,363	\$ 39,149
Less: Contributions Made in Relation to the ADC	37,152	44,613	48,589
Contribution Deficiency (Excess)	(37,152)	(12,250)	(9,440)
Covered Payroll	\$ 3,243,653	\$ 4,302,608	\$ 4,423,081
Contributions as a Percentage of Covered Payroll	1.15%	1.04%	1.10%

* Fiscal year 2023 was the first year of implementation, therefore only three years are shown.

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of Investment Returns
Last Ten Fiscal Years

A schedule of investment returns for the last ten fiscal years, or for as many years as are available if less than ten years are available, follows.

Measurement Date (June 30):	2023	2024	2025
Report Date (June 30):	<u>2023</u>	<u>2024</u>	<u>2025</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	5.72%	9.75%	10.94%

The annual money-weighted rate of return, net of investment expenses, is the net investment income for the year divided by the average net position for the year (less investment expenses).

* Fiscal year 2023 was the first year of implementation, therefore only three years are shown.

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual - General Fund
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 17,732,845	\$ 17,732,845	\$ 18,501,176	\$ 768,331
Licenses and permits	1,594,535	1,594,535	3,369,037	1,774,502
Fines and forfeitures	183,110	183,110	19,866	(163,244)
Use of money and property	552,020	552,020	691,262	139,242
Charges for services	415,254	415,254	434,982	19,728
Intergovernmental	859,733	1,445,318	1,738,629	293,311
Other revenues	19,768	19,768	164,774	145,006
	21,357,265	21,942,850	24,919,726	2,976,876
TOTAL REVENUES				
EXPENDITURES:				
Current:				
General government	4,873,101	4,933,601	5,630,255	(696,654)
Public safety	6,960,068	6,983,946	7,227,454	(243,508)
Community development	2,360,846	2,571,333	2,232,447	338,886
Public works	5,226,116	5,308,219	5,388,092	(79,873)
Community services programs	2,596,154	2,711,356	3,511,493	(800,137)
Capital outlay	628,000	628,000	567,664	60,336
Debt service:				
Principal	376,820	376,820	496,853	(120,033)
Interest	299,169	299,169	314,095	(14,926)
	23,320,274	23,812,444	25,368,353	(1,555,909)
TOTAL EXPENDITURES				
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,963,009)	(1,869,594)	(448,627)	1,420,967
OTHER FINANCING SOURCES:				
Transfers in	1,371,904	1,413,163	1,118,710	(294,453)
TOTAL OTHER FINANCING SOURCES	1,371,904	1,413,163	1,118,710	(294,453)
NET CHANGE IN FUND BALANCE	(591,105)	(456,431)	670,083	1,126,514
FUND BALANCES - BEGINNING OF FISCAL YEAR	17,376,534	17,376,534	17,376,534	-
FUND BALANCES - END OF FISCAL YEAR	\$ 16,785,429	\$ 16,920,103	\$ 18,046,617	\$ 1,126,514

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual - Grants Fund
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 10,256,689	\$ 10,256,689	\$ 4,675,107	\$ (5,581,582)
TOTAL REVENUES	<u>10,256,689</u>	<u>10,256,689</u>	<u>4,675,107</u>	<u>(5,581,582)</u>
EXPENDITURES:				
Current:				
Public works	46,000	46,000	6,614	39,386
Capital outlay	15,739,353	15,739,353	8,927,425	6,811,928
TOTAL EXPENDITURES	<u>15,785,353</u>	<u>15,785,353</u>	<u>8,934,039</u>	<u>6,851,314</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(5,528,664)</u>	<u>(5,528,664)</u>	<u>(4,258,932)</u>	<u>1,269,732</u>
OTHER FINANCING SOURCES:				
Transfers in	5,528,664	5,528,664	4,065,483	(1,463,181)
TOTAL OTHER FINANCING SOURCES	<u>5,528,664</u>	<u>5,528,664</u>	<u>4,065,483</u>	<u>(1,463,181)</u>
NET CHANGE IN FUND BALANCE	-	-	(193,449)	(193,449)
FUND DEFICITS - BEGINNING OF FISCAL YEAR	<u>(1,140,686)</u>	<u>(1,140,686)</u>	<u>(1,140,686)</u>	<u>-</u>
FUND DEFICITS - END OF FISCAL YEAR	<u>\$ (1,140,686)</u>	<u>\$ (1,140,686)</u>	<u>\$ (1,334,135)</u>	<u>\$ (193,449)</u>

City of South El Monte
Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual - Safe Clean Water Program Fund
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 122,945	\$ 122,945
Intergovernmental	459,000	459,000	442,770	(16,230)
TOTAL REVENUES	<u>459,000</u>	<u>459,000</u>	<u>565,715</u>	<u>106,715</u>
EXPENDITURES:				
Current:				
Public works	116,000	116,000	77,441	38,559
Capital outlay	20,000	20,000	-	20,000
TOTAL EXPENDITURES	<u>136,000</u>	<u>136,000</u>	<u>77,441</u>	<u>58,559</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>323,000</u>	<u>323,000</u>	<u>488,274</u>	<u>165,274</u>
OTHER FINANCING USES:				
Transfers out	(3,090,487)	(3,090,487)	(2,194,155)	896,332
TOTAL OTHER FINANCING USES	<u>(3,090,487)</u>	<u>(3,090,487)</u>	<u>(2,194,155)</u>	<u>896,332</u>
NET CHANGE IN FUND BALANCE	(2,767,487)	(2,767,487)	(1,705,881)	1,061,606
FUND BALANCES - BEGINNING OF FISCAL YEAR	<u>3,495,688</u>	<u>3,495,688</u>	<u>3,495,688</u>	<u>-</u>
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 728,201</u>	<u>\$ 728,201</u>	<u>\$ 1,789,807</u>	<u>\$ 1,061,606</u>

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. Budgets are adopted for all funds except for Homeless Initiative Special Revenue Fund, Begin Program Grant Special Revenue Fund, Federal Grants Special Revenue Fund, Housing Successor Special Revenue Fund, and Capital Improvement Capital Projects Fund.

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, 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 County of Los Angeles Aging and Disability Department is the recipient of the grant, and the City is a subrecipient of the grant. For the City to receive this grant, the City must submit a budget to the County detailing out the number of meals it intends to provide to those who qualify, and the breakdown of costs associated with those activities. Once the County approves the budget, the City's General Fund must first loan the money to the Older American Act Fund, and upon spending according to the budget approved by the County, the County reimburses the City 85% of the cost.
- Road Maintenance and Rehabilitation (RMRA) Fund – 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 collected by the County. However, the funding provided to the City is less than \$1,000 per year.
- 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. However, the funding provided to the City is less than \$50 per year.
- 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 Section 611 of the Federal Communications Act, local franchising authorities may require cable operators to set aside channels for public, educational, or governmental (PEG) use. Per 5.20.280 of the South El Monte Municipal Code, a 1% PEG fee is charged to a holder of a video franchise, such as Charter Communications.
- In Lieu Fees Fund – In Lieu Fees are collected from local developers in lieu of donation of land for local parks and their use is restricted for park improvements.

Special Revenue Funds (Continued)

- DOE Fund – The City was awarded a grant by the U.S. Department of Energy (DOE) for autonomous building controls retrofit, whereas as a project partner, to deploy, test, and validate the performance of an autonomous building platform and utilize a digital twin model in concurrence with the installation of energy efficiency measures in three City buildings. The DOE Grant Fund was created to independently track the activities of this grant.
- State COPS Grant Fund – The State Community Oriented Policing Services (COPS) Fund account is for AB3999 funds for law enforcement.
- Used Oil Recycling Grant Fund – The State of California enacted the California Oil Recycling Act, which provides grants to cities and counties for establishing and maintaining local used oil collection, used oil filter collection and public outreach programs to encourage used motor oil and filter recycling by "Do it Yourself" oil changers. The California Integrated Waste Management Board (CIWMB) has been delegated the responsibility for the administration of the program by the State, setting up the necessary procedures for awarding Local Government Opportunity Grants to help local governments establish or enhance permanent, sustainable used oil and filters recycling programs.
- Beverage Container Recycling Grant Fund – The State of California enacted the California Beverage Container Recycling and Litter Reduction Act that provides funds to cities and counties for beverage container recycling and litter cleanup activities. The California Department of Conservation's Division of Recycling has been delegated the responsibility for the administration of the program within the State, setting up necessary procedures for cities and counties or their designees under the program.
- Homelessness Initiative Fund – In November 2024, the voters of Los Angeles County passed Measure A, a quarter-percent sales tax initiative to address homelessness. However, the City currently cannot determine if any funding will be provided to cities, and has not budgeted any activities.
- 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 the ½ cent revenues, allocated based on each city's population, to be used for street and road maintenance and improvement.
- Prop C Local Return Fund – Prop 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 the ½ cent revenues, allocated based on each city's population, to be used for 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.

Special Revenue Funds (Continued)

- HSIP Fund – The Local Highway Safety Improvement Program (HSIP) is a federal-aid program aimed at reducing traffic fatalities and serious injuries on all public roads, including those owned by cities. HSIP funds are distributed to states based on a formula that considers factors like lane miles, vehicle miles traveled, and fatalities. States then manage their share of HSIP funds and often have programs to distribute them to local agencies, including cities.
- Prop A Park Bond Grant Fund – The Safe Neighborhood Parks Proposition of 1992 (Proposition A) provides funding for park and open space improvement projects. On an annual basis, 15% of all proceeds of assessments levied and collected by Los Angeles County are set aside and designated as a maintenance and servicing fund for the maintenance of Measure A fund projects.
- TDA Fund – The TDA funds are an annual allocation from the Los Angeles County Metropolitan Transportation Authority (MTA) on a per capita basis, and their use is restricted for transportation-related purposes. Local agencies may either draw down these funds or place them in reserve. In order to use these funds, agencies must submit a claim form to MTA by the end of the fiscal year in which they are allocated.
- Prop A Local Return Fund – Prop A revenue represents 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 the ½ cent revenues, allocated based on each city’s population, to be used for 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 the ½ cent revenues for a period of 30 years, allocated based on each city’s population, to be used to improve local transit services, transportation infrastructure, public improvements and citywide roadway-related capital improvement projects.
- Sewer Assessment Fund – On July 27, 2010, the City Council adopted Ordinance No. 1141 to establish a Sewer Service Fee; authorize the City to levy the Fee on all parcels in the City; fund needed improvements and upgrades to the City's Sewer System; and, authorize the City to collect the Fee on the County of Los Angeles tax roll.
- 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 program grant revenues are 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 grant revenues are used to account for the California Department of Housing and Community Development grants restricted for down-payment assistance loans to qualified low-and-moderate-income first-time homebuyers.

Special Revenue Funds (Continued)

- PLHA Fund – The Permanent Local Housing Allocation (PLHA) is a state program that provides funding to local governments for housing-related projects and programs that assist in addressing the unmet housing needs of their local communities. The PLHA Fund was created to independently track the activities of this program.
- CalHOME Reuse Fund – CalHome Reuse revenues, or loans repaid and not forgiven, are used for the same CalHome Program Grant purpose restricted for the HOME Investment Partnership program.
- Begin Reuse Fund – The Begin Reuse revenues, or loans repaid and not forgiven, are used for the same Begin Program Grant purpose restricted for down-payment assistance loans to qualified low-and-moderate-income first-time homebuyers.
- Federal Grants Fund – This fund is currently not being used.
- Housing Successor Fund – 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.

Capital Projects Fund

- Capital Improvement Fund – This fund is currently not being used, as most major capital projects of the City are grant funded and accounted for in the Grants Fund, using project accounting, to track all costs and fundings sources from various grantors and contributions from other special revenue funds by project numbers and project keys.

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025**

	Special Revenue Funds					
	Gas Tax Fund	Older American Act Fund	RMRA Fund	Rosemead Maintenance District	Hayward Maintenance District	Air Quality Management District
ASSETS						
Cash and investments	\$ -	\$ 306,766	\$ 1,123,935	\$ 14,070	\$ 23,160	\$ 47,420
Receivables:						
Accounts	-	-	-	-	-	-
Intergovernmental	46,424	35,316	91,889	256	7	6,767
Due from other funds	-	-	-	945	2,282	19,612
TOTAL ASSETS	\$ 46,424	\$ 342,082	\$ 1,215,824	\$ 15,271	\$ 25,449	\$ 73,799
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	46,424	455,083	649,456	-	-	-
TOTAL LIABILITIES	46,424	455,083	649,456	-	-	-
FUND BALANCES:						
Restricted	-	-	566,368	15,271	25,449	73,799
Unassigned	-	(113,001)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	-	(113,001)	566,368	15,271	25,449	73,799
TOTAL LIABILITIES AND FUND BALANCES	\$ 46,424	\$ 342,082	\$ 1,215,824	\$ 15,271	\$ 25,449	\$ 73,799

(Continued)

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2025**

	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	\$ 94,248	\$ 1,223,585	\$ -	\$ 894,887	\$ 15,582	\$ 19,267
Receivables:						
Accounts	-	-	-	-	-	-
Intergovernmental	2,231	-	-	-	-	-
Due from other funds	8,711	44,538	-	-	-	626
TOTAL ASSETS	\$ 105,190	\$ 1,268,123	\$ -	\$ 894,887	\$ 15,582	\$ 19,893
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ 56,316	\$ -	\$ -	\$ -
Due to other funds	-	-	538,257	97,276	8,456	-
TOTAL LIABILITIES	-	-	594,573	97,276	8,456	-
FUND BALANCES:						
Restricted	105,190	1,268,123	-	797,611	7,126	19,893
Unassigned	-	-	(594,573)	-	-	-
TOTAL FUND BALANCES (DEFICITS)	105,190	1,268,123	(594,573)	797,611	7,126	19,893
TOTAL LIABILITIES AND FUND BALANCES	\$ 105,190	\$ 1,268,123	\$ -	\$ 894,887	\$ 15,582	\$ 19,893

(Continued)

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2025**

	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	\$ 42,104	\$ 1,815,549	\$ 2,274,160	\$ 676,066	\$ 60,725	\$ -
Receivables:						
Accounts	-	-	-	-	-	-
Intergovernmental	-	-	-	147,052	40,872	26,880
Due from other funds	-	-	91,722	-	-	-
TOTAL ASSETS	\$ 42,104	\$ 1,815,549	\$ 2,365,882	\$ 823,118	\$ 101,597	\$ 26,880
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ 17,887	\$ -
Due to other funds	64,718	785,113	-	994,164	101,597	8,795
TOTAL LIABILITIES	64,718	785,113	-	994,164	119,484	8,795
FUND BALANCES:						
Restricted	-	1,030,436	2,365,882	-	-	18,085
Unassigned	(22,614)	-	-	(171,046)	(17,887)	-
TOTAL FUND BALANCES (DEFICITS)	(22,614)	1,030,436	2,365,882	(171,046)	(17,887)	18,085
TOTAL LIABILITIES AND FUND BALANCES	\$ 42,104	\$ 1,815,549	\$ 2,365,882	\$ 823,118	\$ 101,597	\$ 26,880

(Continued)

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2025**

	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	\$ -	\$ 2,319,085	\$ 1,880,287	\$ 4,267,262	\$ 31,165	\$ 43,209
Receivables:						
Accounts	-	-	-	-	-	-
Intergovernmental	-	-	-	14,535	-	-
Due from other funds	-	-	-	191,662	2,558	-
TOTAL ASSETS	\$ -	\$ 2,319,085	\$ 1,880,287	\$ 4,473,459	\$ 33,723	\$ 43,209
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	33,000	1,045,016	537,021	-	-	5,155
TOTAL LIABILITIES	33,000	1,045,016	537,021	-	-	5,155
FUND BALANCES:						
Restricted	-	1,274,069	1,343,266	4,473,459	33,723	38,054
Unassigned	(33,000)	-	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	(33,000)	1,274,069	1,343,266	4,473,459	33,723	38,054
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 2,319,085	\$ 1,880,287	\$ 4,473,459	\$ 33,723	\$ 43,209

(Continued)

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2025**

	Special Revenue Funds					
	Begin Program Fund	PLHA Fund	CalHOME Reuse Fund	Begin Reuse Fund	Federal Grants Fund	Housing Successor Fund
ASSETS						
Cash and investments	\$ -	\$ -	\$ 741,924	\$ -	\$ -	\$ 18,171
Receivables:						
Accounts	-	-	-	-	-	85,775
Intergovernmental	-	-	-	-	-	-
Due from other funds	-	-	-	66,019	-	128,271
TOTAL ASSETS	\$ -	\$ -	\$ 741,924	\$ 66,019	\$ -	\$ 232,217
LIABILITIES AND FUND BALANCES						
LIABILITIES:						
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	10,115	22,675	-	-	-
TOTAL LIABILITIES	-	10,115	22,675	-	-	-
FUND BALANCES:						
Restricted	-	-	719,249	66,019	-	232,217
Unassigned	-	(10,115)	-	-	-	-
TOTAL FUND BALANCES (DEFICITS)	-	(10,115)	719,249	66,019	-	232,217
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ -	\$ 741,924	\$ 66,019	\$ -	\$ 232,217

**City of South El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2025**

	Capital Projects Fund	Total
	Capital Improvement Fund	Non-Major Governmental Funds
ASSETS		
Cash and investments	\$ -	\$ 17,932,627
Receivables:		
Accounts	-	85,775
Intergovernmental	-	412,229
Due from other funds	-	556,946
	-	556,946
TOTAL ASSETS	\$ -	\$ 18,987,577
LIABILITIES AND FUND BALANCES		
LIABILITIES:		
Accounts payable and accrued expenses	\$ -	74,203
Due to other funds	-	5,402,321
	-	5,402,321
TOTAL LIABILITIES	-	5,476,524
FUND BALANCES:		
Restricted	-	14,473,289
Unassigned	-	(962,236)
	-	(962,236)
TOTAL FUND BALANCES (DEFICITS)	-	13,511,053
TOTAL LIABILITIES AND FUND BALANCES	\$ -	\$ 18,987,577

(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, 2025

	Special Revenue Funds					
	Gas Tax Fund	Older American Act Fund	RMRA Fund	Rosemead Maintenance District	Hayward Maintenance District	Air Quality Management District
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ 1,161	\$ 31	\$ -
Use of money and property	-	-	14,769	467	792	2,087
Charges for services	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Intergovernmental	546,996	447,316	531,062	-	-	32,461
Other revenues	-	-	-	-	-	-
TOTAL REVENUES	546,996	447,316	545,831	1,628	823	34,548
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Public works	577,242	-	-	-	-	-
Community services programs	-	377,514	-	-	-	-
Capital outlay	-	-	53,540	-	-	26,480
TOTAL EXPENDITURES	577,242	377,514	53,540	-	-	26,480
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(30,246)	69,802	492,291	1,628	823	8,068
OTHER FINANCING SOURCES (USES):						
Transfers in	30,246	-	-	-	-	-
Transfers out	-	(182,803)	(785,125)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	30,246	(182,803)	(785,125)	-	-	-
NET CHANGE IN FUND BALANCE	-	(113,001)	(292,834)	1,628	823	8,068
FUND BALANCES (DEFICITS), 6/30/2024, as previously reported	-	-	859,202	13,643	24,626	65,731
Change within financial reporting entity (major to nonmajor)	-	-	-	-	-	-
FUND BALANCES (DEFICITS), 6/30/2024, as adjusted	-	-	859,202	13,643	24,626	65,731
FUND BALANCES (DEFICITS), 6/30/2025	\$ -	\$ (113,001)	\$ 566,368	\$ 15,271	\$ 25,449	\$ 73,799

(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, 2025

	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	3,205	39,474	-	27,941	222	619
Charges for services	-	857,279	-	-	-	-
Special assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	194,663	10,201	-
Other revenues	12,339	-	10,311	-	-	-
TOTAL REVENUES	15,544	896,753	10,311	222,604	10,423	619
EXPENDITURES:						
Current:						
General government	1,300	-	-	-	-	-
Community development	-	-	-	-	-	2,914
Public works	-	-	82,194	-	5,689	-
Community services programs	-	48,310	-	-	-	-
Capital outlay	-	37,622	56,316	-	-	-
TOTAL EXPENDITURES	1,300	85,932	138,510	-	5,689	2,914
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	14,244	810,821	(128,199)	222,604	4,734	(2,295)
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	(100,000)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	(100,000)	-	-
NET CHANGE IN FUND BALANCE	14,244	810,821	(128,199)	122,604	4,734	(2,295)
FUND BALANCES (DEFICITS), 6/30/2024, as previously reported	90,946	457,302	(466,374)	675,007	2,392	22,188
Change within financial reporting entity (major to nonmajor)	-	-	-	-	-	-
FUND BALANCES (DEFICITS), 6/30/2024, as adjusted	90,946	457,302	(466,374)	675,007	2,392	22,188
FUND BALANCES (DEFICITS), 6/30/2025	\$ 105,190	\$ 1,268,123	\$ (594,573)	\$ 797,611	\$ 7,126	\$ 19,893

(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, 2025

	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	-	32,075	73,469	-	-	-
Charges for services	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Intergovernmental	-	359,839	423,556	719,581	553,254	26,880
Other revenues	-	-	-	-	6,360	-
TOTAL REVENUES	-	391,914	497,025	719,581	559,614	26,880
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Public works	-	231,051	93,169	-	-	-
Community services programs	-	-	-	-	-	-
Capital outlay	-	107,349	-	280,724	559,614	26,880
TOTAL EXPENDITURES	-	338,400	93,169	280,724	559,614	26,880
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	53,514	403,856	438,857	-	-
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	(587,231)	(23,292)	(438,857)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(587,231)	(23,292)	(438,857)	-	-
NET CHANGE IN FUND BALANCE	-	(533,717)	380,564	-	-	-
FUND BALANCES (DEFICITS), 6/30/2024, as previously reported	(22,614)	1,564,153	1,985,318	(171,046)	(17,887)	18,085
Change within financial reporting entity (major to nonmajor)	-	-	-	-	-	-
FUND BALANCES (DEFICITS), 6/30/2024, as adjusted	(22,614)	1,564,153	1,985,318	(171,046)	(17,887)	18,085
FUND BALANCES (DEFICITS), 6/30/2025	\$ (22,614)	\$ 1,030,436	\$ 2,365,882	\$ (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, 2025

	Special Revenue Funds					CalHOME Grant Fund
	TDA Fund	Prop A Local Return Fund	Measure R Local Return Fund	Sewer Assessment Fund	State Deferred Loan Program Fund	
REVENUES:						
Taxes	\$ -	\$ -	\$ 317,608	\$ -	\$ -	\$ -
Use of money and property	-	40,299	41,813	138,796	1,050	1,184
Charges for services	-	334	-	-	-	-
Special assessments	-	-	-	373,660	-	-
Intergovernmental	-	519,432	1,002	-	-	-
Other revenues	-	-	-	-	-	-
TOTAL REVENUES	-	560,065	360,423	512,456	1,050	1,184
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Public works	-	-	6,970	6,348	-	-
Community services programs	-	72,492	-	-	-	-
Capital outlay	33,000	198,562	4,713	-	-	-
TOTAL EXPENDITURES	33,000	271,054	11,683	6,348	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(33,000)	289,011	348,740	506,108	1,050	1,184
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	(407,799)	(495,177)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(407,799)	(495,177)	-	-	-
NET CHANGE IN FUND BALANCE	(33,000)	(118,788)	(146,437)	506,108	1,050	1,184
FUND BALANCES (DEFICITS), 6/30/2024, as previously reported	-	1,392,857	1,489,703	3,967,351	32,673	36,870
Change within financial reporting entity (major to nonmajor)	-	-	-	-	-	-
FUND BALANCES (DEFICITS), 6/30/2024, as adjusted	-	1,392,857	1,489,703	3,967,351	32,673	36,870
FUND BALANCES (DEFICITS), 6/30/2025	\$ (33,000)	\$ 1,274,069	\$ 1,343,266	\$ 4,473,459	\$ 33,723	\$ 38,054

(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, 2025

	Special Revenue Funds					
	Begin Program Fund	PLHA Fund	CalHOME Reuse Fund	Begin Reuse Fund	Federal Grants Fund	Housing Successor Fund
REVENUES:						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Use of money and property	-	-	22,388	2,055	-	-
Charges for services	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-
Intergovernmental	-	-	22,000	-	-	-
Other revenues	-	-	-	-	-	-
TOTAL REVENUES	-	-	44,388	2,055	-	-
EXPENDITURES:						
Current:						
General government	-	-	-	-	-	-
Community development	-	-	14,200	-	-	-
Public works	-	-	-	-	-	-
Community services programs	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
TOTAL EXPENDITURES	-	-	14,200	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	30,188	2,055	-	-
OTHER FINANCING SOURCES (USES):						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	30,188	2,055	-	-
FUND BALANCES (DEFICITS), 6/30/2024, as previously reported	-	(10,115)	689,061	63,964	-	-
Change within financial reporting entity (major to nonmajor)	-	-	-	-	-	232,217
FUND BALANCES (DEFICITS), 6/30/2024, as adjusted	-	(10,115)	689,061	63,964	-	232,217
FUND BALANCES (DEFICITS), 6/30/2025	\$ -	\$ (10,115)	\$ 719,249	\$ 66,019	\$ -	\$ 232,217

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, 2025

	<u>Capital Projects Fund</u>	<u>Total</u>
	Capital Improvement Fund	NonMajor Governmental Funds
REVENUES:		
Taxes	\$ -	\$ 318,800
Use of money and property	-	442,705
Charges for services	-	857,613
Special assessments	-	373,660
Intergovernmental	-	4,388,243
Other revenues	-	29,010
	<hr/>	<hr/>
TOTAL REVENUES	-	6,410,031
EXPENDITURES:		
Current:		
General government	-	1,300
Community development	-	17,114
Public works	-	1,002,663
Community services programs	-	498,316
Capital outlay	-	1,384,800
	<hr/>	<hr/>
TOTAL EXPENDITURES	-	2,904,193
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<hr/>	<hr/>
	-	3,505,838
OTHER FINANCING SOURCES (USES):		
Transfers in	-	30,246
Transfers out	-	(3,020,284)
	<hr/>	<hr/>
TOTAL OTHER FINANCING SOURCES (USES)	-	(2,990,038)
NET CHANGE IN FUND BALANCE	<hr/>	<hr/>
	-	515,800
FUND BALANCES (DEFICITS), 6/30/2024, as previously reported	-	12,763,036
Change within financial reporting entity (major to nonmajor)	-	232,217
FUND BALANCES (DEFICITS), 6/30/2024, as adjusted	<hr/>	<hr/>
	-	12,995,253
FUND BALANCES (DEFICITS), 6/30/2025	<hr/> <hr/>	<hr/> <hr/>
	\$ -	\$ 13,511,053

(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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 486,272	\$ 486,272	\$ 546,996	\$ 60,724
TOTAL REVENUES	486,272	486,272	546,996	60,724
EXPENDITURES:				
Current:				
Public works	473,000	473,000	577,242	(104,242)
TOTAL EXPENDITURES	473,000	473,000	577,242	(104,242)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	13,272	13,272	(30,246)	(43,518)
OTHER FINANCING SOURCES:				
Transfers in	-	-	30,246	30,246
TOTAL OTHER FINANCING SOURCES	-	-	30,246	30,246
NET CHANGE IN FUND BALANCE	13,272	13,272	-	(13,272)
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND BALANCES - END OF FISCAL YEAR	\$ 13,272	\$ 13,272	\$ -	\$ (13,272)

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 405,342	\$ 405,342	\$ 447,316	\$ 41,974
TOTAL REVENUES	405,342	405,342	447,316	41,974
EXPENDITURES:				
Current:				
Community services programs	291,500	291,500	377,514	(86,014)
TOTAL EXPENDITURES	291,500	291,500	377,514	(86,014)
EXCESS OF REVENUES OVER EXPENDITURES	113,842	113,842	69,802	(44,040)
OTHER FINANCING USES:				
Transfers out	(155,086)	(158,458)	(182,803)	(24,345)
TOTAL OTHER FINANCING (USES)	(155,086)	(158,458)	(182,803)	(24,345)
NET CHANGE IN FUND BALANCE	(41,244)	(44,616)	(113,001)	(68,385)
FUND BALANCES - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND DEFICITS - END OF FISCAL YEAR	\$ (41,244)	\$ (44,616)	\$ (113,001)	\$ (68,385)

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 14,769	\$ 14,769
Intergovernmental	490,209	490,209	531,062	40,853
TOTAL REVENUES	490,209	490,209	545,831	55,622
EXPENDITURES:				
Capital outlay	-	-	53,540	(53,540)
TOTAL EXPENDITURES	-	-	53,540	(53,540)
EXCESS OF REVENUES OVER EXPENDITURES	490,209	490,209	492,291	2,082
OTHER FINANCING USES:				
Transfers out	(444,113)	(444,113)	(785,125)	(341,012)
TOTAL OTHER FINANCING (USES)	(444,113)	(444,113)	(785,125)	(341,012)
NET CHANGE IN FUND BALANCE	46,096	46,096	(292,834)	(338,930)
FUND BALANCES - BEGINNING OF FISCAL YEAR	859,202	859,202	859,202	-
FUND BALANCES - END OF FISCAL YEAR	\$ 905,298	\$ 905,298	\$ 566,368	\$ (338,930)

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 467	\$ 467
Taxes	728	728	1,161	433
TOTAL REVENUES	<u>728</u>	<u>728</u>	<u>1,628</u>	<u>900</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>728</u>	<u>728</u>	<u>1,628</u>	<u>900</u>
NET CHANGE IN FUND BALANCE	728	728	1,628	900
FUND BALANCES - BEGINNING OF FISCAL YEAR	<u>13,643</u>	<u>13,643</u>	<u>13,643</u>	<u>-</u>
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 14,371</u>	<u>\$ 14,371</u>	<u>\$ 15,271</u>	<u>\$ 900</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 792	\$ 792
Taxes	42	42	31	(11)
TOTAL REVENUES	<u>42</u>	<u>42</u>	<u>823</u>	<u>781</u>
EXPENDITURES:				
Current:				
Public works	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>42</u>	<u>42</u>	<u>823</u>	<u>781</u>
NET CHANGE IN FUND BALANCE	42	42	823	781
FUND BALANCES - BEGINNING OF FISCAL YEAR	<u>24,626</u>	<u>24,626</u>	<u>24,626</u>	<u>-</u>
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 24,668</u>	<u>\$ 24,668</u>	<u>\$ 25,449</u>	<u>\$ 781</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 2,087	\$ 2,087
Intergovernmental	14,306	14,306	32,461	18,155
TOTAL REVENUES	<u>14,306</u>	<u>14,306</u>	<u>34,548</u>	<u>20,242</u>
EXPENDITURES:				
Capital outlay	<u>40,000</u>	<u>40,000</u>	<u>26,480</u>	<u>13,520</u>
TOTAL EXPENDITURES	<u>40,000</u>	<u>40,000</u>	<u>26,480</u>	<u>13,520</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(25,694)</u>	<u>(25,694)</u>	<u>8,068</u>	<u>33,762</u>
NET CHANGE IN FUND BALANCE	(25,694)	(25,694)	8,068	33,762
FUND BALANCES - BEGINNING OF FISCAL YEAR	<u>65,731</u>	<u>65,731</u>	<u>65,731</u>	<u>-</u>
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 40,037</u>	<u>\$ 40,037</u>	<u>\$ 73,799</u>	<u>\$ 33,762</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 3,205	\$ 3,205
Other revenues	11,673	11,673	12,339	666
TOTAL REVENUES	11,673	11,673	15,544	3,871
EXPENDITURES:				
Current:				
General government	2,200	2,200	1,300	900
TOTAL EXPENDITURES	2,200	2,200	1,300	900
EXCESS OF REVENUES OVER EXPENDITURES	9,473	9,473	14,244	4,771
NET CHANGE IN FUND BALANCE	9,473	9,473	14,244	4,771
FUND BALANCES - BEGINNING OF FISCAL YEAR	90,946	90,946	90,946	-
FUND BALANCES - END OF FISCAL YEAR	\$ 100,419	\$ 100,419	\$ 105,190	\$ 4,771

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 39,474	\$ 39,474
Charges for services	52,020	52,020	857,279	805,259
TOTAL REVENUES	52,020	52,020	896,753	844,733
EXPENDITURES:				
Current:				
Community services programs	-	-	48,310	(48,310)
Capital outlay	160,000	160,000	37,622	122,378
TOTAL EXPENDITURES	160,000	160,000	85,932	74,068
EXCESS (DIFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(107,980)	(107,980)	810,821	918,801
OTHER FINANCING USES:				
Transfers out	(100,000)	(100,000)	-	100,000
TOTAL OTHER FINANCING USES	(100,000)	(100,000)	-	100,000
NET CHANGE IN FUND BALANCE	(207,980)	(207,980)	810,821	1,018,801
FUND BALANCES - BEGINNING OF FISCAL YEAR	457,302	457,302	457,302	-
FUND BALANCES - END OF FISCAL YEAR	\$ 249,322	\$ 249,322	\$ 1,268,123	\$ 1,018,801

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Other revenues	\$ -	\$ -	\$ 10,311	\$ 10,311
TOTAL REVENUES	-	-	10,311	10,311
EXPENDITURES:				
Current:				
Public works	-	-	82,194	(82,194)
Capital outlay	-	-	56,316	(56,316)
TOTAL EXPENDITURES	-	-	138,510	(138,510)
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	-	(128,199)	(128,199)
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	(128,199)	(128,199)
FUND DEFICITS - BEGINNING OF FISCAL YEAR	(466,374)	(466,374)	(466,374)	-
FUND DEFICITS - END OF FISCAL YEAR	\$ (466,374)	\$ (466,374)	\$ (594,573)	\$ (128,199)

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 27,941	\$ 27,941
Intergovernmental	100,000	100,000	194,663	94,663
TOTAL REVENUES	100,000	100,000	222,604	122,604
EXPENDITURES:				
Current:				
Public safety	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	100,000	100,000	222,604	122,604
OTHER FINANCING USES:				
Transfers out	(100,000)	(100,000)	(100,000)	-
TOTAL OTHER FINANCING USES	(100,000)	(100,000)	(100,000)	-
NET CHANGE IN FUND BALANCE	-	-	122,604	122,604
FUND BALANCES - BEGINNING OF FISCAL YEAR	675,007	675,007	675,007	-
FUND BALANCES - END OF FISCAL YEAR	\$ 675,007	\$ 675,007	\$ 797,611	\$ 122,604

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 222	\$ 222
Intergovernmental	6,564	6,564	10,201	3,637
TOTAL REVENUES	6,564	6,564	10,423	3,859
EXPENDITURES:				
Current:				
Public works	5,500	5,500	5,689	(189)
TOTAL EXPENDITURES	5,500	5,500	5,689	(189)
EXCESS OF REVENUES OVER EXPENDITURES	1,064	1,064	4,734	3,670
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	1,064	1,064	4,734	3,670
FUND BALANCES - BEGINNING OF FISCAL YEAR	2,392	2,392	2,392	-
FUND BALANCES - END OF FISCAL YEAR	\$ 3,456	\$ 3,456	\$ 7,126	\$ 3,670

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 619	\$ 619
Intergovernmental	6,160	6,160	-	(6,160)
TOTAL REVENUES	6,160	6,160	619	(5,541)
EXPENDITURES:				
Current:				
Community development	5,775	5,775	2,914	2,861
TOTAL EXPENDITURES	5,775	5,775	2,914	2,861
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	385	385	(2,295)	(2,680)
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	385	385	(2,295)	(2,680)
FUND BALANCES - BEGINNING OF FISCAL YEAR	22,188	22,188	22,188	-
FUND BALANCES - END OF FISCAL YEAR	\$ 22,573	\$ 22,573	\$ 19,893	\$ (2,680)

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, 2025

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

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 32,075	\$ 32,075
Intergovernmental	393,645	393,645	359,839	(33,806)
TOTAL REVENUES	393,645	393,645	391,914	(1,731)
EXPENDITURES:				
Current:				
Public works	-	-	231,051	(231,051)
Capital outlay	-	-	107,349	(107,349)
TOTAL EXPENDITURES	-	-	338,400	(338,400)
EXCESS OF REVENUES OVER EXPENDITURES	393,645	393,645	53,514	(340,131)
OTHER FINANCING USES:				
Transfers out	(1,077,541)	(1,077,541)	(587,231)	490,310
TOTAL OTHER FINANCING USES	(1,077,541)	(1,077,541)	(587,231)	490,310
NET CHANGE IN FUND BALANCE	(683,896)	(683,896)	(533,717)	150,179
FUND BALANCES - BEGINNING OF FISCAL YEAR	1,564,153	1,564,153	1,564,153	-
FUND BALANCES - END OF FISCAL YEAR	\$ 880,257	\$ 880,257	\$ 1,030,436	\$ 150,179

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 73,469	\$ 73,469
Intergovernmental	454,031	454,031	423,556	(30,475)
TOTAL REVENUES	454,031	454,031	497,025	42,994
EXPENDITURES:				
Current:				
Public works	4,500	4,500	93,169	(88,669)
TOTAL EXPENDITURES	4,500	4,500	93,169	(88,669)
EXCESS OF REVENUES OVER EXPENDITURES	449,531	449,531	403,856	(45,675)
OTHER FINANCING USES:				
Transfers out	(444,845)	(445,868)	(23,292)	422,576
TOTAL OTHER FINANCING USES	(444,845)	(445,868)	(23,292)	422,576
NET CHANGE IN FUND BALANCE	4,686	3,663	380,564	376,901
FUND BALANCES - BEGINNING OF FISCAL YEAR	1,985,318	1,985,318	1,985,318	-
FUND BALANCES - END OF FISCAL YEAR	\$ 1,990,004	\$ 1,988,981	\$ 2,365,882	\$ 376,901

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 348,534	\$ 348,534	\$ 719,581	\$ 371,047
TOTAL REVENUES	<u>348,534</u>	<u>348,534</u>	<u>719,581</u>	<u>371,047</u>
EXPENDITURES:				
Capital outlay	<u>236,552</u>	<u>236,552</u>	<u>280,724</u>	<u>(44,172)</u>
TOTAL EXPENDITURES	<u>236,552</u>	<u>236,552</u>	<u>280,724</u>	<u>(44,172)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>111,982</u>	<u>111,982</u>	<u>438,857</u>	<u>326,875</u>
OTHER FINANCING USES:				
Transfers out	<u>(394,464)</u>	<u>(394,464)</u>	<u>(438,857)</u>	<u>(44,393)</u>
TOTAL OTHER FINANCING USES	<u>(394,464)</u>	<u>(394,464)</u>	<u>(438,857)</u>	<u>(44,393)</u>
NET CHANGE IN FUND BALANCE	(282,482)	(282,482)	-	282,482
FUND DEFICITS - BEGINNING OF FISCAL YEAR	<u>(171,046)</u>	<u>(171,046)</u>	<u>(171,046)</u>	<u>-</u>
FUND DEFICITS - END OF FISCAL YEAR	<u>\$ (453,528)</u>	<u>\$ (453,528)</u>	<u>\$ (171,046)</u>	<u>\$ 282,482</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 1,336,000	\$ 1,336,000	\$ 553,254	\$ (782,746)
Other revenue	-	-	6,360	6,360
TOTAL REVENUES	<u>1,336,000</u>	<u>1,336,000</u>	<u>559,614</u>	<u>(776,386)</u>
EXPENDITURES:				
Capital outlay	<u>1,336,000</u>	<u>1,336,000</u>	<u>559,614</u>	<u>776,386</u>
TOTAL EXPENDITURES	<u>1,336,000</u>	<u>1,336,000</u>	<u>559,614</u>	<u>776,386</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND DEFICITS - BEGINNING OF FISCAL YEAR	<u>(17,887)</u>	<u>(17,887)</u>	<u>(17,887)</u>	<u>-</u>
FUND DEFICITS - END OF FISCAL YEAR	<u>\$ (17,887)</u>	<u>\$ (17,887)</u>	<u>\$ (17,887)</u>	<u>\$ -</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Intergovernmental	\$ 161,466	\$ 161,466	\$ 26,880	\$ (134,586)
TOTAL REVENUES	<u>161,466</u>	<u>161,466</u>	<u>26,880</u>	<u>(134,586)</u>
EXPENDITURES:				
Capital outlay	<u>55,000</u>	<u>55,000</u>	<u>26,880</u>	<u>28,120</u>
TOTAL EXPENDITURES	<u>55,000</u>	<u>55,000</u>	<u>26,880</u>	<u>28,120</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>106,466</u>	<u>106,466</u>	<u>-</u>	<u>(106,466)</u>
OTHER FINANCING USES:				
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
TOTAL OTHER FINANCING USES	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCE	6,466	6,466	-	(6,466)
FUND BALANCES - BEGINNING OF FISCAL YEAR	<u>18,085</u>	<u>18,085</u>	<u>18,085</u>	<u>-</u>
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 24,551</u>	<u>\$ 24,551</u>	<u>\$ 18,085</u>	<u>\$ (6,466)</u>

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, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES:				
Intergovernmental	\$ 63,000	\$ 63,000	\$ -	\$ (63,000)
TOTAL REVENUES	63,000	63,000	-	(63,000)
EXPENDITURES:				
Capital outlay	63,000	63,000	33,000	30,000
TOTAL EXPENDITURES	63,000	63,000	33,000	30,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	(33,000)	(33,000)
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	(33,000)	(33,000)
FUND BALANCES (DEFICITS) - BEGINNING OF FISCAL YEAR	-	-	-	-
FUND DEFICITS - END OF FISCAL YEAR	\$ -	\$ -	\$ (33,000)	\$ (33,000)

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 40,299	\$ 40,299
Charges for services	2,100	2,100	334	(1,766)
Intergovernmental	556,279	556,279	519,432	(36,847)
TOTAL REVENUES	558,379	558,379	560,065	1,686
EXPENDITURES:				
Current:				
Community services programs	297,200	297,200	72,492	224,708
Capital outlay	-	-	198,562	(198,562)
TOTAL EXPENDITURES	297,200	297,200	271,054	26,146
EXCESS OF REVENUES OVER EXPENDITURES	261,179	261,179	289,011	27,832
OTHER FINANCING USES:				
Transfers out	(559,620)	(559,620)	(407,799)	151,821
TOTAL OTHER FINANCING USES	(559,620)	(559,620)	(407,799)	151,821
NET CHANGE IN FUND BALANCE	(298,441)	(298,441)	(118,788)	179,653
FUND BALANCES - BEGINNING OF FISCAL YEAR	1,392,857	1,392,857	1,392,857	-
FUND BALANCES - END OF FISCAL YEAR	\$ 1,094,416	\$ 1,094,416	\$ 1,274,069	\$ 179,653

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Taxes	\$ 353,621	\$ 353,621	\$ 317,608	\$ (36,013)
Use of money and property	-	-	41,813	41,813
Intergovernmental	-	-	1,002	1,002
TOTAL REVENUES	<u>353,621</u>	<u>353,621</u>	<u>360,423</u>	<u>6,802</u>
EXPENDITURES:				
Current:				
Public works	4,500	4,500	6,970	(2,470)
Capital outlay	-	-	4,713	(4,713)
TOTAL EXPENDITURES	<u>4,500</u>	<u>4,500</u>	<u>11,683</u>	<u>(7,183)</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>349,121</u>	<u>349,121</u>	<u>348,740</u>	<u>(381)</u>
OTHER FINANCING USES:				
Transfers out	(544,845)	(545,868)	(495,177)	50,691
TOTAL OTHER FINANCING USES	<u>(544,845)</u>	<u>(545,868)</u>	<u>(495,177)</u>	<u>50,691</u>
NET CHANGE IN FUND BALANCE	(195,724)	(196,747)	(146,437)	50,310
FUND BALANCES - BEGINNING OF FISCAL YEAR	<u>1,489,703</u>	<u>1,489,703</u>	<u>1,489,703</u>	<u>-</u>
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 1,293,979</u>	<u>\$ 1,292,956</u>	<u>\$ 1,343,266</u>	<u>\$ 50,310</u>

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 138,796	\$ 138,796
Special assessments	405,756	405,756	373,660	(32,096)
TOTAL REVENUES	405,756	405,756	512,456	106,700
EXPENDITURES:				
Current:				
Public works	50,000	50,000	6,348	43,652
Capital outlay	200,000	200,000	-	200,000
TOTAL EXPENDITURES	250,000	250,000	6,348	243,652
EXCESS OF REVENUES OVER EXPENDITURES	155,756	155,756	506,108	350,352
NET CHANGE IN FUND BALANCE	155,756	155,756	506,108	350,352
FUND BALANCES - BEGINNING OF FISCAL YEAR	3,967,351	3,967,351	3,967,351	-
FUND BALANCES - END OF FISCAL YEAR	\$ 4,123,107	\$ 4,123,107	\$ 4,473,459	\$ 350,352

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,050	\$ 1,050
TOTAL REVENUES	-	-	1,050	1,050
EXPENDITURES:				
Current:				
General government	-	-	-	-
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,050	1,050
NET CHANGE IN FUND BALANCE	-	-	1,050	1,050
FUND BALANCES - BEGINNING OF FISCAL YEAR	32,673	32,673	32,673	-
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 32,673</u>	<u>\$ 32,673</u>	<u>\$ 33,723</u>	<u>\$ 1,050</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 1,184	\$ 1,184
Other revenues	1,000,000	1,000,000	-	(1,000,000)
TOTAL REVENUES	1,000,000	1,000,000	1,184	(998,816)
EXPENDITURES:				
Current:				
Community development	1,000,000	1,000,000	-	1,000,000
TOTAL EXPENDITURES	1,000,000	1,000,000	-	1,000,000
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,184	1,184
NET CHANGE IN FUND BALANCE	-	-	1,184	1,184
FUND BALANCES - BEGINNING OF FISCAL YEAR	36,870	36,870	36,870	-
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 36,870</u>	<u>\$ 36,870</u>	<u>\$ 38,054</u>	<u>\$ 1,184</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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ 605,265	\$ 605,265	\$ -	\$ (605,265)
TOTAL REVENUES	<u>605,265</u>	<u>605,265</u>	<u>-</u>	<u>(605,265)</u>
EXPENDITURES:				
Current:				
Community services programs	605,265	605,265	-	605,265
TOTAL EXPENDITURES	<u>605,265</u>	<u>605,265</u>	<u>-</u>	<u>605,265</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND DEFICITS - BEGINNING OF FISCAL YEAR	<u>(10,115)</u>	<u>(10,115)</u>	<u>(10,115)</u>	<u>-</u>
FUND DEFICITS - END OF FISCAL YEAR	<u>\$ (10,115)</u>	<u>\$ (10,115)</u>	<u>\$ (10,115)</u>	<u>\$ -</u>

City of South El Monte
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual - CalHome Reuse Special Revenue Fund
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 22,388	\$ 22,388
Intergovernmental	734,055	734,055	22,000	(712,055)
TOTAL REVENUES	734,055	734,055	44,388	(689,667)
EXPENDITURES:				
Current:				
Community development	734,055	734,055	14,200	719,855
TOTAL EXPENDITURES	734,055	734,055	14,200	719,855
EXCESS OF REVENUES OVER EXPENDITURES	-	-	30,188	30,188
OTHER FINANCING SOURCES (USES):				
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	30,188	30,188
FUND BALANCES - BEGINNING OF FISCAL YEAR	689,061	689,061	689,061	-
FUND BALANCES - END OF FISCAL YEAR	\$ 689,061	\$ 689,061	\$ 719,249	\$ 30,188

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, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ 2,055	\$ 2,055
Other Revenues	63,000	63,000	-	(63,000)
TOTAL REVENUES	63,000	63,000	2,055	(60,945)
EXPENDITURES:				
Current:				
General government	63,000	63,000	-	63,000
TOTAL EXPENDITURES	63,000	63,000	-	63,000
EXCESS OF REVENUES OVER EXPENDITURES	-	-	2,055	2,055
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	2,055	2,055
FUND BALANCES - BEGINNING OF FISCAL YEAR	63,964	63,964	63,964	-
FUND BALANCES - END OF FISCAL YEAR	\$ 63,964	\$ 63,964	\$ 66,019	\$ 2,055

City of South El Monte
Schedule of Revenues, Expenditures, and Changes in Fund Balances
Budget to Actual - Housing Successor Fund
For the Fiscal Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Use of money and property	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	-	-	-	-
EXPENDITURES:				
Current:				
Community services programs	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES):				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCES - BEGINNING OF FISCAL YEAR	232,217	232,217	232,217	-
FUND BALANCES - END OF FISCAL YEAR	<u>\$ 232,217</u>	<u>\$ 232,217</u>	<u>\$ 232,217</u>	<u>\$ -</u>

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.	144 - 147
<u>Revenue Capacity</u> - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	148 - 151
<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.	152 - 153
<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.	154 - 155
<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.	156 - 160

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

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

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Primary government										
Governmental activities										
Net Investment in capital assets	\$ 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	\$ 33,577,814
Restricted	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	17,199,162
Unrestricted	(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	5,790,335
Total primary government net position	<u><u>\$ 18,838,586</u></u>	<u><u>\$ 20,301,329</u></u>	<u><u>\$ 25,157,111</u></u>	<u><u>\$ 26,625,963</u></u>	<u><u>\$ 26,468,877</u></u>	<u><u>\$ 27,908,382</u></u>	<u><u>\$ 37,634,475</u></u>	<u><u>\$ 43,704,512</u></u>	<u><u>\$ 47,739,750</u></u>	<u><u>\$ 56,567,311</u></u>

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)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Primary government										
Governmental activities										
Revenues										
Charges for services	\$ 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	\$ 5,863,709
Operating contributions and grants	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	1,981,109
Capital contributions and grants	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	8,282,691
Property taxes	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	5,857,115
Transient occupancy taxes	212,323	229,111	191,636	288,383	236,442	268,482	212,705	349,528	309,563	269,697
Franchise taxes	813,819	809,243	798,954	890,867	973,919	1,050,379	1,138,428	1,305,558	1,345,156	1,406,404
Sales taxes	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	11,500,510
Motor vehicle in lieu tax	8,409	2,222,849	2,343,267	2,481,572	2,638,576	2,776,579	1,481,767	20,160	24,137	30,802
Investment income	17,615	48,567	76,073	91,983	140,950	46,753	21,643	238,148	1,653,672	1,184,757
Other	32,139	486,779	200,367	139,308	503,180	226,633	398,825	644,562	94,853	193,785
Total revenues	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	36,570,579
Expenses										
General government	\$ 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	\$ 5,749,551
Public safety	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	7,251,613
Public works/utilities	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	7,523,823
Community development	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	2,273,430
Community service programs	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	4,630,506
Interest on long-term debt	15,498	12,611	55,544	31,816	31,503	20,119	24,427	277,081	327,368	314,095
Total expenses	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	27,743,018
Total primary government change in net position	\$ (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	\$ 8,827,561
Beginning 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
Change in net position	(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	8,827,561
Prior period adjustments *	-	-	8,166,377	197,867	-	-	-	-	(3,450,019)	-
Ending net position	\$ 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	\$ 56,567,311

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

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)

GASB 54 Fund Balance Classification	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 20,593	\$ 40,061	\$ 88,354	\$ 2,810,805	\$ 13,500	\$ 25,284	\$ 157,994	\$ 91,186	\$ 36,424	\$ 23,000
Unassigned	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	18,023,617
Total General Fund	<u>3,917,218</u>	<u>4,380,459</u>	<u>4,420,268</u>	<u>5,961,213</u>	<u>6,399,267</u>	<u>7,307,431</u>	<u>9,941,269</u>	<u>17,627,530</u>	<u>17,376,534</u>	<u>18,046,617</u>
All other governmental funds										
Nonspendable	-	314	-	-	-	-	-	-	-	-
Restricted										
Special revenue funds	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	16,263,096
Capital projects funds	990,992	946,044	557,950	875,039	893,065	1,025,418	1,026,815	-	-	-
Unassigned	(127,015)	(2,392)	(40,452)	(673,445)	(897,513)	(1,729,183)	-	(1,131,284)	(1,828,722)	(2,296,371)
Total all other governmental funds	<u>6,831,228</u>	<u>6,343,662</u>	<u>11,257,630</u>	<u>12,015,244</u>	<u>13,782,900</u>	<u>14,999,872</u>	<u>21,420,259</u>	<u>18,065,125</u>	<u>15,350,255</u>	<u>13,966,725</u>
Total Governmental Funds	<u>\$ 10,748,446</u>	<u>\$ 10,724,121</u>	<u>\$ 15,677,898</u>	<u>\$ 17,976,457</u>	<u>\$ 20,182,167</u>	<u>\$ 22,307,303</u>	<u>\$ 31,361,528</u>	<u>\$ 35,692,655</u>	<u>\$ 32,726,789</u>	<u>\$ 32,013,342</u>

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

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	\$ 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	\$ 18,819,976
Licenses and permits	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	3,369,037
Fines and forfeitures	261,638	323,515	253,925	284,632	201,387	134,735	184,977	18,593	42,490	19,866
Use of money and property	66,272	95,378	149,481	91,983	140,950	99,283	82,098	293,313	1,713,201	1,256,912
Charges for services	320,021	375,632	319,879	462,348	334,822	440,572	321,814	399,573	323,998	1,292,595
Special assessments	396,826	393,400	394,238	388,551	384,570	383,564	392,343	392,650	4,492	373,660
Intergovernmental	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	11,244,749
Other revenues	32,140	486,780	190,233	235,015	503,180	226,634	398,825	251,201	71,628	193,784
Total revenues	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	36,570,579
Expenditures										
General government	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	5,631,555
Public safety	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	7,227,454
Community development	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	2,249,561
Public works	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	6,474,810
Community service programs	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	4,009,809
Capital outlay	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	10,879,889
Debt service - principal*	59,960	56,598	148,623	175,585	179,855	149,444	148,281	117,662	483,580	496,853
Debt service - interest*	15,498	12,611	55,544	31,816	31,503	20,119	24,427	17,297	327,368	314,095
Total expenditures	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	37,284,026
Other financing sources (uses):										
Proceeds from long-term debt	-	-	-	-	-	-	-	9,815,000	-	-
Cost of issuance	-	-	-	-	-	-	-	(221,556)	-	-
Principal repayment	-	-	-	-	-	-	-	(384,484)	-	-
Interest payment	-	-	-	-	-	-	-	(294,378)	-	-
Pension funding	-	-	-	-	-	-	-	(9,593,444)	-	-
Transfers-in	2,734,569	3,132,356	551,989	29,701	-	-	-	5,214,190	3,606,325	5,214,439
Transfers-out	(2,734,569)	(3,132,356)	(551,989)	(29,701)	-	-	-	(5,214,190)	(3,606,325)	(5,214,439)
Proceeds from loan	1,868,754	438,350	-	-	-	-	-	-	-	-
Total other financing sources (uses)	1,868,754	438,350	-	-	-	-	-	(678,862)	-	-
Excess (deficiency)	\$ 8,135	\$ (24,325)	\$ (2,020,302)	\$ 2,100,692	\$ 2,205,710	\$ 2,125,136	\$ 9,054,225	\$ 4,331,127	\$ 484,150	\$ (713,447)
Beginning 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
Change in fund balance	8,135	(24,325)	(2,020,302)	2,100,692	2,205,710	2,125,136	9,054,225	4,331,127	484,150	(713,447)
Prior period adjustments**	-	-	6,974,079	197,867	-	-	-	-	(3,450,016)	-
Ending fund balance	\$ 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	\$ 32,013,342

* Ratio of total debt service to noncapital expenditures:

Total debt service	\$ 75,458	\$ 69,209	\$ 204,167	\$ 207,401	\$ 211,358	\$ 169,563	\$ 172,708	\$ 134,959	\$ 810,948	\$ 810,948
Noncapital expenditures	\$ 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	\$ 26,404,137
Ratio of total debt service to noncapital expenditures	0.49%	0.47%	1.10%	1.29%	1.24%	0.89%	0.74%	0.67%	3.31%	3.07%

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

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)

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Primary government										
Governmental activities										
Revenues										
Taxes										
Property taxes	\$ 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	\$ 5,857,115
Transient occupancy taxes	212,323	229,111	191,636	288,383	236,442	268,482	212,705	349,528	309,563	269,697
Franchise taxes	813,819	809,243	798,954	890,867	973,919	1,050,379	1,138,427	1,305,558	1,345,156	1,406,404
Sales taxes	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	11,500,510
Motor vehicle in lieu tax	8,409	2,222,849	2,343,267	2,481,572	2,638,576	2,776,579	1,481,767	20,160	24,137	30,802
Total tax revenues	<u>\$ 10,319,735</u>	<u>\$ 11,065,399</u>	<u>\$ 11,088,637</u>	<u>\$ 12,242,601</u>	<u>\$ 12,889,006</u>	<u>\$ 13,697,499</u>	<u>\$ 16,834,620</u>	<u>\$ 17,127,172</u>	<u>\$ 18,400,923</u>	<u>\$ 19,064,528</u>

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

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property	Total Secured Property	Utility	Unsecured	Total	Total Direct Tax Rate
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%
2024-25	1,225,520,438	310,315,229	1,530,368,564	129,821,968	3,196,026,199	-	231,619,538	3,427,645,737	6.880%

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.

Prepared By: HdL, Coren & Cone.

Data Source: Los Angeles County Assessor 2015/16 - 2024/25 Combined Tax Rolls.

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

	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
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	0.14642	0.14682	0.14616	0.14580	0.10803	0.07513	0.07989	0.09066	0.08848	0.09129
El Monte Union High School	0.09155	0.08469	0.08243	0.08793	0.10969	0.09294	0.07651	0.06750	0.06905	0.06222
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00700
Mountain View School District	-	-	0.04770	0.05534	0.05140	0.05485	0.09925	0.09362	0.09347	0.09114
Pasadena Community College District	0.00872	0.00885	0.00819	0.00767	0.00721	0.00554	0.00899	0.00869	0.02510	0.02434
Rio Hondo Community College District	0.02712	0.02808	0.02748	0.02554	0.02571	0.01361	0.01526	0.01535	0.02182	0.02334
Total Direct & Overlapping ² Tax Rates	<u>1.27731</u>	<u>1.27194</u>	<u>1.31546</u>	<u>1.32578</u>	<u>1.30554</u>	<u>1.24557</u>	<u>1.28340</u>	<u>1.27931</u>	<u>1.30141</u>	<u>1.29932</u>
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	<u>0.06931</u>	<u>0.06926</u>	<u>0.06907</u>	<u>0.06919</u>	<u>0.06907</u>	<u>0.06903</u>	<u>0.06899</u>	<u>0.06892</u>	<u>0.06885</u>	<u>0.06880</u>

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.

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

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.

Prepared By: HdL, Coren & Cone.

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

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
INTERNATIONL MEDICATION SYSTEMS LIMITED	\$ 56,174,694	1	1.64%	\$ 32,301,152	1	1.62%
GWL DIRECT 11077 RUSH LLC	48,246,000	2	1.41%			
OUT OF THE SHELL LLC	45,607,649	3	1.33%			
VACCO INDUSTRIES	31,403,152	4	0.92%	12,578,527	6	0.63%
KB HOME GREATER LOS ANGELES INC	23,868,000	5	0.70%			
RAKSHA H AND HARSHAD O SHAH	23,799,374	6	0.69%			
AMRO FABRICATING CORPORATION	20,905,337	7	0.61%			
SAN GABRIEL VALLEY WATER COMPANY	19,534,449	8	0.57%			
HIEU INVESTMENTS LLC	19,281,285	9	0.56%			
PRIME FRIT EL MONTE LLC	18,071,406	10	0.53%			
M AND T COMPANY LLC				14,365,458	2	0.72%
OWEN BROS ENTERPRISES				14,096,061	3	0.71%
ART WEISS INC				13,481,551	4	0.68%
WHITTIER NARROWS BUSINESS PARK				13,042,700	5	0.66%
SELL HOMES LLC				10,567,878	7	0.53%
GREATER EL MONTE CALMED INVESTMENT LP				10,342,513	8	0.52%
PRIMESTOR SOUTH EL MONTE LLC				10,329,584	9	0.52%
1858 SOUTH EL MONTE LLC				10,014,386	10	0.50%
Total Taxable Assessed Value Other Largest Taxpayers	\$ 306,891,346		8.96%	\$ 141,119,810		7.10%
Total Taxable Assessed Value Other Taxpayers.....	\$ 3,120,754,391		91.04%	\$ 1,848,512,499		92.90%
Total Taxable Assessed Value All Taxpayers.....	\$ 3,427,645,737		100.00%	\$ 1,989,632,309		100.00%

Prepared By: HdL, Coren & Cone.

City of South El Monte
Table 9 - Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Governmental Activities								
Fiscal Year	Capital Lease Energy Retrofit	Capital Lease Copier	ERCDC Loan	Private Placement 2022 Lease Agreement	Total Primary Government	% of Personal Income (1)	Per Capita (1)	
2016	\$ 278,433	\$ -	\$ 1,868,754	\$ -	\$ 2,147,187	0.71%	\$ 103	
2017	221,835	-	2,307,104	-	2,528,939	0.81%	121	
2018	162,348	-	2,217,968	-	2,380,316	0.76%	114	
2019	99,823	-	2,104,908	-	2,204,731	0.67%	104	
2020	34,106	-	1,990,770	-	2,024,876	0.59%	95	
2021	-	-	1,875,432	-	1,875,432	0.52%	88	
2022	-	93,768	1,758,938	-	1,852,706	0.49%	94	
2023	-	60,698	1,641,275	9,430,516	11,132,489	2.75%	572	
2024	-	30,469	1,522,477	9,065,734	10,618,680	2.42%	546	
2025	-	15,144	1,402,444	8,688,914	10,106,502	2.29%	517	

Notes:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) See Table 11 - Demographics and Economic Statistics.

Source: City of South El Monte Finance Department

City of South El Monte
Table 10 - Direct and Overlapping Debt
Current Year

2024-25 Assessed Valuation: \$3,427,645,737

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/25	% Applicable (1)	City's Share of Debt 6/30/25
Metropolitan Water District	\$ 17,155,000	0.084 %	\$ 14,410
Rio Hondo Community College District	356,554,080	6.306	22,484,300
El Monte Union High School District	253,148,778	16.837	42,622,660
El Monte School District	120,540,546	14.236	17,160,152
Mountain View School District	79,815,000	23.567	18,810,001
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 101,091,523
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$ 3,036,637,390	0.163 %	\$ 4,949,719
Los Angeles County Superintendent of Schools Certificates of Participation	2,331,775	0.163	3,801
El Monte Union High School District General Fund Obligations	9,365,000	16.837	1,576,785
City of South El Monte General Fund Obligations	10,106,502	100.000	10,106,502
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 16,636,807
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agencies):</u>	\$ 19,105,000	100.000 %	\$ 19,105,000
TOTAL DIRECT DEBT			\$ 10,106,502
TOTAL OVERLAPPING DEBT			\$ 126,726,828
COMBINED TOTAL DEBT			\$ 136,833,330 (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 2024-25 Assessed Valuation:

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,945,404,513)

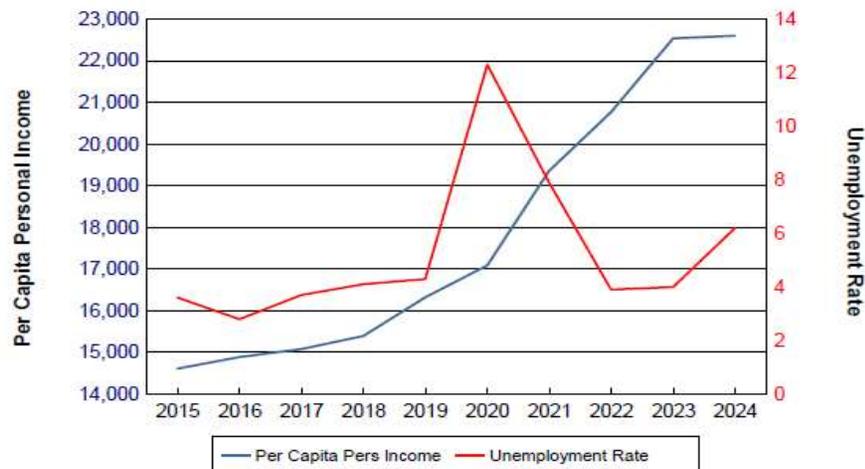
Total Overlapping Tax and Assessment Debt	2.95%	Total Overlapping Tax Increment Debt	0.98%
Total Direct Debt (\$10,106,502)	0.25%		
Combined Total Debt	3.95%		

Data Source: California Municipal Statistics, Inc.

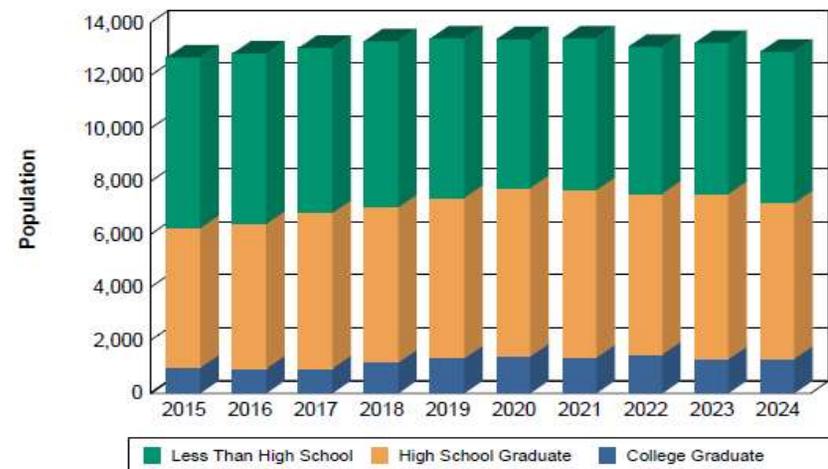
City of South El Monte
Table 11 - Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Median Age	Unemployment Rate
2015	20,814	\$304,112	\$14,610	32.6	3.6%
2016	20,862	310,663	14,891	33.4	2.8%
2017	20,882	314,899	15,079	34.2	3.7%
2018	21,293	327,800	15,394	34.3	4.1%
2019	21,204	346,078	16,321	34.3	4.3%
2020	21,296	363,970	17,091	34.4	12.3%
2021	19,668	380,710	19,356	34.8	7.9%
2022	19,461	404,215	20,770	35.8	3.9%
2023	19,441	438,150	22,537	37.4	4.0%
2024	19,535	441,506	22,600	37.8	4.0%

Personal Income and Unemployment



Education Level Attained for Population 25 and Over



Prepared By: HdL Coren & Cone:

Data Source:

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 12 - Principal Employers
Current Year and Nine Years Ago

Employer	2025			2016		
	Employees*	% of Total City Employment	Rank	Employees*	% of Total City Employment	Rank
VACCO INDUSTRIES	424	5.11%	1	386	4.60%	3
GREATER EL MONTE COMMUNITY HOSPITAL	345	4.16%	2	387	4.61%	2
LAWRENCE EQUIPMENT, INC.	298	3.59%	3	270	3.21%	4
AMRO FABRICATING CORPORATION	238	2.87%	4	162	1.93%	6
INTERNATIONL MEDICATION SYSTEMS LIMITED	231	2.78%	5	667	7.94%	1
BALI CONSTRUCTION, INC.	145	1.75%	6			
CRANEVEYOR CORP	117	1.41%	7			
LEADER INDUSTRIES	105	1.27%	8	117	1.39%	9
9D8 SEWING, INC	90	1.08%	9			
MARSHALLS #1057	73	0.88%	10			
CARDINAL PAINT AND POWDER INC.				208	2.48%	5
CALIFORNIA FIRE FIGHTERS APPRENTICESHIP TRAINING				150	1.79%	7
SUPERIOR GROCERS #104				128	1.52%	8
EL MONTE SUPERSTORE				100	1.19%	10
Total	2,066	24.89%		2,575	30.65%	
Total Employment**	8,300	100.00%		8,400	100.00%	

Sources:

* HdL Business License Data

** State of California Employment Development Department

City of South El Monte
Table 13 - Full-Time Equivalent City Employees by Function / Program *
Last Ten Fiscal Years

	2016	2017**	2018	2019	2020	2021	2022	2023***	2024****	2025*****
General government	11.69	12.67	13.65	18.70	18.74	17.17	14.00	13.50	16.50	16.50
Public safety	5.50	5.83	6.15	9.05	7.60	2.13	2.50	3.50	7.00	0.00
Community development	5.71	6.31	6.90	8.58	6.42	8.35	7.50	10.00	6.00	5.00
Public works	16.27	17.22	18.16	18.10	24.91	31.78	21.75	22.50	31.00	36.00
Community services	47.83	50.74	53.64	57.07	44.83	19.57	33.25	35.00	43.50	58.00
	87.00	92.75	98.50	111.50	102.50	79.00	79.00	84.50	104.00	115.50

* Full time employees assumed at a utilization rate of 1.00 and part-time employes, 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 average between fiscal years 2016 and 2018.

*** Code Enforcement Officers were counted as community development.

**** Code Enforcement Officer were counted as public safety.

***** Code Enforcement Officer and Public Safety Officer were counted as public works.



City of South El Monte
Table 14 - Operating Indicators by Function / Program
Last Ten Fiscal Years

FUNCTION	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
GENERAL GOVERNMENT										
SALES OF PUBLICATIONS	80	111	81	91	37	18	18	13	17	3
RENTS	39	40	34	37	31	35	32	26	41	46
PASSPORTS*	0	0	0	0	0	0	0	0	35	305
	119	151	115	128	68	53	50	39	93	354
COMMUNITY DEVELOPMENT										
BUSINESS LICENSE										
Acupressure Establishment	0	0	0	0	0	0	0	0	1	1
Advertising Billboard	0	0	0	0	0	0	1	7	8	8
Apartments-5 Or More	46	46	47	46	47	47	48	20	28	23
Bingo Game-charitable	1	1	1	1	1	1	0	2	2	1
Carnival/Circus/Traveling Show	0	0	0	0	0	1	0	0	0	0
Contractor-inside Registration	39	40	43	51	51	58	58	49	67	77
Contractors-outside	3	1	5	6	4	5	5	157	232	238
Exempt	0	0	0	0	2	3	3	0	0	0
Food Establishment	93	94	95	100	99	101	100	43	56	46
Gardener-outside	1	1	1	1	0	0	0	0	1	1
Gun Dealer	1	1	1	1	1	0	0	0	0	0
Health Club/Spa	0	0	0	0	0	0	1	3	5	7
Home Occupation	13	16	18	19	26	32	36	21	30	29
Import/export Registration	42	46	48	48	49	46	43	42	41	41
Janitorial-Outside	0	0	0	0	0	0	0	4	3	3
Kennel	1	1	1	1	1	1	1	1	1	1
Manufacturing Registration	174	185	190	205	211	183	184	159	188	208
Massage Parlor	2	2	2	2	1	1	1	1	1	0
Massage Technician	5	7	10	13	4	0	0	0	0	0
Motels	3	3	3	3	3	4	3	3	3	3
Other Outside Business	0	0	0	0	0	0	0	0	0	27
Other Registration	83	84	88	88	95	105	110	139	172	207
Peddler-retail Veh.-Out of City	3	3	3	7	4	4	4	5	5	4
Peddler-whole/Retail in City	0	0	0	0	0	0	0	1	2	3
Pharmacies	0	0	0	0	0	0	0	1	1	1
Private Patrol-Business	0	0	0	0	0	0	0	0	0	2
Private School	1	1	1	1	1	1	1	2	3	2
Professional-registration	76	82	90	104	103	95	97	79	83	84
Public Eating - No Alcohol Sales	17	18	18	16	17	15	20	11	14	9
Public Eating W/alcohol/dance & Ent.	2	2	2	2	2	2	2	2	2	2
Public Eating With Alcohol Sales	16	15	17	16	17	18	18	10	14	12
Public Eating-all Other	2	2	2	3	3	3	4	9	14	11
Rentals-apartments	72	68	71	85	84	83	79	34	62	54
Rentals-boarding Houses	5	5	5	4	4	5	6	3	6	6
Rentals-condominiums	2	2	2	5	4	4	5	3	8	9
Rentals-duplexes	92	96	96	100	90	85	87	29	38	37
Rentals-single Family Dwelling	261	264	266	278	280	280	281	110	174	167
Rentals-townhouses	0	0	0	1	1	1	1	0	0	2
Rentals-triplexes	18	18	18	17	16	17	18	7	19	16
Repair Svcs - Registration	68	74	79	74	78	74	73	74	88	89
Retail Registration	94	101	111	129	142	147	154	149	179	184
Salvage Collector-Out of City	0	0	0	0	0	0	0	2	2	2
Sewing/garment-registration	63	69	81	79	71	61	61	42	38	38
Solicitation-Commercial	0	0	0	0	0	0	0	1	0	1
Swap Meet	0	0	0	0	1	1	1	0	0	0
Undefined	0	0	0	0	0	0	0	0	0	3
Warehouse-registration	50	52	73	81	83	85	90	84	129	136
Waste Collector	3	2	2	2	3	2	2	2	3	3
Wholesale Registration	239	251	275	313	344	340	348	324	387	419
	1,591	1,653	1,765	1,902	1,943	1,911	1,946	1,635	2,110	2,217

City of South El Monte
Table 14 - Operating Indicators by Function / Program (Continued)
Last Ten Fiscal Years

PUBLIC WORKS

BUILDING PERMITS	383	334	328	351	363	376	319	549	669	638
DEVELOPMENT FEES	6	13	5	13	12	15	12	2	2	0
ELECTRICAL PERMITS	145	137	135	143	126	152	92	141	167	151
ENCROACHMENT PERMIT	136	152	109	137	140	138	134	163	200	85
FINES AND FORFEITURES	31	29	12	25	3	9	11	12	10	12
FORECLOSURE REGISTRATION	46	31	20	22	21	11	8	17	10	2
GRADING PERMIT	5	13	7	15	9	5	12	7	14	5
HOME FRCLSURE PRCSSG FEE	45	30	17	20	21	11	8	16	8	2
INDUSTRIAL WASTE PERMIT	193	207	194	180	170	150	175	173	22	159
MECHANICAL PERMITS	70	64	68	57	70	74	50	69	88	95
PENALTY	175	175	167	45	3	0	0	0	0	0
PLANNING FEES	78	86	67	69	64	61	97	107	132	114
PLUMBING PERMITS	69	91	76	75	78	79	58	99	120	117
PUBLIC WORKS PERMIT	139	127	143	79	98	75	104	17	87	76
SEWER PERMIT	11	15	20	11	11	24	16	17	40	44
STORAGE OF PERMIT-P.MAINT	39	47	33	32	18	32	16	8	0	0
STRONG MOTION PERMIT	19	19	8	23	26	26	14	7	0	0

	1,590	1,570	1,409	1,297	1,233	1,238	1,126	1,404	1,569	1,500
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COMMUNITY SERVICES

BASKETBALL	385	450	405	338	250	85	310	391	332	367
BOXING REGISTRATION	924	835	924	1,034	776	0	578	1,139	1,428	1,278
BUS PASS	379	327	324	326	127	7	25	67	21	15
CHEERLEADING	798	852	0	0	0	0	0	0	0	0
CHILD SVC-EXTENDED DAY CR	636	568	603	542	350	0	121	171	144	49
CHRISTMAS TOY DR DONATION	127	132	139	134	116	119	129	96	91	75
CI-CONG. MEALS DONATIONS	59	50	55	152	99	40	43	46	58	54
CI-COUNTY PRN CONG.	13	14	16	16	20	20	18	14	20	26
CII-COUNTY PRN HOMEBOUND	28	29	28	30	25	33	26	18	16	34
CII-HOMEBOUND DONATIONS	24	22	27	59	32	21	20	30	51	51
DONATION-PATRIOTIC COMM.	7	5	7	0	0	0	2	0	0	0
EXCURSION-PARKS & REC	54	49	0	0	0	0	0	0	0	0
EXCURSION-SENIOR CENTER	11	13	25	75	65	0	61	1	0	58
EZ BUS PASSES	92	79	59	67	38	9	11	13	13	3
FACILITY RESERVATIONS	29	213	240	189	156	25	117	194	198	143
FARMERS MARKET	0	0	0	0	0	0	0	3	0	0
FOLKLORICO	8	0	0	0	0	0	1	0	0	0
FOOTHILL PASSES	12	13	30	63	18	3	0	1	0	0
RECREAT'N PROG.FUNDRAISER	282	50	0	0	0	0	0	0	0	0
RECREATION FEE	1,755	959	866	594	177	152	251	581	986	1,522
RECREATION SWIMMING	91	203	98	93	68	10	103	0	0	0
RECREATIONAL CLASSES	0	0	0	0	0	0	1	0	0	2
SPECIAL EVENTS	93	87	130	83	195	0	80	17	269	521
SWIM LESSONS	799	869	762	715	579	342	1,234	1,407	742	1,081
SWIM TEAM	21	46	69	43	25	22	9	0	0	0
TAEKWONDO	87	1	28	104	67	0	1	0	0	0
TAP & BALLET	11	0	0	0	0	0	0	0	0	0
T-BALL	189	197	183	138	127	70	130	85	112	120
ZUMBA	183	175	88	41	26	0	75	9	0	0

	7,097	6,238	5,106	4,836	3,336	958	3,346	4,283	4,481	5,399
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* New City Clerk service.

City of South El Monte
Table 15 - Capital Asset by Function
Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General government										
City Hall	1	1	1	1	1	1	1	1	1	1
Solar System	0	4	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 16 - Top 25 Sales Tax Producers
Current Year and Nine Years Ago

Calendar Year 2024
Top 25 Sales Tax Producers

Calendar Year 2015
Top 25 Sales Tax Producers

Business Name	Business Category	Business Name	Business Category
2010 Office Furniture	Office Supplies/Furniture	2010 Office Furniture	Office Supplies/Furniture
Ace Lumber Supply	Building Materials	Ace Lumber Supply	Building Materials
Arco	Service Stations	Arco AM PM	Service Stations
Asia Building Supply	Contractors	Cardinal Paint & Powder	Light Industrial/Printers
Cabinets 4 You	Contractors	DDC Electric Supply	Plumbing/Electrical Supplies
Cardinal Paint & Powder	Light Industrial/Printers	El Monte Gas N Save	Service Stations
Chevron	Service Stations	El Monte Green Petroluem	Service Stations
DDC Electric Supply	Plumbing/Electrical Supplies	El Monte Ornamental Supply	Contractors
El Monte Ornamental Supply	Contractors	Garvey Mart & Service	Service Stations
Exquisite Cabinet & Counter Top	Contractors	Greencastle Cabinetry	Contractors
Greencastle Cabinetry	Contractors	IMS	Drugs/Chemicals
KB Stone & Cabinet	Contractors	Lawrence Equipment	Food Service Equip./Supplies
Lawrence Equipment	Food Service Equip./Supplies	LBC Lighting	Plumbing/Electrical Supplies
Leader Industries	Trailers/Auto Parts	Leader Industries	Trailers/Auto Parts
Marshalls	Family Apparel	Marshalls	Family Apparel
McDonald's	Quick-Service Restaurants	Mikes Shell	Service Stations
Premium Autos	Used Automotive Dealers	Mobil	Service Stations
Quartz Max	Contractors	Quartz Max	Contractors
Shell	Service Stations	Santa Anita Chevron	Service Stations
South El Monte Arco	Service Stations	Shell	Service Stations
Southeast Concrete Products	Contractors	Smardan Supply Co	Plumbing/Electrical Supplies
Superior Grocers	Grocery Stores	Southeast Concrete Products	Contractors
Thompson Industrial Supply	Heavy Industrial	Superior Grocers	Grocery Stores
Tyler Stone	Contractors	TI Systems Corporation	Light Industrial/Printers
USA Gas	Service Stations	USA Gas	Service Stations

Percent of Calendar Year Total Paid By Top 25 Accounts = 42.44%

Percent of Calendar Year Total Paid By Top 25 Accounts = 41.08%

Data Source:

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